

India Strategy



Strong Edifice, Missing Capstone!

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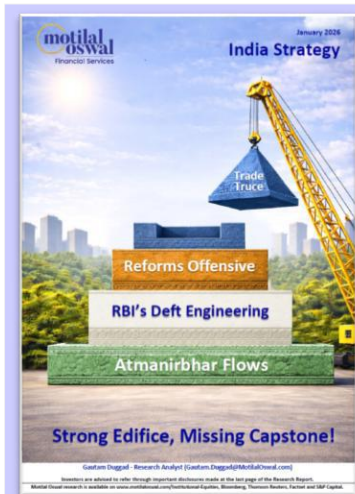
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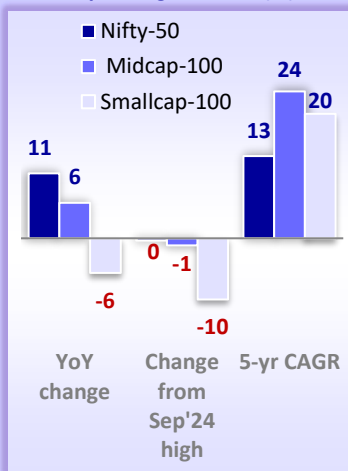
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Large-caps outperform in CY25 and since Sep'24 highs, CAGR (%)



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Strong Edifice, Missing Capstone!

As we step into CY26, Indian equity markets appear in a favorable space with multiple market-supportive, growth-positive building blocks already in place. Indian equities eked out single- /early double-digit gains in CY25 (Nifty: +11%, Nifty MidCap: +6%; Nifty500: +7%) but underperformed global indices materially (MSCI EM: +31%; MSCI AXJ: +30%). In CY25, India had to endure a constant flow of disproportionate and punitive US trade measures, which were instrumental in catalyzing a ~USD19b in FII outflows. However, the government and the RBI have been active in mitigating external headwinds and have adopted several stimulative fiscal, monetary, and reform measures to unshackle domestic growth impulses. In our opinion, these measures should now start to manifest in full force in 2026, and we see limited domestic risk factors thwarting this. However, geopolitics and global trade continue to be in uncharted suboptimal territories and cast a shadow of chronic risk aversion for equity markets. Hence, with most drivers in place, consummation of the long-pending Indo-US bilateral trade deal will be a key potential catalyst for the upmove of Indian markets as the FII outflows slow down, while DIIs are likely to stay a bedrock.

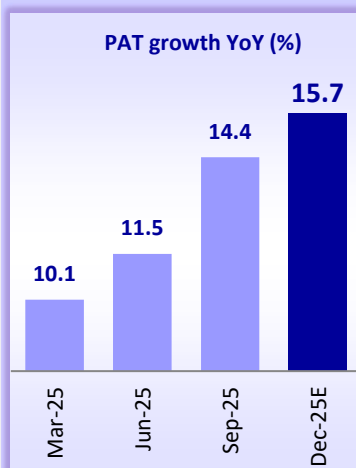
Expect highest growth in eight quarters on improved earnings environment

Against this backdrop, we discuss our views on 3QFY26 earnings and expect MOFSL-covered stocks to clock an impressive PAT growth of 16% YoY – the highest in the past eight quarters. Even barring OMCs, PAT growth is seen at a healthy 13% YoY despite the drag from two large sectors, Banks (+3% YoY) and Technology (+8% YoY). The quality of growth should be better than previous quarters, as we expect 20 sectors/segments to post growth in double digits, marking the completion of the full circle of earnings recovery since it first started to weaken in 1QFY25. This quarter should have the full-blown effect of the GST2.0 cuts that were implemented on 22nd Sep'25. This will be keenly observed for its impact across sectors – even as companies in a few sectors still contend that some transition-related teething issues spilled over into Oct'25. Several items of discretionary consumption (such as cars, travel, and hospitality) have seen a demand resurgence as the GST2.0 stimulus, combined with the festive season, easier interest rates, and personal income tax relief, aided disposable income and purchasing power. Beyond the 3QFY26 numbers, the corporate commentary on the continuing effect of stimulative measures will be critical. This will help assuage investor concerns over the sustainability of the demand uptick once initial enthusiasm post rate cuts and tax cuts normalizes.

Indo-US trade deal – around the corner?

In the current context, when most of the drivers for a positive equity market performance are in place, the uncertain external environment has assumed a critical role. Any material improvement in the US' protectionist stance and harsh geopolitical rhetoric will be positive for global risk assets and be a sentiment booster, particularly for Indian markets, which experienced ~USD19b FII outflows and underperformed most of its global peers. The Indo-US bilateral trade agreement (BTA) is a key missing piece, as the blow-hot, blow-cold responses of the US in the past nine months have kept markets waiting for the Indo-US BTA. Complex global geopolitical equations have resulted in what we deem as an unjustified and harsh singling out of India by the US for

MOFSL Universe to clock ~16% earnings growth in 3QFY26E



punitive economic measures. However, in the past few months, there has been some thaw in the strained relations, and a finalization of the BTA with fair terms of trade should help drive a near-term rally and reset the market base higher.

Earnings revision trend has improved; can it stay put?

We highlighted in an earlier report ([Link](#)) that the earnings cut cycle had started to abate with successively lower intensity of earnings cuts from 2QFY25 to 1QFY26. Earnings revisions for the MOFSL Universe during the three months ending with the earnings season of 2QFY25/3QFY25/4QFY25/1QFY26 stood at -6%/-3%/-4%/-2%. This gave way to an earnings raise in the last quarter, with the MOFSL Universe PAT revised upwards by 2% in 2QFY26. Since the end of 2QFY26 to date, the MOFSL earnings have seen a cut, but marginal at -0.5%. The upcoming earnings season, hence, becomes critical to assess whether the recent trend of easing earnings cuts or earnings raises solidifies further. We are optimistic that the earnings cycle will look more palatable given the favorable backdrop for earnings. We currently expect the MOFSL universe to clock a PAT growth of 14%/15% for FY26/27 and see limited downside from these levels.

DII's have been the mainstay; reversal in FII outflows can be a key trigger

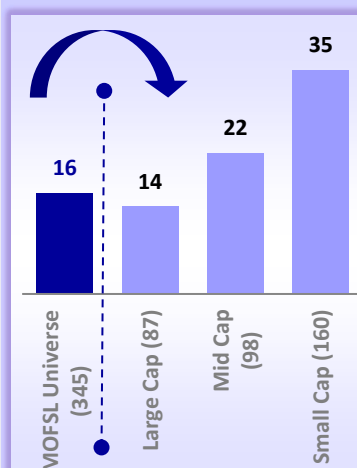
Indian equity markets have been a distinct story of two sets of investors. The domestic institutional investors have continued to be key bidders, pumping ~USD23b in 4QCY25 and ~USD90b in CY25 – helped by steady SIP inflows into domestic MFs. Not only has this helped to mitigate the effects of a spike in FII outflows (~USD19b in CY25), but it has also absorbed the continued surge in primary market issuances with IPOs+FPOs totaling INR1.95trn during the year. FII outflows in CY25 were front-loaded, with 1QCY25 accounting for ~70%+ of the full-year FII outflows. Since then, the FII flows have been oscillating and have lacked a clear direction. However, a period of even moderate FII inflows was accompanied by a market upmove (for example, over Apr-Jun'25, it averaged a modest USD1.7b per month, while Nifty moved up ~12% during this phase). Moderate FII inflows or even abatement in FII outflows will drive a near-term upside in the market, while the downside should be contained owing to expectations of continued DII inflows.

India, in a better space in 2026, should recoup some of the underperformance

We believe that Indian equity markets are entering 2026 with tailwinds outnumbering headwinds. Multiple rate cuts by the RBI (repo by 125bp), accompanied by several rounds of liquidity injections (CRR cuts of 150bp + OMO + FX swaps), have definitely eased the monetary conditions. On the fiscal side, the government has infused money through personal tax forbearance and GST 2.0 cuts. These, plus the regulatory reforms and capex momentum, have helped create a strong platform for double-digit earnings growth. We expect a 15%/12% PAT CAGR over FY25-27 for the MOFSL universe/Nifty. The earnings revision trajectory has distinctly improved, and we see limited risks of meaningful earnings cuts barring any major six-sigma event, which is more likely to emerge exogenously. Macro numbers are holding up well, with GDP growth continuing to surprise materially on the upside (8.2% real GDP growth in 2QFY26 and 7.8% in 1QFY26). Inflationary impulses are well contained (latest CPI/core WPI inflation at 0.7%/1.3%) and provide more room for the RBI to stimulate if need be. Valuations are reasonable, with the Nifty-50 trading at 21.2x (close to an LPA of 20.8x), which can expand with strong earnings support and any improvement in the geopolitical situation.

Note: We have excluded Tata Motors PV from both the MOFSL universe and the Nifty-50 aggregate earnings calculations due to the unavailability of historical data.

MOFSL: Large-/Mid-/Small-cap PAT growth in 3QFY26 (YoY,%)



Earnings likely to be strong in 3Q; Nifty EPS cut 2.2%/1.1% for FY26E/FY27E

We estimate the MOFSL Universe/Nifty-50 earnings to grow 16%/8% YoY in 3QFY26. Barring Financials, we expect earnings to increase 19%/9% YoY. Further, ex-Metals and O&G, we project the earnings to rise 14%/11% YoY for the quarter. The overall earnings growth is expected to be strong and will be anchored by O&G (+25% YoY), Financials led by NBFC-Lending (+26%), Automobiles (25%), Metals (+15%), Telecom (2.6x jump in profits over moderate base of 3QFY25), Technology (+8%), Real Estate (64%), Capital Goods (+24%), Cement (+66%), and NBFC-Non-lending (+31%). These sectors are likely to contribute 77% of the incremental YoY accretion in earnings. Both Private Banks (4%) and PSBs (3%) are likely to contribute moderately to earnings, while Infra (-3%) and Media (-7%) are likely to hurt earnings. Further, we expect **FY26** earnings to grow 14% YoY and 8% YoY for the MOFSL Universe and Nifty-50, respectively. FY26 earnings, ex-Financials, are projected to rise 17% YoY and 7% YoY. Barring Metals and O&G, FY26 earnings are likely to increase 12% and 8% YoY for the MOFSL Universe and Nifty-50, respectively. We cut our FY26E/FY27E Nifty EPS by 2.2%/1.1% and expect it to grow 9%/15% YoY to INR1,084/INR1,267. The Metals, O&G, Financials, and Consumer sectors have contributed to the majority of the reduction in our FY26 earnings estimate.

Earnings highlights for 3Q | O&G to drive earnings growth

- We expect earnings of the **MOFSL Universe to grow 16% YoY** (the highest in eight quarters) and **Nifty to grow 8% YoY** in 3QFY26. Excluding financials, the earnings are expected to jump 19% YoY and 9% YoY. Barring global commodities (i.e., Metals and O&G), the MOFSL Universe and Nifty are likely to report 14% and 11% YoY growth in earnings, respectively, for the quarter.
- The overall earnings growth is expected to be strong and will be anchored by O&G (+25% YoY), Financials led by NBFC-Lending (+26%), Automobiles (25%), Metals (+15%), Telecom (2.6x jump in profits over moderate base of 3QFY25), Technology (+8%), Real Estate (64%), Capital Goods (+24%), Cement (+66%) and NBFC-Non-lending (+31%). These sectors are anticipated to contribute 77% of the incremental YoY accretion in earnings. Conversely, both Private Banks (4%) and PSBs (3%), along with Healthcare (+10%) and Consumer (+9%), are likely to contribute moderately to the earnings. However, Infra (-3%) and Media (-7%) are likely to adversely impact earnings.
- Sales and EBITDA for the MOFSL Universe are expected to grow 8% and 12% YoY, while the same for the Nifty are likely to improve 11% YoY and 10% YoY, respectively. Ex-Commodities, EBITDA for the MOFSL Universe, and Nifty are projected to grow 12% YoY and 13% YoY, respectively.
- In 3QFY26, the **MOFSL large-cap/mid-cap/small-cap** universe is likely to register a PAT growth of 14%/22%/35%, YoY. Moreover, sales for large-/mid-/small-caps are likely to grow 8%/7%/12% YoY, and their EBITDA would clock 13%/11%/13% YoY growth for the quarter.
- The 3QFY26 earnings of the MOFSL **Financial** Universe are expected to grow 10% YoY, primarily due to the strong performance by NBFC Lending and aided by the modest performance of both Private and Public banks. The **Private Banks** sector is projected to report an earnings growth of 4% YoY, and the **PSU Banks** universe is likely to grow 3% YoY. The **Insurance** sector's earnings **growth** is likely to be in mid teens at 16% YoY. **NBFC-Lending** is anticipated to post a strong 26% YoY earnings growth (the highest in nine quarters), while **NBFC Non-lending** is set to clock a strong 31% YoY earnings growth over a high base of +33% YoY in 3QFY25.

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



- The earnings of the **O&G** Universe are likely to jump 25% YoY, fueled by OMCs. This will mark the third successive quarter of strong growth after five straight quarters of decline.
- **Auto** sector is likely to report a strong quarter of YoY earnings growth of 25% in 3QFY26, marking it the highest growth in seven quarters.
- **Metals** universe is projected to report a profit growth of 15% YoY over a soft base of 3QFY25.
- **Telecom** universe is likely to clock profits for the fifth successive quarter. The universe profit is likely to be INR44b in 3QFY26 vs. a profit of INR12b in 3QFY25, mainly fueled by continued improvement in Bharti's margins.
- **Technology** sector is likely to register a modest earnings growth of 8% YoY, indicating the tenth quarter of single-digit earnings growth.
- **Real Estate** universe is likely to deliver a strong quarter with earnings growth of 64% YoY in 3QFY26 over a strong base of +55% 3QFY25.
- **Capital Goods** sector is projected to report a healthy earnings growth of 24% YoY, the highest in six quarters.
- **Cement** universe is expected to report a strong earnings growth of 66% YoY in 3QFY26 over a weak base of 57% earnings decline for 3QFY25. The sector is anticipated to clock the third straight quarter of earnings growth after four consecutive quarters of significant earnings dip.
- **Healthcare** universe is likely to report a modest 10% YoY earnings growth – the second lowest growth in 11 quarters of double-digit growth.
- **Consumer** sector is expected to post a modest earnings growth of 9% YoY, however, marking the highest growth in eight quarters.
- **Chemicals** sector is also likely to report a strong earnings growth of 25% YoY over a weak base of 11% YoY earnings dip in 3QFY25. However, this will mark the fourth consecutive quarter of earnings growth following a seven-quarter decline.
- We expect the EBITDA margin (ex-Financials) to expand 100bp to 18.7% for the MOFSL Universe (highest in 17 quarters). Conversely, for the Nifty-50, EBITDA margin is likely to contract 50bp to 22.1% (ex-Financials) during the quarter.
- **Sales/EBITDA/PAT of the MOFSL Universe** are expected to report a two-year CAGR of 7%/11%/11% over 3QFY24-3QFY26.
- The **9MFY26** MOFSL/Nifty-50 Universe earnings are expected to grow 14%/8% YoY, while **4QFY26** earnings are anticipated to grow 14%/10% YoY.
- **FY26E earnings highlights:** The MOFSL Universe is likely to deliver sales/EBITDA/PAT growth of 7%/12%/14% YoY. The O&G, NBFC Lending, Metals, and Telecom sectors are likely to be the key earning drivers with 28%, 23%, 14%, and LP YoY growth in FY26E, respectively. These four sectors are projected to contribute 53% of the incremental earnings for the MOFSL Universe in FY26.
- **Nifty EPS cut for FY26E/27E:** We reduce our FY26E/FY27E Nifty EPS by 2.2%/1.1% and expect it to grow 7%/17% YoY to INR1,084/INR1,267. The Metals, O&G, Financials, and Consumer sectors have contributed to the majority of the reduction in our earnings estimate.
- **Top five Nifty-50 Ideas:** SBI, Titan, M&M, Infosys, Eternal.
- **Top five Non Nifty-50 Ideas:** Dixon Technologies, Indian Hotels, Groww, TVS Motors, Radico Khaitan.



Model portfolio: Key changes

Our model portfolio broadly reflects our preference for growth visibility, structural domestic growth plays, and select global value names. We anticipate a consolidation of recovery in earnings in the rest of FY26 and FY27, and raise our portfolio weights in large-cap names. We discuss the key changes in our model portfolio below:

- Our key OW sectors are Autos, Diversified Financials, Industrials & EMS, Consumer Discretionary, and Technology. In contrast, we are UW on Oil & Gas, Metals, and Consumer Staples. We have also made several additions from a bottom-up perspective across sectors.
- **FINANCIALS:** We have a layered stance on the broad BFSI sector wherein we are neutral overall, but at the sub-sector level, we are underweight on Private sector banks, neutral on PSU banks, and overweight on Diversified Financials. We maintain our structurally positive stance on diversified financials, especially the capital market theme. Accordingly, we have enhanced our overweight further in diversified financials from 900bp to 1,000bp – primarily driven by a chunky 300bp introduction of GROWW – the largest retail broker.
- We believe **GROWW** is well-positioned to compound earnings in a structurally underpenetrated Indian capital markets ecosystem. Rising cash yields – driven by MTF and higher minimum brokerage – along with product depth, fueling growth in non-derivative revenue, and monetization levers targeting the affluent base through the wealth management platform, should reduce earnings volatility. Meanwhile, robust cost efficiency enhances return metrics.
- We have also added **ABSLAMC** due to its improved fund performance and comfortable valuations. ABSLAMC's mutual fund business is experiencing strong and broad-based growth, supported by improved fund performance across equity and fixed income segments, a steady rise in SIP traction, and continued expansion of its distribution network. Strategic initiatives to strengthen market share, along with enhanced product offerings and operational efficiencies, are driving business momentum.
- Among banks, we have added 100bp more weight to **PSU banks** and trimmed some weight in private sector banks.
- **TECHNOLOGY:** We maintain our overweight stance on technology, both in traditional IT services and new-age technologies. We had recently raised core IT services to overweight by adding Infosys, premised on our conviction that the AI megacycle is about to turn favorable towards service providers, with Infosys being the key beneficiary among Indian IT names. In new-age technologies, we reintroduce **Eternal** following its recent correction, which makes it attractive again from a valuation perspective. However, its core quick delivery business continues to scale higher.
- We add **Eternal** to our model portfolio as Blinkit's inventory-led transition is largely complete, driving structurally higher gross margins and improving visibility on QC profitability. With dark store addition intensity likely to remain lower than the 2QFY25–4QFY25 cycle and the QC network already near breakeven (with losses largely discretionary via marketing), we see scope for a medium-term earnings inflection even with an uptick in competitive intensity. Continued QC expansion and network densification in Tier-1 markets, supported by stable FD cash flows, position Eternal well to absorb a near-term growth push while preserving medium-term margin normalization.

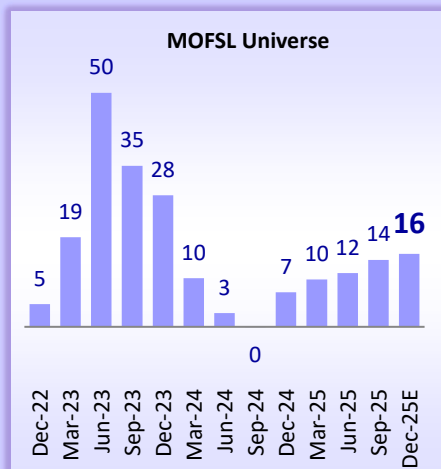
- **CONSUMPTION:** Our positioning on consumption is polarized, as all of our allocation is into discretionary and zero into staples. We are long-term votaries of the high potential of discretionary consumption as India's per capita income moves up. However, since we do not have any allocation into Staples and FMCGs, the broader consumption basket is mildly underweight in our portfolio.
- **AUTOMOBILES:** We had turned overweight on the Autos sector in the 2QFY26 preview, and we continue to maintain our positive stance on the sector. Autos have clearly been one of the key resurgent sectors of CY25, and we see the momentum extending into CY26 as well, as the sector has emerged as a key beneficiary of GST 2.0 and other stimulative measures of RBI/Gol. We maintain our positions on **M&M**, **TVS**, and **Happy Forgings**.
- **INDUSTRIALS & EMS:** This sector remains one of our favorite themes as India is advancing on the path of manufacturing and infrastructure capacity creation. We maintain OW in this segment and maintain stock picks the same as in the last quarter, with allocation to **L&T**, **BEL**, **Ultratech**, **Dixon Technology**, and **Kaynes**. Among the sub-segments, we are optimistic on EMS names and hence have it as a key overweight, as we see a continuation of super-normal growth in this segment. We have added another 100bp weight to **Dixon** following its recent correction.
- **METALS/UTILITIES:** We have generally been underweight on metals and continue to remain so. Within utilities also we have also been selective and have exposure only through **Suzlon Energy**. However, within metals, we have introduced **Tata Steel** into the portfolio and booked profits in Jindal Stainless. Tata Steel is one of the largest players in India's steel sector and is set to benefit from improving steel price realizations, operating efficiencies, and the strong domestic demand outlook. While near-term challenges persist due to global uncertainty around tariff escalations, the long-term outlook for TATA remains strong. The Indian business is expected to continue its strong performance, and an improvement in the European business performance is likely to support overall earnings.
- **HEALTHCARE:** We have maintained our neutral stance on the sector with exposure through **Lupin** and **Global Health**. However, we have added **Inventurus Knowledge Solutions (IKS)** – a healthcare BPO in the Others segment.
- **OTHERS:** We maintain our overweight stance on this SMID segment, which signifies the growing importance of newer, less prominent, smaller themes. We have replaced Supreme Industries with **IKS Healthcare**, a healthcare BPO company. IKS Health is a high-conviction beneficiary of US healthcare outsourcing and digitization, on the back of its comprehensive tech-first platform and industry-leading profitability. Its positioning at the intersection of technology and outsourcing makes it a clear outperformer within the Healthcare BPO universe. We expect IKS to deliver an INR revenue/EBIT/PAT CAGR of ~20/31/32% over FY25-28.

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

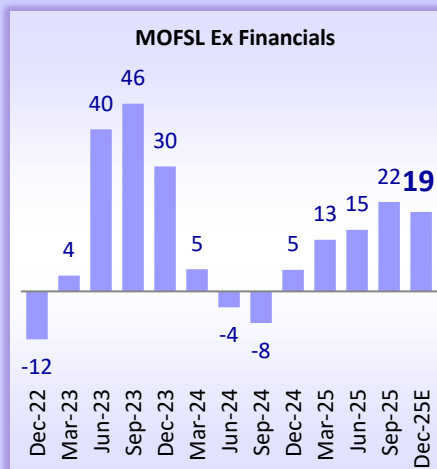
Corporate earnings at a glance: NBFCs and Automobiles to boost earnings growth

O&G is likely to lead the charge; excluding Financials, profits are anticipated to grow 19% YoY and 9% YoY for the MOFSL Universe and Nifty, respectively.

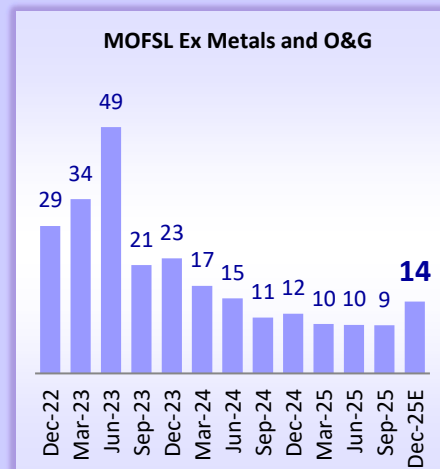
PAT expected to grow 16% YoY for the MOFSL Universe



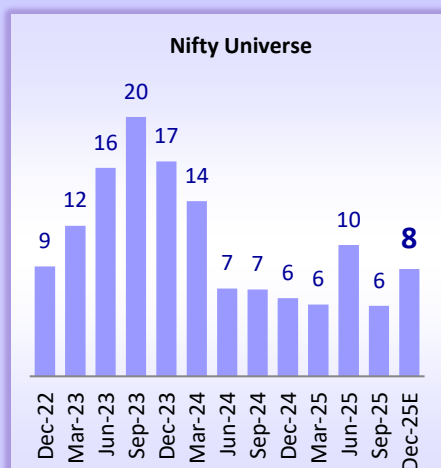
PAT likely to rise 19% YoY for the MOFSL Universe, excluding Financials



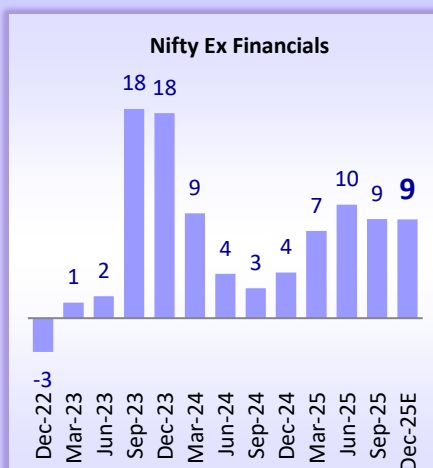
PAT to grow 14% YoY for the MOFSL Universe, sans Metals and O&G



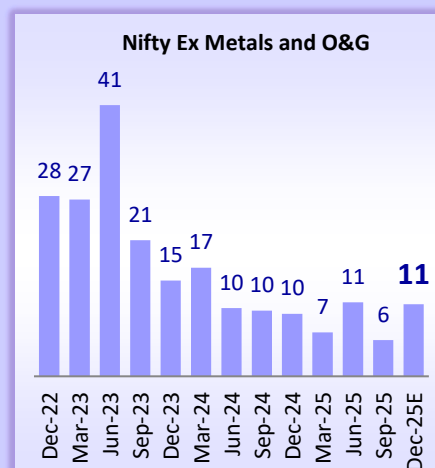
PAT growth for the Nifty Universe anticipated to be only 8% YoY



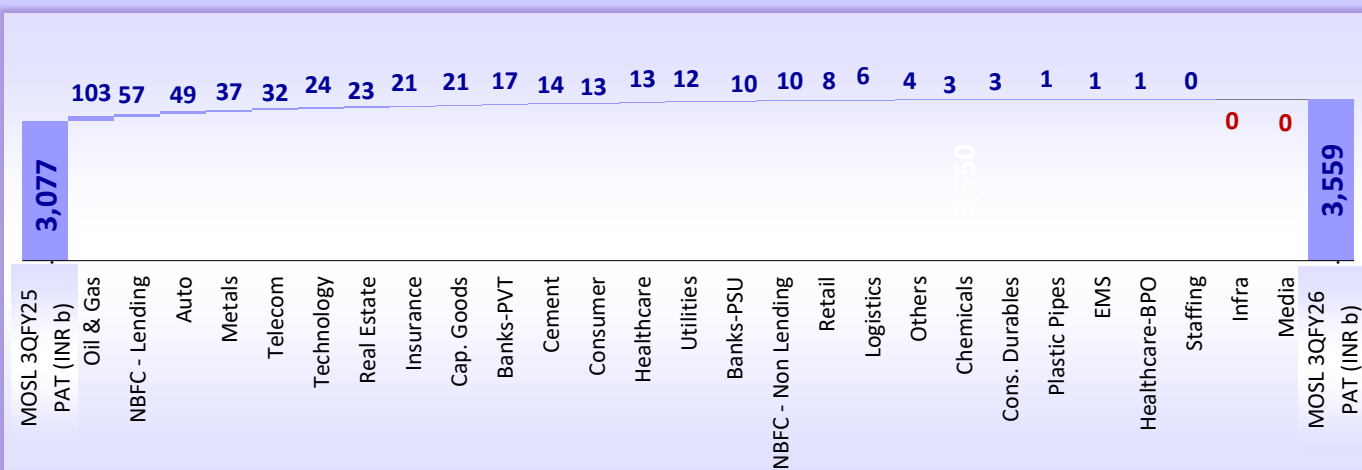
PAT to grow 9% YoY for the Nifty Universe (ex-Financials)



PAT to grow 11% YoY for the Nifty Universe (ex-Metals and O&G)

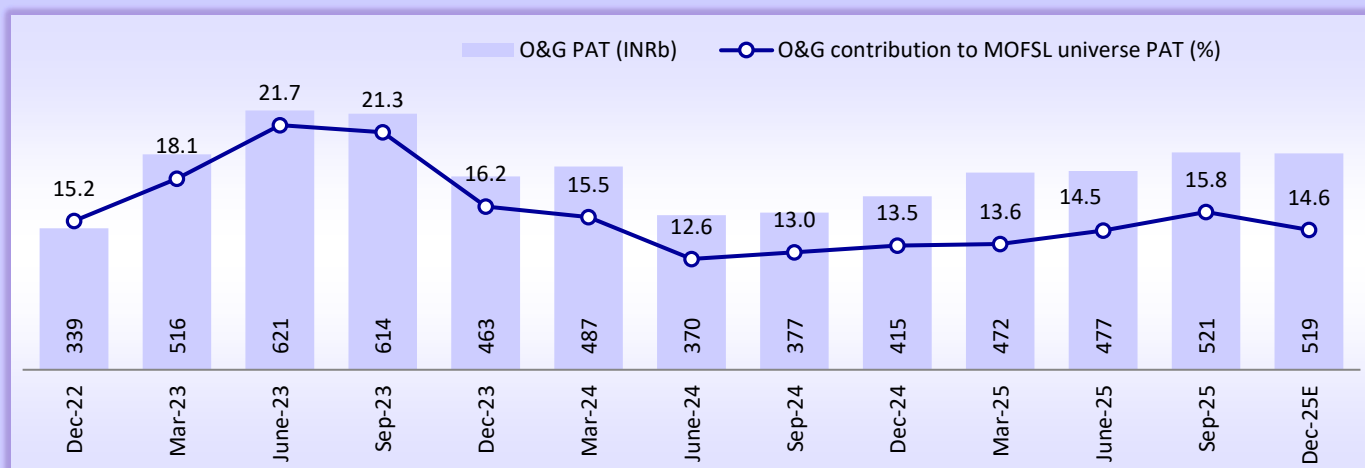


Performance of the MOFSL Universe likely to be driven by O&G, NBFC-Lending, and Automobile but would be marginally weighed down by Infra and Media in 3QFY26

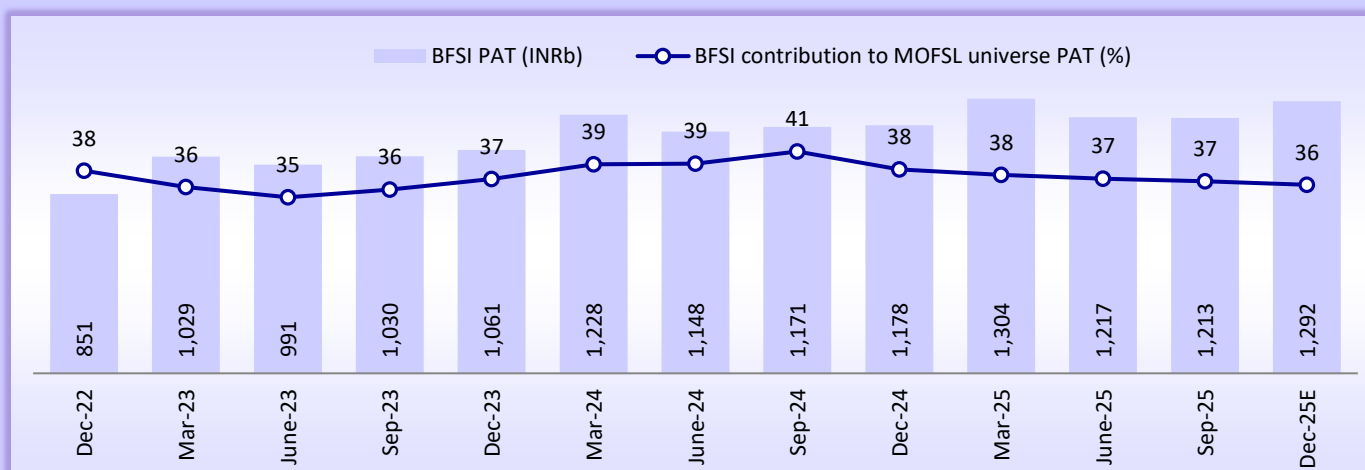


Corporate earnings at a glance: O&G's PAT contribution to moderate sequentially

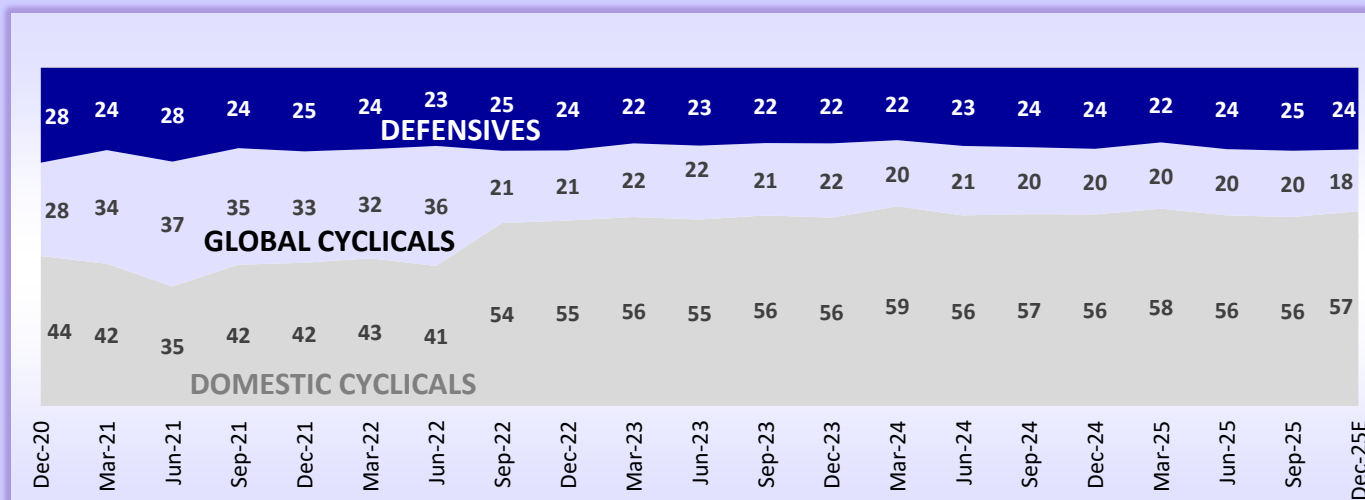
O&G's PAT contribution to the MOFSL Universe to decline sequentially in 3QFY26, from the six-quarter high in 2QFY26



Financials to retain over one-third share of total profits, though the share continues to dip from the highs of 41% in Sep'24



MOFSL (ex-OMC)'s PAT share (%): Domestic cyclicals to drive 3QFY26 earnings

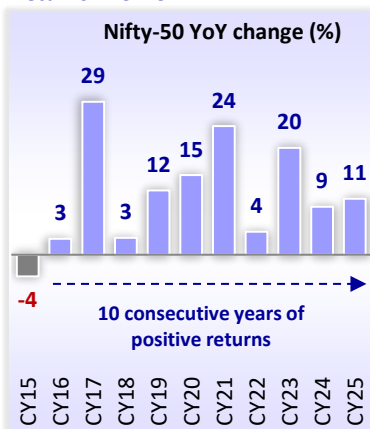


MOFSL: Model Portfolio

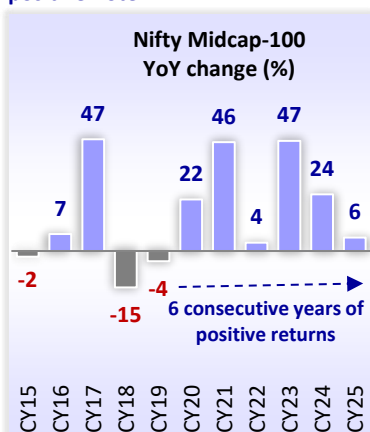
SECTOR WEIGHT / PORTFOLIO PICKS	BSE 100	MOFSL WEIGHT	WEIGHT RELATIVE TO BSE100	EFFECTIVE SECTOR STANCE	PAT YoY / CAGR (%)			
					FY26E	FY27E	FY28E	FY25- FY27
Financials	34.7	34.0	-0.7	Neutral				
Private Banks	23.3	19.0	-4.3	Underweight				
ICICI Bank	6.5	9.0	2.5	Buy	8	13	16	11
HDFC Bank	10.3	7.0	-3.3	Buy	11	15	18	13
Kotak Mahindra Bank	2.2	3.0	0.8	Buy	-6	19	21	6
PSU Bank	3.8	5.0	1.2	Neutral				
SBI	2.8	5.0	2.2	Buy	12	11	16	12
Diversified Financials	7.5	10.0	2.5	Overweight				
Shriram Finance	0.9	3.0	2.1	Buy	18	34	26	26
Billionbrains Garage	0.0	3.0	3.0	Buy	10	50	32	29
Max Financials	0.0	2.0	2.0	Buy	-48	131	10	9
Aditya Birla AMC	0.0	2.0	2.0	Buy	12	15	12	13
Technology	10.2	14.0	3.8	Overweight				
Infosys	4.0	4.0	0.0	Buy	9	8	12	8
Eternal	1.3	3.0	1.7	Buy	-37	455	111	Loss
Tech Mahindra	0.7	3.0	2.3	Buy	25	34	12	29
Hexaware Tech.	0.0	2.0	2.0	Buy	23	20	22	21
Coforge	0.4	2.0	1.6	Buy	58	26	32	41
Consumption / Retail	12.7	10.0	-2.7	Underweight				
Titan Company	1.1	3.0	1.9	Buy	34	18	18	26
Indigo Aviation	0.8	3.0	2.2	Buy	-32	60	18	5
Radico Khaitan	0.0	2.0	2.0	Buy	66	26	22	45
Indian Hotels	0.4	2.0	1.6	Buy	12	23	11	18
Auto	7.4	9.0	1.6	Overweight				
Mahindra & Mahindra	2.3	4.0	1.7	Buy	25	22	16	23
TVS Motor	0.6	3.0	2.4	Buy	36	27	27	32
Happy Forgings	0.0	2.0	2.0	Buy	8	25	36	16
Energy/Telecom	13.5	9.0	-4.5	Underweight				
Reliance Industries	7.3	5.0	-2.3	Buy	5	9	12	7
Bharti Airtel	4.0	4.0	0.0	Buy	69	35	29	51
Cap Goods, Infra & Cement	8.7	8.0	-0.7	Neutral				
Larsen & Toubro	3.3	4.0	0.7	Buy	22	19	18	21
Bharat Electronics	1.0	2.0	1.0	Buy	15	19	16	17
UltraTech Cement	0.9	2.0	1.1	Buy	28	19	21	23
EMS	0.3	5.0	4.7	Overweight				
Dixon Tech.	0.3	3.0	2.7	Buy	24	70	30	45
Kaynes Technology	0.0	2.0	2.0	Buy	77	59	47	68
Healthcare	4.2	4.0	-0.2	Neutral				
Lupin	0.3	2.0	1.7	Neutral	43	-3	2	18
Global Health	0.0	2.0	2.0	Buy	15	32	20	23
Metals / Utilities	7.2	4.0	-3.2	Underweight				
Tata Steel	1.0	2.0	1.0	Buy	170	52	12	102
Suzlon Energy	0.4	2.0	1.6	Buy	34	51	14	42
Others	1.1	3.0	1.9	Overweight				
Delhivery	0.0	1.0	1.0	Buy	49	75	35	62
Inventurus Knowledge	0.0	1.0	1.0	Buy	48	23	27	35
VIP Inds.	0.0	1.0	1.0	Buy	Loss	LP	53	LP
TOTAL	100	100			14	17	18	16

MARKETS

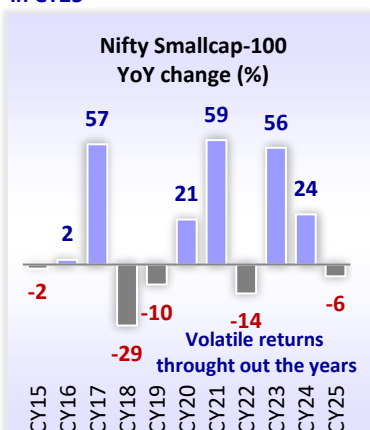
Nifty-50 outperformed with 11% returns in CY25



Nifty Midcap-100 ended on a positive note



Nifty Smallcap-100 underperformed in CY25



Nifty-50: Double-digit returns amid consolidation...

...led by record DII inflows

- Nifty ends with decent double-digit returns; SMIDs underperform:** CY25 was marked as one of the most volatile years for Indian equity markets. Geopolitical tensions, US trade-tariff headwinds, the Japan carry-trade unwind, the absence of a strong AI investment theme, sharp INR depreciation, moderate domestic corporate earnings, muted consumption growth, and concerns around relatively high valuations together led to record FII selling of Indian equities during the year. However, multiple fiscal and monetary measures, such as personal income tax cuts, GST 2.0, the start of rate cuts, and several liquidity measures implemented by the RBI, along with record DII inflows, helped equity markets end CY25 in the green. Nifty-50 rose 11% during the year and closed near its Sep'24 highs. While Largecaps (Nifty-50) delivered double-digit returns, SMIDs underperformed. Nifty Midcap-100 rose 6% YoY, while Nifty Smallcap-100 declined 6% YoY, following strong performances in CY23 and CY24. After the sharp market correction between Oct'24 and Mar'25, Nifty-50, Nifty Midcap-100, and Nifty Smallcap-100 rebounded 18%, 26%, and 21%, respectively, from their lows. Despite this recovery, CY25 returns for all three indices remained well below their respective 3-year, 5-year, and 10-year CAGRs. CY25 was another impressive year for the **primary market**, with INR1.95t raised through more than 364 IPOs, surpassing the previous record of INR1.90t mobilized via 375 IPOs in CY24.
- India underperforms global peers in CY25:** Despite showing resilience, India underperformed most major global markets by a wide margin, many of which staged sharper recoveries from a low CY24 base. South Korea (+80%), Brazil (+51%), Germany (+39%), Taiwan (+31%), MSCI EM (+31%), the UK (+31%), Japan (+27%), Russia (+27%), France (+25%), China (+24%), and the US S&P500 (+16%) all outpaced India's (+5%) returns in USD terms. The absence of resolution of the US trade tariffs, sharp INR depreciation, and FII outflows further led to damaging India's USD returns.
- Broader markets face correction pressure as valuations cool from highs:** Following a strong CY23–24, SMIDs have continued to underperform since the Sep'24 peaks. As of Dec'25, Nifty Midcap-100 and Nifty Smallcap-100 were flat and 10% below their respective all-time highs, while Nifty-50 remained largely flat. Weak earnings and valuation concerns triggered a sharp sell-off in Small-caps, while Mid-caps delivered relatively stronger earnings growth, helping to moderate their valuation excesses. Nevertheless, Small-cap valuations remain stretched, mid-caps still appear elevated, and Large-caps trade close to their long-term averages.
- Record DII inflows and FII outflows in CY25:** DII inflows remained robust, supported by resilient monthly SIP contributions of over USD3b and rising retail participation. DIIs invested a record of ~USD90b in CY25, 43% higher than CY24 inflows. Meanwhile, driven by the factors discussed earlier, FIIs sold a record ~USD19b worth of Indian equities, marking the sharpest divergence between DII and FII flows on record. Over CY21–CY25, cumulative DII inflows reached a record of ~USD220b, while net FII outflows stood at USD11.4b. While retail participation and DII momentum are expected to remain strong, geopolitical developments, currency stability, and a recovery in domestic earnings will be key determinants of future FII flows into India. Any progress toward the resolution of global trade tariffs could further improve FII sentiment.

Exhibit 1: Amid consolidation, the market recovers sharply from its Mar'25 lows. The Nifty-50/Midcap-100/Smallcap-100 rise 18%, 26% and 21% from their respective Mar'25 lows

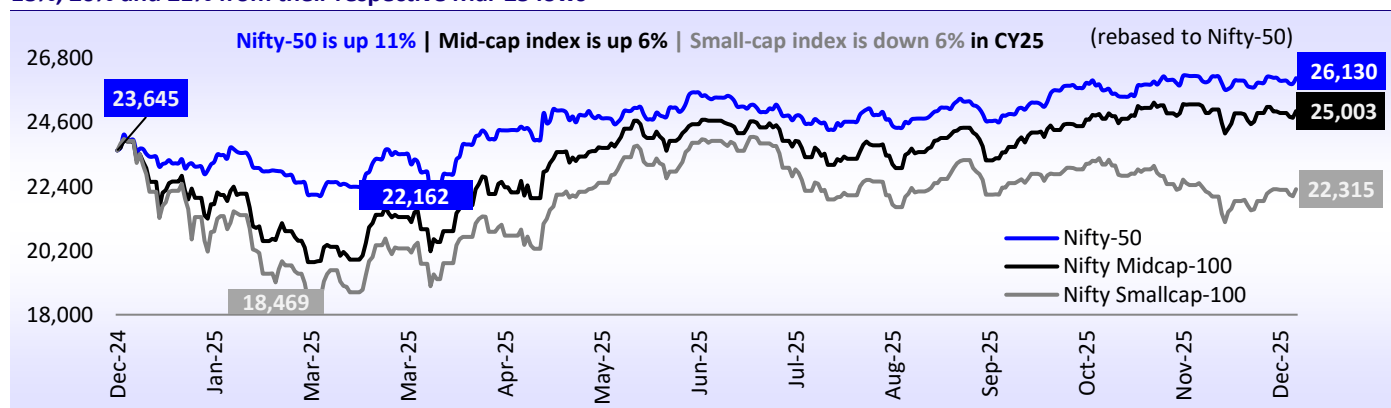


Exhibit 2: Performance of global equity indices in USD terms (%): India underperforms global peers in CY25

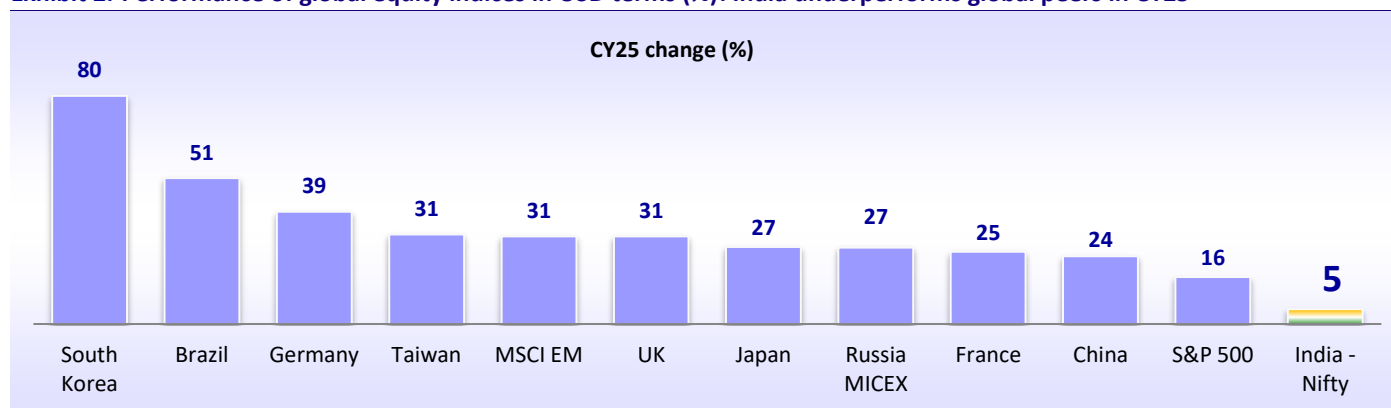


Exhibit 3: Top 10 countries constitute 82% of the global market cap as of Dec'25

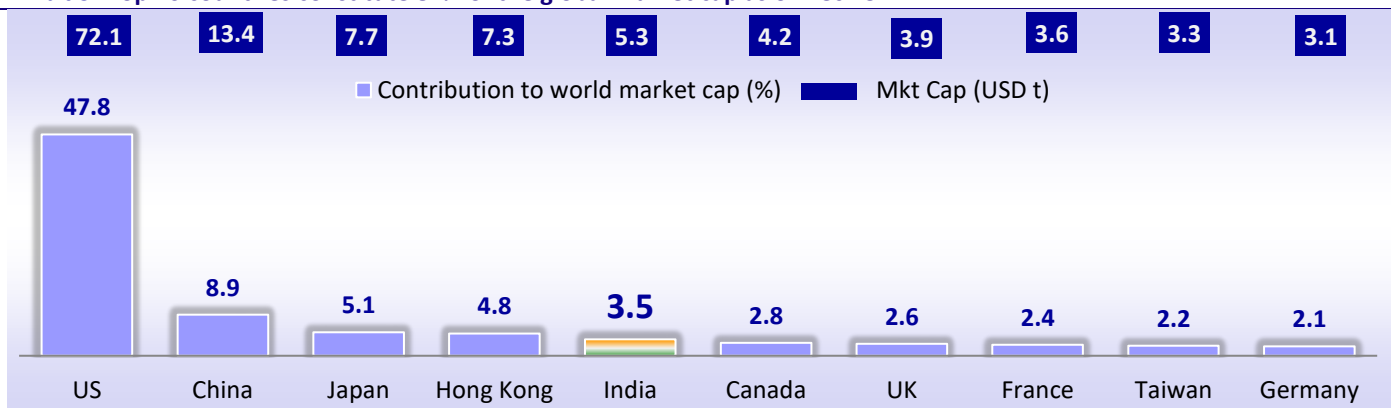


Exhibit 4: Trend in India's contribution to the global market cap (%) – well below the Sep'24 highs and hovers around 3.5%

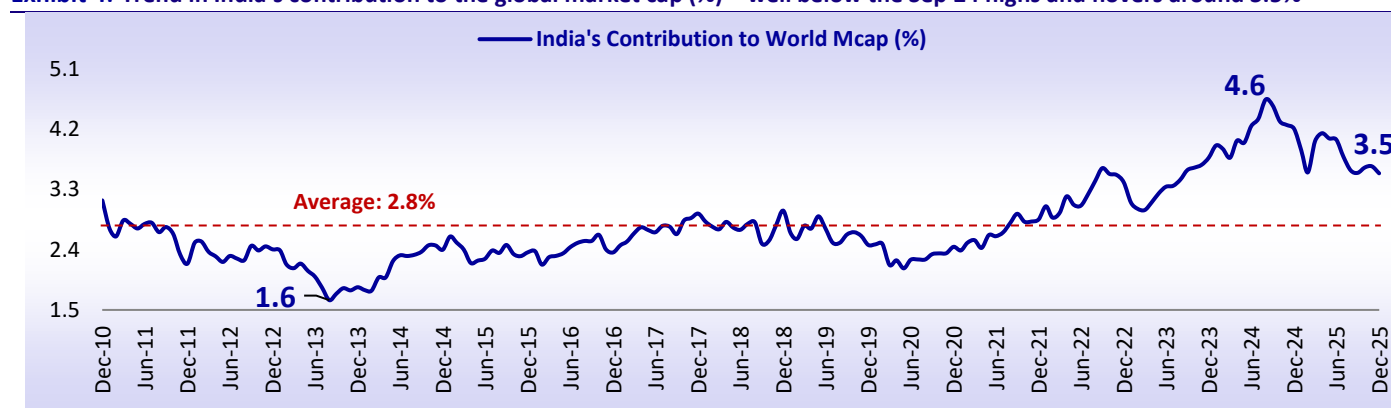


Exhibit 5: FII registers the highest outflow in a year...

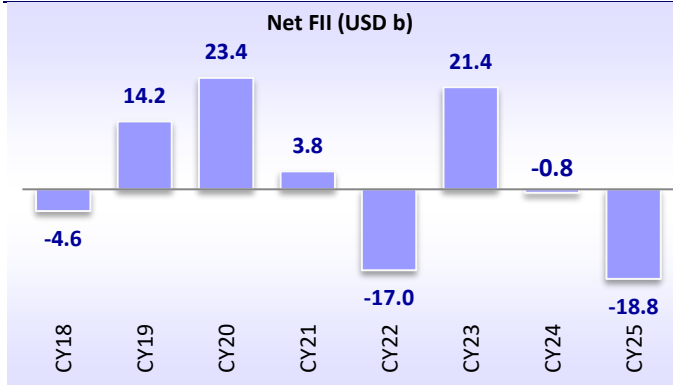


Exhibit 6: ...while DII inflows continue to hit record highs

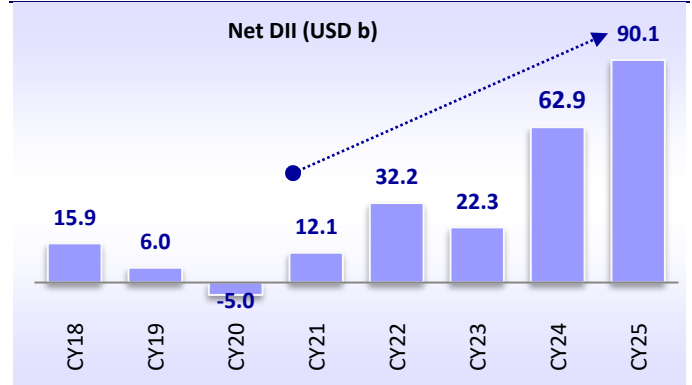


Exhibit 7: FII flows weaken in the past three months

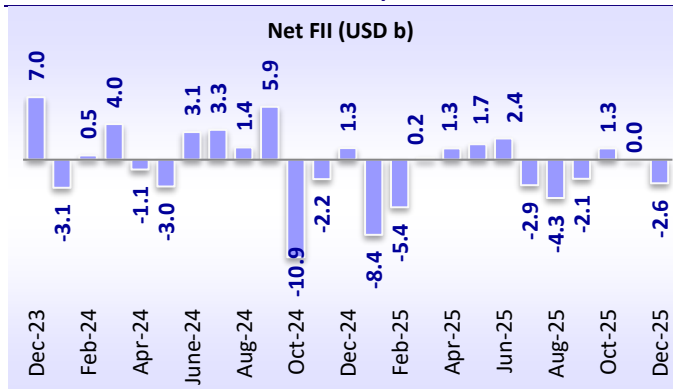
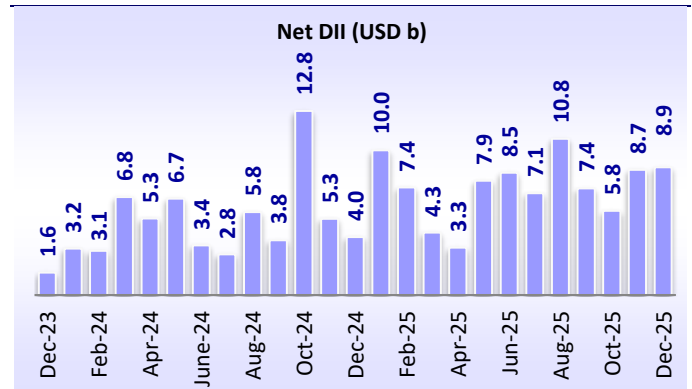


Exhibit 8: DII flows robust for the last 26 months



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

- Valuations remain fair for the Nifty-50 while they remain elevated for broader markets:** The Nifty is trading at a 12-month forward P/E of 21.2x, near its own LPA of 20.8x. In contrast, the Nifty Midcap-100 and the Nifty Smallcap-100 indices are trading at 28.4x and 23.7x, implying premiums of ~22% and ~40% to their LPAs, respectively. The **Nifty-50 FY26/FY27 EPS** is likely to grow 7%/17% to INR1,084/ INR1,267.
- India's market cap-to-GDP ratio remains elevated:** India's market cap-to-GDP ratio is projected at 133% in FY26, well above its long-term average of 87%. The ratio reached a multi-year high of 144% in Sep'24 before moderating. The recent low was seen in FY20, when the ratio briefly dipped to 57%, followed by a sharp recovery thereafter. We expect a nominal GDP growth of 9% YoY in FY26 compared with 9.8% growth in FY25.

Exhibit 9: Nifty-50 up 11% YoY and trading marginally above its LPA

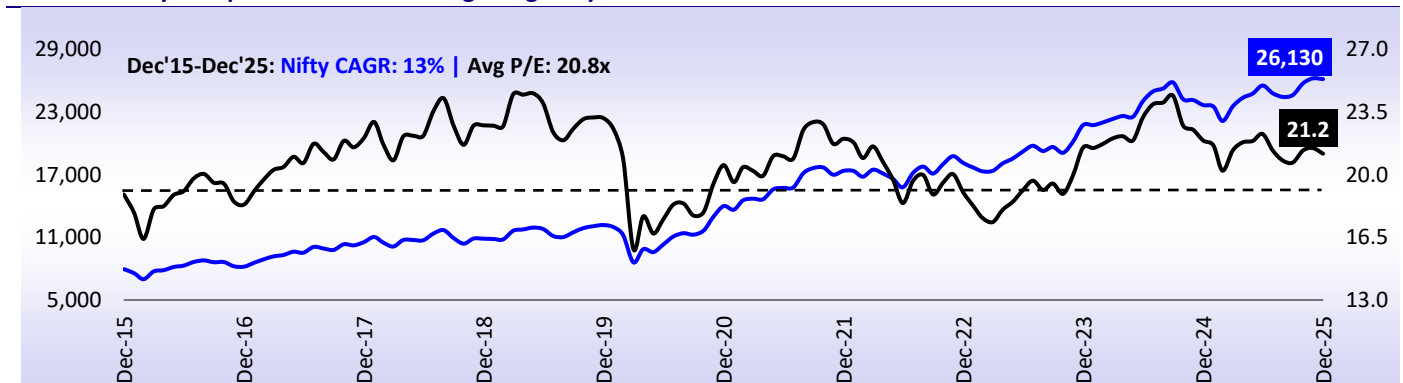


Exhibit 10: The 12-month forward Nifty P/B (x)

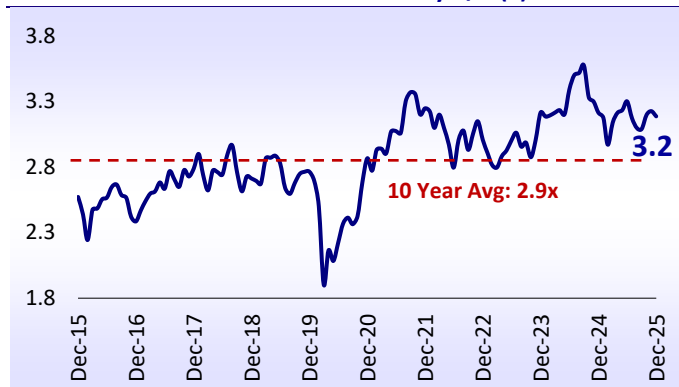


Exhibit 11: The 12-month forward Nifty RoE (%)

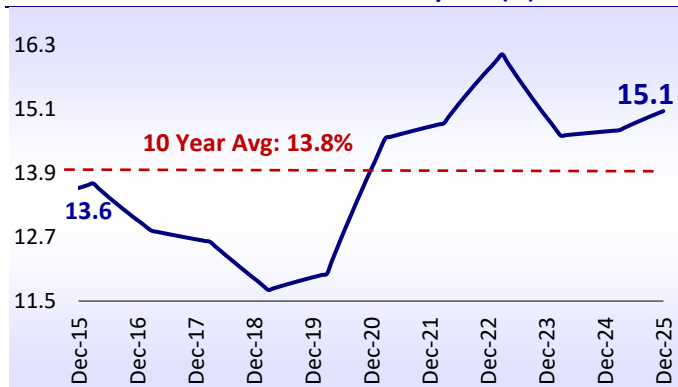


Exhibit 12: Valuations, though below their peak, remain elevated for SMIDs and align with the averages for the Nifty-50

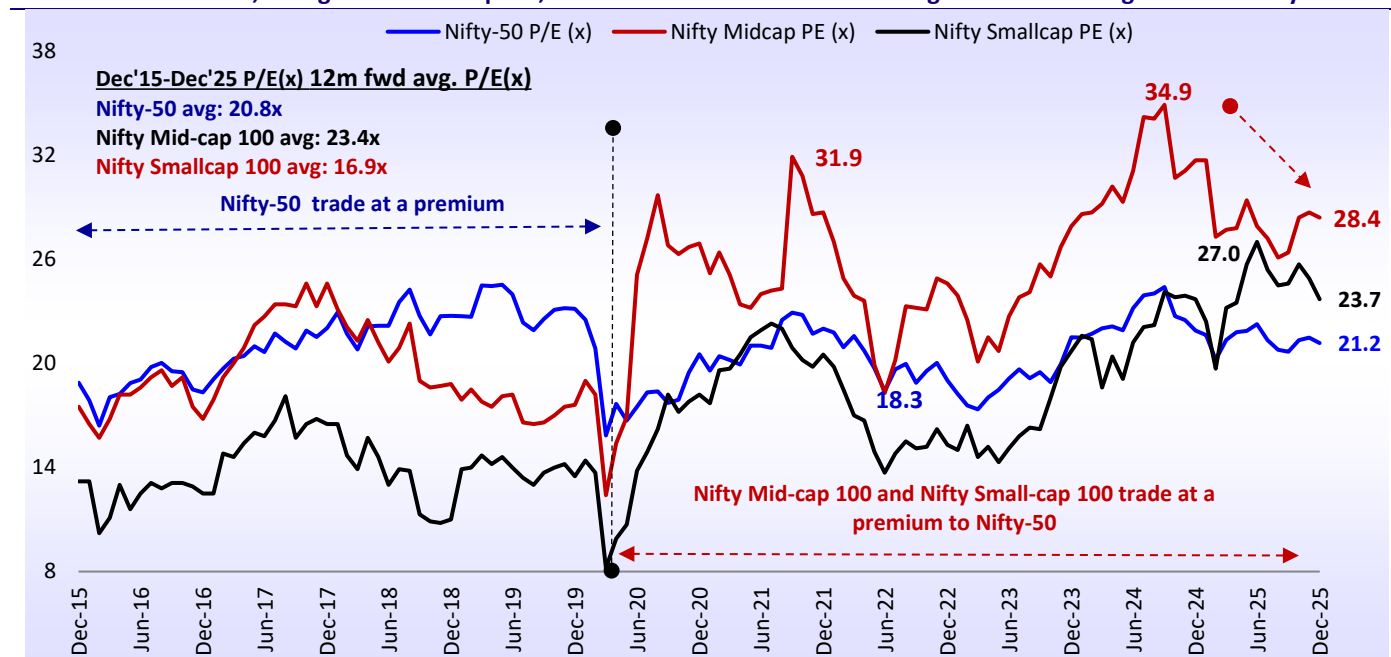
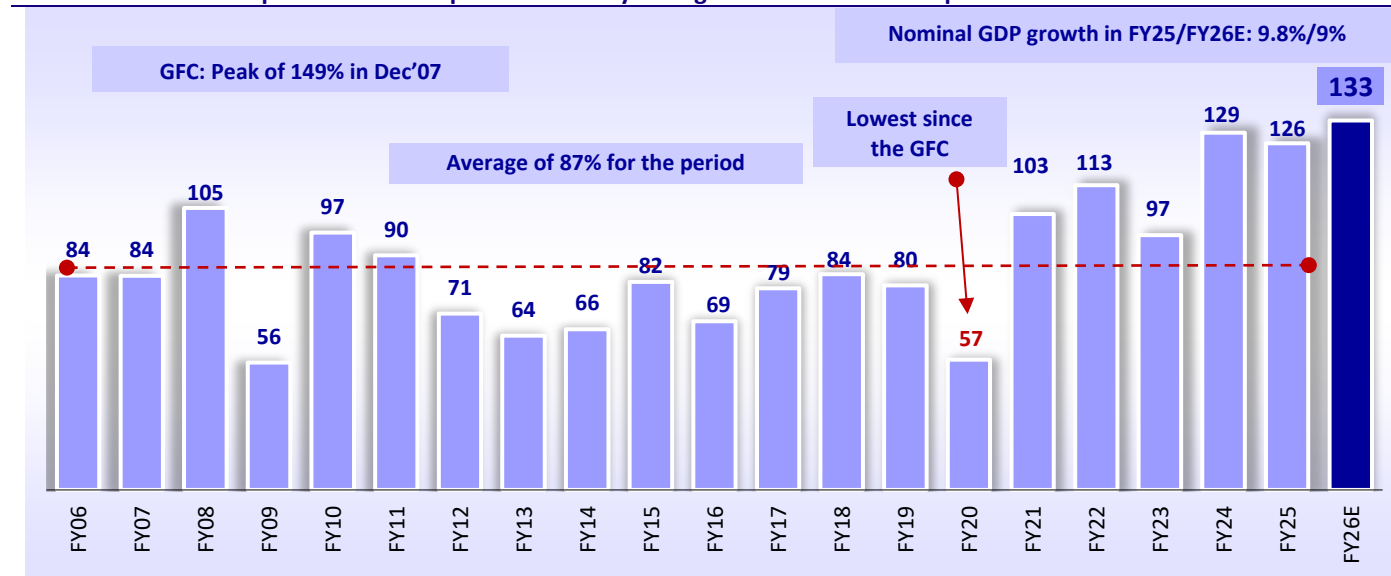


Exhibit 13: India's Mcap-to-GDP ratio dips from the 17-year high levels of 146% in Sep'24 and stands at 133% in FY26YTD



3QFY26 PREVIEW

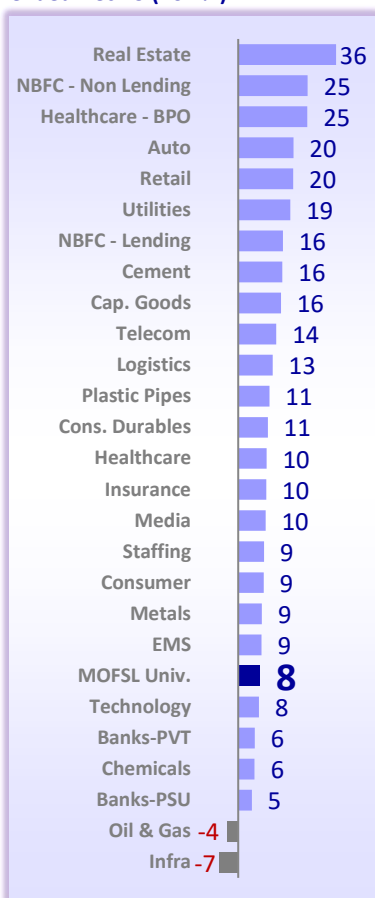
OMCs and NBFC-Lending to drive earnings for the quarter

MOFSL (ex-Financials) earnings growth to remain strong

- The **Auto** OEMs within our coverage universe are expected to deliver a 17% YoY volume growth in 3QFY26. Demand has been healthy across all segments and sustained even after the festive season. The 2Ws and PVs rose 17% each, CVs were up 22%, and tractors increased 21% YoY. Aided by a healthy recovery in volumes, auto OEM companies under our coverage (ex-JLR) are expected to post a strong 24% revenue growth. Similarly, excl. JLR, both EBITDA and PAT for our coverage universe are expected to grow 27% YoY each. The auto ancillaries universe is likely to post ~14% revenue growth and a much healthier 17%/20% EBITDA/PAT growth in 3Q. Given the sustained demand pickup, there have been moderate earnings upgrades across our coverage universe.
- **BFSI**: We expect a modest (10% YoY) adj. earnings growth for our BFSI universe, mainly led by NBFC lending companies (26%), Non-lending companies (31%), and Insurance companies (16% YoY). However, both Private Banks (4% YoY) and PSBs (3% YoY) are likely to post moderate earnings growth. Credit growth depicts early signs of revival, and we estimate more than 12% YoY growth for FY26. The credit cycle has seen a meaningful pickup after GST cuts, with system growth tracking above 11% in Oct'25 and Nov'25, driven by a consumption-led recovery. With the full 100bp CRR cut now in place and recent supportive regulatory measures, further support to credit expansion is expected ahead. System deposit growth was stable at 9.7% YoY in Dec'25 and has largely remained range-bound at 9-10% over the past year. NIM outcome to be divergent in 3Q; mild uptick likely in 4Q. The 25bp rate cut is likely to have a limited impact in 3Q, as the repricing impact would only be partial. Additionally, the full transmission of CRR cuts should cushion margins.
- **Banks**: For 3QFY26E, we estimate NII for our banking coverage universe to improve 5.5% YoY/3.9% QoQ and PPOP to rise by 6.4% YoY/2.1% QoQ. We estimate **Private Banks'** PAT to grow by 3.9% YoY/5.9% QoQ and **PSU Banks'** PAT to grow by 2.6% YoY/0.7% QoQ.
- **NBFCs**: We estimate ~16%/17% YoY growth in NII/PPoP in 3QFY26 for our NBFC coverage universe. PAT is expected to grow ~26% YoY. We expect ~11% YoY growth in AUM for our coverage HFCs, including both affordable and large HFCs. Vehicle financiers are projected to report ~17% YoY AUM growth. Gold lenders (including non-gold products) are likely to record ~39% YoY growth (primarily driven by ~48% YoY gold loan growth in MUTH). NBFC-MFIs are estimated to post a decline of ~15% YoY/remain flat QoQ in AUM, while diversified lenders are expected to deliver ~24% YoY growth in AUM. For our NBFC coverage universe, we estimate a loan growth of ~15% YoY/~3% QoQ as of Dec'25. Borrowing costs for most NBFCs continued to trend down. NIM trends for NBFCs are expected to be mixed this quarter, varying across sub-segments. Asset quality remained broadly stable across all product segments.
- We estimate 18%/19% YoY growth in aggregate revenue/PAT of **Non-lending financial (including insurance)** companies under our coverage. On a sequential basis, revenue is expected to decline 2%, whereas PAT is expected to grow 24%. The capital market segment is expected to post a revenue/PAT growth of 22%/29% YoY. Life insurance companies are projected to deliver a premium/PAT growth of 14%/17% YoY. General insurance players are likely to deliver a premium of 19% YoY, while PAT is anticipated to decline 5% YoY. Exchanges and

Of the 21 major sectors under MOFSL Coverage, only 12 are likely to witness an expansion in EBITDA margin on a YoY basis

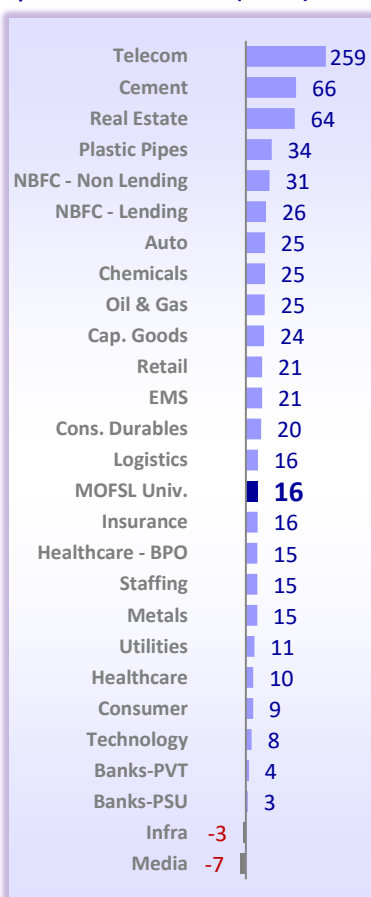
Sectoral sales growth for the quarter-ended Dec'25 (YoY %)



brokers are expected to post a strong 43%/98% YoY growth in revenue/PAT, mainly driven by a strong recovery in derivative volumes and a continued surge in commodity activity. For AMCs, excl. UTI AMC, EBITDA growth is likely at 9%, impacted by a change in yields, partially offset by stable AUM growth. However, positive market sentiment is expected to drive healthy growth in other income, which would result in 10% YoY growth in PAT. Wealth managers are expected to maintain the growth momentum, with revenue/PAT growth of 21%/16% YoY, driven by consistent AUM expansion from inflows and improving profitability through scale benefits. Among **life insurers**, APE growth is likely to be strong, with tailwinds from GST driving protection and lower interest rates driving the non-par segment. **General insurers** posted a slight recovery in the motor segment, while growth in the health segment was strong, due to the GST exemption.

- The **Technology** sector (IT services companies) is expected to post aggregate revenue of 8% YoY, while EBIT and PAT are likely to grow by 7% and 8% YoY (all in INR terms), respectively. A sequential growth in CC terms is expected in the range of 0.3% to 2.3% for large-caps. Mid-caps are expected to outperform once again with a growth range of -2.5% to 3.5%. Furloughs and wage hikes to put pressure on margins in 3QFY26E. Amid macro-tariff uncertainty and a new tech cycle, we believe clients remain cautious about committing incremental spending to large programs. As a result, we expect demand to stay steady, at best marginally incremental, until Jan'26 as planning cycles reset and budgets firm up. Early signs of AI strategy formation are emerging, with IT companies investing in AI-led capabilities through acquisitions and partnerships: TCS (ListEngage, Coastal Cloud, DC investments), Wipro (Harman DTS), Coforge (Encora), and HEXT (CyberSolve). This shows companies are positioning themselves for early AI-led services demand.
- The **Capital Goods & Defense** coverage companies are expected to report revenue growth of 16% YoY, EBITDA growth of 20% YoY, and PAT growth of 24% YoY. We expect execution growth to remain healthy for the Capital Goods universe, driven by strong order inflows and order books for them. While ordering remains strong across thermal power, renewables, T&D, data centers, buildings & factories, and defense, it is very selectively picking up from the domestic private sector. Government capex growth has remained healthy in 8MFY26, primarily driven by defense, and is expected to pick up from railways over the next few quarters. Government capex growth also benefited from the low base of last year.
- We estimate our **Cement** coverage universe to post ~16%/38%/66% YoY growth in revenue/EBITDA/PAT in 3QFY26. Aggregate cement volume is likely to grow ~17% YoY to 108mt, aided by inorganic growth. However, on a like-for-like basis, volume growth is estimated at ~13% YoY. We estimate the EBITDA/t to rise ~21% YoY (down ~1% QoQ) to INR890. Average EBITDA margin (ex-GRASIM) is estimated to expand 2.7pp YoY (flat QoQ) to ~17%. Cement prices were under pressure in 3QFY26 and declined across regions, with higher corrections seen in the East and South regions, followed by the West, North, and Central regions. The non-trade price corrected sharply after the GST rate cut, while the trade price was relatively steady.
- All segments of the MOFSL **Consumer** universe are likely to see improvement in revenue/EBITDA growth during the quarter, staples +9%/+7%, paints & adhesives +8%/+11%, liquor +7%/+12%, innerwear +6%/+2%, QSR +13%/+10%,

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



and jewelry +31%/+20%. **Staples** companies are expected to report sequential improvement in revenue growth. Post GST 2.0, the disruption continues for Oct and partially in November (nearly 40-45 days affected). From 4Q onwards, growth is likely to reflect better underlying demand as trade disruptions fully normalize. Rural demand is expected to remain resilient, while urban demand has also shown an improving trajectory. We expect the Consumer coverage universe to deliver a sales/EBITDA/APAT growth of 9%/8%/9% in 3QFY26.

- The **Healthcare** companies under our coverage are expected to report a modest Sales/EBITDA/PAT growth of 10%/8%/10% YoY in 3QFY26. We expect pharma companies to deliver steady growth in aggregate revenue in 3QFY26, supported by improving domestic formulations (DF) momentum. However, increased competition in select products for the US market and a slower pace of potential launches should keep the EBITDA growth trend in check. The hospital sector is expected to post 9% YoY revenue growth, even as occupancy declines due to aggressive capacity additions. ARPOB should improve moderately on a higher chronic specialty mix. The front-loading of opex related to newer hospitals/bed additions would keep margins under pressure.
- The **Metal** companies within our coverage universe are likely to report a strong 15% YoY earnings growth. Sales/EBITDA for the coverage to grow by 9% and 8% YoY. We expect **ferrous** companies to report volume growth of ~4% QoQ (+10% YoY), offsetting the NSR decline of 3% QoQ and 1% YoY in 3Q. We expect companies to report a flat to marginal QoQ increase in revenue (+10% YoY). **Non-ferrous** companies under our coverage are expected to post an aggregate revenue/EBITDA/PAT growth of 5%/12%/18% QoQ in 3Q. This growth was led by healthy NSR and better volumes.
- We expect the **Oil and Gas** sector to report a sales decline of 4% YoY (up 3% YoY ex-OMCs), EBITDA growth of 16%(+3% YoY ex-OMCs), and a 25% YoY increase in PAT (down 2% YoY ex-OMCs) in 3QFY26. Brent crude oil prices fell by ~USD5.4/bbl QoQ to USD63.6/bbl primarily due to global oversupply from OPEC+ output increases outpacing weak demand growth, exacerbated by US-China trade tensions and economic slowdown concerns. **OMCs**: Standalone EBITDA for HPCL/BPCL/IOCL is expected to increase 9-18% QoQ due to strong refining margins and receipt of LPG compensation. SG GRM averaged USD7.5/bbl in 3Q (vs. USD3.8/bbl in 2Q), while MS/HSD marketing margins were down 3%/8% QoQ. **CGDs** are expected to clock 12%/5% YoY volume growth for MAHGL (incl. UEPL)/IGL and a 10% YoY volume decline for GUJGA. **Upstream**: We expect O&G sales volumes to remain broadly flat QoQ and YoY, while oil realizations are likely to see a sharp YoY/QoQ dip for both companies.
- The **Power Utility** companies under our coverage universe are anticipated to report a revenue/EBITDA/Adj. PAT growth of 24%/20%/16% YoY in 3QFY26. India's total power consumption declined by around 3.5% YoY during Oct–Nov'25; however, it recovered in Dec'25, increasing by ~7% YoY. Overall, demand remained flat YoY in 3QFY26 and is expected to stabilize from January onwards. India added 8.9GW of power capacity over Oct-Nov'25, with renewable additions of 6.4GW (5.5GW from solar), while thermal capacity added 2.2GW. This signals resilience among conventional sources, with new capacity additions sustaining demand even as renewables continue to capture the attention of investors and policymakers alike.
- **Retail**: 3Q is expected to be a muted quarter for retailers, with growth moderation continuing due to a shift in festive dates partly to 2QFY26 (vs.

entirely in 3QFY25) and a weak demand environment. Retailers with higher salience to East India are expected to be adversely impacted by the festive period shift. We expect aggregate revenue growth of ~12% YoY for our retail coverage universe (vs. ~14% YoY in 1HFY26), with several retailers under our coverage posting double-digit growth (largely similar to 2QFY26). We expect a modest revival in growth trends for branded apparel retailers, driven by recent policy measures such as GST and income tax rationalization. Our retail coverage universe (15 stocks, excl. Reliance Retail or RR) is expected to deliver aggregate revenue growth of ~13% YoY in 3QFY26 (vs. 14% YoY in 1HFY26).

- **Telecom:** We expect the Telecom sector to report a profit of INR44b in 3QFY26 (vs. a profit of 12b in 3QFY25). We expect 1.3%/1.9% sequential growth in combined wireless revenue/EBITDA for the three private telcos in 3QFY26. We model a 0.6% sequential uptick in the blended ARPU for the three private telcos. The subscriber net adds trend for the private telcos is expected to remain stable QoQ, with subscriber declines continuing for Vi. The delay in tariff hikes is disappointing and would weigh on near-term growth for telcos. We now expect ~15% tariff hike from Jul'26 (vs. Dec'25 earlier).
- The **Real Estate** coverage universe is expected to report presales of INR407b in 3QFY26, up 13% YoY and 20% QoQ, due to increased launches during the quarter. Volumes are expected to stand at 30msf, up 58% YoY and 28% QoQ. Collections for our coverage companies are likely to increase 54% YoY to INR326b, implying a collection efficiency of ~80%. Revenue recognition is expected to stand at INR213b (up 36% YoY), with EBITDA of INR66b (up 49% YoY) and a margin of 31%. Adj. PAT is expected to rise 64% YoY to INR58b, with an adj. PAT margin of 27%.
- The **Chemicals** sector is projected to report a strong quarter in 3QFY26 over a weak base of 3QFY25 (12% earnings decline). Brent crude prices averaged USD62.5/bbl in Dec'25 (vs. USD63.8/bbl in Nov'25). Oil prices declined as rising global supply outpaced demand, raising concerns about a potential oil glut. We estimate sales/EBITDA/PAT growth of 6%/15%/25% YoY in 3QFY26. Aggregate EBITDAM may expand 150bp YoY. However, margins are expected to remain under pressure on a QoQ basis, with a contraction of 70bp.
- **The 3QFY26 snapshot:** We expect EBITDA/PBT/PAT to rise 12%/10%/16% YoY in 3QFY26 for the MOFSL Universe. Excluding Metals and O&G, EBITDA/PBT/PAT for the MOFSL Universe would grow 12%/8%/14% YoY.
- The **EBITDA margins** of the Automobiles, Capital Goods, Cement, Chemicals, Consumer Durables, EMS, Infrastructure, Logistics, Oil & Gas, Plastic Pipes, and Real Estate are likely to expand, while EBITDA margins of the Consumer, Healthcare, Healthcare – BPO, Media, Metals, Retail, Staffing, Technology, Telecom and Utilities sectors are anticipated to contract on a YoY basis.
- **Nifty earnings to grow 8% YoY in 3QFY26:** Ex-Commodities, the Nifty earnings are anticipated to rise ~11% YoY. Bharti Airtel, HDFC Bank, Tata Steel, JSW Steel, Larsen & Toubro is likely to drive Nifty earnings; Coal India, ONGC, Axis Bank, Interglobe Aviation, and Cipla are projected to drag the same.
- **The FY26E snapshot:** The MOFSL Universe and Nifty are likely to record a 14% YoY and 8% YoY earnings growth in FY26E, respectively. The FY26 earnings, ex-Financials, are projected to rise 17% YoY and 7% YoY. Barring Metals and O&G, FY26 earnings are likely to increase 12% and 8% YoY for the MOFSL Universe and Nifty-50, respectively.

Exhibit 14: MOFSL and Nifty Universe to post 16% and 8% YoY earnings growth, respectively, in 3QFY26 (INR b)

Sector	Sales	Gr. (%)		EBIDTA	Gr. (%)		PAT	Gr. (%)		PAT Delta	PAT	Delta
	Dec-25	YoY	QoQ	Dec-25	YoY	QoQ	Dec-25	YoY	QoQ	INRb	Share (%)	Share (%)
PAT growth sectors	15,111	6	3	2,871	18	7	1,411	30	6	325	40	67
Telecom (5)	818	14	2	422	10	3	44	259	25	32	1	7
Cement (12)	675	16	6	100	38	7	35	66	-11	14	1	3
Real Estate (15)	213	36	33	66	49	68	58	64	34	23	2	5
Plastic Pipes (3)	50	11	9	7	25	9	4	34	20	1	0	0
NBFC - Non Lending (16)	110	25	10	50	24	11	41	31	11	10	1	2
NBFC - Lending (24)	540	16	4	436	17	2	271	26	6	57	8	12
Automobiles (27)	2,725	20	11	373	24	13	244	25	8	49	7	10
Chemicals (13)	171	6	-2	32	15	-6	17	25	-10	3	0	1
Oil & Gas (14)	7,269	-4	-1	1,089	16	5	519	25	0	103	15	21
Capital Goods (16)	1,227	16	8	159	20	11	107	24	7	21	3	4
Retail (25)	858	20	19	99	17	32	46	21	64	8	1	2
EMS (7)	162	9	-17	10	14	-9	5	21	2	1	0	0
Consumer Durables (8)	293	11	1	28	16	0	19	20	-1	3	1	1
Med/Low growth sectors	13,480	10	3	3,524	8	6	2,138	8	9	158	60	33
Logistics (9)	215	13	3	75	15	2	43	16	-1	6	1	1
Insurance (8)	1,984	10	-2	60	11	-7	155	16	27	21	4	4
Healthcare - BPO (3)	35	25	9	9	23	7	6	15	0	1	0	0
Staffing (4)	120	9	6	3	13	8	2	15	34	0	0	0
Metals (12)	3,210	9	4	619	8	8	289	15	13	37	8	8
Utilities (9)	918	19	13	310	17	14	121	11	10	12	3	3
Healthcare (28)	979	10	0	230	8	3	142	10	6	13	4	3
Consumer (22)	977	9	3	221	8	3	155	9	4	13	4	3
Technology (16)	2,190	8	2	494	7	2	342	8	2	24	10	5
Others (25)	941	25	9	149	12	67	58	7	2,283	4	2	1
Banks-Private (12)	978	6	4	716	3	2	437	4	6	17	12	3
Banks-PSU (6)	931	5	4	638	10	2	388	3	1	10	11	2
PAT de-growth sectors	88	2	5	22	-4	-6	10	-6	21	-1	0	0
Infrastructure (3)	39	-7	12	12	-5	8	4	-3	43	0	0	0
Media (3)	49	10	0	10	-2	-19	6	-7	9	0	0	0
MOFSL Universe (345)	28,680	8	3	6,417	12	6	3,559	16	8	482	100	100
MOFSL Ex OMCs (342)	24,906	11	4	6,056	10	6	3,350	13	7	373		
MOFSL Ex-Metals and O&G (319)	18,201	13	5	4,708	12	6	2,752	14	9	341		
MOFSL Ex. Financials	24,137	8	4	4,516	14	8	2,267	19	9	368		
Nifty (48)	13,986	11	5	3,790	10	6	2,012	8	6	157		
Sensex (30)	10,782	12	6	3,138	13	7	1,672	11	9	169		

Exhibit 15: Expect a two-year PBT/PAT CAGR of 11% each for the MOFSL Universe (INR b)

Sector	PBT (INR b)				Growth (%)			PAT (INR b)				Growth (%)		
	Dec-23	Dec-24	Sep-25	Dec-25	YoY	Two-year CAGR	QoQ	Dec-23	Dec-24	Sep-25	Dec-25	YoY	Two-year CAGR	QoQ
Automobiles (27)	240	255	300	320	25	15	7	186	195	226	244	25	15	8
Capital Goods (16)	103	125	145	153	22	22	5	71	86	100	107	24	23	7
Cement (12)	69	27	58	50	87	-15	-14	50	21	39	35	66	-16	-11
Chemicals (13)	20	19	26	23	23	7	-12	16	14	19	17	25	6	-10
Consumer (22)	195	190	200	206	8	3	3	149	141	149	155	9	2	4
Consumer Durables (8)	15	22	26	26	19	29	-1	11	16	19	19	20	32	-1
EMS (7)	3	6	12	7	23	55	-40	2	4	5	5	21	46	2
Financials (66)	1,299	1,543	1,612	1,517	-2	8	-6	1,061	1,178	1,213	1,292	10	10	7
Banks-Private (12)	528	553	545	578	5	5	6	414	420	413	437	4	3	6
Banks-PSU (6)	357	511	552	515	1	20	-7	306	378	385	388	3	13	1
Insurance (8)	117	153	133	18	-88	-61	-87	112	134	121	155	16	17	27
NBFC - Lending (24)	267	283	335	353	25	15	6	205	215	257	271	26	15	6
NBFC - Non Lending (16)	31	42	47	54	27	32	14	24	31	37	41	31	32	11
Healthcare (28)	146	171	182	190	11	14	4	106	130	134	142	10	16	6
Healthcare - BPO (3)	2	6	7	7	18	99	2	3	5	6	6	15	51	0
Infrastructure (3)	6	6	5	6	-5	-1	24	4	4	3	4	-3	1	43
Logistics (9)	41	44	55	52	18	12	-6	32	37	44	43	16	16	-1
Media (3)	8	8	8	8	-1	2	7	6	7	6	6	-7	2	9
Metals (12)	350	386	379	421	9	10	11	245	251	256	289	15	9	13
Oil & Gas (14)	639	621	733	747	20	8	2	463	415	521	519	25	6	0
Oil Ex OMCs (11)	478	491	496	467	-5	-1	-6	343	316	342	309	-2	-5	-10
Plastic Pipes (3)	5	4	4	5	34	-5	17	4	3	3	4	34	-4	20
Real Estate (15)	28	37	49	69	84	57	41	23	35	43	58	64	60	34
Retail (25)	44	51	39	62	21	18	59	33	38	28	46	21	19	64
Staffing (4)	2	2	2	3	15	11	25	2	2	2	2	15	17	34
Technology (16)	394	431	448	462	7	8	3	291	318	335	342	8	8	2
Telecom (5)	-8	88	101	104	18	LP	3	-32	12	35	44	259	Loss	25
Utilities (9)	126	144	153	161	11	13	5	98	109	110	121	11	11	10
Others (25)	40	63	16	76	21	37	386	43	54	2	58	7	17	2,283
MOFSL Universe (345)	3,768	4,249	4,559	4,673	10	11	3	2,864	3,077	3,300	3,559	16	11	8
MOFSL Ex Metals/O&G (319)	2,779	3,242	3,446	3,505	8	12	2	2,157	2,410	2,523	2,752	14	13	9
MOFSL Ex OMCs (342)	3,607	4,119	4,321	4,393	7	10	2	2,745	2,977	3,121	3,350	13	10	7
Nifty (48)	2,297	2,586	2,720	2,783	8	10	2	1,748	1,855	1,905	2,012	8	7	6
Sensex (30)	1,807	2,112	2,227	2,337	11	14	5	1,372	1,503	1,533	1,672	11	10	9

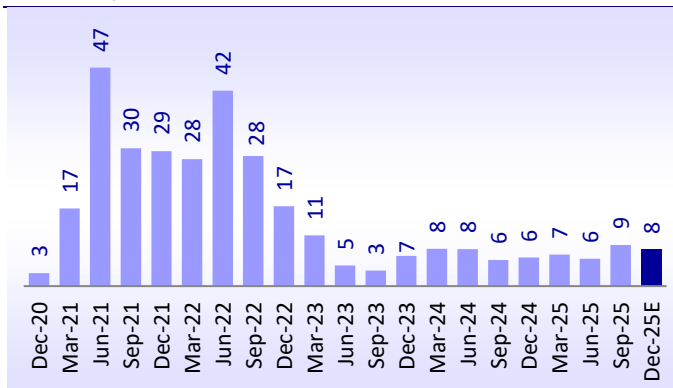
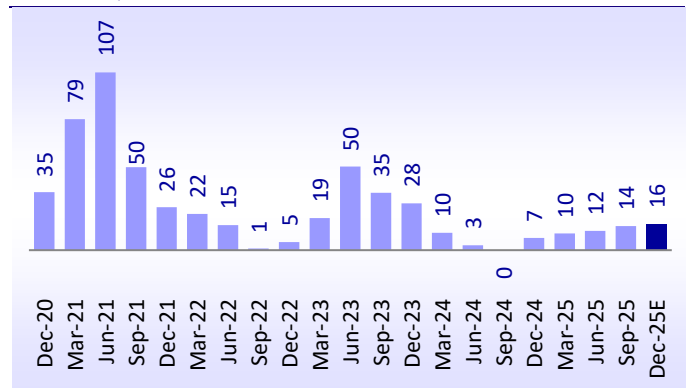
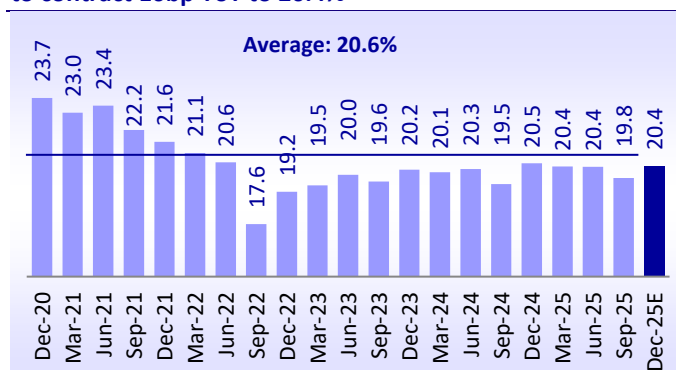
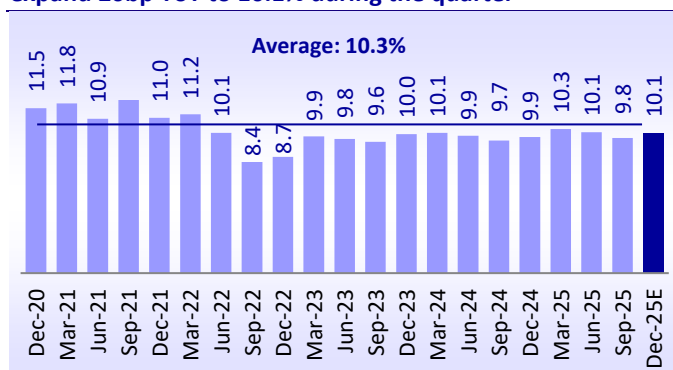
Sales/PAT for the MOFSL Universe to grow 8%/16% YoY in 3QFY26
Exhibit 16: Expect sales for the MOFSL Universe to grow 8% YoY in 3Q

Exhibit 17: Expect MOFSL Universe earnings to grow 16% YoY in 3Q


Exhibit 18: Expect EBITDA margin (ex-Financials and OMCs) to contract 10bp YoY to 20.4%



Source: MOFSL, excluding Financials and OMCs

Exhibit 19: Expect PAT margin (ex-Financials and OMCs) to expand 20bp YoY to 10.1% during the quarter



Source: MOFSL, excluding Financials and OMCs

Exhibit 20: O&G, NBFC-Lending, and Auto to lead, while Infra and Media to drag earnings in 3QFY26

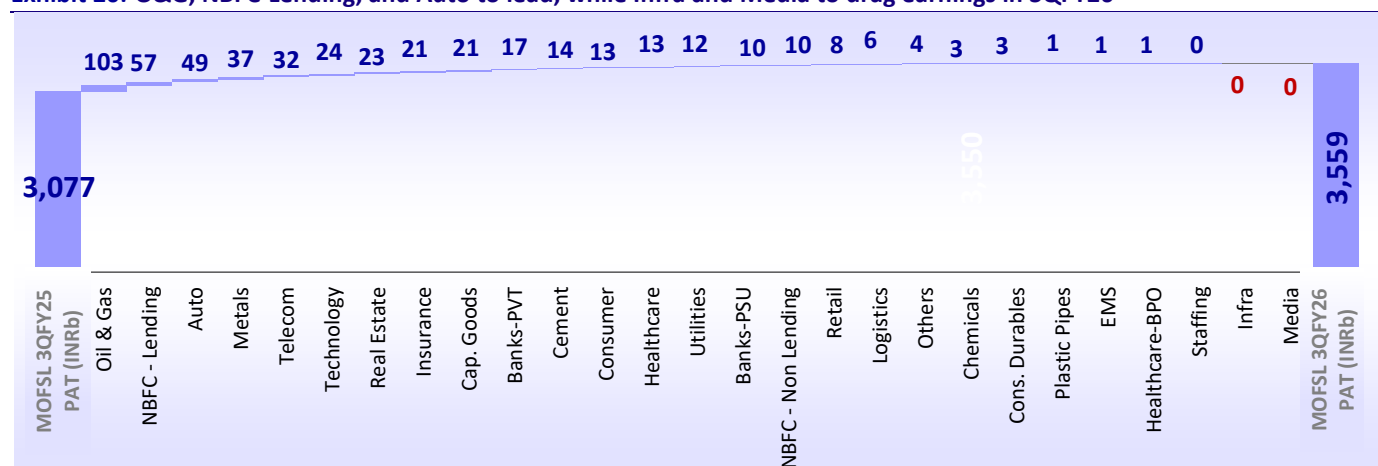


Exhibit 21: Quarterly sectoral PAT trend (INR b) – MOFSL Universe to report a 16% YoY growth in PAT in 3QFY26

Sector	Dec-22	Mar-23	June-23	Sep-23	Dec-23	Mar-24	June-24	Sep-24	Dec-24	Mar-25	June-25	Sep-25	Dec-25E
Automobiles	121	149	158	198	186	205	195	195	195	217	204	226	244
Banks-Private	338	369	363	409	414	436	427	433	420	410	430	413	437
Banks-PSU	252	300	307	294	306	379	347	393	378	412	372	385	388
Insurance	83	158	113	98	112	159	127	98	134	214	134	121	155
NBFC - Lending	163	184	188	207	205	226	215	212	215	235	243	257	271
NBFC - Non Lending	16	18	21	22	24	28	31	35	31	33	37	37	41
Capital Goods	58	99	54	72	71	135	71	86	86	144	84	100	107
Cement	24	38	44	42	50	51	33	21	21	50	51	39	35
Chemicals	22	25	20	19	16	15	17	18	14	18	19	19	17
Consumer	132	136	150	145	149	145	155	145	141	144	158	149	155
Consumer Durables	10	14	12	11	11	16	24	18	16	30	21	19	19
EMS	2	4	2	2	2	4	3	4	4	7	5	5	5
Healthcare	89	81	99	110	106	118	126	129	130	138	141	134	142
Healthcare - BPO	0	0	2	2	3	3	3	4	5	5	5	6	6
Infrastructure	4	5	5	3	4	5	4	4	4	6	5	3	4
Logistics	21	28	27	29	32	31	34	33	37	41	43	44	43
Media	6	3	6	8	6	4	6	6	7	5	6	6	6
Metals	137	250	234	198	245	216	273	205	251	311	284	256	289
Oil & Gas	339	516	621	614	463	487	370	377	415	472	477	521	519
Plastic Pipes	3	7	4	4	4	6	4	3	3	5	3	3	4
Real Estate	20	33	16	21	23	38	30	35	35	39	34	43	58
Retail	27	16	22	25	33	21	24	25	38	24	31	28	46
Staffing	2	2	2	2	2	1	2	2	2	2	2	2	2
Technology	289	292	276	282	291	299	301	309	318	320	321	335	342
Telecom	-58	-19	-29	-40	-32	-25	-17	-15	12	5	16	35	44
Utilities	89	101	91	87	98	110	98	104	109	122	111	110	121
Others	45	45	51	22	43	39	38	7	54	62	41	2	58
MOFSL Universe	2,234	2,855	2,856	2,887	2,864	3,152	2,941	2,885	3,077	3,471	3,279	3,300	3,559

Expect earnings of Nifty constituents to rise 8% YoY in 3QFY26

- We expect sales/EBITDA/PBT/PAT for Nifty constituents to improve 11%/10%/8%/8% YoY.
- Bharti Airtel, HDFC Bank, Tata Steel, JSW Steel, and Larsen & Toubro are likely to drive Nifty earnings. Coal India, ONGC, Axis Bank, Interglobe Aviation, and Cipla are projected to drag the same.
- Nineteen Nifty companies are likely to report a PAT growth of above 15% YoY. Twelve Nifty companies are expected to report either a loss or a YoY dip in PAT.

Exhibit 22: Sector-wise PAT breakdown for the Nifty constituents in 3QFY26E (YoY %)

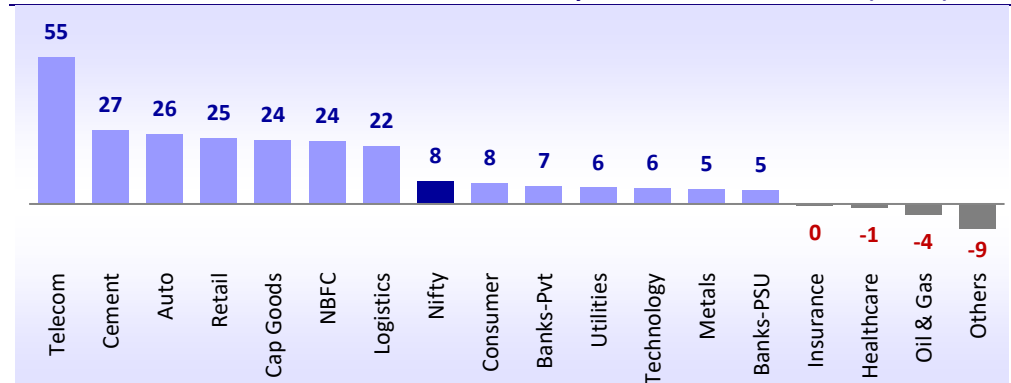


Exhibit 23: Expect Nifty's revenue to grow 11% YoY in 3QFY26

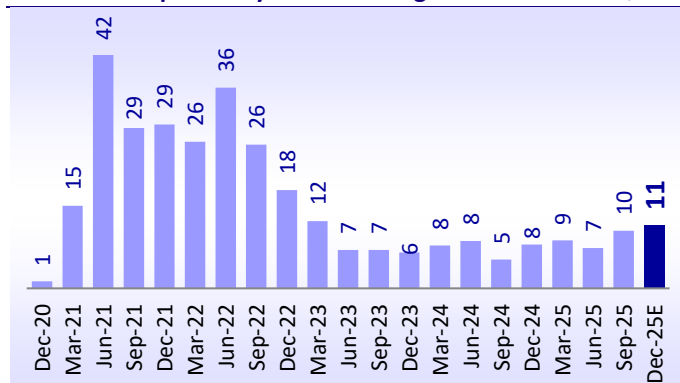


Exhibit 24: Expect Nifty's EBITDA to grow 10% YoY

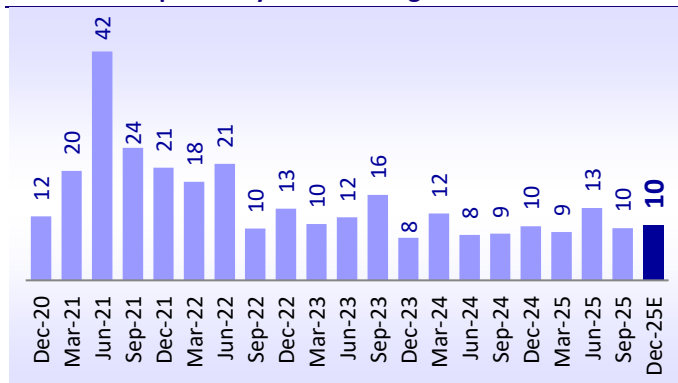


Exhibit 25: Expect Nifty's PAT to rise 8% YoY

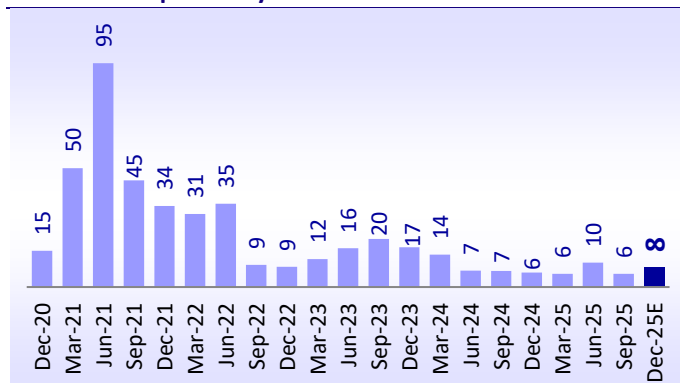


Exhibit 26: Nifty's EBITDA margin to contract to 22.1% YoY

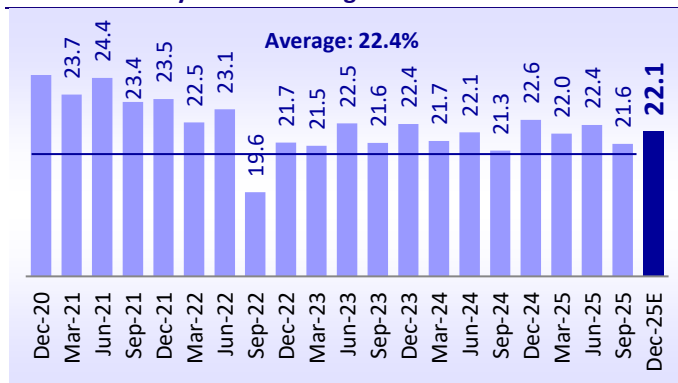


Exhibit 27: Nifty's earnings snapshot for 3QFY26E (INR b)

Company	Sector	Sales	Growth (%)		EBIDTA	Growth (%)		PAT	Growth (%)		Contribution to PAT	
		Dec-25	YoY	QoQ	Dec-25	YoY	QoQ	Dec-25	YoY	QoQ	(%)	Growth (%)
Bajaj Auto	Automobiles	152	18.8	2.0	32	23.4	4.3	26	22.9	4.5	1.3	3.1
Eicher Motors	Automobiles	60	21.2	-2.4	15	23.1	-2.2	14	18.7	1.4	0.7	1.4
Mahindra & Mahindra	Automobiles	403	31.9	20.6	59	31.2	20.6	39	31.5	-13.7	1.9	6.0
Maruti Suzuki	Automobiles	504	30.9	19.7	58	30.5	31.6	44	25.3	34.1	2.2	5.7
Tata Motors PV	Automobiles	882	NA	20.6	52	NA	LP	-1	Loss	Loss	0.0	-0.6
Axis Bank	Banks-Private	142	4.6	3.5	104	-1.6	-0.4	59	-6.9	15.3	2.9	-2.8
HDFC Bank	Banks-Private	333	8.7	5.6	282	12.7	0.9	187	12.0	0.6	9.3	12.8
ICICI Bank	Banks-Private	222	8.8	3.0	179	5.9	3.4	125	5.9	1.0	6.2	4.4
Kotak Mahindra Bank	Banks-Private	77	6.5	4.9	56	7.6	5.9	35	7.3	9.0	1.8	1.5
State Bank	Banks-PSU	448	8.1	4.2	290	23.1	6.1	178	5	5.9	8.8	5.5
HDFC Life Insur.	Insurance	200	15.5	3.4	10	4.3	-4.1	4	5.5	-2.1	0.2	0.1
SBI Life Insurance	Insurance	291	16.4	16.0	22	19.3	34.4	5	-4.9	5.9	0.3	-0.2
Bajaj Finance	NBFC - Lending	113	20.1	4.5	93	18.9	4.6	52	20.2	4.6	2.6	5.5
Bajaj Finserv	NBFC - Lending	311	20.9	2.1	97	23.5	6.4	29	30.3	29.4	1.4	4.3
Shriram Finance	NBFC - Lending	65	16.9	8.4	48	18.7	9.1	26	23.4	11.4	1.3	3.1
Bharat Electronics	Capital Goods	68	17.8	17.6	19	15.6	12.8	15	13.0	15.6	0.7	1.1
Larsen & Toubro	Capital Goods	751	16.1	10.4	77	23.6	13.6	43	27.9	9.4	2.1	6.0
Grasim Industries	Cement	97	19.9	1.3	4	43.9	6.3	-1	Loss	PL	-0.1	0.3
Ultratech Cement	Cement	211	18.7	7.6	37	28.0	19.7	16	20.9	33.5	0.8	1.8
Asian Paints	Consumer	91	6.5	6.7	18	10.3	20.1	13	10.8	22.8	0.6	0.8
Hind. Unilever	Consumer	161	1.8	-1.0	37	1.2	0.0	26	-1.3	2.8	1.3	-0.2
ITC	Consumer	207	10.2	6.2	68	6.5	1.2	52	9.4	2.2	2.6	2.8
Nestle	Consumer	54	12.0	-5.1	12	10.2	-1.3	8	11.4	2.5	0.4	0.5
Tata Consumer	Consumer	50	12.0	0.2	7	24.3	4.5	4	41.0	-1.2	0.2	0.7
Apollo Hospitals	Healthcare	61	10.8	-2.8	9	19.9	-3.0	5	22.6	-4.4	0.2	0.5
Cipla	Healthcare	73	3.0	-4.1	16	-20.2	-16.2	11	-17.4	-16.6	0.6	-1.5
Dr Reddy's Labs	Healthcare	81	-1.8	-8.2	17	-20.7	-19.0	11	-13.0	-25.6	0.6	-1.1
Max Healthcare	Healthcare	24	4.3	-8.0	6	2.0	-8.4	4	-0.7	-7.2	0.2	0.0
Sun Pharma	Healthcare	146	12.2	1.7	40	11.9	-0.6	30	9.0	7.8	1.5	1.6
Adani Ports	Logistics	93	16.8	1.5	56	16.2	0.5	33	21.7	-4.8	1.6	3.7
Coal India	Metals	345	-6.4	14.3	92	-20.3	56.6	65	-23.9	48.6	3.2	-13.0
Hindalco	Metals	664	13.8	0.6	79	4.8	-11.4	38	1.4	-21.6	1.9	0.3
JSW Steel	Metals	444	7.3	-1.7	68	22.1	-13.2	18	137.3	-10.4	0.9	6.8
Tata Steel	Metals	588	9.5	0.1	81	12.9	-9.2	24	225.5	-26.3	1.2	10.6
ONGC	Oil & Gas	307	-8.8	-6.9	167	-12.4	-5.7	69	-15.9	-29.6	3.4	-8.4
Reliance Inds.	Oil & Gas	2,559	6.6	0.5	479	9.4	4.4	188	1.3	3.4	9.3	1.5
Titan Company	Retail	233	31.2	24.3	25	28.1	31.6	16	27.1	41.5	0.8	2.2
Trent	Retail	53	16.6	11.9	10	24.7	28.4	6	17.7	22.6	0.3	0.5
HCL Technologies	Technology	331	10.8	3.6	71	3.8	7.3	48	4.3	13.1	2.4	1.3
Infosys	Technology	452	8.3	1.6	109	7.1	2.0	73	6.9	-1.2	3.6	3.0
TCS	Technology	666	4.1	1.2	180	6.2	0.2	131	5.1	-1.4	6.5	4.0
Tech Mahindra	Technology	142	6.6	1.2	23	24.5	3.9	15	47.7	21.6	0.7	3.0
Wipro	Technology	236	5.6	3.9	47	0.4	2.7	33	-2.6	0.7	1.6	-0.5
Bharti Airtel	Telecom	536	18.9	2.9	305	24.1	3.3	85	54.8	25.7	4.2	19.3
NTPC	Utilities	448	8.4	14.5	130	8.4	29.4	50	7.5	9.8	2.5	2.2
Power Grid Corp.	Utilities	106	4.2	5.5	94	10.6	17.6	40	4.3	28.9	2.0	1.0
Eternal	Others	152	181.0	11.8	3	89.0	28.1	1	42.6	29.4	0.0	0.2
Interglobe Aviation	Others	236	6.8	27.3	60	1.1	591.2	22	-10.3	LP	1.1	-1.6
Nifty Universe		13,986	11.2	-0.7	3,790	10.2	6.3	2,012	8.5	8.0	100	99

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

Exhibit 28: Expect a 15% PAT CAGR for the MOFSL Universe over FY25-27

	Sales CAGR (%)	EBIDTA CAGR (%)	EBIDTA Margin (%)			PAT			PAT Gr./ CAGR (%)				PAT Delta Share (%)
Sector	(FY25-27)	(FY25-27)	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	(FY25-27)	(FY25-27)
High PAT CAGR (>25%)	19	19	23.0	22.8	22.6	964	1,264	1,684	67	31	33	48	17
Telecom (5)	13	15	51.4	52.1	52.9	132	228	377	LP	73	65	LP	6
EMS (7)	37	41	6.0	6.3	7.0	24	39	54	35	64	37	49	1
Others (25)	27	22	15.0	15.5	15.0	230	312	413	45	36	33	41	4
Cement (12)	14	26	16.2	17.2	18.0	235	285	339	38	22	19	30	3
Real Estate (15)	24	30	29.9	29.9	30.2	206	231	298	48	12	29	29	2
Retail (25)	17	18	11.1	11.2	11.4	137	169	203	27	23	20	25	2
Medium PAT CAGR (15-25%)	12	16	20.8	22.0	22.4	2,493	3,123	3,564	15	25	14	20	24
Healthcare - BPO (3)	20	24	25.0	25.1	25.4	22	26	32	32	16	21	24	0
Infrastructure (3)	10	17	30.2	32.3	32.0	17	27	38	-3	54	43	22	0
Plastic Pipes (3)	13	20	13.8	15.3	16.0	16	23	28	6	41	23	22	0
Chemicals (13)	9	18	19.7	21.3	22.1	80	101	119	18	26	18	22	1
Metals (12)	9	16	19.0	20.8	21.2	1,189	1,547	1,717	14	30	11	22	12
Logistics (9)	15	18	35.2	35.7	35.7	178	214	249	22	20	16	21	2
Capital Goods (16)	16	18	13.6	13.8	14.0	470	550	663	21	17	20	19	4
Staffing (4)	12	16	2.9	3.0	3.1	9	11	12	16	18	11	17	0
Utilities (9)	15	15	34.6	35.1	36.2	511	624	707	11	22	13	17	4
Low PAT CAGR (<15%)	4	11	22.0	23.2	24.1	11,179	12,497	14,207	11	12	14	11	59
Financials (69)	11	12	45.3	45.9	47.6	5,467	6,383	7,525	10	17	18	13	34
Banks-PVT (12)	12	12	77.8	75.9	76.8	1,838	2,235	2,690	4	22	20	12	11
Banks-PSU (6)	9	8	71.4	69.8	70.7	1,705	1,890	2,183	7	11	15	9	7
Insurance (8)	10	16	10.0	10.6	11.3	649	722	794	13	11	10	12	4
NBFC - Lending (27)	18	18	79.6	80.6	80.9	1,116	1,344	1,634	23	20	22	22	11
NBFC - Non Lending (16)	21	23	46.3	46.9	47.0	159	191	224	22	20	17	21	2
Consumer Durables (8)	11	13	10.1	10.8	11.2	90	110	132	4	22	20	13	1
Healthcare (28)	11	11	23.6	24.2	24.5	563	660	755	7	17	14	12	3
Auto (27)	12	8	11.9	12.6	12.9	978	1,215	1,420	-2	24	17	11	5
Technology (16)	8	9	22.3	22.8	22.9	1,333	1,476	1,648	7	11	12	9	6
Consumer (22)	9	8	22.7	22.6	22.9	624	689	767	7	10	11	9	3
Oil & Gas (14)	-5	8	13.5	14.0	13.8	2,100	1,937	1,929	28	-8	0	8	7
Ex OMCs (11)	-2	6	17.6	18.7	18.8	1,373	1,426	1,533	3	4	8	3	2
Media (3)	7	8	20.8	20.8	20.8	24	27	30	2	12	11	7	0
MOFSL (348)	7	13	21.9	22.9	23.5	14,636	16,884	19,455	14	15	15	15	100
MOFSL Ex OMCs (345)	10	13	23.8	24.6	25.3	13,909	16,372	19,059	11	18	16	14	NA
Nifty (50)	8	12	26.2	27.2	27.8	8,532	9,945	11,415	8	17	15	12	NA
Sensex (30)	11	13	30.2	30.8	31.3	6,803	7,943	9,211	11	17	16	14	NA

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

Exhibit 29: Upgrades/downgrades for the Nifty-50 in 3QFY26E Preview vs. 2QFY26 Review

(INR)	Current EPS (INR)			EPS UPGRADE / DOWNGRADE (%)		EPS GROWTH (%)	
	FY25	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Eicher Motors	172.7	202.5	227.2	4.9	5.3	17.3	12.2
Tata Motors PV	51.6	14.5	32.2	-2.5	5.2	-72.0	122.7
Mahindra & Mahindra	98.7	123.7	150.4	2.6	3.9	25.3	21.6
Maruti Suzuki	443.9	520.0	639.1	7.3	3.7	17.1	22.9
HDFC Life Insur.	8.4	9.3	10.3	10.2	3.3	10.4	11.4
Infosys	63.8	69.3	74.7	0.2	3.1	8.5	7.8
HDFC Bank	44.0	49.0	56.3	-0.1	2.9	11.4	14.9
Tech Mahindra	47.9	59.8	80.0	-0.4	2.6	24.9	33.8
Wipro	12.5	12.5	12.9	-0.2	2.1	-0.5	3.6
TCS	134.2	141.3	152.5	-0.3	2.0	5.3	7.9
HCL Technologies	63.9	64.9	74.4	-1.6	1.0	1.6	14.6
JSW Steel	16.1	38.3	73.0	-13.3	0.9	138.4	90.6
Asian Paints	42.5	46.7	54.5	-0.1	0.8	10.0	16.7
Tata Consumer	14.0	16.8	20.3	-1.0	0.7	19.9	20.9
Axis Bank	85.3	79.0	99.7	0.9	0.6	-7.3	26.1
State Bank	86.9	95.6	104.5	0.0	0.6	10.0	9.3
Larsen & Toubro	106.8	130.3	155.5	0.1	0.4	22.0	19.3
Bajaj Auto	299.5	342.1	371.6	0.9	0.2	14.2	8.6
Titan Company	42.3	56.8	67.2	0.0	0.0	34.3	18.4
Apollo Hospitals	100.6	130.8	155.6	0.5	0.0	30.0	19.0
Bharat Electronics	7.2	8.3	9.9	0.0	0.0	15.0	18.6
Sun Pharma	47.1	49.2	57.5	0.0	0.0	4.4	16.8
NTPC	20.8	22.2	27.7	-1.3	0.0	7.0	24.5
Cipla	62.8	61.2	61.7	-0.2	-0.2	-2.5	0.8
Hindalco	74.8	76.7	74.5	3.4	-0.6	2.4	-2.8
Kotak Mahindra Bank	111.3	105.1	125.1	-0.1	-0.7	-5.5	19.0
Dr Reddy's Labs	67.3	65.7	62.6	-4.7	-0.9	-2.4	-4.7
Coal India	57.4	44.8	57.1	-12.6	-1.0	-21.8	27.3
Power Grid Corp.	16.7	17.4	18.8	-1.0	-1.1	4.2	8.3
ICICI Bank	66.8	71.8	81.5	-1.3	-1.5	7.6	13.4
Nestle	16.0	16.7	19.8	-0.9	-1.5	4.4	18.8
Bajaj Finance	27.0	32.7	40.7	0.1	-1.7	21.2	24.3
Bharti Airtel	30.3	48.7	65.7	-7.1	-2.1	60.6	35.0
Tata Steel	3.4	9.1	13.8	-3.4	-2.8	170.0	51.8
Grasim Industries	74.1	81.9	102.2	-2.9	-3.0	10.5	24.8
Max Healthcare	15.1	16.9	23.4	-9.7	-3.8	11.5	38.6
Reliance Inds.	51.5	54.0	58.6	-2.9	-4.3	4.9	8.5
ONGC	30.6	33.1	30.3	-0.6	-4.4	8.5	-8.4
SBI Life Insurance	24.1	22.9	24.3	-5.0	-5.3	-5.3	6.4
Adani Ports	50.2	59.0	69.3	-5.9	-5.5	17.5	17.5
Trent	43.2	49.0	55.0	-6.3	-6.7	13.6	12.1
Hind. Unilever	44.3	43.4	48.0	-5.3	-7.9	-2.1	10.7
Ultratech Cement	207.6	266.6	315.9	-2.3	-9.9	28.4	18.5
Shriram Finance	44.0	51.9	55.5	0.4	-10.2	17.9	7.1
ITC	16.0	16.6	16.4	-1.5	-11.4	3.8	-1.4
Interglobe Aviation	188.1	128.1	205.3	-24.9	-15.5	-31.9	60.2
Eternal	0.6	0.4	2.1	-52.1	-23.4	-36.7	455.0
Nifty (50)	1,014	1,084	1,267	-2.2	-1.1	7.0	16.8

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

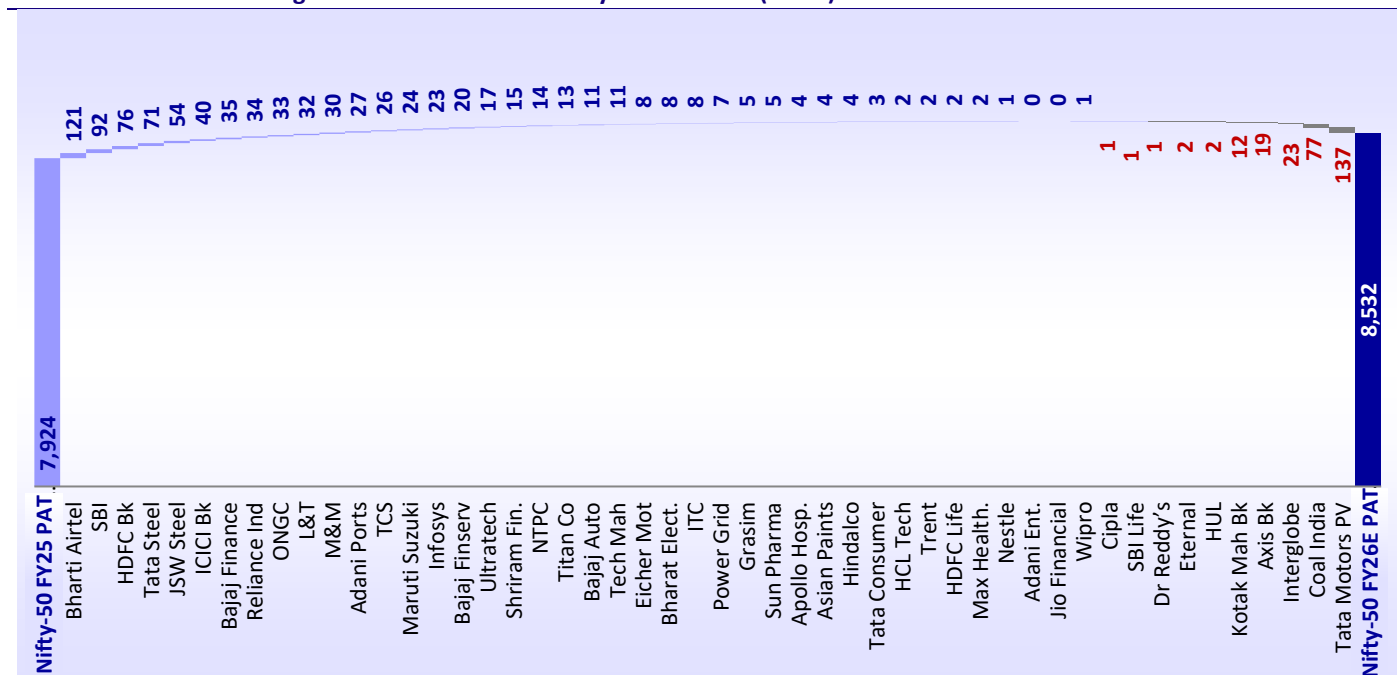


Exhibit 31: Absolute change in FY27E PAT for the Nifty constituents (INR b)

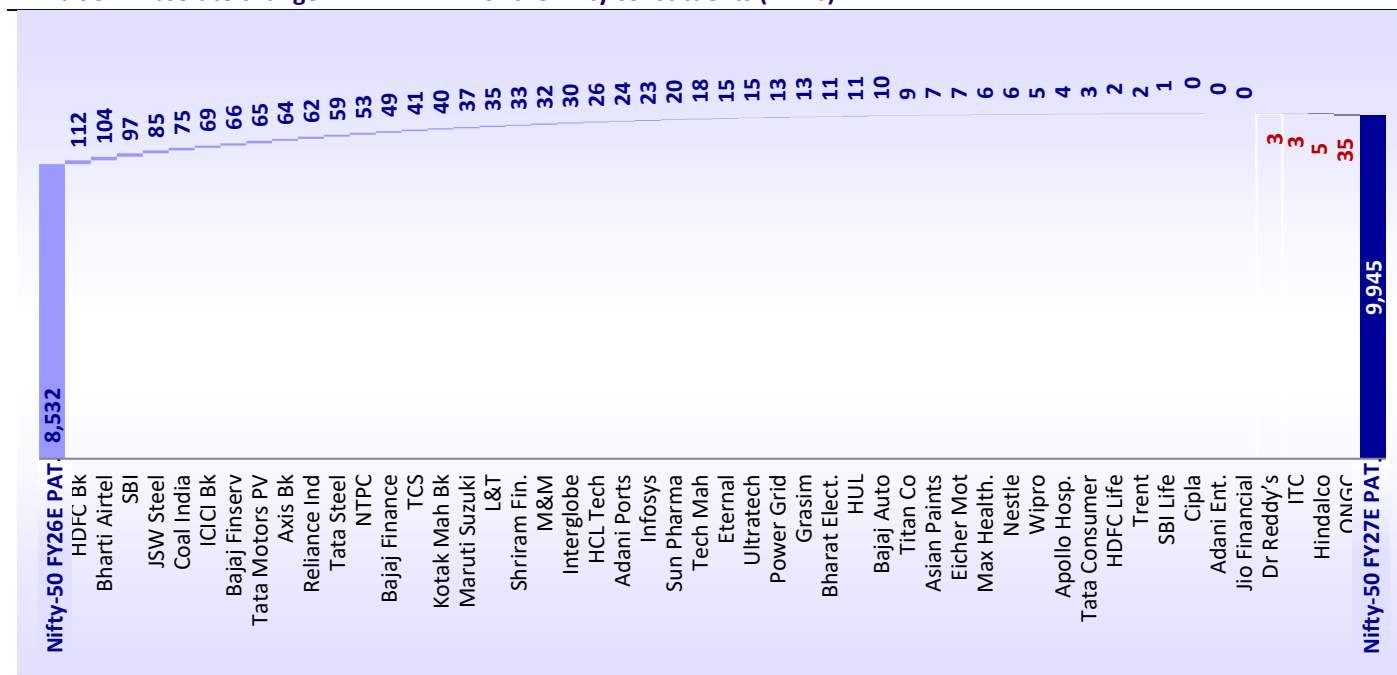


Exhibit 32: Nifty performance – Expect 12% FF PAT CAGR (FY25-27E)

Company	Sales CAGR % 25-27	EBIDTA Margin (%)			EBITDA CAGR % 25-27	PAT YoY (%)			PAT CAGR % 25-27	Contbn to Delta %
		FY26E	FY27E	FY28E		FY26E	FY27E	FY28E		
High PAT Growth (20%+)	18	24	25	24	23	37	33	21	35	53
JSW Steel	12	17	20	21	35	138	91	25	113	7
Tata Steel	9	15	17	17	28	170	52	12	102	6
Eternal	134	2	3	4	128	-37	455	111	87	1
Bharti Airtel	17	57	57	58	21	69	35	29	51	11
Bajaj Finserv	31	69	67	64	26	23	61	17	41	4
Tech Mahindra	6	15	18	18	24	25	34	12	29	1
Titan Company	20	11	11	11	23	34	18	18	26	1
Shriram Finance	20	74	76	77	22	18	34	26	26	2
Apollo Hospitals	14	15	15	15	18	30	19	24	24	0
Max Healthcare	20	26	27	27	20	12	39	9	24	0
Mahindra & Mahindra	20	14	15	14	20	25	22	16	23	3
Ultratech Cement	14	19	20	20	24	28	19	21	23	2
Bajaj Finance	22	82	81	81	21	21	24	26	23	4
Adani Ports	17	60	61	61	18	25	17	13	21	3
Larsen & Toubro	15	10	11	11	16	22	19	18	21	3
Tata Consumer	10	14	15	15	15	20	21	9	20	0
Maruti Suzuki	18	11	12	12	18	17	23	15	20	3
Medium PAT Growth (0-20%)	7	32	33	34	10	6	13	14	9	51
Grasim Industries	18	4	6	7	50	11	25	21	17	1
Bharat Electronics	17	29	29	28	17	15	19	16	17	1
NTPC	8	29	31	33	11	7	25	13	15	3
Eicher Motors	18	25	25	25	17	17	12	12	15	1
Asian Paints	8	18	19	19	12	10	17	14	13	1
HDFC Bank	11	93	86	86	14	11	15	18	13	9
Trent	18	18	18	17	23	14	12	13	13	0
Bajaj Auto	12	20	20	20	12	13	10	10	12	1
State Bank	10	68	67	67	11	12	11	16	12	9
Nestle	11	23	24	25	11	4	19	12	11	0
HDFC Life Insur.	15	80	80	81	16	10	11	15	11	0
ICICI Bank	12	83	83	83	12	8	13	16	11	5
Sun Pharma	11	28	29	30	14	4	17	13	10	1
Axis Bank	11	78	78	79	12	-7	26	19	8	2
Infosys	8	24	24	24	9	9	8	12	8	2
HCL Technologies	9	21	21	21	8	1	15	11	8	1
Reliance Inds.	4	18	20	20	11	5	9	12	7	5
TCS	5	27	27	27	7	5	8	10	7	3
Power Grid Corp.	6	85	84	83	5	4	8	5	6	1
Kotak Mahindra Bank	11	74	75	76	3	-6	19	21	6	1
Interglobe Aviation	13	23	25	27	11	-32	60	18	5	0
Hind. Unilever	5	23	23	24	5	-2	11	10	4	0
Wipro	5	20	20	20	4	0	4	6	2	0
ITC	6	33	31	31	1	4	-1	8	1	0
SBI Life Insurance	16	7	7	7	15	-5	6	9	0	0
Jio Financial	0	189	189	189	0	0	0	0	0	0
Adani Enterprises	0	15	15	15	0	0	0	0	0	0
PAT de-growth (<0%)	-1	16	17	17	0	-15	10	6	-3	-4
Hindalco	7	13	12	13	3	2	-3	5	0	0
Coal India	6	29	33	33	5	-22	27	2	0	0
ONGC	-11	18	19	18	1	8	-8	0	0	0
Cipla	6	24	23	23	0	-2	1	11	-1	0
Dr Reddy's Labs	7	24	23	23	-1	-2	-5	7	-4	0
Tata Motors PV	7	7	9	10	-11	-72	123	31	-21	-4
Nifty (PAT free float)	8	26	27	28	12	8	17	16	12	100

Sectors & Companies

BSE Sensex: 84,961

Nifty 50: 26,141

January 2026

MOFSL Universe: 3QFY26 Highlights & Ready Reckoner

Note: In our quarterly performance tables, our four-quarter numbers may not always add up to the full-year numbers. This is because of differences in classification of account heads in the company's quarterly and annual results or because of differences in the way we classify account heads as opposed to the company. **All stock prices and indices as on 2 January 2026, unless otherwise stated.**

MOFSL Universe: 3QFY26 aggregate performance highlights

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

Sector (Nos of Cos)	Sales			EBITDA			PAT		
	Dec-25	Var. % YoY	Var. % QoQ	Dec-25	Var. % YoY	Var. % QoQ	Dec-25	Var. % YoY	Var. % QoQ
Automobiles (27)	2,725	20.2	10.6	373	23.8	13.0	244	25.0	7.7
Capital Goods (16)	1,227	15.6	7.6	159	20.5	11.0	107	24.1	6.8
Cement (12)	675	16.2	6.2	100	38.1	7.3	35	66.1	-10.6
Chemicals (13)	171	6.0	-2.0	32	14.6	-5.7	17	25.0	-10.1
Consumer (22)	977	9.3	3.4	221	8.3	3.0	155	9.5	3.7
Consumer Durables (8)	293	10.8	1.1	28	15.7	0.3	19	20.1	-0.9
EMS (7)	162	8.6	-17.0	10	13.7	-8.6	5	21.3	2.1
Financials (66)	4,543	9.2	1.1	1,900	9.2	1.9	1,292	9.7	6.5
Banks-Private (12)	978	6.0	4.2	716	3.2	1.9	437	3.9	5.9
Banks-PSU (6)	931	5.0	3.6	638	10.2	2.3	388	2.6	0.7
Insurance (8)	1,984	10.2	-2.4	60	11.3	-7.2	155	15.7	27.4
NBFC - Lending (24)	540	16.4	3.5	436	16.9	1.6	271	26.4	5.8
NBFC - Non Lending (16)	110	25.4	9.8	50	24.4	10.6	41	31.2	11.1
Healthcare (28)	979	10.4	0.0	230	8.0	2.7	142	9.8	6.5
Healthcare - BPO (3)	35	25.3	9.3	9	23.3	7.2	6	15.2	-0.5
Infrastructure (3)	39	-7.1	12.1	12	-5.5	8.1	4	-3.4	42.9
Logistics (9)	215	12.6	3.0	75	15.4	1.8	43	15.9	-0.9
Media (3)	49	10.0	-0.4	10	-1.8	-19.5	6	-7.2	9.3
Metals (12)	3,210	8.7	4.0	619	7.7	8.3	289	14.9	12.7
Oil & Gas (14)	7,269	-3.9	-1.4	1,089	15.7	5.0	519	24.9	-0.5
Oil Ex OMCs (11)	3,495	3.1	-1.0	728	2.7	1.5	309	-2.0	-9.7
Plastic Pipes (3)	50	11.4	9.4	7	24.9	8.9	4	33.8	19.6
Real Estate (15)	213	35.8	33.4	66	49.3	67.8	58	64.5	34.0
Retail (25)	858	20.1	18.8	99	17.2	31.6	46	21.4	63.6
Staffing (4)	120	9.5	6.1	3	13.0	7.8	2	15.1	33.9
Technology (16)	2,190	7.6	2.2	494	7.4	2.2	342	7.7	2.1
Telecom (5)	818	13.9	2.3	422	9.5	2.5	44	258.9	24.8
Utilities (9)	918	19.1	12.6	310	16.6	13.9	121	11.1	10.3
Others (25)	941	24.8	9.4	149	11.5	66.7	58	7.1	2,283.3
MOFSL Universe (345)	28,680	8.0	3.3	6,417	12.3	6.3	3,559	15.7	7.9
Nifty (48)	13,986	11.2	4.7	3,790	10.2	6.2	2,012	8.5	5.6
Sensex (30)	10,782	12.5	5.5	3,138	13.2	7.4	1,672	11.3	9.1

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

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

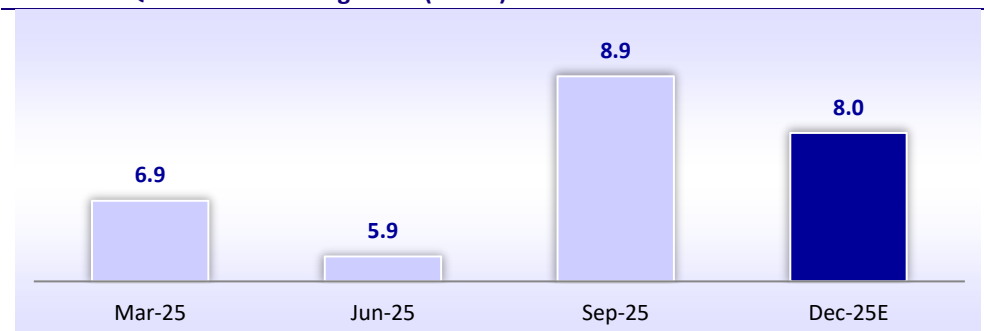
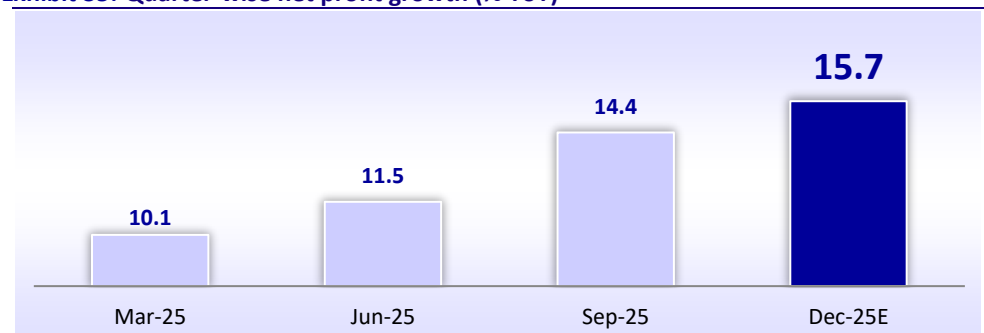


Exhibit 35: Quarter-wise net profit growth (% YoY)



Annual performance - MOFSL universe (INR b)

Sector	Sales (INR b)			Chg. YoY (%)			EBIDTA (INR b)			Chg. YoY (%)			PAT (INR b)			Chg. YoY (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Auto (27)	14,096	15,874	17,743	10.5	12.6	11.8	1,671	1,999	2,293	-1.9	19.6	14.7	978	1,215	1,420	-1.7	24.2	16.9
Capital Goods (16)	5,028	5,737	6,702	18.3	14.1	16.8	682	792	938	19.6	16.1	18.5	470	550	663	20.9	17.1	20.4
Cement (12)	2,769	3,104	3,437	15.1	12.1	10.7	448	533	620	34.1	19.0	16.3	235	285	339	38.2	21.6	18.9
Chemicals (13)	712	806	900	5.4	13.2	11.7	140	172	199	12.7	22.6	15.8	80	101	119	18.0	26.1	17.7
Consumer (22)	3,907	4,288	4,686	8.7	9.8	9.3	887	970	1,073	6.2	9.4	10.6	624	689	767	6.6	10.5	11.3
Consumer Durables (8)	1,308	1,493	1,708	8.0	14.1	14.4	133	161	192	5.7	21.3	19.4	90	110	132	4.1	22.0	20.2
EMS (7)	757	1,106	1,312	29.1	46.1	18.6	46	70	92	29.8	53.4	31.1	24	39	54	35.4	63.6	36.5
Financials (69)	18,724	21,326	24,348	8.4	13.9	14.2	8,473	9,792	11,589	9.5	15.6	18.3	5,467	6,383	7,525	9.6	16.8	17.9
Banks-PVT (12)	3,867	4,548	5,398	5.8	17.6	18.7	3,010	3,453	4,146	9.0	14.7	20.1	1,838	2,235	2,690	3.5	21.6	20.3
Banks-PSU (6)	3,677	4,202	4,794	3.6	14.3	14.1	2,624	2,931	3,388	4.4	11.7	15.6	1,705	1,890	2,183	6.8	10.9	15.5
Insurance (8)	8,510	9,373	10,332	9.5	10.1	10.2	853	996	1,163	14.7	16.8	16.8	649	722	794	13.2	11.4	10.0
NBFC - Lending (27)	2,250	2,699	3,230	15.8	19.9	19.7	1,791	2,175	2,613	14.7	21.4	20.1	1,116	1,344	1,634	22.7	20.4	21.6
NBFC-Non Lending (16)	420	504	594	21.9	20.0	17.8	194	236	279	23.7	21.6	18.0	159	191	224	22.0	20.1	17.3
Healthcare (28)	3,891	4,343	4,822	9.9	11.6	11.0	919	1,051	1,182	8.1	14.4	12.5	563	660	755	7.1	17.0	14.4
Healthcare - BPO (3)	136	160	186	22.7	17.8	16.0	34	40	47	30.0	18.1	17.6	22	26	32	32.1	16.2	20.9
Infrastructure (3)	164	209	262	-5.0	27.1	25.4	50	68	84	0.4	36.3	23.9	17	27	38	-2.6	53.7	43.4
Logistics (9)	851	979	1,114	15.8	15.1	13.7	299	349	398	20.1	16.7	14.0	178	214	249	21.7	20.4	15.9
Media (3)	191	204	218	6.5	6.7	6.8	40	42	45	8.6	6.5	6.7	24	27	30	2.0	12.2	11.1
Metals (12)	12,838	14,187	15,126	8.1	10.5	6.6	2,443	2,948	3,209	11.8	20.7	8.8	1,189	1,547	1,717	14.1	30.1	11.0
Oil & Gas (14)	33,853	31,951	32,968	-3.9	-5.6	3.2	4,568	4,467	4,552	20.4	-2.2	1.9	2,100	1,937	1,929	27.5	-7.8	-0.4
Ex OMCs (11)	18,453	18,290	19,229	-2.4	-0.9	5.1	3,249	3,412	3,619	7.8	5.0	6.1	1,373	1,426	1,533	2.7	3.9	7.6
Plastic Pipes (3)	205	239	272	9.0	16.8	13.8	28	37	44	11.3	29.5	18.9	16	23	28	5.9	40.6	22.6
Real Estate (15)	786	944	1,150	27.7	20.2	21.8	235	282	347	40.4	20.2	23.0	206	231	298	48.0	11.9	29.0
Retail (25)	3,015	3,516	4,039	18.1	16.6	14.9	334	395	459	18.7	18.1	16.3	137	169	203	26.8	23.1	20.2
Staffing (4)	464	526	581	10.4	13.2	10.6	13	16	18	13.1	18.3	13.7	9	11	12	16.4	17.6	11.2
Technology (16)	8,620	9,348	10,386	7.3	8.5	11.1	1,925	2,136	2,383	7.4	10.9	11.6	1,333	1,476	1,648	6.9	10.8	11.7
Telecom (5)	3,203	3,548	3,906	15.1	10.8	10.1	1,645	1,850	2,065	17.0	12.4	11.7	132	228	377	LP	72.7	65.0
Utilities (9)	3,978	4,529	5,051	16.2	13.8	11.5	1,376	1,591	1,827	14.5	15.7	14.8	511	624	707	11.3	22.0	13.3
Others (25)	3,566	4,618	5,910	24.6	29.5	28.0	533	715	887	11.7	34.0	24.1	230	312	413	45.4	35.8	32.6
MOFSL (348)	123,061	133,034	146,828	6.6	8.1	10.4	26,919	30,473	34,542	12.1	13.2	13.4	14,636	16,884	19,455	14.0	15.4	15.2
MOFSL Ex OMCs (345)	107,661	119,374	133,089	8.6	10.9	11.5	25,600	29,419	33,609	10.2	14.9	14.2	13,909	16,372	19,059	11.1	17.7	16.4

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

Valuations - MOFSL universe

Sector	PE (x)			PB (x)			EV/EBIDTA (x)			ROE (%)			EARN. CAGR (FY25-FY27)
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	
Auto (27)	32.0	25.8	22.1	5.0	4.4	3.9	17.4	14.3	12.2	15.7	17.2	17.6	10.5
Capital Goods (16)	39.7	33.9	28.2	7.4	6.4	5.4	26.7	22.6	18.7	18.6	18.8	19.3	19.0
Cement (12)	41.4	34.1	28.6	3.3	3.1	2.9	22.7	19.1	16.3	8.0	9.2	10.2	29.6
Chemicals (13)	37.7	29.9	25.4	3.9	3.5	3.1	22.0	17.9	15.4	10.3	11.8	12.4	22.0
Consumer (22)	44.7	40.4	36.3	10.4	9.8	9.1	30.8	28.0	25.1	23.3	24.3	25.0	8.5
Consumer Durables (8)	51.9	42.6	35.4	9.0	7.8	6.7	34.3	28.1	23.3	17.4	18.3	18.9	12.7
EMS (7)	67.0	40.9	30.0	8.5	7.1	5.7	34.6	22.3	16.7	12.7	17.3	19.2	48.9
Financials (69)	16.7	14.3	12.1	2.5	2.2	1.9	N.M	N.M	N.M	15.1	15.2	15.7	13.1
Banks-PVT (12)	19.9	16.4	13.6	2.6	2.2	1.9	N.M	N.M	N.M	12.8	13.5	14.3	12.2
Banks-PSU (6)	9.4	8.5	7.3	1.4	1.3	1.1	N.M	N.M	N.M	15.1	15.0	15.4	8.8
Insurance (8)	18.6	16.7	15.2	4.7	3.8	3.1	N.M	N.M	N.M	25.2	22.7	20.6	12.3
NBFC - Lending (27)	17.7	14.7	12.1	2.7	2.2	1.9	N.M	N.M	N.M	15.0	15.0	15.9	21.5
NBFC - Non Lending (16)	42.5	35.4	30.2	10.1	8.7	7.7	N.M	N.M	N.M	23.7	24.7	25.5	21.1
Healthcare (28)	35.9	30.7	26.8	4.9	4.3	3.8	21.7	18.6	16.1	13.7	14.1	14.2	12.0
Healthcare - BPO (3)	29.4	25.3	20.9	4.5	3.9	3.4	18.8	15.4	12.7	15.4	15.5	16.4	23.9
Infrastructure (3)	23.0	15.0	10.4	1.2	1.1	1.0	6.4	4.2	3.2	5.3	7.5	9.8	22.3
Logistics (9)	28.4	23.6	20.4	4.4	3.8	3.3	17.9	15.1	13.1	15.5	16.1	16.2	21.0
Media (3)	17.5	15.6	14.0	1.3	1.3	1.2	10.0	8.9	9.0	7.6	8.0	8.4	7.0
Metals (12)	15.8	12.1	10.9	2.7	2.3	2.0	8.6	6.9	6.1	17.0	19.1	18.3	21.9
Oil & Gas (14)	15.8	17.1	17.2	1.8	1.7	1.6	8.5	8.5	8.2	11.4	9.7	9.0	8.5
Ex OMCs (11)	20.5	19.8	18.4	1.9	1.8	1.7	9.7	9.1	8.3	9.4	9.0	9.0	3.3
Plastic Pipes (3)	53.7	38.2	31.2	7.3	6.4	5.5	30.1	22.8	18.7	13.6	16.8	17.7	22.0
Real Estate (15)	32.1	28.7	22.2	3.9	3.5	3.0	28.5	23.1	18.3	12.1	12.1	13.6	28.7
Retail (25)	79.3	64.5	53.6	11.1	9.8	8.6	33.6	28.6	24.3	13.9	15.2	16.0	24.9
Staffing (4)	13.4	11.4	10.3	2.0	1.8	1.6	9.1	7.1	5.8	15.2	16.1	16.0	17.0
Technology (16)	25.1	22.6	20.3	7.5	7.3	7.0	16.6	14.9	13.3	30.1	32.1	34.5	8.8
Telecom (5)	126.3	73.1	44.3	19.1	16.2	14.9	12.0	10.2	8.8	15.1	22.2	33.7	LP
Utilities (9)	19.8	16.2	14.3	2.5	2.3	2.1	10.9	9.6	8.4	12.7	14.1	14.4	16.6
Others (25)	58.0	42.7	32.2	6.2	5.5	4.8	24.8	18.3	14.6	10.7	12.9	14.9	40.5
MOFSL (348)	24.5	21.3	18.5	3.7	3.3	2.9	15.1	13.3	11.8	14.9	15.3	15.7	14.7
MOFSL Ex OMCs (345)	25.4	21.6	18.6	3.8	3.3	3.0	15.9	13.7	11.9	14.8	15.4	16.0	14.3

N.M.: Not Meaningful; EV\EBIDTA is Ex Financials

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Amara Raja Energy	928	Neutral	35,121	11.0	3.7	4,285	3.0	5.6	2,172	-5.5	2.6
Apollo Tyres	497	Buy	75,078	8.4	9.9	11,569	22.2	13.3	4,689	37.8	20.7
Ashok Leyland	189	Buy	1,12,999	19.2	17.9	14,690	21.3	26.4	9,630	26.4	20.2
Bajaj Auto	9501	Neutral	1,52,207	18.8	2.0	31,844	23.4	4.3	25,919	22.9	4.5
Balkrishna Inds	2369	Neutral	25,201	-2.0	8.6	5,814	-9.0	16.3	2,834	-35.6	6.9
Bharat Forge	1478	Neutral	21,565	2.9	10.8	6,383	4.7	15.8	3,789	9.3	20.1
Bosch	39481	Neutral	50,016	12.0	4.3	6,752	15.9	9.4	5,766	17.0	4.0
CEAT	3892	Buy	40,991	24.2	8.7	5,384	57.9	7.0	1,899	95.6	2.3
CIE Automotive	428	Buy	24,461	15.9	3.1	3,497	16.9	-1.7	2,041	14.0	-4.2
Craftsman Auto	8010	Neutral	20,968	33.0	4.8	3,229	62.3	7.0	965	298.1	5.8
Eicher Motors	7335	Sell	60,251	21.2	-2.4	14,781	23.1	-2.2	13,891	18.7	1.4
Endurance Tech.	2541	Buy	37,073	29.7	3.5	4,910	31.8	3	2,404	30.4	5.8
Escorts Kubota	3849	Neutral	31,984	9.0	15.2	4,350	29.7	19.8	3,870	33.2	20.5
Exide Inds.	368	Neutral	44,259	15.0	5.9	5,090	13.5	28.5	2,845	16.1	28.1
Happy Forgings	1185	Buy	3,968	12.0	5.2	1,159	14.2	0.1	734	13.8	-0.1
Hero Motocorp	5931	Buy	1,18,403	16.0	-2.4	17,371	17.7	-4.7	13,629	13.3	-2.1
Hyundai Motor	2269	Buy	1,79,430	7.8	2.8	22,980	22.5	-5.4	13,879	19.6	-11.7
Mahindra & Mahindra	3802	Buy	4,02,904	31.9	20.6	58,618	31.2	20.6	38,990	31.5	-13.7
Maruti Suzuki	16960	Buy	5,03,896	30.9	19.7	58,331	30.5	31.6	44,176	25.3	34.1
Samvardhana Motherson	122	Buy	3,15,490	14.0	4.6	28,311	5.4	8.4	10,156	15.5	18.7
Motherson Wiring	50	Buy	29,904	30.0	8.3	3,183	34.0	13.8	1,954	39.6	18.2
MRF	150948	Sell	76,403	11.0	5.4	11,690	45.8	7.3	5,572	81.7	8.9
Sona BLW Precis.	487	Neutral	11,310	30.3	-1.1	2,782	18.8	-3.7	1,690	8.0	-1.6
Tata Motors CV	442	Neutral	2,07,988	11.5	23.4	27,518	20.7	32.1	18,424	30.2	37.0
Tata Motors PV	370	Sell	8,82,307	NA	20.6	51,557	NA	LP	-928	Loss	Loss
Tube Investments	2599	Buy	21,216	11.1	0.1	2,732	12.4	-1.2	1,844	14.7	-1.3
TVS Motor	3855	Buy	1,22,189	34.3	2.6	15,762	45.8	4.5	10,044	62.4	10.9
Automobiles			27,25,275	20.2	10.6	3,73,014	23.8	13.0	2,43,808	25.0	7.7
ABB India	5197	Buy	34,026	1.1	2.8	5,317	-19.1	6.3	4,418	-16.9	8.0
Astra Microwave	963	Buy	2,620	1.4	22.1	616	-19.2	28.7	305	-35.7	27.5
Bharat Dynamics	1495	Buy	11,453	37.6	-0.2	2,062	62.5	9.9	2,066	40.4	-4.3
Bharat Electronics	403	Buy	67,801	17.8	17.6	19,120	15.6	12.8	14,873	13.0	15.6
Cummins India	4482	Buy	29,431	-4.6	-7.2	6,004	0.1	-13.6	5,527	7.5	-13.3
Hind.Aeronautics	4417	Buy	78,745	13.2	18.8	19,686	17.0	26.4	18,593	29.1	11.4
Hitachi Energy	18822	Sell	22,028	36.0	20.2	3,524	111.2	17.9	2,715	217.6	2.7
Kalpataru Proj.	1198	Buy	56,461	17.0	4.2	4,799	19.4	7.3	2,179	38.5	9.0
KEC International	747	Buy	61,335	14.7	0.7	4,539	21.2	5.5	1,769	36.5	10.0
Kirloskar Oil	1261	Buy	14,319	23.1	-10.8	1,904	62.8	-11.2	1,227	88.7	-12.9
Larsen & Toubro	4163	Buy	7,50,667	16.1	10.4	77,306	23.6	13.6	42,955	27.9	9.4
Siemens	3098	Neutral	44,364	23.7	-14.2	5,311	32.5	-13.9	4,394	18.1	-9.5
Siemens Energy	2546	Buy	19,939	31.4	-24.6	4,087	21.9	-14.7	3,029	30.7	-15.8
Thermax	3025	Sell	27,144	8.2	9.7	2,815	49.0	63.6	1,695	49.1	42.0
Triveni Turbine	541	Buy	5,603	11.3	10.7	1,188	8.7	3.7	992	7.2	8.6
Zen Technologies	1362	Neutral	1,391	-1.7	11.6	508	38.2	21.4	490	26.8	6.1
Capital Goods			12,27,327	15.6	7.6	1,58,786	20.5	11.0	1,07,226	24.1	6.8
ACC	1749	Neutral	61,854	17.6	5.7	7,503	58.8	-8.4	4,047	79.6	26.0
Ambuja Cements	565	Buy	99,432	16.9	8.4	17,719	100.1	0.6	5,801	40.2	3.9
Birla Corporation	1110	Buy	24,212	7.3	9.7	3,189	28.6	4.6	1,089	249.2	20.4
Dalmia Bharat	2146	Buy	34,647	8.9	1.4	6,141	20.2	-11.8	1,704	188.9	-27.8
Grasim Industries	2858	Buy	97,365	19.9	1.3	3,895	43.9	6.3	-1,264	Loss	PL
India Cements	446	Sell	10,514	16.4	-5.9	587	LP	-27.9	-277	Loss	Loss
J K Cements	5570	Buy	32,543	11.1	7.8	5,525	12.3	23.7	2,410	27.4	50.1
JK Lakshmi Cem.	798	Buy	16,988	13.5	10.9	2,573	27.5	23.6	1,090	83.5	34.7
JSW Cement	123	Neutral	15,336	7.0	6.8	2,448	14.5	-8.5	380	LP	-56.0
Ramco Cements	1057	Neutral	21,997	11.3	-1.6	3,139	12.3	-18.9	253	695.8	-65.9
Shree Cement	27027	Neutral	48,756	15.1	13.3	10,055	6.2	14.9	3,480	51.7	18.6
Ultratech Cement	11895	Buy	2,11,064	18.7	7.6	37,050	28.0	19.7	16,438	20.9	33.5
Cement			6,74,706	16.2	6.2	99,823	38.1	7.3	35,152	66.1	-10.6
Alkyl Amines	1607	Neutral	3,749	1.0	-3.7	676	-5.1	-3.7	433	-1.0	0.9
Atul	6093	Buy	16,194	14.3	4.4	2,748	22.6	2.7	1,609	37.4	-11.8
Clean Science	870	Neutral	2,420	0.5	-1.0	859	-12.8	-1.3	589	-10.3	6.3

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Deepak Nitrite	1711	Sell	18,914	-0.6	-0.6	2,459	45.9	20.4	1,535	56.5	29.3
Ellenbarrie Industrial	341	Buy	831	22.1	-6.9	293	8.6	-12.4	248	29.2	-32.5
Fine Organic	4184	Sell	5,241	2.1	-12.3	1,012	2.2	-25.2	869	5.0	-19.9
Galaxy Surfactants	2050	Buy	13,267	27.4	0.0	1,121	6.2	1.4	646	-0.1	-2.9
Navin Fluorine	5903	Neutral	7,664	26.4	1.0	2,264	53.7	-8.0	1,282	53.3	-13.6
P I Industries	3257	Buy	16,888	-11.2	-9.8	4,032	-21.2	-25.5	3,042	-18.4	-25.7
Privi Speciality	2779	Buy	6,504	32.5	-4.2	1,503	33.2	-17.4	665	49.6	-29.2
SRF	3058	Buy	38,089	9.1	4.6	7,862	20.3	-2.3	3,984	30.5	-4.9
Tata Chemicals	755	Neutral	35,749	-0.4	-7.8	5,430	25.1	1.1	1,269	LP	0.9
Vinati Organics	1601	Buy	5,738	10.0	5.0	1,784	25.0	-0.1	1,229	28.6	-4.7
Chemicals			1,71,248	6.0	-2.0	32,044	14.6	-5.7	17,399	25.0	-10.1
Asian Paints	2772	Neutral	91,052	6.5	6.7	18,050	10.3	20.1	12,502	10.8	22.8
Britannia	5982	Buy	50,212	12.5	5.7	9,874	16.9	3.4	6,898	18.5	5.3
Colgate	2089	Buy	14,938	2.2	-1.7	4,601	1.3	-1.2	3,262	1.1	-0.4
Dabur	522	Neutral	36,057	7.5	13.0	7,392	8.4	25.7	5,615	5.8	21.9
Emami	522	Buy	11,623	10.8	45.6	3,852	13.7	115.7	3,306	10.0	93.2
Godrej Consumer	1236	Buy	41,602	10.4	8.8	8,631	14.2	17.7	6,095	21.3	26.7
Hind. Unilever	2348	Buy	1,60,962	1.8	-1.0	37,386	1.2	0.0	25,695	-1.3	2.8
Indigo Paints	1170	Buy	3,745	9.3	20.0	659	15.2	41.6	395	9.8	57.5
ITC	350	Neutral	2,07,068	10.2	6.2	67,781	6.5	1.2	51,742	9.4	2.2
Jyothy Labs	284	Neutral	7,496	6.4	1.8	1,241	7.2	4.9	951	8.9	8.4
L T Foods	390	Buy	27,564	21.2	-0.3	3,041	21.7	-1.7	1,673	16.8	2.1
Marico	758	Buy	35,689	27.7	2.5	5,971	12.0	6.6	4,448	11.5	5.9
Nestle	1280	Neutral	53,544	12.0	-5.1	12,371	10.2	-1.3	7,614	11.4	2.5
P&G Hygiene	12883	Neutral	12,975	4.0	12.8	3,698	-0.3	29.9	2,756	2.6	31.3
Page Industries	35767	Buy	13,927	6.1	7.9	3,092	2.2	10.6	2,147	4.9	10.3
Pidilite Inds.	1478	Neutral	37,783	12.2	6.3	8,984	12.5	5.6	6,375	15.4	9.9
Radico Khaitan	3095	Buy	15,297	18.2	2.4	2,493	35.6	4.9	1,493	55.6	7.5
Tata Consumer	1170	Buy	49,766	12.0	0.2	7,021	24.3	4.5	3,996	41.0	-1.2
United Breweries	1596	Neutral	20,183	1.0	-1.6	1,211	-14.2	-6.9	460	-28.2	-2.1
United Spirits	1381	Neutral	36,677	6.9	15.7	6,528	11.0	-2.9	4,607	9.6	-6.8
Varun Beverages	494	Buy	39,391	6.8	-19.6	6,287	8.4	-45.2	2,586	39.7	-65.0
Zydus Wellness	472	Buy	9,522	106.2	46.4	623	320.7	170.7	120	86.9	LP
Consumer			9,77,074	9.3	3.4	2,20,786	8.3	3.0	1,54,737	9.5	3.7
Blue Star	1813	Neutral	30,802	9.7	27.2	2,269	8.4	23.7	1,296	5.2	30.8
CG Consumer Elect.	252	Buy	18,400	4.0	-3.9	1,720	-8.5	8.6	951	-13.5	10.3
Havells India	1439	Neutral	53,695	9.8	12.3	5,529	29.6	26.1	3,910	40.7	22.8
KEI Industries	4527	Buy	30,017	21.2	10.1	3,131	25.0	16.2	2,275	38.0	11.8
LG Electronics	1483	Buy	41,772	-5.0	-32.3	2,708	-23.0	-50.5	1,845	-22.9	-52.6
Polycab India	7799	Buy	65,931	26.2	1.8	9,555	32.7	-3.3	6,359	39.0	-3.7
R R Kabel	1511	Neutral	22,329	25.3	3.2	1,784	61.4	1.5	1,124	63.9	-3.3
Voltas	1430	Neutral	30,187	-2.8	28.6	1,699	-13.9	141.3	1,138	-13.9	231.9
Consumer Durables			2,93,134	10.8	1.1	28,394	15.7	0.3	18,896	20.1	-0.9
Amber Enterp.	6480	Buy	25,355	18.9	53.9	1,685	6.1	84.6	618	72.3	LP
Avalon Tech	892	Buy	3,454	23.0	-9.7	406	17.2	5.1	257	7.1	2.8
Cyient DLM	416	Buy	3,687	-17.0	18.7	359	-0.7	15.0	157	-6.5	25.1
Data Pattern	2621	Neutral	1,229	5.0	-60.0	480	-11.1	-29.9	415	-7.1	-15.7
Dixon Tech.	12181	Buy	1,07,408	2.7	-27.7	4,076	4.4	-27.4	1,631	-4.7	-34.1
Kaynes Tech	3979	Buy	9,256	40.0	2.1	1,481	57.5	0.1	1,182	77.8	-2.7
Syrma SGS Tech.	742	Buy	12,000	38.1	4.7	1,147	45.1	-0.5	713	40.0	11.3
EMS			1,62,390	8.6	-17.0	9,634	13.7	-8.6	4,973	21.3	2.1
Ajanta Pharma	2937	Buy	13,155	14.8	-2.8	3,644	13.6	-1.2	2,594	18.1	-0.7
Alembic Pharma	836	Neutral	18,509	9.3	-3.1	3,035	16.7	-3.8	1,796	29.7	4.7
Alkem Lab	5588	Neutral	36,750	8.9	-8.1	7,093	-6.6	-23.0	5,776	-7.7	-27.9
Apollo Hospitals	7129	Buy	61,260	10.8	-2.8	9,128	19.9	-3.0	4,563	22.6	-4.4
Aurobindo Pharma	1215	Buy	80,651	1.1	-2.7	16,937	4.0	0.9	9,315	5.7	10.2
Biocon	393	Buy	45,447	18.9	5.8	8,953	13.9	7.2	1,580	259.6	73.6
Blue Jet Healthcare	531	Buy	3,284	3.5	98.5	1,168	-5.1	112.6	932	-4.9	78.7
Cipla	1511	Neutral	72,820	3.0	-4.1	15,875	-20.2	-16.2	11,270	-17.4	-16.6
Divis Labs	6390	Neutral	26,788	15.5	-1.3	8,438	13.6	-5.0	6,148	5.8	-4.1
Dr Agarwals Health.	502	Buy	5,169	20.0	3.6	1,339	22.1	-1.7	313	67.3	5.4

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Dr Reddy's Labs	1255	Neutral	80,851	-1.8	-8.2	17,221	-20.7	-19.0	11,473	-13.0	-25.6
Eris Lifescience	1531	Neutral	8,366	15.0	5.6	3,045	21.7	5.7	1,268	51.6	5.7
Gland Pharma	1714	Buy	16,065	16.1	8.0	3,807	5.8	21.3	2,347	14.7	27.8
Glenmark Pharma	2066	Buy	37,704	11.3	58.6	8,483	41.3	LP	5,281	51.8	LP
Global Health	1217	Buy	10,684	13.2	-2.8	2,393	-0.8	3.6	1,522	6.5	4.4
Granules India	615	Buy	12,611	10.9	-2.8	2,775	20.5	-0.3	1,403	19.3	7.4
GSK Pharma	2483	Neutral	10,529	10.9	7.4	3,643	28.8	8.5	2,752	24.6	8.0
IPCA Labs.	1404	Buy	24,081	7.2	-5.8	4,840	4.5	-11.2	2,779	12.0	-14.4
Laurus Labs	1107	Buy	16,611	17.4	0.5	3,887	36.3	-3.6	1,618	75.3	-16.6
Laxmi Dental	271	Buy	678	10.0	-6.1	105	9.4	-4.6	75	57.1	-11.6
Lupin	2106	Neutral	67,614	18.8	-4.1	18,999	38.0	-11.1	11,992	40.2	-9.6
Mankind Pharma	2203	Buy	35,711	11.6	-3.4	8,928	9.4	-3.1	5,040	34.9	-0.6
Max Healthcare	1063	Buy	23,658	4.3	-8.0	6,293	2.0	-8.4	3,949	-0.7	-7.2
Piramal Pharma	179	Buy	22,961	4.2	12.3	3,008	-10.9	89.5	315	757.2	LP
Rubicon Research	662	Buy	4,580	NA	11.2	1,008	NA	6.9	627	NA	16.4
Sun Pharma	1729	Buy	1,46,486	12.2	1.7	39,991	11.9	-0.6	30,123	9.0	7.8
Torrent Pharma	3885	Neutral	31,944	13.7	-3.3	10,318	12.9	-4.7	5,865	16.6	-2.4
Zydus Lifesciences	917	Neutral	63,704	20.9	4.0	15,799	21.5	-1.4	9,675	1.9	-4.7
Healthcare			9,78,672	10.4	0.0	2,30,153	8.0	2.7	1,42,392	9.8	6.5
Indegene	522	Neutral	8,822	22.5	9.7	1,632	12.2	16.1	1,162	3.9	14.0
Inventurus Knowledge	1683	Buy	8,246	25.5	5.6	2,804	54.5	3.2	1,897	46.3	4.9
Sagility	53	Buy	18,392	26.6	10.9	4,433	13.0	6.8	2,750	4.7	-8.7
Healthcare - BPO			35,460	25.3	9.3	8,868	23.3	7.2	5,809	15.2	-0.5
G R Infraproject	1009	Buy	16,341	11.7	32.5	1,961	26.8	62.8	1,771	35.3	35.3
IRB Infra	43	Buy	17,485	-13.7	-0.1	9,267	-5.8	0.2	2,112	-4.8	50.0
KNR Constructions	161	Neutral	5,153	-27.2	4.5	644	-45.1	20.2	400	-55.7	43.2
Infrastructure			38,979	-7.1	12.1	11,872	-5.5	8.1	4,282	-3.4	42.9
Adani Ports	1489	Buy	93,050	16.8	1.5	55,783	16.2	0.5	32,541	21.7	-4.8
Blue Dart Express	5600	Buy	16,326	8.0	5.4	1,633	11.7	3.9	892	12.8	12.2
Concor	532	Buy	23,752	7.9	1.0	5,415	18.2	-4.8	3,520	2.5	-6.6
Delhivery	404	Buy	27,155	14.2	6.1	1,579	54.2	131.7	615	146.3	LP
JSW Infra	285	Buy	13,293	12.5	5.0	6,248	6.6	2.5	3,723	-15.5	1.9
Mahindra Logistics	316	Neutral	17,363	8.9	3.0	851	15.5	0.0	-10	Loss	Loss
TCI Express	590	Neutral	3,115	5.1	1.0	349	20.7	-1.5	246	28.2	-2.1
Transport Corp.	1085	Buy	12,659	10.4	5.1	1,367	15.4	7.9	1,157	14.7	2.7
VRL Logistics	269	Buy	8,448	2.4	6.0	1,597	-4.1	5.6	579	-2.6	16.0
Logistics			2,15,161	12.6	3.0	74,822	15.4	1.8	43,264	15.9	-0.9
PVR Inox	1031	Neutral	18,559	8.1	1.8	2,915	23.1	-5.1	1,149	68.5	-9.2
Sun TV	583	Neutral	7,914	-0.3	-32.3	3,937	-8.9	-47.5	3,169	-8.7	-11.3
Zee Entertainment	91	Neutral	22,935	15.9	16.5	2,841	-10.8	94.0	1,808	-26.1	136.3
Media			49,408	10.0	-0.4	9,693	-1.8	-19.5	6,126	-7.2	9.3
Coal India	428	Buy	3,45,097	-6.4	14.3	91,547	-20.3	56.6	64,721	-23.9	48.6
Hindalco	926	Buy	6,64,246	13.8	0.6	79,453	4.8	-11.4	38,147	1.4	-21.6
Hindustan Zinc	629	Neutral	99,747	15.8	16.7	54,348	20.8	22.3	33,653	25.7	27.0
Jindal Stainless	856	Buy	1,12,938	14.0	3.7	14,060	16.4	1.3	7,955	21.5	0.8
Jindal Steel	1080	Buy	1,34,890	14.8	15.4	19,050	-10.7	1.6	6,087	-32.3	35.5
JSW Steel	1180	Buy	4,43,958	7.3	-1.7	68,111	22.1	-13.2	18,483	137.3	-10.4
Midwest	1711	Buy	1,894	NA	19.3	545	NA	17.2	377	NA	35.6
Nalco	330	Neutral	47,842	2.6	11.5	23,249	-0.1	20.7	16,600	6.0	16.1
NMDC	85	Buy	71,145	8.3	11.5	22,425	-5.5	12.5	17,435	-7.3	2.6
SAIL	147	Neutral	2,66,045	8.6	-0.4	22,205	9.4	-12.2	4,524	299.1	-32.7
Tata Steel	183	Buy	5,87,675	9.5	0.1	80,756	12.9	-9.2	24,088	225.5	-26.3
Vedanta	617	Neutral	4,34,631	11.1	9.0	1,43,164	28.9	25.6	56,678	59.8	69.4
Metals			32,10,107	8.7	4.0	6,18,914	7.7	8.3	2,88,746	14.9	12.7
Aegis Logistics	726	Neutral	23,343	36.8	1.8	3,005	29.0	3.4	1,767	42.2	-1.6
BPCL	381	Neutral	9,27,357	-18.0	-11.6	1,15,311	52.1	17.9	74,892	61.1	16.2
Castrol India	192	Buy	14,280	5.5	4.8	4,074	8.4	26.2	2,964	9.2	30.1
GAIL	175	Buy	3,15,869	-9.6	-9.8	29,465	3.8	-7.7	20,017	40.2	-9.7
Gujarat Gas	437	Buy	36,273	-12.7	-4.1	4,862	27.8	8.7	2,970	34.0	5.7
Gujarat State Petronet	320	Neutral	2,313	-2.1	1.7	1,795	-6.8	3.6	1,238	-8.7	-67.6
HPCL	496	Buy	9,15,840	-17.1	-9.1	87,011	34.9	14.2	51,109	69.1	33.4

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Indraprastha Gas	194	Buy	41,126	9.4	2.2	4,935	35.7	11.5	3,755	31.4	0.8
IOC	167	Neutral	19,30,629	-0.4	7.9	1,58,708	73.2	8.8	83,570	261.7	9.8
Mahanagar Gas	1141	Buy	19,979	13.7	-2.5	3,086	-1.9	-8.7	1,844	-18.2	-4.7
Oil India	429	Neutral	50,265	-4.1	-7.9	19,757	-7.4	7.1	9,689	-20.7	-38.0
ONGC	242	Neutral	3,07,462	-8.8	-6.9	1,66,914	-12.4	-5.7	69,281	-15.9	-29.6
Petronet LNG	291	Buy	1,25,586	2.7	14.1	11,414	-8.5	2.2	7,905	-8.8	-1.9
Reliance Inds.	1592	Buy	25,58,528	6.6	0.5	4,79,000	9.4	4.4	1,87,806	1.3	3.4
Oil & Gas			72,68,849	-3.9	-1.4	10,89,338	15.7	5.0	5,18,807	24.9	-0.5
Oil Ex OMCs			34,95,023	3.1	-1.0	7,28,307	2.7	1.5	3,09,236	-2.0	-9.7
Astral	1454	Buy	16,207	16.0	2.7	2,526	15.1	-1.6	1,423	24.7	5.6
Prince Pipes	262	Buy	6,115	5.8	2.8	518	1,647.0	-5.9	135	LP	-7.8
Supreme Inds.	3535	Buy	27,647	10.2	15.5	3,593	16.3	20.8	2,198	17.6	33.4
Plastic Pipes			49,969	11.4	9.4	6,637	24.9	8.9	3,756	33.8	19.6
Aditya Birla Real Est.	1664	Buy	4,391	114.8	348.8	463	LP	LP	275	LP	LP
Anant Raj	584	Buy	5,800	8.5	-8.0	1,526	14.3	-9.1	729	-34.0	-47.2
Brigade Enterpr.	891	Buy	11,854	-19.0	-14.3	4,252	2.8	29.6	2,339	-1.0	43.9
DLF	698	Buy	24,993	63.5	52.1	7,510	87.7	164.8	10,125	-4.4	-14.2
Godrej Properties	2069	Buy	15,585	60.9	110.5	3,368	1,122.6	LP	11,497	626.7	185.3
Kolte Patil Dev.	391	Buy	6,794	94.3	390.0	1,711	569.7	LP	1,108	338.0	LP
Lodha Developers	1086	Buy	50,707	24.2	33.5	14,452	10.7	30.3	10,236	8.9	29.6
Mahindra Lifespace	395	Neutral	1,360	-19	674.3	-258	Loss	Loss	425	LP	-11.4
Oberoi Realty	1730	Neutral	18,553	31.5	4.3	11,929	39.3	16.9	8,705	40.8	14.5
Phoenix Mills	1902	Buy	12,290	26.0	10.2	7,091	28.3	6.3	4,284	61.8	40.9
Prestige Estates	1619	Buy	28,215	70.5	16.0	7,567	28.2	-16.8	2,531	1,329.8	-41.2
SignatureGlobal	1126	Buy	12,208	47.5	260.7	2,220	1,543.8	LP	2,287	685	LP
Sobha	1492	Buy	13,073	6.8	-7.1	2,516	274.2	163.1	1,743	703.6	140.3
Sri Lotus Developers	166	Buy	3,581	208.1	103.4	1,303	111.6	158.5	979	91.2	112.1
Sunteck Realty	430	Buy	3,379	108.9	33.9	846	74.8	8.7	488	14.8	-0.3
Real Estate			2,12,784	35.8	33.4	66,496	49.3	67.8	57,750	64.5	34.0
Aditya Birla Fashion	78	Neutral	23,486	NA	18.5	2,522	NA	266.5	-1,063	Loss	Loss
Aditya Birla Lifestyle	125	Neutral	23,382	NA	14.7	3,913	NA	23.5	1,038	63.3	343.0
Arvind Fashions	510	Buy	13,388	NA	-5.6	1,890	NA	0.9	475	78.3	26.0
Avenue Supermarts	3721	Buy	1,81,008	13.3	8.5	13,167	8.2	8.5	7,612	5.2	10.9
Bata India	949	Neutral	9,416	2.5	17.5	2,119	6.2	46.2	648	-3.1	226.7
Campus Activewear	262	Buy	5,680	10.3	46.9	960	16.8	92.4	547	17.7	172.5
Devyani Intl.	148	Buy	15,017	16.0	9.1	2,351	7.2	21.0	135	LP	LP
Go Fashion	462	Buy	2,298	7.0	2.5	729	4.5	9.4	254	4.6	16.7
Jubilant Foodworks	553	Neutral	18,447	14.5	8.6	3,680	17.7	11.7	876	46.9	36.9
Kalyan Jewellers	496	Buy	97,874	34.3	24.6	6,396	29.6	28.7	3,674	41.4	41.0
Metro Brands	1178	Buy	7,855	11.7	20.6	2,517	11.8	47.4	1,270	5.7	82.0
P N Gadgil Jewellers	612	Buy	32,543	33.6	49.4	1,810	47.5	69.0	1,163	35.2	46.6
Raymond Lifestyle	1039	Buy	18,811	7.2	2.7	2,128	18.5	-5.8	827	28.1	3.6
Relaxo Footwear	404	Sell	6,532	-2.1	3.9	859	3.0	5.8	391	18.6	8.3
Restaurant Brands	65	Buy	5,862	18.3	3.1	910	15.3	12.0	-100	Loss	Loss
Sapphire Foods	253	Buy	8,228	8.8	10.8	1,348	0.3	32.0	48	-62.0	LP
Senco Gold	324	Neutral	23,938	17.0	55.8	1,604	49.1	50.6	796	46.8	63.1
Shoppers Stop	389	Neutral	13,788	5.1	17.3	2,482	3.4	51.3	505	3.6	LP
Titan Company	4051	Buy	2,32,707	31.2	24.3	24,684	28.1	31.6	15,832	27.1	41.5
Trent	4409	Buy	52,875	16.6	11.9	10,443	24.7	28.4	5,525	17.7	22.6
United Foodbrands	216	Neutral	3,437	4.5	12.8	619	0.6	64.0	-30	PL	Loss
V-Mart Retail	700	Buy	11,260	9.7	39.6	1,836	7.1	156.7	726	1.4	LP
Vedant Fashions	580	Neutral	5,256	2.8	99.7	2,479	2.3	123.7	1,603	1.5	185.8
Vishal Mega Mart	136	Buy	37,654	20.1	26.3	6,061	20.0	53.6	3,092	17.7	103.0
Westlife Foodworld	539	Neutral	7,015	7.3	9.3	1,004	9.9	32.4	86	21.5	LP
Retail			8,57,754	20.1	18.8	98,509	17.2	31.6	45,932	21.4	63.6
Quess Corp	215	Neutral	39,670	-1.3	3.5	776	24.3	1.2	535	12.0	3.7
SIS	339	Buy	40,398	20.1	7.5	1,820	16.1	8.2	1,158	13.4	43.4
Team Lease Serv.	1579	Buy	32,701	11.9	7.8	454	30.0	18.5	436	53.6	56.5
Updater Services	192	Neutral	7,626	9.7	4.6	343	-25.8	8.7	282	-9.5	42.4
Staffing			1,20,394	9.5	6.1	3,394	13.0	7.8	2,410	15.1	33.9
Coforge	1651	Buy	42,176	29.5	5.8	7,381	45.5	1.2	3,703	60.7	-1.7

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Cyient	1107	Sell	18,766	-2.6	5.4	3,209	11.9	34.0	1,879	40.1	27.3
HCL Technologies	1640	Buy	3,31,046	10.8	3.6	71,225	3.8	7.3	47,878	4.3	13.1
Hexaware Tech.	754	Buy	34,604	9.7	-0.7	5,779	17.8	-3.9	3,669	14.4	-0.8
Infosys	1641	Buy	4,52,224	8.3	1.6	1,08,698	7.1	2.0	72,752	6.9	-1.2
KPIT Technologies	1167	Buy	16,477	11.5	3.8	3,460	10.8	3.3	2,109	12.8	24.8
LTIMindtree	6066	Buy	1,07,296	11.1	3.2	19,850	24.6	2.8	14,324	31.8	3.7
L&T Technology	4407	Neutral	30,357	14.4	1.9	5,191	4.9	5.8	3,472	9.7	5.6
Mphasis	2808	Buy	39,794	11.7	2.0	7,441	9.7	2.8	4,927	15.2	5.1
Persistent Systems	6288	Buy	37,399	22.1	4.4	6,582	22.4	-3.7	4,532	21.5	-3.9
Tata Elxsi	5337	Sell	9,480	0.9	3.3	2,038	-17.4	5.4	1,701	-14.5	9.9
Tata Technologies	656	Sell	13,421	1.9	1.4	1,839	-21.4	-11.5	1,466	-13.1	-11.5
TCS	3250	Buy	6,65,731	4.1	1.2	1,80,200	6.2	0.2	1,30,790	5.1	-1.4
Tech Mahindra	1613	Buy	1,41,608	6.6	1.2	22,516	24.5	3.9	14,521	47.7	21.6
Wipro	269	Neutral	2,35,760	5.6	3.9	46,579	0.4	2.7	32,678	-2.6	0.7
Zensar Tech	699	Buy	14,252	7.5	0.3	2,280	10.2	3.7	1,798	12.6	-1.3
Technology			21,90,390	7.6	2.2	4,94,268	7.4	2.2	3,42,200	7.7	2.1
Bharti Airtel	2107	Buy	5,36,365	18.9	2.9	3,05,225	24.1	3.3	85,386	54.8	25.7
Bharti Hexacom	1802	Neutral	23,724	5.4	2.4	12,730	10.5	5.4	4,642	26.6	10.2
Indus Towers	442	Neutral	82,957	9.9	1.3	44,696	-35.8	-2.2	17,737	1.9	4.8
Tata Comm	1793	Neutral	62,838	8.9	3.0	12,685	10.1	8.1	3,321	49.4	62.8
Vodafone Idea	12	Neutral	1,12,186	0.9	0.2	47,142	0.0	0.6	-66,788	Loss	Loss
Telecom			8,18,070	13.9	2.3	4,22,479	9.5	2.5	44,297	258.9	24.8
ACME Solar	240	Buy	5,113	46.5	9.3	4,412	43.6	10.2	1,030	-13.4	-7.1
Indian Energy Exch.	134	Neutral	1,456	10.9	-4.4	1,242	10.0	-6.0	1,101	6.8	-9.4
Inox Wind	128	Buy	18,395	101.9	64.4	3,296	61.8	44.7	1,894	52.2	106.5
JSW Energy	511	Buy	46,891	92.3	-9.4	21,627	136.7	-27.8	2,313	37.8	-67.2
NTPC	352	Neutral	4,48,302	8.4	14.5	1,29,620	8.4	29.4	49,631	7.5	9.8
Power Grid Corp.	271	Neutral	1,05,508	4.2	5.5	94,233	10.6	17.6	40,233	4.3	28.9
Suzlon Energy	54	Buy	45,264	52.2	16.9	8,313	66.4	15.3	5,035	29.0	-10.3
Tata Power	393	Buy	1,81,929	18.2	17.0	31,929	-4.8	-3.3	9,608	-6.8	4.5
Waaree Energies	2867	Buy	65,488	89.4	8.0	15,331	112.4	9.0	10,366	110.4	23.0
Utilities			9,18,346	19.1	12.6	3,10,002	16.6	13.9	1,21,212	11.1	10.3
APL Apollo Tubes	1933	Buy	61,285	12.8	17.7	4,585	32.7	2.6	3,105	43.1	3.0
Cello World	547	Buy	6,072	9.0	3.4	1,360	6.8	6.5	903	4.5	5.4
Century Plyboards	823	Buy	13,284	16.5	-4.1	1,751	35.2	0.3	712	21.7	3.3
Cera Sanitaryware	5258	Neutral	4,725	4.5	-3.2	689	12.0	2.7	558	21.8	-1.5
Coromandel International	2281	Buy	83,128	19.9	-13.9	8,399	16.4	-26.7	5,978	16.8	-25.8
EPL	215	Buy	11,261	11.0	-6.6	2,267	12.4	-9.9	973	4.1	-6.7
Eternal	284	Buy	1,51,896	181.0	11.8	3,062	89.0	28.1	841	42.6	29.4
FSN E-Commerce	265	Neutral	29,287	29.2	24.8	2,154	53.0	35.7	746	177.0	117.3
Godrej Agrovet	573	Buy	26,562	8.4	3.5	2,517	14.4	17.9	1,554	39.4	67.9
Gravita India	1860	Buy	10,441	4.8	0.8	1,120	9.5	0.1	938	20.4	-2.3
Indiamart Inter.	2177	Buy	3,935	11.1	0.6	1,226	-11.4	-5.7	1,241	2.6	49.6
Indian Hotels	748	Buy	28,479	12.4	39.5	10,895	13.3	91.1	6,437	10.5	125.9
Info Edge	1367	Neutral	7,671	14.2	2.8	2,976	2.7	0.7	2,705	4.3	3.6
Interglobe Aviation	5106	Buy	2,36,188	6.8	27.3	59,817	1.1	591.2	21,895	-10.3	LP
Kajaria Ceramics	980	Buy	12,588	8.9	6.1	2,208	44.0	3.4	1,396	79.5	5.0
Lemon Tree Hotel	154	Buy	3,946	11.1	28.8	1,954	6.1	49.4	771	23.3	122.7
MTAR Tech	2374	Buy	2,791	60.0	105.9	642	93.1	277.7	383	140.0	802.6
One 97 Comm.	1341	Neutral	21,308	16.6	3.3	1,670	LP	17.6	2,359	LP	11.8
Safari Inds.	2166	Buy	5,069	14.5	-5.0	758	50.4	2.4	502	61.2	7.1
SBI Cards	876	Neutral	17,855	13.7	3.2	19,884	8.6	5.1	5,405	41.0	21.5
Swiggy	387	Buy	57,774	44.7	3.9	-8,002	Loss	Loss	-8,924	Loss	Loss
Time Technoplast	196	Buy	15,535	11.9	2.8	2,292	14.2	2.9	1,211	20.2	4.9
UPL	804	Neutral	1,15,529	5.9	-3.9	22,701	5.0	3.0	5,027	-49.4	-26.2
Va Tech Wabag	1292	Buy	9,428	16.2	13.0	1,301	23.7	7.9	912	29.9	7.6
VIP Inds.	389	Buy	5,361	7.0	31.9	295	3.1	LP	249	LP	LP
Others			9,41,399	24.8	9.4	1,48,520	11.5	66.7	57,877	7.1	2,283.3

PL: Profit to Loss; LP: Loss to Profit

Ready reckoner: Quarterly performance

	CMP (INR)	RECO	NII (INR M)			OP. PROFITS (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Financials											
AU Small Finance	999	Buy	22,801	12.7	6.3	12,742	5.7	5.3	6,435	21.8	14.7
Axis Bank	1268	Neutral	1,42,307	4.6	3.5	1,03,663	-1.6	-0.4	58,703	-6.9	15.3
Bandhan Bank	145	Neutral	27,519	-2.8	6.3	13,818	-31.6	5.5	2,734	-35.9	144.4
DCB Bank	177	Buy	6,177	13.8	3.6	3,259	20.2	7.2	1,897	25.3	3.2
Equitas Small Fin.	64	Buy	8,211	0.3	6.1	2,718	-18.3	13.0	708	6.8	193.5
Federal Bank	267	Buy	25,175	3.5	0.9	16,025	2.1	-2.5	9,701	1.5	1.6
HDFC Bank	1001	Buy	3,33,176	8.7	5.6	2,81,769	12.7	0.9	1,87,490	12.0	0.6
ICICI Bank	1355	Buy	2,21,655	8.8	3.0	1,78,822	5.9	3.4	1,24,880	5.9	1.0
IDFC First Bank	86	Neutral	54,454	11.1	6.5	20,224	15.0	7.6	5,013	47.7	42.3
IndusInd Bank	902	Neutral	42,854	-18.0	-2.8	18,512	-48.6	-9.6	1,312	-90.6	LP
Kotak Mahindra Bank	2195	Buy	76,660	6.5	4.9	55,766	7.6	5.9	35,451	7.3	9.0
RBL Bank	321	Buy	16,587	4.6	7.0	8,378	-15.9	15.0	2,661	718.6	49.1
Banks-Private			9,77,577	6.0	4.2	7,15,696	3.2	1.9	4,36,985	3.9	5.9
Bank of Baroda	305	Neutral	1,23,787	8.4	3.6	80,496	5.0	6.3	48,687	0.6	1.2
Canara Bank	155	Buy	95,561	4.5	4.5	84,949	8.4	-1.1	44,795	9.1	-6.2
Indian Bank	862	Buy	67,391	5.1	2.9	49,357	3.9	2.1	30,935	8.5	2.5
Punjab National Bank	125	Buy	1,08,381	-1.8	3.5	69,167	4.5	-4.3	47,760	5.9	-2.6
State Bank	999	Buy	4,47,979	8.1	4.2	2,89,860	23.1	6.1	1,77,568	5.1	5.9
Union Bank	157	Neutral	88,078	-4.7	-0.1	64,206	-14.3	-5.8	38,054	-17.3	-10.4
Banks-PSU			9,31,176	5.0	3.6	6,38,036	10.2	2.3	3,87,800	2.6	0.7
HDFC Life Insur.	755	Buy	1,99,503	15.5	3.4	9,699	4.3	-4.1	4,378	5.5	-2.1
ICICI Lombard	1974	Buy	59,992	18.9	6.1	-960	Loss	Loss	8,522	17.6	4.0
ICICI Pru Life	679	Buy	1,40,520	11.0	14.3	6,104	18.1	3.1	3,190	-1.8	6.6
Life Insurance Corp.	861	Buy	11,43,409	7.0	-9.6	21,196	10.1	-33.1	1,32,778	20.1	32.1
Max Financial	1672	Buy	94,053	14.4	3.4	5,890	20.5	-7.8	0	-100.0	-100.0
Niva Bupa Health	75	Buy	14,223	25.2	0.0	-2,275	Loss	Loss	-749	PL	Loss
SBI Life Insurance	2067	Buy	2,91,070	16.4	16.0	22,317	19.3	34.4	5,237	-4.9	5.9
Star Health	460	Buy	41,535	9.3	1.8	-1,549	Loss	Loss	1,280	-40.5	133.2
Insurance			19,84,306	10.2	-2.4	60,421	11.3	-7.2	1,54,637	15.7	27.4
AAVAS Financiers	1444	Neutral	3,023	19.3	4.9	2,277	17.1	3.9	1,691	15.5	3.2
Bajaj Finance	991	Neutral	1,12,681	20.1	4.5	92,811	18.9	4.6	51,732	20.2	4.6
Bajaj Housing	97	Neutral	10,005	24.1	4.6	9,285	24.0	5.2	6,767	23.5	5.3
Can Fin Homes	939	Neutral	4,186	21.4	3.5	3,451	18.5	3.1	2,662	25.5	5.9
Chola. Inv & Fin.	1781	Buy	35,771	23.9	5.9	26,215	23.2	6.7	13,033	20.0	12.8
CreditAccess	1288	Buy	9,860	14.3	5.5	6,965	11.8	0.2	2,608	LP	107.3
Five-Star Business	532	Buy	5,962	10.4	0.5	4,304	10.8	-0.6	2,795	2.1	-2.3
Fusion Finance	162	Buy	2,379	6.0	-3.5	951	46.9	6.9	70	LP	LP
HDB Financial	770	Neutral	22,775	21.7	3.9	15,812	23.9	3.3	6,582	39.4	13.2
Home First Fin.	1106	Buy	2,231	36.7	8.0	2,026	45.1	7.5	1,434	47.2	8.7
IIFL Finance	640	Buy	16,025	29.7	11.4	11,148	88.1	5.5	4,444	989.5	18.1
L&T Finance	320	Buy	24,695	10.4	2.8	16,947	14.7	3.8	7,671	22.6	4.4
LIC Housing Fin	546	Neutral	20,366	1.8	-0.1	18,532	5.9	-1.1	13,602	-5.0	0.5
M & M Financial	403	Buy	22,479	17.6	6.5	16,150	32.2	7.7	7,463	-17.0	31.1
Manappuram Finance	311	Neutral	13,603	-14.5	-1.1	6,247	-32.9	-6.9	2,437	-12.5	12.1
MAS Financial	325	Buy	2,573	25.2	4.2	1,641	18.6	4.2	944	20.8	5.2
Muthoot Finance	3826	Neutral	38,990	43.3	-2.3	30,471	48.0	-6.7	21,599	58.5	-7.9
PFC	376	Buy	53,609	14.2	1.4	55,219	7.1	-4.5	47,330	13.9	6.1
PNB Housing	998	Buy	7,604	10.1	1.3	6,589	13.7	1.9	5,449	12.7	-6.3
Poonawalla Fincorp	481	Buy	8,995	46.5	17.7	5,131	34.5	32.7	1,891	909.6	154.9
REC	381	Buy	53,930	5.1	-1.0	54,012	7.6	-5.0	43,337	7.6	-2.1
Repco Home Fin	432	Neutral	1,924	7.9	1.8	1,483	2.7	5.2	1,105	3.7	3.3

	CMP (INR)	RECO	NII (INR M)			OP. PROFITS (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Shriram Finance	1009	Buy	65,348	16.9	8.4	48,469	18.7	9.1	25,681	23.4	11.4
Spandana Sphoorty	266	Neutral	1,043	-61.9	-0.4	-466	PL	Loss	-875	Loss	Loss
NBFC - Lending			5,40,059	16.4	3.5	4,35,669	16.9	1.6	2,71,452	26.4	5.8
360 One WAM	1201	Buy	8,023	32.6	5.2	3,799	33.0	4.7	3,273	19.0	3.7
Aditya Birla AMC	833	Buy	4,715	5.9	2.2	2,849	3.8	0.8	2,567	14.4	6.4
Anand Rathi Wealth	3079	Neutral	3,038	28.2	2.2	1,419	32.6	3.2	1,029	33.2	3.0
Angel One	2388	Buy	8,827	-0.8	5.7	3,506	-9.5	19.3	2,560	-9.1	20.9
BSE	2667	Neutral	12,338	60.6	15.5	8,125	86.9	17.6	6,279	188.8	12.7
Cams Services	756	Buy	3,922	6.1	4.1	1,780	3.0	6.2	1,221	-1.6	7.2
CDSL	1467	Neutral	3,133	12.7	-1.8	1,706	6.2	-3.9	1,349	3.9	-3.7
HDFC AMC	2657	Buy	10,538	12.8	2.6	8,313	8.8	3.8	7,072	10.3	-1.6
KFin Technologies	1082	Neutral	3,223	11.1	4.2	1,417	8.5	4.4	990	9.8	6.1
MCX	2215	Neutral	6,943	130.4	85.5	5,328	175.9	118.7	4,210	163.1	113.2
Nippon Life AMC	893	Buy	6,919	17.7	5.1	4,415	14.5	2.8	3,841	30.1	11.6
NSDL	1075	Neutral	3,910	7.8	-2.3	1,052	15.7	-17.7	951	10.9	-13.8
Nuvama Wealth	1467	Buy	8,037	11.2	4.1	3,548	6.4	6.0	2,681	6.5	5.6
PB Fintech	1783	Neutral	18,703	44.9	15.9	1,761	122.9	12.9	1,526	112.4	12.4
Prudent Corp.	2593	Neutral	3,369	18.2	5.3	751	13.9	4.1	578	20.0	8.0
UTI AMC	1129	Buy	4,040	7.6	3.6	672	-64.8	-54.8	1,178	-32.1	-10.9
NBFC - Non Lending			1,09,678	25.4	9.8	50,442	24.4	10.6	41,305	31.2	11.1

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

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Automobiles						32.0	25.8	22.1	5.0	4.4	3.9	15.7	17.2	17.6
Amara Raja Energy	928	Neutral	44.7	50.6	58.0	20.8	18.3	16.0	2.1	1.9	1.7	10.5	10.9	11.4
Apollo Tyres	497	Buy	23.0	27.9	34.0	21.6	17.8	14.6	1.6	1.5	1.4	9.7	11.1	12.4
Ashok Leyland	189	Buy	6.4	7.8	9.5	30	24	20.0	8.3	7.1	6.0	30.1	31.7	32.6
Bajaj Auto	9,501	Neutral	342.1	371.6	408.9	27.8	25.6	23.2	7.5	6.9	6.3	28.3	28.1	28.2
Balkrishna Inds	2,369	Neutral	74.6	91.2	101.2	31.7	26.0	23.4	4.0	3.5	3.2	13.2	14.4	14.3
Bharat Forge	1,478	Neutral	25.5	35.8	44.0	57.9	41.3	33.6	7.0	6.3	5.6	12.6	16.0	17.6
Bosch	39,481	Neutral	832.9	921.3	1,030.0	47.4	42.9	38.3	7.5	7.0	6.3	16.8	16.9	17.3
CEAT	3,892	Buy	169.3	208.0	247.5	23.0	18.7	15.7	3.2	2.8	2.5	14.8	16.1	16.9
CIE Automotive	428	Buy	21.9	23.7	24.9	19.6	18.0	17.2	2.2	2.1	1.9	12.0	11.9	11.5
Craftsman Auto	8,010	Neutral	152.3	235.1	311.0	52.6	34.1	25.8	6.0	5.1	4.3	12.0	16.3	18.3
Eicher Motors	7,335	Sell	202.5	227.2	255.6	36.2	32.3	28.7	8.1	7.0	6.0	24.1	23.2	22.4
Endurance Tech.	2,541	Buy	65.9	78.2	87.5	38.6	32.5	29.1	5.5	4.9	4.3	15.2	15.9	15.7
Escorts Kubota	3,849	Neutral	111.8	126.7	138.1	34.4	30.4	27.9	4.1	3.8	3.4	12.6	12.9	12.8
Exide Inds.	368	Neutral	13.4	15.6	17.2	27.4	23.6	21.4	2.0	1.9	1.8	7.4	8.1	8.3
Happy Forgings	1,185	Buy	30.8	38.3	52.3	38.5	30.9	22.7	5.3	4.6	4.0	14.7	16.0	18.9
Hero Motocorp	5,931	Buy	258.4	291.4	323.6	22.9	20.4	18.3	5.5	5.1	4.7	25.1	26.1	26.7
Hyundai Motor	2,269	Buy	73.2	84.0	98.8	31.0	27.0	23.0	8.9	7.2	5.9	32.2	29.6	28.2
Mahindra & Mahindra	3,802	Buy	123.7	150.4	175.0	30.7	25.3	21.7	6.2	5.2	4.4	22.0	22.4	21.8
Maruti Suzuki	16,960	Buy	520.0	639.1	738.0	32.6	26.5	23.0	5.0	4.4	3.8	15.4	16.5	16.7
Motherson Wiring	50	Buy	1.1	1.4	1.7	46.2	35.5	29.6	16.2	12.9	10.5	38.3	40.4	39.0
MRF	1,50,948	Sell	4,989.1	5,724.8	6,504.0	30.3	26.4	23.2	3.1	2.8	2.5	10.9	11.2	11.5
Samvardhana Motherson	122	Buy	3.4	5.1	6.1	35.7	24.2	20.0	3.5	3.2	2.9	10.1	13.8	15.0
Sona BLW Preci.	487	Neutral	10.8	12.1	13.5	45.0	40.3	36.1	5.0	4.6	4.3	11.5	11.9	12.4
Tata Motors CV	442	Neutral	18.7	19.3	21.3	23.6	23.0	20.8	11.1	7.8	5.9	59.7	40.0	32.4
Tata Motors PV	370	Sell	14.5	32.2	42.1	25.6	11.5	8.8	1.2	1.1	1.0	5.0	9.7	11.6
Tube Investments	2,599	Buy	43.2	47.8	52.2	60.2	54.4	49.8	8.5	7.4	6.6	15.0	14.6	14.0
TVS Motor	3,855	Buy	77.6	98.8	125.7	49.7	39.0	30.7	14.1	10.9	8.4	32.2	31.5	31.0
Capital Goods						39.7	33.9	28.2	7.4	6.4	5.4	18.6	18.8	19.3
ABB India	5,197	Buy	79.1	89.3	104.4	65.7	58.2	49.8	14.2	13.0	11.9	22.6	23.4	25.0
Astra Microwave	963	Buy	16.4	23.7	30.3	58.6	40.6	31.8	7.2	6.1	5.1	13.2	16.4	17.6
Bharat Dynamics	1,495	Buy	28.3	37.9	52.0	52.9	39.5	28.7	11.4	9.2	7.2	21.5	23.3	25.2
Bharat Electronics	403	Buy	8.3	9.9	11.5	48.5	40.8	35.2	11.7	9.4	7.6	24.2	23.0	21.6
Cummins India	4,482	Buy	87.6	98.5	114.9	51.2	45.5	39.0	15.5	13.7	12.0	32.3	31.9	32.8
Hind.Aeronautics	4,417	Buy	142.9	161.0	197.8	30.9	27.4	22.3	7.1	6.0	4.9	22.8	21.7	22.1
Hitachi Energy	18,822	Sell	203.2	266.4	334.5	92.6	70.6	56.3	15.6	12.7	10.3	17.8	18.9	19.3
Kalpataru Proj.	1,198	Buy	52.7	73.5	85.6	22.8	16.3	14.0	2.6	2.2	2.0	11.9	14.7	14.9
KEC International	747	Buy	31.1	40.3	50.9	24.0	18.5	14.7	3.3	2.9	2.5	14.6	16.7	18.2
Kirloskar Oil	1,261	Buy	35.5	44.6	52.3	35.5	28.3	24.1	5.4	4.7	4.1	16.2	17.7	18.0
Larsen & Toubro	4,163	Buy	130.3	155.5	183.5	31.9	26.8	22.7	5.2	4.6	4.0	17.3	18.2	18.9
Siemens	3,098	Neutral	73.7	61.8	73.8	42.0	50.1	42.0	6.1	5.5	4.8	14.6	10.9	11.5
Siemens Energy	2,546	Buy	30.9	41.2	61.1	82.4	61.8	41.6	20.7	15.5	11.3	25.1	25.1	27.1
Thermax	3,025	Sell	62.2	72.2	86.5	48.7	41.9	35.0	6.2	5.6	4.9	13.5	14.0	14.9
Triveni Turbine	541	Buy	11.8	14.0	16.8	45.9	38.6	32.2	11.6	9.5	7.8	27.7	27.1	26.7
Zen Technologies	1,362	Neutral	21.6	40.5	53.3	63.2	33.7	25.6	6.5	5.5	4.5	10.9	17.7	19.3
Cement						41.4	34.1	28.6	3.3	3.1	2.9	8.0	9.2	10.2
ACC	1,749	Neutral	87.5	115.6	133.9	20.0	15.1	13.1	1.6	1.5	1.3	8.5	10.1	10.6
Ambuja Cements	565	Buy	11.4	14.1	15.8	49.7	40.0	35.9	2.4	2.3	2.2	5.1	6.0	6.3
Birla Corporation	1,110	Buy	67.4	76.8	88.2	16.5	14.5	12.6	1.1	1.1	1.0	7.2	7.7	8.2
Dalmia Bharat	2,146	Buy	65.8	68.6	78.5	32.6	31.3	27.3	2.2	2.1	2.0	6.9	6.8	7.4
Grasim Industries	2,858	Buy	81.9	102.2	123.4	34.9	28.0	23.2	3.4	3.3	3.2	-4.3	-1.2	1.3
India Cements	446	Sell	-0.7	5.6	11.5	-676.0	79.7	38.8	1.4	1.4	1.4	-0.2	1.8	3.6
J K Cements	5,570	Buy	141.0	165.4	200.5	39.5	33.7	27.8	6.1	5.3	4.5	16.6	16.8	17.4
JK Lakshmi Cem.	798	Buy	41.1	44.0	42.7	19.4	18.1	18.7	2.5	2.3	2.0	13.8	13.2	11.5
JSW Cement	123	Neutral	2.1	2.7	3.5	58.6	45.2	35.3	2.7	2.5	2.3	6.7	5.8	6.9
Ramco Cements	1,057	Neutral	15.2	23.6	31.2	69.7	44.8	33.9	3.2	3.0	2.8	4.7	7.0	8.6

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Shree Cement	27,027	Neutral	482.0	547.1	624.6	56.1	49.4	43.3	4.4	4.1	3.9	8.0	8.6	9.2
Ultratech Cement	11,895	Buy	266.6	315.9	383.3	44.6	37.7	31.0	4.6	4.3	3.9	10.7	11.8	13.2
Chemicals						37.7	29.9	25.4	3.9	3.5	3.1	10.3	11.8	12.4
Alkyl Amines	1,607	Neutral	35.7	41.2	45.1	45.0	39.0	35.6	5.4	4.9	4.4	12.4	13.1	13.0
Atul	6,093	Buy	216.8	250.5	270.7	28.1	24.3	22.5	2.9	2.7	2.4	10.9	11.4	11.2
Clean Science	870	Neutral	23.8	30.2	36.1	36.5	28.8	24.1	5.7	4.9	4.2	16.6	18.2	18.6
Deepak Nitrite	1,711	Sell	43.8	58.0	59.9	39.1	29.5	28.6	4.0	3.6	3.2	10.6	12.7	11.8
Ellenbarrie Industrial	341	Buy	8.0	12.3	16.2	42.7	27.8	21.1	4.8	4.1	3.4	15.0	15.8	17.6
Fine Organic	4,184	Sell	136.9	138.8	159.4	30.6	30.1	26.3	4.9	4.3	3.7	17.4	15.2	15.2
Galaxy Surfactants	2,050	Buy	78.6	93.5	107.1	26.1	21.9	19.1	2.8	2.6	2.3	11.3	12.3	12.8
Navin Fluorine	5,903	Neutral	106.4	131.5	153.7	55.5	44.9	38.4	7.9	7.0	6.1	16.9	16.5	16.9
P I Industries	3,257	Buy	94.6	104.6	119.5	34.4	31.1	27.3	4.4	3.9	3.5	13.4	13.2	13.5
Privi Speciality	2,779	Buy	76.0	96.3	141.3	36.6	28.8	19.7	7.8	6.1	4.1	23.7	23.7	25.3
SRF	3,058	Buy	66.9	90.6	104.3	45.7	33.7	29.3	6.5	5.6	4.8	14.9	17.7	17.7
Tata Chemicals	755	Neutral	27.8	44.4	60.0	27.2	17.0	12.6	0.9	0.8	0.8	3.3	5.1	6.6
Vinati Organics	1,601	Buy	50.3	59.2	69.1	31.8	27.1	23.2	5.1	4.5	3.8	17.3	17.6	17.8
Consumer						44.7	40.4	36.3	10.4	9.8	9.1	23.3	24.3	25.0
Asian Paints	2,772	Neutral	46.7	54.5	62.0	59.4	50.9	44.7	13.4	12.6	11.6	22.8	25.6	27.1
Britannia	5,982	Buy	106.4	126.0	142.7	56.2	47.5	41.9	28.5	23.3	18.8	54.5	54.1	49.7
Colgate	2,089	Buy	50.7	56.7	61.7	41.2	36.9	33.9	36.7	37.6	37.1	85.9	100.7	110.3
Dabur	522	Neutral	10.8	12.2	13.4	48.2	42.9	39.1	8.0	7.8	7.6	17.2	18.4	19.7
Emami	522	Buy	20.3	21.9	23.6	25.7	23.8	22.1	7.6	6.9	6.3	31.2	30.3	29.7
Godrej Consumer	1,236	Buy	21.4	26.5	30.5	57.7	46.7	40.6	10.1	9.7	9.2	17.9	21.2	23.3
Hind. Unilever	2,348	Buy	43.4	48.0	52.8	54.1	48.9	44.5	11.1	10.9	10.7	20.6	22.5	24.3
Indigo Paints	1,170	Buy	33.3	39.4	46.3	35.1	29.7	25.3	4.8	4.2	3.6	14.5	15.0	15.3
ITC	350	Neutral	16.6	16.4	17.7	21.1	21.4	19.8	6.1	6.0	5.7	29.2	28.1	29.6
Jyothy Labs	284	Neutral	10.1	11.5	12.9	28.1	24.6	22.0	5.0	4.6	4.1	17.9	19.4	19.8
L T Foods	390	Buy	20.1	26.5	31.3	19.5	14.7	12.5	3.1	2.6	2.2	16.9	19.4	19.5
Marico	758	Buy	13.6	16.3	18.2	55.7	46.4	41.7	23.7	21.8	19.7	43.3	49.0	49.7
Nestle	1,280	Neutral	16.7	19.8	22.2	76.7	64.5	57.7	57.0	52.3	48.0	77.2	84.6	86.8
P&G Hygiene	12,883	Neutral	268.1	296.7	330.1	48.1	43.4	39.0	45.9	37.9	31.7	105.7	95.7	88.5
Page Industries	35,767	Buy	704.4	791.2	892.4	50.8	45.2	40.1	23.6	19.9	16.9	46.5	44.0	42.1
Pidilite Inds.	1,478	Neutral	23.8	27.6	31.6	62.0	53.5	46.8	13.7	12.1	10.7	23.4	24.0	24.3
Radico Khaitan	3,095	Buy	42.7	54.0	65.9	72.4	57.3	47.0	13.2	11.1	9.3	18.2	19.4	19.9
Tata Consumer	1,170	Buy	16.8	20.3	22.2	69.7	57.7	52.7	5.1	4.8	4.5	8.1	9.3	9.5
United Breweries	1,596	Neutral	15.1	25.0	33.5	106	64	47.7	9.2	8.6	7.8	8.9	13.9	17.1
United Spirits	1,381	Neutral	22.8	25.5	28.2	61	54	49.0	10.5	8.8	7.4	17.3	16.2	15.1
Varun Beverages	494	Buy	9.0	10.7	12.7	55	46	38.9	8.9	7.7	6.7	17.2	17.9	18.4
Zydus Wellness	472	Buy	11.7	17.0	18.9	40.3	27.7	24.9	2.6	2.5	2.3	6.5	9.1	9.6
Consumer Durables						51.9	42.6	35.4	9.0	7.8	6.7	17.4	18.3	18.9
Blue Star	1,813	Neutral	28.3	37.3	46.9	64.1	48.6	38.7	10.8	9.2	7.8	16.8	19.0	20.2
CG Consumer Elect.	252	Buy	7.3	8.5	10.7	34.6	29.6	23.6	3.9	3.6	3.3	11.4	12.3	14.0
Havells India	1,439	Neutral	24.4	29.8	35.5	59.0	48.3	40.5	9.7	8.6	7.5	16.4	17.7	18.6
KEI Industries	4,527	Buy	93.9	110.5	131.4	48.2	40.9	34.4	6.5	5.7	4.9	14.5	14.8	15.3
LG Electronics	1,483	Buy	27.0	33.5	39.2	55.0	44.3	37.8	14.1	11.7	9.7	27.9	28.8	28.0
Polycab India	7,799	Buy	178.4	201.9	241.1	43.7	38.6	32.4	9.8	8.2	6.8	22.4	21.3	21.2
R R Kabel	1,511	Neutral	39.9	46.2	56.1	37.9	32.7	26.9	6.8	5.8	4.9	19.3	19.0	19.6
Voltas	1,430	Neutral	18.0	28.9	36.0	79.4	49.6	39.7	6.9	6.1	5.5	8.6	12.4	13.8
EMS						67.0	40.9	30.0	8.5	7.1	5.7	12.7	17.3	19.2
Amber Enterp.	6,480	Buy	81.3	144.4	214.7	79.7	44.9	30.2	6.4	5.6	4.7	9.7	13.2	16.9
Avalon Tech	892	Buy	15.3	25.0	34.1	58.3	35.7	26.1	8.3	6.7	5.3	15.3	20.8	22.8
Cyient DLM	416	Buy	9.6	16.9	23.9	43.1	24.6	17.4	3.2	2.8	2.4	7.7	12.1	14.9
Data Pattern	2,621	Neutral	46.2	64.3	82.6	56.8	40.8	31.8	8.3	6.9	5.7	15.8	18.6	19.7
Dixon Tech.	12,181	Buy	145.6	247.4	322.2	83.6	49.2	37.8	19.1	13.9	10.3	25.6	32.8	31.3
Kaynes Tech	3,979	Buy	77.5	123.0	180.3	51.3	32.4	22.1	5.4	4.6	3.8	13.3	15.3	18.9
Syrma SGS Tech.	742	Buy	14.8	23.4	30.5	50.3	31.7	24.3	4.4	3.9	3.3	11.9	14.0	15.8

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Financials														
Banks-Private						19.9	16.4	13.6	2.6	2.2	1.9	12.8	13.5	14.3
AU Small Finance	999	Buy	34.9	47.6	62.7	28.6	21.0	15.9	3.8	3.2	2.7	14.2	16.7	18.5
Axis Bank	1,268	Neutral	79.0	99.7	119.1	16.0	12.7	10.6	2.0	1.7	1.5	12.9	14.5	15.1
Bandhan Bank	145	Neutral	8.5	17.6	22.9	17.0	8.2	6.3	0.9	0.9	0.8	5.6	11.1	13.2
DCB Bank	177	Buy	23.6	30.0	37.4	7.5	5.9	4.7	0.9	0.8	0.7	13.2	14.8	16.0
Equitas Small Fin.	64	Buy	0.1	5.9	8.8	429.9	11.0	7.3	1.2	1.1	1.0	0.3	10.8	14.7
Federal Bank	267	Buy	15.8	19.6	23.4	16.9	13.6	11.4	1.8	1.5	1.4	11.0	12.0	12.6
HDFC Bank	1,001	Buy	49.0	56.3	66.6	20.4	17.8	15.0	2.8	2.5	2.2	14.2	14.7	15.3
ICICI Bank	1,355	Buy	71.8	81.5	94.8	18.9	16.6	14.3	2.9	2.5	2.2	16.5	16.3	16.4
IDFC First Bank	86	Neutral	2.6	4.9	7.3	32.8	17.5	11.8	1.6	1.5	1.3	4.9	8.7	11.8
IndusInd Bank	902	Neutral	7.4	43.8	66.1	121.3	20.6	13.7	1.1	1.0	1.0	0.9	5.2	7.4
Kotak Mahindra Bank	2,195	Buy	105.1	125.1	151.5	20.9	17.5	14.5	2.5	2.2	1.9	11.7	12.6	13.4
RBL Bank	321	Buy	15.8	16.4	24.7	20.3	19.5	13.0	1.2	1.1	1.1	6.1	8.8	8.6
Banks-PSU						9.4	8.5	7.3	1.4	1.3	1.1	15.1	15.0	15.4
Bank of Baroda	305	Neutral	37.8	39.7	45.1	8.1	7.7	6.8	1.1	1.0	0.9	14.8	14.2	14.5
Canara Bank	155	Buy	21.0	21.7	24.6	7.4	7.1	6.3	1.3	1.2	1.1	19.2	17.8	18.5
Indian Bank	862	Buy	91.5	97.6	108.5	9.4	8.8	7.9	1.6	1.4	1.2	18.3	17.2	16.8
Punjab National Bank	125	Buy	14.3	19.2	23.1	8.8	6.5	5.4	1.1	0.9	0.8	13.0	15.6	16.5
State Bank	999	Buy	95.6	104.5	121.6	10.5	9.6	8.2	1.6	1.4	1.2	17.0	15.6	15.5
Union Bank	157	Neutral	21.5	22.5	25.2	7.3	7.0	6.2	1.0	0.9	0.8	14.4	13.6	13.7
Insurance						18.6	16.7	15.2	4.7	3.8	3.1	25.2	22.7	20.6
HDFC Life Insur.	755	Buy	9.3	10.3	11.8	81.6	73.2	63.7	2.5	2.2	1.9	15.4	16.4	16.6
ICICI Lombard	1,974	Buy	63.6	73.2	83.8	31.0	26.9	23.5	5.8	5.0	4.3	20.3	20.0	19.6
ICICI Pru Life	679	Buy	9.2	11.6	13.8	73.8	58.7	49.1	1.8	1.6	1.4	11.7	13.0	13.1
Life Insurance Corp.	861	Buy	87.5	96.0	104.2	9.8	9.0	8.3	0.6	0.6	0.5	11.7	11.5	11.4
Max Financial	1,672	Buy	4.9	11.3	12.4	343.0	148.6	134.8	2.4	2.0	1.7	18.3	19.7	19.8
Niva Bupa Health	75	Buy	0.1	1.2	3.0	816.8	61.1	25.4	3.6	3.4	3.0	0.5	5.8	12.6
SBI Life Insurance	2,067	Buy	22.9	24.3	26.4	90.4	85.0	78.2	2.5	2.1	1.8	18.3	18.5	18.2
Star Health	460	Buy	9.6	15.4	19.7	47.7	29.9	23.4	3.6	3.2	2.8	7.8	11.2	12.7
NBFC - Lending						17.7	14.7	12.1	2.7	2.2	1.9	15.0	15.0	15.9
AAVAS Financiers	1,444	Neutral	83.2	99.0	118.5	17.4	14.6	12.2	2.3	2.0	1.7	14.0	14.5	15.0
Aditya Birla Cap	361	Buy	15.2	19.5	25.3	23.8	18.5	14.3	2.8	2.5	2.2	12.3	14.2	16.2
Bajaj Finance	991	Neutral	32.7	40.7	51.3	30.3	24.4	19.3	5.4	4.5	3.8	19.3	20.3	21.4
Bajaj Housing	97	Neutral	3.2	3.9	4.8	30.3	24.7	20.2	3.6	3.1	2.7	12.5	13.4	14.3
Can Fin Homes	939	Neutral	76.6	79.5	92.8	12.3	11.8	10.1	2.1	1.8	1.6	18.6	16.7	16.9
Chola. Inv & Fin.	1,781	Buy	60.2	78.9	99.1	29.6	22.6	18.0	5.0	4.1	3.4	19.1	20.0	20.6
CreditAccess	1,288	Buy	50.5	81.3	107.2	25.5	15.8	12.0	2.6	2.3	1.9	11.0	15.4	17.3
Five-Star Business	532	Buy	37.5	42.2	49.1	14.2	12.6	10.8	2.1	1.8	1.6	16.2	15.7	15.7
Fusion Finance	162	Buy	-2.1	17.9	24.8	-77.8	9.0	6.5	1.1	1.0	0.8	-1.7	11.3	13.8
HDB Financial	770	Neutral	30.8	41.3	50.7	25.0	18.6	15.2	3.1	2.6	2.2	13.9	15.2	15.9
Home First Fin.	1,106	Buy	53.1	63.6	75.5	20.8	17.4	14.7	2.7	2.3	2.0	16.1	14.3	14.8
IIFL Finance	640	Buy	37.0	49.2	65.2	17.3	13.0	9.8	2.0	1.7	1.5	12.0	14.2	16.3
Indostar Capital	247	Buy	39.2	13.9	20.9	6.3	17.7	11.8	0.9	0.9	0.8	16.5	5.1	7.3
L&T Finance	320	Buy	11.8	15.9	20.1	27.2	20.1	15.9	2.9	2.6	2.3	11.0	13.5	15.2
LIC Housing Fin	546	Neutral	98.3	102.1	110.1	5.5	5.3	5.0	0.7	0.7	0.6	14.1	13.1	12.8
M & M Financial	403	Buy	20.2	24.8	29.7	20.0	16.3	13.6	2.3	2.1	1.8	12.6	13.2	14.4
Manappuram Finance	311	Neutral	10.8	20.0	27.6	28.9	15.6	11.3	1.8	1.7	1.5	7.2	11.8	14.1
MAS Financial	325	Buy	20.3	25.2	30.7	16.0	12.9	10.6	2.1	1.8	1.6	13.6	14.8	15.7
Muthoot Finance	3,826	Neutral	218.8	260.7	294.9	17.5	14.7	13.0	4.3	3.5	2.8	27.4	26.1	24.0
PFC	376	Buy	57.6	59.6	67.7	6.5	6.3	5.6	1.2	1.1	0.9	19.5	17.7	17.8
Piramal Finance	1,713	Buy	63.7	106.8	177.6	26.9	16.0	9.6	1.4	1.3	1.1	5.2	8.2	12.5
PNB Housing	998	Buy	86.2	93.9	113.7	11.6	10.6	8.8	1.4	1.2	1.1	12.5	12.2	13.1
Poonawalla Fincorp	481	Buy	8.0	21.8	32.0	60.3	22.1	15.0	3.8	3.3	2.7	7.0	15.9	19.8
REC	381	Buy	64.9	66.9	74.3	5.9	5.7	5.1	1.1	1.0	0.9	20.4	18.3	17.9
Repco Home Fin	432	Neutral	70.4	75.2	84.8	6.1	5.8	5.1	0.7	0.7	0.6	12.5	11.9	12.1

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Shriram Finance	1,009	Buy	51.9	55.5	70.1	19.5	18.2	14.4	2.9	2.1	1.8	16.1	14.6	13.6
Spandana Sphoorty	266	Neutral	-84.8	18.7	42.3	-3.1	14.3	6.3	1.1	0.9	0.8	-28.3	7.1	13.9
NBFC - Non Lending						42.5	35.4	30.2	10.1	8.7	7.7	23.7	24.7	25.5
360 ONE WAM	1,201	Buy	31.4	36.6	43.5	38.3	32.8	27.6	5.0	4.3	4.2	15.1	14.4	15.4
Aditya Birla AMC	833	Buy	36.3	41.6	46.7	23.0	20.0	17.8	5.7	5.1	4.5	26.4	27.0	27.0
Anand Rathii Wealth	3,079	Neutral	48.5	61.6	74.7	63.4	50.0	41.2	25.8	18.1	13.2	48.3	42.5	37.0
Angel One	2,388	Buy	95.4	123.5	157.3	25.0	19.3	15.2	3.2	2.9	2.5	14.6	17.0	19.3
BSE	2,667	Neutral	59.1	68.0	79.2	45.1	39.2	33.7	17.3	12.9	10.0	38.3	32.9	29.6
Cams Services	756	Buy	19.4	22.9	26.7	38.9	33.0	28.3	14.2	12.1	10.3	39.2	39.5	39.3
CDSL	1,467	Neutral	25.2	29.4	34.4	58.2	49.9	42.6	15.1	13.3	11.4	27.8	28.4	28.8
HDFC AMC	2,657	Buy	67.7	76.0	87.6	39.3	35.0	30.3	12.7	11.6	10.6	33.9	34.7	36.6
KFin Technologies	1,082	Neutral	21.8	26.4	31.6	49.6	41.0	34.2	12.8	11.2	9.3	27.4	29.2	29.7
MCX	2,215	Neutral	43.6	54.5	58.6	50.8	40.6	37.8	26.8	23.7	21.0	55.8	61.9	59.0
Nippon Life AMC	893	Buy	24.2	28.1	31.8	36.8	31.8	28.1	13.1	12.8	12.6	35.9	40.8	45.3
NSDL	1,075	Neutral	20.0	23.8	28.2	53.8	45.2	38.1	9.0	7.6	6.4	18.2	18.2	18.1
Nuvama Wealth	1,467	Buy	60.3	72.4	86.4	24.3	20.3	17.0	6.5	5.7	4.8	28.8	30.2	30.9
PB Fintech	1,783	Neutral	13.4	21.3	28.7	133.5	83.9	62.2	11.6	10.2	8.8	9.1	12.9	15.2
Prudent Corp.	2,593	Neutral	54.2	68.9	85.5	47.8	37.6	30.3	61.9	48.1	37.5	29.3	28.8	27.8
UTI AMC	1,129	Buy	57.2	71.6	81.4	19.7	15.8	13.9	2.7	2.5	2.4	13.8	16.5	17.8
Healthcare						35.9	30.7	26.8	4.9	4.3	3.8	13.7	14.1	14.2
Ajanta Pharma	2,937	Buy	83.0	99.7	111.7	35.4	29.5	26.3	8.0	6.7	5.6	24.9	24.8	23.2
Alembic Pharma	836	Neutral	36.2	44.9	53.7	23.1	18.6	15.6	2.8	2.5	2.2	12.8	14.2	14.9
Alkem Lab	5,588	Neutral	197.0	185.8	207.3	28.4	30.1	27.0	4.9	4.4	4.0	18.4	15.5	15.6
Apollo Hospitals	7,129	Buy	130.8	155.6	193.1	54.5	45.8	36.9	9.9	8.2	6.7	20.6	20.2	20.5
Aurobindo Pharma	1,215	Buy	61.9	77.7	90.6	19.6	15.6	13.4	2.0	1.8	1.6	10.5	11.8	12.3
Biocon	393	Buy	3.0	7.1	9.4	132.8	55.5	41.9	2.1	2.0	1.9	2.2	5.1	6.4
Blue Jet Healthcare	531	Buy	19.7	23.3	28.5	26.9	22.8	18.6	6.3	5.0	4.0	26.5	24.6	24.0
Cipla	1,511	Neutral	61.2	61.7	68.6	24.7	24.5	22.0	3.4	3.0	2.7	13.8	12.4	12.2
Divis Labs	6,390	Neutral	91.1	114.9	137.0	70.1	55.6	46.6	10.1	9.0	7.9	15.3	17.2	18.1
Dr Agarwals Health.	502	Buy	4.0	5.2	7.9	125.8	96.0	63.8	7.9	7.3	6.6	6.5	7.9	10.8
Dr Reddy's Labs	1,255	Neutral	65.7	62.6	67.3	19.1	20.1	18.7	2.7	2.4	2.1	15.1	12.7	12.2
Eris Lifescience	1,531	Neutral	36.0	50.8	61.1	42.6	30.1	25.1	6.4	5.4	4.5	16.1	19.5	19.6
Gland Pharma	1,714	Buy	54.2	68.0	80.4	31.6	25.2	21.3	2.8	2.5	2.3	9.3	10.6	11.2
Glenmark Pharma	2,066	Buy	19.1	77.5	87.4	108.1	26.7	23.6	6.3	5.1	4.3	5.9	21.2	19.7
Global Health	1,217	Buy	22.3	29.5	35.4	54.7	41.3	34.3	8.4	7.2	6.1	16.4	18.8	19.3
Granules India	615	Buy	23.5	31.2	38.1	26.2	19.7	16.2	3.5	3.0	2.5	14.3	16.4	17.1
GSK Pharma	2,483	Neutral	61.3	70.6	79.8	40.5	35.2	31.1	16.7	12.9	10.2	41.2	36.8	32.7
IPCA Labs.	1,404	Buy	42.8	52.0	61.6	32.8	27.0	22.8	4.5	4.0	3.5	14.7	15.7	16.2
Laurus Labs	1,107	Buy	13.4	16.8	19.6	82.4	65.9	56.4	11.4	10.0	8.7	14.7	16.2	16.5
Laxmi Dental	271	Buy	7.5	10.9	13.2	35.9	24.8	20.6	6.0	4.8	3.9	18.1	21.4	20.9
Lupin	2,106	Neutral	102.9	100.1	102.6	20.5	21.0	20.5	4.2	3.5	3.0	23.4	18.3	15.9
Mankind Pharma	2,203	Buy	45.6	59.3	72.1	48.3	37.1	30.6	5.8	5.1	4.5	12.5	14.6	15.8
Max Healthcare	1,063	Buy	16.9	23.4	25.5	63.0	45.4	41.6	8.5	7.3	6.2	14.5	17.3	16.1
Piramal Pharma	179	Buy	-0.5	1.3	3.2	-330.6	142.3	55.3	2.6	2.6	2.5	-0.9	2.0	5.1
Rubicon Research	662	Buy	13.6	18.3	24.6	48.6	36.1	27.0	9.0	7.4	5.9	25.6	22.5	24.4
Sun Pharma	1,729	Buy	49.2	57.5	64.7	35.1	30.1	26.7	5.1	4.5	4.0	15.4	16.0	15.8
Torrent Pharma	3,885	Neutral	69.4	83.8	103.2	55.9	46.3	37.6	7.2	6.0	5.0	28.2	28.4	29.1
Zydus Lifesciences	917	Neutral	44.6	44.7	48.9	20.5	20.5	18.8	3.2	2.8	2.5	17.1	14.8	14.2
Healthcare - BPO						29.4	25.3	20.9	4.5	3.9	3.4	15.4	15.5	16.4
Indegene	522	Neutral	18.9	22.1	26.5	27.6	23.6	19.7	4.2	3.6	3.2	16.3	16.5	17.2
Inventurus Knowledge	1,683	Buy	42.3	51.8	65.9	39.8	32.5	25.6	11.4	8.4	6.3	33.4	29.9	28.3
Sagility	53	Buy	1.9	2.2	2.7	28.2	23.8	19.8	2.7	2.5	2.3	10.1	10.9	12.1
Infrastructure						23.0	15.0	10.4	1.2	1.1	1.0	5.3	7.5	9.8
G R Infraproject	1,009	Buy	77.6	104.1	116.0	13.0	9.7	8.7	1.1	1.0	0.9	9.1	11.0	11.0
IRB Infra	43	Buy	1.4	2.2	3.8	31.0	19.1	11.3	1.3	1.2	1.1	4.1	6.5	10.1
KNR Constructions	161	Neutral	5.7	11.4	15.3	28.1	14.1	10.5	1.1	1.0	0.9	4.0	7.6	9.3

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Logistics						28.4	23.6	20.4	4.4	3.8	3.3	15.5	16.1	16.2
Adani Ports	1,489	Buy	59.0	69.3	78.0	25.3	21.5	19.1	4.7	3.9	3.4	20.0	19.9	19.0
Blue Dart Express	5,600	Buy	137.3	194.3	204.9	40.8	28.8	27.3	7.0	5.8	4.9	18.5	22.1	19.4
Concor	532	Buy	17.8	22.2	25.8	29.8	23.9	20.6	3.1	2.9	2.7	10.6	12.4	13.4
Delhivery	404	Buy	3.3	5.9	7.9	121.0	69.0	51.3	3.1	3.0	2.8	2.6	4.4	5.6
JSW Infra	285	Buy	7.2	8.8	12.5	39.4	32.5	22.8	5.5	4.8	4.0	14.8	15.7	19.0
Mahindra Logistics	316	Neutral	-0.7	16.7	19.9	-451.0	18.9	15.9	2.7	2.4	2.1	-0.5	13.3	14.1
TCI Express	590	Neutral	25.3	30.5	33.2	23.3	19.4	17.8	2.7	2.5	2.2	12.2	13.4	13.2
Transport Corp.	1,085	Buy	59.1	64.3	76.6	18.3	16.9	14.2	3.3	2.8	2.4	19.1	17.7	18.0
VRL Logistics	269	Buy	12.5	14.8	16.5	21.5	18.1	16.3	3.9	3.6	3.4	19.0	20.6	21.5
Media						17.5	15.6	14.0	1.3	1.3	1.2	7.6	8.0	8.4
PVR Inox	1,031	Neutral	23.1	28.5	36.7	44.7	36.2	28.0	1.4	1.3	1.3	3.2	3.8	4.7
Sun TV	583	Neutral	39.9	43.4	46.4	14.6	13.4	12.6	1.9	1.7	1.6	12.7	12.6	12.4
Zee Entertainment	91	Neutral	6.2	7.2	8.3	14.7	12.6	11.0	0.7	0.7	0.7	5.1	5.7	6.3
Metals						15.8	12.1	10.9	2.7	2.3	2.0	17.0	19.1	18.3
Coal India	428	Buy	44.8	57.1	58.5	9.5	7.5	7.3	2.3	2.0	1.8	24.6	27.1	24.5
Hindalco	926	Buy	76.7	74.5	78.6	12.1	12.4	11.8	1.8	1.6	1.4	16.3	13.8	12.9
Hindustan Zinc	629	Neutral	27.8	36.3	42.9	22.6	17.3	14.7	13.3	8.8	6.1	70.5	61.0	49.2
Jindal Stainless	856	Buy	38.1	44.5	50.3	22.4	19.2	17.0	3.6	3.1	2.6	16.1	16.0	15.5
Jindal Steel	1,080	Buy	38.3	86.3	97.3	28.2	12.5	11.1	2.2	1.9	1.6	8.0	16.1	15.8
JSW Steel	1,180	Buy	38.3	73.0	91.2	30.8	16.2	12.9	3.3	2.8	2.3	11.2	18.6	19.3
Midwest	1,711	Buy	47.0	70.3	101.7	36.4	24.3	16.8	6.0	4.8	3.8	16.4	19.7	22.1
Nalco	330	Neutral	32.8	24.8	25.1	10.1	13.3	13.2	2.6	2.2	2.0	29.4	18.1	15.9
NMDC	85	Buy	8.3	9.8	10.5	10.2	8.7	8.1	2.2	1.8	1.6	22.8	22.9	20.9
SAIL	147	Neutral	6.6	13.2	14.2	22.5	11.2	10.4	1.0	0.9	0.9	4.5	8.6	8.7
Tata Steel	183	Buy	9.1	13.8	15.4	20.1	13.3	11.9	2.3	2.0	1.7	11.9	16.1	15.6
Vedanta	617	Neutral	47.2	54.3	62.6	13.1	11.4	9.8	4.8	3.9	3.1	40.6	37.8	34.7
Oil & Gas						15.8	17.1	17.2	1.8	1.7	1.6	11.4	9.7	9.0
Aegis Logistics	726	Neutral	23.6	24.4	27.4	30.8	29.7	26.5	4.9	4.5	4.0	16.9	15.7	15.9
BPCL	381	Neutral	56.6	37.7	31.6	6.7	10.1	12.1	1.6	1.5	1.3	26.6	15.1	11.5
Castrol India	192	Buy	10.1	9.3	10.3	18.9	20.6	18.7	7.6	7.1	6.6	42.1	35.8	36.7
GAIL	175	Buy	12.8	15.3	16.8	13.7	11.5	10.5	1.4	1.3	1.2	11.4	12.6	12.7
Gujarat Gas	437	Buy	17.4	18.2	21.1	25.1	24.1	20.7	3.3	3.0	2.7	13.5	12.9	13.8
Gujarat State Petronet	320	Neutral	13.5	13.3	14.3	23.7	24.0	22.3	1.6	1.5	1.5	6.9	6.5	6.7
HPCL	496	Buy	86.1	63.9	46.8	5.8	7.8	10.6	1.6	1.4	1.3	31.8	19.6	12.8
Indraprastha Gas	194	Buy	10.5	12.2	13.2	18.5	15.9	14.7	2.7	2.4	2.2	15.1	16.0	15.8
IOC	167	Neutral	22.0	15.6	11.7	7.6	10.7	14.2	1.1	1.0	1.0	15.3	9.9	7.0
Mahanagar Gas	1,141	Buy	91.7	101.1	112.5	12.4	11.3	10.1	1.8	1.6	1.5	14.7	14.8	15.1
Oil India	429	Neutral	28.4	23.6	25.0	15.1	18.2	17.2	1.4	1.4	1.3	9.8	7.7	7.7
ONGC	242	Neutral	33.1	30.3	30.3	7.3	8.0	8.0	0.8	0.8	0.7	11.7	10.0	9.4
Petronet LNG	291	Buy	22.4	31.7	26.4	13.0	9.2	11.0	2.0	1.8	1.6	16.4	20.7	15.5
Reliance Inds.	1,592	Buy	54.0	58.6	65.7	29.5	27.2	24.2	2.4	2.2	2.0	8.3	8.4	8.7
Plastic Pipes						53.7	38.2	31.2	7.3	6.4	5.5	13.6	16.8	17.7
Astral	1,454	Buy	21.9	28.4	34.9	66.4	51.1	41.6	7.2	6.2	5.3	15.3	17.4	18.4
Prince Pipes	262	Buy	7.4	14.1	19.8	35.4	18.6	13.2	0.7	0.7	0.6	5.1	9.1	11.7
Supreme Inds.	3,535	Buy	74.5	106.7	128.4	47.4	33.1	27.5	7.3	6.3	5.4	16.0	20.4	21.2
Real Estate						32.1	28.7	22.2	3.9	3.5	3.0	12.1	12.1	13.6
Aditya Birla Real Est.	1,664	Buy	-3.7	22.3	87.8	-452.6	74.6	19.0	4.9	4.6	3.7	-1.1	6.4	21.9
Anant Raj	584	Buy	9.6	6.1	25.0	60.7	95.9	23.4	3.8	3.6	3.2	6.2	3.8	13.5
Brigade Enterpr.	891	Buy	38.1	54.0	78.1	23.4	16.5	11.4	3.3	2.8	2.3	15.3	18.4	21.9
DLF	698	Buy	17.4	17.3	18.1	40.2	40.4	38.6	2.7	2.5	2.3	9.7	8.9	8.7
Godrej Properties	2,069	Buy	127.7	87.7	135.4	16.2	23.6	15.3	2.9	2.6	2.2	20.0	11.8	15.8
Kolte Patil Dev.	391	Buy	23.3	54.0	78.4	16.8	7.3	5.0	2.4	1.9	1.4	18.4	29.2	31.7
Lodha Developers	1,086	Buy	36.2	38.2	41.0	30.0	28.4	26.5	4.6	4.1	3.6	16.6	15.2	14.3
Mahindra Lifespace	395	Neutral	9.7	13.8	16.1	40.6	28.7	24.6	2.4	2.2	2.1	7.6	8.0	8.8
Oberoi Realty	1,730	Neutral	81.4	99.7	109.3	21.3	17.3	15.8	3.4	2.9	2.5	17.4	18.1	16.9

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Phoenix Mills	1,902	Buy	46.1	50.2	69.5	41.3	37.9	27.4	5.7	5.0	4.2	14.7	14.0	16.7
Prestige Estates	1,619	Buy	22.8	29.3	31.7	71.0	55.3	51.0	4.0	3.7	3.5	5.8	7.0	7.1
SignatureGlobal	1,126	Buy	58.1	127.5	186.9	19.4	8.8	6.0	10.2	4.7	2.7	72.0	73.4	56.5
Sobha	1,492	Buy	38.3	55.8	79.0	39.0	26.7	18.9	3.2	2.9	2.5	8.6	11.4	14.3
Sri Lotus Developers	166	Buy	6.1	12.0	15.8	27.4	13.9	10.5	4.1	3.2	2.4	20.5	26.0	26.3
Sunteck Realty	430	Buy	11.1	14.2	23.6	38.7	30.2	18.2	1.9	1.8	1.6	4.9	6.0	9.2
Retail						79.3	64.5	53.6	11.1	9.8	8.6	13.9	15.2	16.0
Aditya Birla Fashion	78	Neutral	-5.6	-6.0	-5.2	-14.1	-13.1	-15.0	1.3	1.5	1.7	-10.5	-12.7	-12.6
Aditya Birla Lifestyle	125	Neutral	1.9	2.4	2.7	66.8	52.9	46.5	10.2	8.5	7.2	16.4	17.5	16.8
Arvind Fashions	510	Buy	10.0	16.2	21.0	50.8	31.5	24.3	5.3	4.7	4.1	11.0	16.0	18.2
Avenue Supermarts	3,721	Buy	42.8	49.2	55.4	86.9	75.6	67.2	10.0	8.8	7.8	12.2	12.4	12.3
Bata India	949	Neutral	14.4	18.4	23.0	66.1	51.4	41.3	7.4	6.9	6.4	11.4	13.8	16.0
Campus Activewear	262	Buy	4.5	5.7	7.1	57.9	45.7	36.9	9.3	7.9	6.7	16.0	17.4	18.2
Devyani Intl.	148	Buy	-0.1	1.2	2.2	-2,356.1	127.1	67.3	29.2	38.0	41.9	-0.9	26.0	59.2
Go Fashion	462	Buy	16.6	21.8	25.9	27.8	21.2	17.8	3.2	2.9	2.6	11.0	12.8	13.6
Jubilant Foodworks	553	Neutral	5.3	8.1	10.7	104.5	68.2	51.9	18.2	18.0	16.6	17.4	26.4	32.0
Kalyan Jewellers	496	Buy	11.4	14.6	17.2	43.6	34.1	28.8	9.0	7.7	6.6	22.4	24.4	24.8
Metro Brands	1,178	Buy	15.0	18.0	20.7	78.3	65.3	56.9	15.9	13.7	11.8	22.3	23.1	22.8
P N Gadgil Jewellers	612	Buy	25.2	29.8	35.1	24.3	20.6	17.5	4.4	3.6	3.0	19.8	19.2	18.7
Raymond Lifestyle	1,039	Buy	35.2	54.5	66.7	29.5	19.1	15.6	0.6	0.6	0.6	4.8	7.1	8.0
Relaxo Footwear	404	Sell	7.6	8.5	9.2	52.9	47.7	43.9	4.5	4.2	3.9	8.8	9.1	9.2
Restaurant Brands	65	Buy	-3.2	-1.7	-0.6	-20.2	-38.7	-116.4	5.4	6.2	6.6	-23.4	-14.9	-5.5
Sapphire Foods	253	Buy	-0.1	1.7	2.4	-2,013.9	147.6	104.0	5.8	5.6	5.3	-0.3	3.9	5.2
Senco Gold	324	Neutral	17.6	18.3	22.4	18.4	17.7	14.4	2.4	2.1	1.9	13.7	12.7	13.9
Shoppers Stop	389	Neutral	0.5	-1.8	-4.2	812	-212	-91.9	9.4	10.0	11.7	1.5	-6.0	-15.4
Titan Company	4,051	Buy	56.8	67.2	79.5	71.3	60.2	51.0	23.8	18.6	14.8	37.7	34.7	32.4
Trent	4,409	Buy	49.0	55.0	61.9	90	80	71.2	20.9	16.7	13.7	28.0	24.8	22.6
United Foodbrands	216	Neutral	-14.3	-13.6	-12.7	-15	-16	-17.0	2.7	3.3	4.1	-18.2	-21.0	-24.4
Vedant Fashions	580	Neutral	16.0	16.4	17.2	36	35	33.7	7.3	6.6	6.0	19.6	18.3	17.4
Vishal Mega Mart	136	Buy	1.8	2.3	3.0	75	59	45.7	8.7	7.5	6.5	12.3	13.8	15.2
V-Mart Retail	700	Buy	13.5	19.1	26.8	52	37	26.2	6.1	5.2	4.3	12.4	15.3	18.1
Westlife Foodworld	539	Neutral	-0.2	1.5	4.4	-2,345.0	353.9	123.5	13.6	13.1	11.8	-0.6	3.8	10.1
Staffing						13.4	11.4	10.3	2.0	1.8	1.6	15.2	16.1	16.0
Qess Corp	215	Neutral	14.7	16.4	18.4	14.6	13.1	11.7	2.6	3.0	3.6	21.7	28.1	37.0
SIS	339	Buy	29.3	35.8	39.2	11.6	9.5	8.6	0.8	0.7	0.6	16.0	16.5	15.4
Team Lease Serv.	1,579	Buy	89.5	104.6	121.3	17.6	15.1	13.0	2.5	2.2	1.9	14.9	15.1	15.0
Updater Services	192	Neutral	17.0	19.4	21.2	11.3	9.9	9.0	1.2	1.1	1.0	11.1	11.4	11.1
Technology						25.1	22.6	20.3	7.5	7.3	7.0	30.1	32.1	34.5
Coforge	1,651	Buy	44.0	56.6	74.8	37.5	29.2	22.1	7.8	7.0	6.1	17.3	20.7	24.5
Cyient	1,107	Sell	60.6	75.9	96.7	18.3	14.6	11.4	2.2	2.1	1.9	11.4	13.6	16.3
HCL Technologies	1,640	Buy	64.9	74.4	82.5	25.3	22.0	19.9	6.5	6.6	6.7	25.4	29.6	33.3
Hexaware Tech.	754	Buy	23.4	28.0	34.1	32.3	26.9	22.1	7.5	6.6	5.7	25.3	26.6	28.2
Infosys	1,641	Buy	69.3	74.7	83.5	23.7	22.0	19.7	8.7	8.7	8.7	33.1	39.7	44.2
KPIT Technologies	1,167	Buy	28.2	36.2	43.2	41.4	32.2	27.0	9.0	7.6	6.4	23.9	25.7	25.9
L&T Technology	4,407	Neutral	128.3	154.0	177.2	34.3	28.6	24.9	6.7	5.8	5.1	20.8	21.8	21.8
LTIMindtree	6,066	Buy	186.0	209.8	246.7	32.6	28.9	24.6	6.9	6.1	5.3	22.7	22.4	23.1
Mphasis	2,808	Buy	100.3	114.9	135.6	28.0	24.4	20.7	5.1	4.7	4.3	19.1	20.3	22.0
Persistent Systems	6,288	Buy	119.2	147.1	181.0	52.8	42.8	34.7	13.1	11.1	9.3	27.1	28.3	29.3
Tata Elxsi	5,337	Sell	104.1	135.8	155.3	51.3	39.3	34.4	10.1	9.1	8.3	21.1	24.4	25.3
Tata Technologies	656	Sell	16.2	19.6	22.3	40.4	33.5	29.5	6.6	6.3	5.9	17.4	19.2	20.6
TCS	3,250	Buy	141.3	152.5	168.0	23.0	21.3	19.3	11.9	11.5	11.0	52.9	54.9	58.0
Tech Mahindra	1,613	Buy	59.8	80.0	89.4	26.9	20.1	18.0	5.1	4.9	4.7	19.1	24.8	26.6
Wipro	269	Neutral	12.5	12.9	13.7	21.6	20.8	19.6	3.3	3.3	3.2	15.6	15.9	16.6
Zensar Tech	699	Buy	31.6	34.6	39.1	22.1	20.2	17.9	3.6	3.3	3.1	17.1	17.3	18.0
Telecom						126	73	44.3	19.1	16.2	14.9	15.1	22.2	33.7
Bharti Airtel	2,107	Buy	48.7	65.7	84.8	43.3	32.1	24.9	8.8	6.8	5.8	24.0	26.1	27.5

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Bharti Hexacom	1,802	Neutral	34.9	48.2	63.6	51.6	37.3	28.3	12.6	10.5	8.8	26.6	30.7	33.9
Indus Towers	442	Neutral	26.2	27.6	28.6	16.9	16.0	15.4	3.0	2.8	2.7	19.1	17.8	17.4
Tata Comm	1,793	Neutral	39.7	62.0	74.9	45.2	28.9	23.9	15.1	11.1	8.5	35.3	44.3	40
Vodafone Idea	12	Neutral	-2.4	-2.6	-2.5	-4.9	-4.5	-4.8	-0.4	-0.3	-0.2	NM	NM	NM
Utilities						20	16	14.3	2.5	2.3	2.1	12.7	14.1	14.4
ACME Solar	240	Buy	8.2	10.6	24.5	29.4	22.7	9.8	2.9	2.6	2.0	10.4	12.1	23.2
Indian Energy Exch.	134	Neutral	5.2	5.4	5.7	25.6	24.9	23.4	9.3	8.1	7.1	39.2	34.8	32.4
Inox Wind	128	Buy	3.6	6.6	7.7	35.7	19.5	16.7	3.9	3.3	2.7	11.6	18.2	17.8
JSW Energy	511	Buy	12.1	15.5	23.9	42.2	33.0	21.3	3.0	2.8	2.5	7.5	8.8	12.4
NTPC	352	Neutral	22.2	27.7	31.2	15.8	12.7	11.3	1.7	1.6	1.4	11.2	12.9	13.3
Power Grid Corp.	271	Neutral	17.4	18.8	19.7	15.6	14.4	13.8	2.5	2.4	2.2	16.8	17.0	16.5
Suzlon Energy	54	Buy	1.4	2.2	2.5	37.8	25.1	22.1	8.4	6.3	4.9	26.4	28.8	25.0
Tata Power	393	Buy	12.6	17.2	19.9	31.3	22.8	19.8	3.2	2.9	2.6	10.7	13.3	13.8
Waaree Energies	2,867	Buy	129.7	160.6	172.2	22.1	17.9	16.6	6.3	4.7	3.7	33.0	30.1	24.7
Others						58.0	42.7	32.2	6.2	5.5	4.8	10.7	12.9	14.9
APL Apollo Tubes	1,933	Buy	42.2	55.0	64.5	45.8	35.1	30.0	10.3	8.2	6.5	24.8	25.9	24.2
Cello World	547	Buy	16.0	21.9	25.0	34.3	25.0	21.9	4.6	4.1	3.4	14.1	17.7	17.0
Century Plyboards	823	Buy	12.4	22.4	30.8	66.1	36.7	26.7	7.0	6.0	5.0	10.6	16.3	18.5
Cera Sanitaryware	5,258	Neutral	186.2	209.3	240.1	28.2	25.1	21.9	4.5	4.0	3.6	15.9	16.0	16.4
Coromandel International	2,281	Buy	77.6	99.9	113.1	29.4	22.8	20.2	5.2	4.3	3.6	19.0	20.7	19.7
EPL	215	Buy	13.2	16.5	19.2	16.2	13.0	11.2	2.6	2.3	2.0	17.0	18.8	19.1
Eternal	284	Buy	0.4	2.1	4.4	763.2	137.5	65.1	8.3	7.8	7.0	1.1	5.9	11.4
FSN E-Commerce	265	Neutral	0.7	1.5	2.5	376.5	177.8	105.8	49.1	38.5	28.2	14.0	24.3	30.8
Godrej Agrovet	573	Buy	26.8	34.9	39.3	21.4	16.4	14.6	6.2	4.9	4.0	24.9	33.6	30.1
Gravita India	1,860	Buy	53.2	69.6	87.0	35.0	26.7	21.4	5.6	4.6	3.8	17.3	19.0	19.6
Indiamart Inter.	2,177	Buy	81.7	94.5	109.9	26.6	23.1	19.8	5.0	4.4	4.1	20.6	20.4	21.4
Indian Hotels	748	Buy	12.9	15.9	17.7	57.8	47.0	42.2	8.2	7.1	6.1	15.3	16.2	15.5
Info Edge	1,367	Neutral	16.1	18.5	19.5	85.0	73.9	70.2	3.1	3.0	2.9	3.7	4.1	4.2
Interglobe Aviation	5,106	Buy	128.1	205.3	243.2	39.9	24.9	21.0	14.5	9.3	6.6	43.3	45.8	36.8
Kajaria Ceramics	980	Buy	33.6	38.4	44.6	29.2	25.6	22.0	5.1	4.5	4.0	17.3	17.6	18.1
Lemon Tree Hotel	154	Buy	3.3	4.3	5.0	46.5	36.2	31	8.6	6.9	5.6	20.2	21.1	20.3
MTAR Tech	2,374	Buy	32.4	58.4	85.0	73.3	40.7	28	8.8	7.2	5.8	12.8	19.6	22.9
One 97 Comm.	1,341	Neutral	13.5	19.4	29.6	99.2	68.9	45	5.6	5.6	5.3	5.8	8.3	12.1
Safari Inds.	2,166	Buy	42.2	49.8	59.1	51.3	43.5	36.7	9.3	7.8	6.6	19.7	19.5	19.4
SBI Cards	876	Neutral	23.3	34.2	41.7	37.6	25.6	21.0	5.3	4.5	3.7	15.0	18.9	19.3
Swiggy	387	Buy	-15.9	-7.3	0.6	-24.4	-53.2	637	5.8	6.4	6.3	-29.9	-11.5	1.0
Time Technoplast	196	Buy	10.2	12.7	15.5	19.2	15.4	13	2.7	2.4	2.0	14.1	15.3	16.2
UPL	804	Neutral	39.9	51.1	59.2	20.1	15.7	14	1.2	1.1	1.0	9.9	12.6	13.2
Va Tech Wabag	1,292	Buy	62.8	73.1	87.9	20.6	17.7	14.7	3.2	2.8	2.4	15.6	15.6	16.1
VIP Inds.	389	Buy	-4.6	7.8	11.9	-83.9	50.0	32.6	10.0	8.3	6.6	-11.3	18.2	22.5

Sectors & Companies

BSE Sensex: 84,961

Nifty 50: 26,141

January 2026

Sector and Companies Preview Compendium

Automobiles

Capital Goods

Cement

Chemicals

Consumer

Consumer Durables

EMS

Financials Bank

NBFC - Lending

NBFC - Non Lending

Healthcare

Infrastructure

Logistics

Media

Metals

Oil & Gas

Plastic Pipes

Real Estate

Retail

Staffing

Technology

Telecom

Utilities

Note: In our quarterly performance tables, our four-quarter numbers may not always add up to the full-year numbers. This is because of differences in classification of account heads in the company's quarterly and annual results or because of differences in the way we classify account heads as opposed to the company. **All stock prices and indices as on 2 January 2026, unless otherwise stated.**

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Automobiles

Company

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

Strong demand and stable costs to drive healthy earnings growth

Demand sustenance post festive has been encouraging

- Aggregate auto demand for all OEMs in our coverage universe grew 17% YoY for 3Q. Key to highlight is that demand has been healthy across all segments: 2W and PVs up 17% each, CVs up 22%, and tractors up 21%. Further, demand has sustained even after the festive season, which is the key positive.
- On the back of a healthy recovery in volumes, auto OEM companies under our coverage (ex-JLR) are expected to post a strong 24% revenue growth. Similarly, excl. JLR, both EBITDA/PAT for our coverage universe is expected to grow by 27% each YoY.
- Given the strong OE growth, auto ancillaries within our coverage universe are likely to post ~14% revenue growth and a much healthier 17%/20% EBITDA/PAT growth in 3Q.
- Within auto OEMs, all OEMs (ex-JLR) are anticipated to post healthy double-digit earnings growth, with the lowest being HMCL at 13% and the highest being TVS at 62%.
- Given the sustained demand pickup, there have been moderate earnings upgrades across our coverage universe.
- Our top OEM picks are MSIL, MM, and TVSL. Top auto ancillary picks are ENDU, Happy Forgings, and SAMIL.

Demand remains healthy even after the festive season

While demand in this festive season has been strong across segments, the encouraging part has been that the same has remained strong even post the festive season. Retail growth, even in Nov and Dec'25, has held up very well. As a result, the overall auto industry volume growth for 3Q (aggregate for all listed OEMs) stood at 17% YoY. More importantly, growth was driven across all segments: 2Ws and PVs rose 17% YoY each, CVs grew 22% YoY, and tractors were up 21% YoY. Within 2Ws, TVS (+27%) and RE (+21%) continued to drive growth. On the other hand, while HMCL volumes were up 13%, BJAUT volumes grew 10%. Similarly, in PVs, ex-HMIL, the other three listed OEMs posted healthy double-digit growth. HMIL underperformed peers with just 5% YoY growth in 3Q. A key highlight has been that all three CV OEMs have posted 20%+ growth in 3Q. Further, within tractors, while MM posted 23% YoY growth, Escorts' volumes grew 14% YoY. While demand has picked up well, discounts have moderated sequentially, especially in PVs.

Auto sector to experience healthy earnings growth in 3Q

On the back of a healthy recovery in volumes, auto OEM companies under our coverage (ex-JLR) are expected to post a strong 24% revenue growth. While input costs are likely to rise marginally QoQ (precious metals are up but likely to be partially offset by cooling steel prices), this impact is likely to be offset by operating leverage benefits and moderation of discounts. Aggregate EBITDA margin for our OEM coverage universe is estimated to rise marginally by 30bp YoY to 13.5%. In 3Q, major margin gains are expected for Escorts Kubota (+220bp YoY), HMIL (+150bp), TTMT CV (+100bp), and TVSL (+100bp). The key is that none of the auto OEMs are expected to see any meaningful margin decline on a YoY basis. As a result, we expect OEM companies (ex-JLR) under our coverage to record a strong 27% growth each in EBITDA/PAT.

Given the strong OE growth, auto ancillaries within our coverage universe are expected to post ~14% revenue growth. This is likely to lead to a strong 17%/20% growth in EBITDA/PAT for 3Q. Within auto ancillaries, all automobile based tyre companies under our coverage are expected to register healthy margin expansion given the lower input costs. Apart from these, we expect CRAFTSMA to post a 280bp margin expansion YoY over a low base. On the other hand, players like BKT (-180bp YoY) and SONACOMS (-240bp YoY) are likely to see margin pressure in 3Q.

Estimated hits and misses in 3QFY26

We expect our auto OEM coverage universe (ex-JLR) to post a 27% YoY growth in earnings. It is important to highlight that all listed OEMs (ex JLR) are anticipated to clock a healthy double-digit growth in earnings with the lowest being HMCL at 13% and the highest being TVS at 62%.

As highlighted above, our ancillary coverage universe is also expected to deliver healthy 20% YoY growth in earnings. Most of the auto ancillaries within our coverage are expected to record strong earnings growth. However, the few with relatively weak performance would include AMRJ (-5% YoY), BIL (-36%), BHFC (9%), and SONACOMS (+9%).

Moderate earnings revision expected in 3QFY26

Given the strong demand post-festive season, there has been a moderate upwards earnings revision for most of the OEMs under coverage, largely in single digits. For a few auto ANCs, there has been a need for earnings cuts as well. Within our coverage, players like APTY (-5% for FY26E) and BIL (-4%), SONACOMS (-4%) and Exide (-4%) have seen some earnings cut.

Post-festive season demand sustenance encouraging

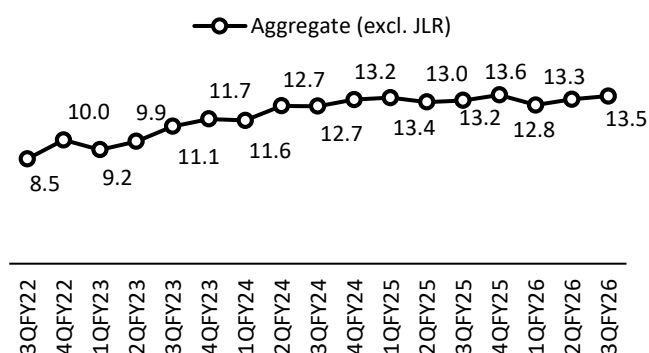
Following the GST rationalization, demand has picked up across segments and seems to have remained intact even after the festive season. A notable trend is that entry-level vehicles, both 2Ws and PVs, are seeing a marked pickup in demand. Further, wholesales were strong in Dec, and retails were equally healthy across most segments. Thus, OEMs are likely to have ended 2025 with lean inventory. This would help them sustain the volume momentum in 4QFY26 as well. With a recovery in demand, we expect discounts (in the PV segment) to gradually reduce. MSIL is our top pick among auto OEMs, as its new launches and the current export momentum are likely to drive healthy earnings growth. We also like MM, given the uptrend in tractors and healthy growth in UVs. In 2Ws, we are positive on TVSL. In the auto ancillary space, our top picks are ENDU, HAPPY, and SAMIL.

Exhibit 1: Summary of 3QFY26 earnings estimates

Sector	CMP (INR)	Reco	Sales (INR M)			EBITDA (INR M)			PAT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Amara Raja Energy	928	Neutral	35,121	11.0	3.7	4,285	3.0	5.6	2,172	-5.5	2.6
Apollo Tyres	497	Buy	75,078	8.4	9.9	11,569	22.2	13.3	4,689	37.8	20.7
Ashok Leyland	189	Buy	1,12,999	19.2	17.9	14,690	21.3	26.4	9,630	26.4	20.2
Bajaj Auto	9501	Neutral	1,52,207	18.8	2.0	31,844	23.4	4.3	25,919	22.9	4.5
Balkrishna Inds	2369	Neutral	25,201	-2.0	8.6	5,814	-9.0	16.3	2,834	-35.6	6.9
Bharat Forge	1478	Neutral	21,565	2.9	10.8	6,383	4.7	15.8	3,789	9.3	20.1
Bosch	39481	Neutral	50,016	12.0	4.3	6,752	15.9	9.4	5,766	17.0	4.0
CEAT	3892	Buy	40,991	24.2	8.7	5,384	57.9	7.0	1,899	95.6	2.3
CIE Automotive	428	Buy	24,461	15.9	3.1	3,497	16.9	-1.7	2,041	14.0	-4.2
Craftsman Auto	8010	Neutral	20,968	33.0	4.8	3,229	62.3	7.0	965	298.1	5.8
Eicher Motors	7335	Sell	60,251	21.2	-2.4	14,781	23.1	-2.2	13,891	18.7	1.4
Endurance Tech.	2541	Buy	37,073	29.7	3.5	4,910	31.8	3	2,404	30.4	5.8
Escorts Kubota	3849	Neutral	31,984	9.0	15.2	4,350	29.7	19.8	3,870	33.2	20.5
Exide Inds.	368	Neutral	44,259	15.0	5.9	5,090	13.5	28.5	2,845	16.1	28.1
Happy Forgings	1185	Buy	3,968	12.0	5.2	1,159	14.2	0.1	734	13.8	-0.1
Hero Motocorp	5931	Buy	1,18,403	16.0	-2.4	17,371	17.7	-4.7	13,629	13.3	-2.1
Hyundai Motor	2269	Buy	1,79,430	7.8	2.8	22,980	22.5	-5.4	13,879	19.6	-11.7
Mahindra & Mahindra	3802	Buy	4,02,904	31.9	20.6	58,618	31.2	20.6	38,990	31.5	-13.7
Maruti Suzuki	16960	Buy	5,03,896	30.9	19.7	58,331	30.5	31.6	44,176	25.3	34.1
Samvardhana Motherson	122	Buy	3,15,490	14.0	4.6	28,311	5.4	8.4	10,156	15.5	18.7
Motherson Wiring	50	Buy	29,904	30.0	8.3	3,183	34.0	13.8	1,954	39.6	18.2
MRF	150948	Sell	76,403	11.0	5.4	11,690	45.8	7.3	5,572	81.7	8.9
Sona BLW Preci.	487	Neutral	11,310	30.3	-1.1	2,782	18.8	-3.7	1,690	8.0	-1.6
Tata Motors CV	442	Neutral	2,07,988	11.5	23.4	27,518	20.7	32.1	18,424	30.2	37.0
Tata Motors PV	370	Sell	8,82,307	NA	20.6	51,557	NA	LP	-928	Loss	Loss
Tube Investments	2599	Buy	21,216	11.1	0.1	2,732	12.4	-1.2	1,844	14.7	-1.3
TVS Motor	3855	Buy	1,22,189	34.3	2.6	15,762	45.8	4.5	10,044	62.4	10.9
Automobiles*			27,25,275	20.2	10.6	3,73,014	23.8	13.0	2,43,808	25.0	7.7

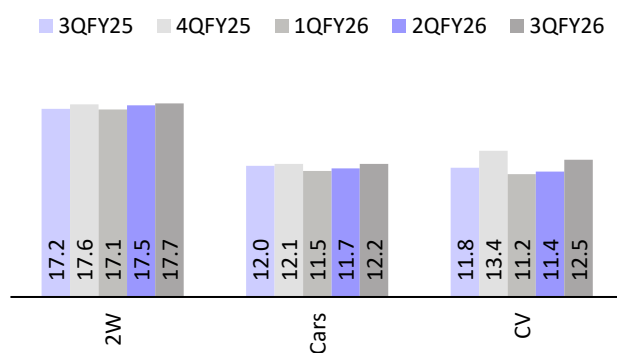
*ex TMPV

Exhibit 2: EBITDA margin expected to improve 30bp YoY



Source: MOFSL

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



Source: MOFSL

Exhibit 4: Our auto OEM coverage universe (ex-JLR) is expected to witness 27% YoY earnings growth

	Volumes ('000 units)					EBITDA margins (%)					Adj PAT (INR M)				
	3QFY26	3QFY25	YoY (%)	2QFY26	QoQ (%)	3QFY26	3QFY25	YoY (bp)	2QFY26	QoQ (bp)	3QFY26	3QFY25	YoY (%)	2QFY26	QoQ (%)
BJAUT	1,341	1,224	10	1,294	4	20.9	20.2	80	20.5	50	25,919	21,087	23	24,797	5
HMCL	1,648	1,464	13	1,691	-3	14.7	14.5	20	15.0	-40	13,629	12,028	13	13,928	-2
TVS Motor	1,544	1,212	27	1,507	2	12.9	11.9	100	12.7	20	10,044	6,185	62	9,061	11
MSIL	668	566	18	551	21	11.6	11.6	0	10.5	100	44,176	35,250	25	32,931	34
Hyundai	195	186	5	191	2	12.8	11.3	150	13.9	-110	13,879	11,607	20	15,723	-12
MM	423	344	23	350	21	14.5	14.6	-10	14.5	0	38,990	29,643	32	45,205	-14
TTMT (PV)*	171	140	22	144	18	7.3	7.6	-30	5.7	160	4,134	2,860	45	1,550	167
TTMT (JLR)	87	111	-21	74	18	5.4	14.2	-870	-1.6	700	-57	375	-115	-706	92
TTMT (CV)*	118	98	20	97	22	13.2	12.2	100	12.4	90	18,424	14,153	30	-10,210	280
Ashok Leyland	58	46	24	49	17	13.0	12.8	20	12.1	90	9,630	7,617	26	8,009	20
Eicher (S/A)	329	272	21	326	1	25.1	24.9	10	24.9	20	12,375	10,562	17	12,080	2
Eicher (VECV)	26	21	24	22	19	9.6	8.8	90	7.8	180	4,071	3,010	35	2,490	63
Escorts	37	33	14	34	9	13.6	11.4	220	13.1	50	3,870	2,905	33	3,212	20
Agg. (ex JLR)	6,559	5,607	17.0	6,256	4.8	13.5	13.2	30	13.3	30	196,587	155,041	26.8	157,900	24.5

Source: JLR in GBP m, MOFSL

Exhibit 5: Our revised estimates

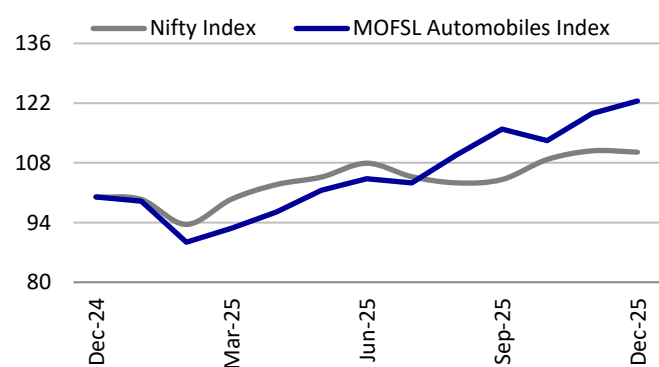
	FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Amara Raja Energy	44.7	42.7	4.8	50.6	50.1	1.1
Ashok Leyland	6.4	6.2	2.7	7.8	7.2	9.0
Apollo Tyres	23.0	24.2	-5.0	27.9	31.1	-10.3
Balkrishna Inds	74.6	78.0	-4.3	91.2	96.7	-5.7
Bajaj Auto	342.1	338.9	0.9	371.6	370.8	0.2
Bharat Forge	25.5	25.3	0.8	35.8	35.9	-0.3
Bosch	832.9	822.2	1.3	921.3	973.8	-5.4
CEAT	169.3	161.3	5.0	208.0	210.5	-1.2
CIE Automotive	21.9	21.7	0.5	23.7	22.9	3.7
Craftsman Auto	152.3	159.2	-4.4	235.1	233.6	0.7
Eicher Motors	202.5	193.1	4.9	227.2	215.7	5.3
Endurance Tech.	65.9	65.6	0.5	78.2	78.4	-0.2
Escorts Kubota	111.8	108	4.0	126.7	125.5	0.9
Exide Inds.	13.4	14.0	-4.1	15.6	16.3	-4.0
Happy Forgings	30.8	30.1	2.4	38.3	37.5	2.1
Hero MotoCorp	258.4	258.4	0.0	291.4	295.0	-1.2
Hyundai Motor	73.2	73.6	-0.6	84.0	87.5	-4.0
Mahindra & Mahindra	123.7	120.5	2.6	150.4	147.0	2.3
Maruti Suzuki	515.4	484.4	6.4	635.1	616.5	3.0
Samvardhana Motherson	3.4	3.5	-1.3	5.1	4.9	3.5
Motherson Wiring	1.1	1.0	8.3	1.4	1.4	2.8
MRF	4989.1	4,847.9	2.9	5724.8	5,697.8	0.5
Sona BLW Precs.	10.8	11.2	-3.9	12.1	12.4	-3.0
Tata Motors Passenger Vehicles	14.5	14.8	-2.5	32.2	30.6	5.2
Tata Motors Ltd	18.7	18.0	4.1	19.3	18.4	4.8
Tube Investments	43.2	43.2	-0.2	47.8	48.6	-1.7
TVS Motor	77.6	76.2	1.9	98.8	96.4	2.5

Source: MOFSL

Exhibit 6: Comparative valuations

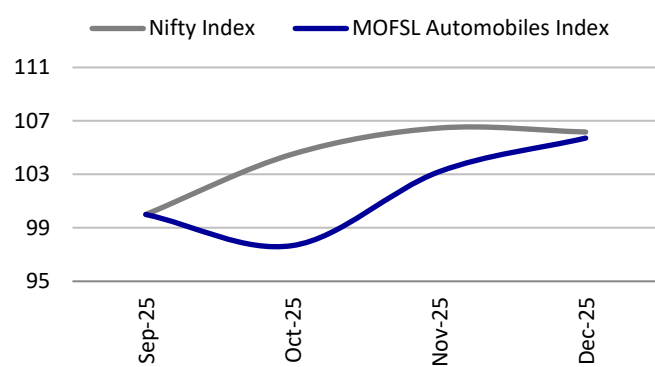
Company Name	CMP		EPS (INR)			PE (x)			PB (x)			ROE (%)		
	(INR)	Reco	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Automobiles						32.0	25.8	22.1	5.0	4.4	3.9	15.7	17.2	17.6
Amara Raja Energy	928	Neutral	44.7	50.6	58.0	20.8	18.3	16.0	2.1	1.9	1.7	10.5	10.9	11.4
Apollo Tyres	497	Buy	23.0	27.9	34.0	21.6	17.8	14.6	1.6	1.5	1.4	9.7	11.1	12.4
Ashok Leyland	189	Buy	6.4	7.8	9.5	30	24	20.0	8.3	7.1	6.0	30.1	31.7	32.6
Bajaj Auto	9,501	Neutral	342.1	371.6	408.9	27.8	25.6	23.2	7.5	6.9	6.3	28.3	28.1	28.2
Balkrishna Inds	2,369	Neutral	74.6	91.2	101.2	31.7	26.0	23.4	4.0	3.5	3.2	13.2	14.4	14.3
Bharat Forge	1,478	Neutral	25.5	35.8	44.0	57.9	41.3	33.6	7.0	6.3	5.6	12.6	16.0	17.6
Bosch	39,481	Neutral	832.9	921.3	1,030.0	47.4	42.9	38.3	7.5	7.0	6.3	16.8	16.9	17.3
CEAT	3,892	Buy	169.3	208.0	247.5	23.0	18.7	15.7	3.2	2.8	2.5	14.8	16.1	16.9
CIE Automotive	428	Buy	21.9	23.7	24.9	19.6	18.0	17.2	2.2	2.1	1.9	12.0	11.9	11.5
Craftsman Auto	8,010	Neutral	152.3	235.1	311.0	52.6	34.1	25.8	6.0	5.1	4.3	12.0	16.3	18.3
Eicher Motors	7,335	Sell	202.5	227.2	255.6	36.2	32.3	28.7	8.1	7.0	6.0	24.1	23.2	22.4
Endurance Tech.	2,541	Buy	65.9	78.2	87.5	38.6	32.5	29.1	5.5	4.9	4.3	15.2	15.9	15.7
Escorts Kubota	3,849	Neutral	111.8	126.7	138.1	34.4	30.4	27.9	4.1	3.8	3.4	12.6	12.9	12.8
Exide Inds.	368	Neutral	13.4	15.6	17.2	27.4	23.6	21.4	2.0	1.9	1.8	7.4	8.1	8.3
Happy Forgings	1,185	Buy	30.8	38.3	52.3	38.5	30.9	22.7	5.3	4.6	4.0	14.7	16.0	18.9
Hero Motocorp	5,931	Buy	258.4	291.4	323.6	22.9	20.4	18.3	5.5	5.1	4.7	25.1	26.1	26.7
Hyundai Motor	2,269	Buy	73.2	84.0	98.8	31.0	27.0	23.0	8.9	7.2	5.9	32.2	29.6	28.2
Mahindra & Mahindra	3,802	Buy	123.7	150.4	175.0	30.7	25.3	21.7	6.2	5.2	4.4	22.0	22.4	21.8
Maruti Suzuki	16,960	Buy	520.0	639.1	738.0	32.6	26.5	23.0	5.0	4.4	3.8	15.4	16.5	16.7
Motherson Wiring	50	Buy	1.1	1.4	1.7	46.2	35.5	29.6	16.2	12.9	10.5	38.3	40.4	39.0
MRF	1,50,948	Sell	4,989.1	5,724.8	6,504.0	30.3	26.4	23.2	3.1	2.8	2.5	10.9	11.2	11.5
Samvardhana Motherson	122	Buy	3.4	5.1	6.1	35.7	24.2	20.0	3.5	3.2	2.9	10.1	13.8	15.0
Sona BLW Precis.	487	Neutral	10.8	12.1	13.5	45.0	40.3	36.1	5.0	4.6	4.3	11.5	11.9	12.4
Tata Motors CV	442	Neutral	18.7	19.3	21.3	23.6	23.0	20.8	11.1	7.8	5.9	59.7	40.0	32.4
Tata Motors PV	370	Sell	14.5	32.2	42.1	25.6	11.5	8.8	1.2	1.1	1.0	5.0	9.7	11.6
Tube Investments	2,599	Buy	43.2	47.8	52.2	60.2	54.4	49.8	8.5	7.4	6.6	15.0	14.6	14.0
TVS Motor	3,855	Buy	77.6	98.8	125.7	49.7	39.0	30.7	14.1	10.9	8.4	32.2	31.5	31.0

Exhibit 7: Relative performance – three months (%)



Source: Bloomberg, MOFSL

Exhibit 8: Relative performance – one year (%)



Source: Bloomberg, MOFSL

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

Bajaj Auto

Neutral

CMP: INR9,501 | TP: INR9,339 (-2%)

EPS CHANGE (%): FY26E|27E: 1|0

- Total volumes grew ~10% YoY, supported by ~18% growth in exports even as domestic volumes grew ~3% YoY. While 2W sales grew 7% YoY, 3W sales were up ~23% YoY. On a QoQ basis, while the export mix has improved to 45.5% from 42.8%, the 3W mix has reduced to 15.6% from 17.4%.
- The key benefit for BJAUT in 3Q is expected to be favorable currency movement (INR depreciation)
- As a result, we expect margins to improve 40bp QoQ to 20.9%. Overall, we expect BJAUT to post 23% earnings growth YoY.

Quarterly Performance

	FY25				FY26E				FY25	INR m FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volumes ('000 units)	1,102	1,222	1,224	1,103	1,111	1,294	1,341	1,224	4,651	4,970
Growth YoY (%)	7.3	15.9	2.0	3.2	0.8	5.9	9.5	11.0	6.9	6.9
Realization (INR/unit)	1,08,234	1,07,470	1,04,591	1,10,142	1,13,247	1,15,307	1,13,481	1,13,747	1,07,527	1,13,969
Growth YoY (%)	7.9	5.1	3.7	2.5	4.6	7.3	8.5	3.3	4.7	6.0
Net Sales	1,19,280	1,31,275	1,28,069	1,21,480	1,25,845	1,49,221	1,52,207	1,39,198	5,00,103	5,66,470
Change (%)	15.7	21.8	5.7	5.8	5.5	13.7	18.8	14.6	11.9	13.3
EBITDA	24,154	26,522	25,807	24,505	24,818	30,517	31,844	28,806	1,00,988	1,15,984
EBITDA Margins (%)	20.2	20.2	20.2	20.2	19.7	20.5	20.9	20.7	20.2	20.5
Other Income	3,209	3,845	3,347	3,808	4,308	3,692	3,900	4,221	14,209	16,120
Interest	207	159	143	168	141	144	146	149	677	580
Depreciation	937	956	997	1,111	1,109	1,117	1,130	1,129	4,001	4,485
PBT after EO	26,219	27,139	28,015	27,033	27,875	32,948	34,468	31,749	1,08,406	1,27,039
Effective Tax Rate (%)	24.2	26.1	24.7	24.2	24.8	24.7	24.8	24.9	24.8	17.2
Adj. PAT	19,884	22,160	21,087	20,492	20,960	24,797	25,919	23,855	83,103	95,531
Change (%)	19.4	20.7	3.3	5.8	5.4	11.9	22.9	16.4	11.1	15.0

Eicher Motors

Sell

CMP: INR7,335 | TP: INR6,285 (-14%)

EPS CHANGE (%): FY26E|FY27E: 5|5

- RE has posted 21% YoY volume growth in 3Q (flat QoQ). On a QoQ basis, domestic sales rose to 91.3% from 89.7%.
- Management is expected to continue investing in the brand.
- Exports have been weak due to uncertainty in markets like the US and Mexico.
- As a result, margins are likely to remain stable QoQ
- We expect VECV's margin to improve 180bp QoQ to 9.6%.
- Overall, we expect consol. PAT to grow 19% YoY for EIM.

Quarterly performance (Consolidated)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Operating income	43,931	42,631	49,731	52,411	50,418	61,716	60,251	63,785	1,88,704	2,36,171
Growth (%)	10.2	3.6	19.0	23.1	14.8	44.8	21.2	21.7	14.1	42.8
EBITDA	11,654	10,877	12,012	12,577	12,028	15,119	14,781	15,733	47,120	57,660
EBITDA Margins (%)	26.5	25.5	24.2	24.0	23.9	24.5	24.5	24.7	25.0	24.4
PAT	9,269	9,866	10,070	11,142	10,481	12,345	11,677	12,400	40,346	46,904
Share of JV Loss/(PAT)/ Min. Int.	-1,746	-1,138	-1,635	-2,480	-1,571	-1,349	-2,214	-3,490	-6,998	-8,625
Recurring PAT	11,015	11,003	11,705	13,622	12,052	13,695	13,891	15,891	47,344	55,529
Growth (%)	19.9	8.3	17.5	27.3	9.4	24.5	18.7	16.7	18.3	38.8
Standalone (Royal Enfield)										
Royal Enfield ('000 units)	227	228	272	283	266	326	329	338	1,010	1,010
Growth (%)	-0.4	-0.6	19.4	24.2	17.0	43.2	20.9	19.5	10.6	10.6
Net Realn (INR '000/unit)	186	185	180	181	185	181	181	182	183	182
Change - YoY (%)	8.8	7.7	1.4	-1.9	-0.9	-2.0	0.5	1.0	3.7	3.4
Net operating income	42,313	42,054	49,081	51,066	49,084	59,021	59,634	61,655	1,84,515	2,29,393
Growth (%)	8.5	7.0	21.1	21.8	16.0	40.3	21.5	20.7	43.5	78.3
EBITDA	11,786	11,049	12,237	12,609	12,313	14,687	14,955	15,428	47,680	57,383
EBITDA Margins (%)	27.9	26.3	24.9	24.7	25.1	24.9	25.1	25.0	25.8	25.0
Recurring PAT	10,880	10,099	10,562	11,251	13,065	12,080	12,375	12,817	42,793	50,337
Growth (%)	19.1	7.6	15.6	14.4	20.1	19.6	17.2	13.9	14.1	34.3

Hero MotoCorp

Buy

CMP: INR5,931 | TP: INR6,871 (+16%)

EPS CHANGE (%): FY26E|FY27E: 0 |-1

- HMCL posted 13% YoY volume growth. On a QoQ basis, its mix has largely been stable
- Discounts were lower in the festive season. Further, HMCL has taken a 10% price hike on EVs from the first week of Dec'25.
- We expect margins to remain stable QoQ as we expect operating leverage benefits to be offset by higher input costs (precious metals) and higher ad spends.
- On the back of healthy volume growth, PAT is expected to grow 13% YoY in 3Q.

Quarterly Performance (S/A)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total Volumes ('000 nos)	1,535	1,520	1,464	1,381	1,367	1,691	1,648	1,579	5,899	6,285
Growth YoY (%)	13.5	7.3	0.3	-0.9	-10.9	11.3	12.6	14.4	4.9	11.8
Net Realization	66,076	68,851	69,755	71,991	70,069	71,724	71,848	71,969	68,945	71,458
Growth YoY (%)	1.9	3.3	4.7	5.3	6.0	4.2	3.0	0.0	3.5	7.2
Net Op Revenues	1,01,437	1,04,632	1,02,108	99,387	95,789	1,21,264	1,18,403	1,13,659	4,06,719	4,49,114
Growth YoY (%)	15.7	10.8	5.0	4.4	-5.6	15.9	16.0	14.4	8.6	19.9
Total Cost	86,840	89,473	87,343	85,231	81,972	1,03,029	1,01,031	96,960	3,48,887	3,82,992
RM Cost (% sales)	67.7	66.7	65.8	65.5	66.7	66.7	66.8	66.8	66.6	66.8
Staff Cost (% sales)	6.0	6.2	6.5	6.8	6.5	5.8	5.9	6.0	6.4	6.0
Other Exp (% sales)	11.9	12.6	13.3	13.5	12.3	12.5	12.6	12.5	12.8	12.5
EBITDA	14,598	15,159	14,765	14,156	13,817	18,234	17,371	16,699	57,832	66,122
EBITDA Margins (%)	14.4	14.5	14.5	14.2	14.4	15.0	14.7	14.7	14.2	14.7
Other Income	2,317	2,830	3,175	2,237	3,037	2,328	2,750	2,672	10,559	10,787
Interest	48	49	55	47	56	57	60	67	199	240
Depreciation	1,932	1,937	1,969	1,921	1,928	1,970	2,000	2,111	7,759	8,008
PBT before EO Exp/(Inc)	14,935	16,003	15,916	14,425	14,870	18,537	18,061	17,193	60,434	68,661
Effective Tax Rate (%)	24.8	24.8	24.4	25.1	24.3	24.9	24.5	24.8	25.1	24.6
Adj. PAT	11,226	12,035	12,028	10,809	11,257	13,928	13,629	12,926	45,255	51,741
Growth (%)	18.7	14.2	12.1	6.4	0.3	15.7	13.3	19.6	10.7	26.5

TVS Motor Company

Buy

CMP: INR3,855 | TP: INR4,523 (+17%)

EPS CHANGE (%): FY26E|FY27E: 2|3

- TVS continued to outperform 2W peers with 27% YoY growth in 3Q, led by strong growth in scooters (+25%), motorcycles (+31%), and 3W (+106%). Exports rose 40% YoY.
- We expect margins to marginally improve QoQ to 12.9%.
- We expect TVSL to post 62% YoY growth in earnings in 3Q.

S/A Quarterly Performance

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Vols ('000 units)	1,087.2	1,228.2	1,212.0	1,216.3	1,277.0	1,507.0	1,544.5	1,499.2	4,744	5,828
Growth (%)	14.1	14.3	10.1	14.2	17.5	22.7	27.4	23.3	13.2	39.1
Realn (INR '000/unit)	77.0	75.1	75.1	78.5	78.9	79.0	79.1	79.2	76.4	79.1
Growth (%)	1.7	(0.9)	0.2	2.4	2.5	5.1	5.4	0.9	0.8	4.3
Net Sales	83,756	92,282	90,971	95,504	1,00,810	1,19,054	1,22,189	1,18,747	3,62,513	4,60,800
Growth (%)	16.0	13.3	10.3	16.9	20.4	29.0	34.3	24.3	14.1	45.0
RM (% of sales)	71.4	71.5	71.6	69.8	71.2	71.1	71.0	71.0	71.1	71.1
Emp cost (% of sales)	5.7	5.4	5.5	5.2	5.8	5.1	5.1	5.0	5.4	5.2
Other exp (% of sales)	11.4	11.4	11.1	11.0	10.5	11.2	11.0	10.8	11.2	10.9
EBITDA	9,602	10,798	10,815	13,326	12,630	15,086	15,762	15,596	44,540	59,075
EBITDA Margin (%)	11.5	11.7	11.9	14.0	12.5	12.7	12.9	13.1	12.3	12.8
Interest	372	319	338	358	403	466	455	461	1,387	1,785
Depreciation	1,763	1,806	1,883	1,994	2,039	2,144	2,165	2,176	7,446	8,524
Other Income	363	299	-227	145	343	-213	250	240	580	620
PBT before EO Exp	7,829	8,972	8,367	11,120	10,531	12,263	13,392	13,199	36,288	49,385
EO Exp	0	0	0	1,617	0	0	0	0	0	0
PBT after EO Exp	7,829	8,972	8,367	12,737	10,531	12,263	13,392	13,199	36,288	49,385
Tax	2,056	2,346	2,182	2,599	2,745	3,202	3,124	2,852	9,183	12,494
Tax rate (%)	26.3	26.1	26.1	20.4	26.1	26.1	25.0	22.8	25.3	25.3
Adjusted PAT	5,773	6,626	6,185	8,521	7,786	9,061	10,044	10,348	27,105	36,891
Growth (%)	23.4	23.5	4.2	75.5	34.9	36.7	62.4	21.4	30.1	36.1

Maruti Suzuki

Buy

CMP: INR16,960 | TP: INR19,937 (+18%)

EPS CHANGE (%): FY26E|FY27E: 6|3

- MSIL posted a strong 18% YoY volume growth, led by the strong festive & marriage season, aided by the GST rate cut.
- UV mix surged to 33.5% from 28% QoQ. Also, export mix has declined 160bp QoQ to 15% due to logistics constraints.
- Led by operating leverage benefit and improved mix, we expect margins to improve by 110bp QoQ to 11.6% in 3Q.
- SMG is likely to be merged (no change at the EBIT level) in 3Q. We expect MSIL to post a 25% YoY PAT growth in 3Q.

S/A Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volumes ('000 units)	521.9	541.6	566.2	604.6	527.9	550.9	667.8	680.5	2,234.3	2,427.0
Change (%)	4.8	-1.9	13.0	3.5	1.1	1.7	17.9	12.5	4.9	14.0
Realizations (INR/car)	6,80,850	6,86,969	6,79,817	6,72,700	7,27,722	7,64,255	7,54,596	7,46,263	6,79,866	7,48,607
Change (%)	4.9	2.3	2.3	2.8	6.9	11.3	11.0	10.9	2.7	13.1
Net operating revenues	3,55,314	3,72,028	3,84,921	4,06,738	3,84,136	4,21,008	5,03,896	5,07,841	15,19,001	18,16,881
Change (%)	9.9	0.4	15.6	6.4	8.1	13.2	30.9	24.9	7.8	19.6
RM Cost (% of sales)	70.2	71.9	71.6	71.9	72.2	73.1	73.0	72.7	71.4	72.8
Staff Cost (% of sales)	4.4	3.9	4.0	3.9	4.6	4.2	3.8	3.8	4.0	4.1
Other Cost (% of sales)	12.8	12.3	12.8	13.8	12.8	12.2	11.6	11.5	12.8	12.0
EBITDA	45,023	44,166	44,703	42,647	39,953	44,341	58,331	60,859	1,77,852	2,03,485
EBITDA Margins (%)	12.7	11.9	11.6	10.5	10.4	10.5	11.6	12.0	11.7	11.2
Depreciation	7,310	7,509	8,050	8,724	9,375	10,392	10,680	10,988	31,593	41,435
EBIT	37,713	36,657	36,653	33,923	30,578	33,949	47,651	49,871	1,46,259	1,62,050
EBIT Margins (%)	10.6	9.9	9.5	8.3	8.0	8.1	9.5	9.8	9.6	8.9
Interest	573	402	484	472	466	570	480	492	1,931	2,008
Non-Operating Income	9,751	14,750	9,850	14,466	18,230	9,131	10,200	12,843	47,504	50,404
PBT	46,891	51,005	46,019	47,917	48,342	42,510	57,371	62,222	1,91,832	2,10,445
Effective Tax Rate (%)	22.2	39.8	23.4	22.6	23.2	22.5	23.0	23.1	27.3	23.0
PAT	36,499	30,692	35,250	37,111	37,117	32,931	44,176	47,819	1,39,552	1,62,043
Adjusted PAT	36,499	30,692	35,250	37,111	37,117	32,931	44,176	47,819	1,39,552	1,62,043
Change (%)	46.9	-17.4	12.6	-4.3	1.7	7.3	25.3	28.9	5.6	16.1

Hyundai Motor

Buy

CMP: INR2,269 | TP: INR2,663 (+17%)

EPS CHANGE (%): FY26E|FY27E: -1|-4

- Hyundai posted a 5% YoY volume growth in 3Q. Exports mix has declined to 25% from 28% QoQ.
- On the positive front, discounts are lower QoQ, currency is favorable, and the full quarter benefits of incentives would help support margins.
- Negative factors to monitor are: 1) weak export mix, 2) start-up costs of the Pune plant, 3) input cost pressure, 4) higher promotional spending due to the Venue launch, and 5) higher depreciation of the new plant
- As a result, we expect EBITDA margin to dip 110bp QoQ to 12.8%.

Consol Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volumes ('000 units)	192.1	191.9	186.4	191.6	180.4	190.9	195.4	199.6	762.1	766.3
Change (%)	4.7	-8.5	-2.4	-1.1	-6.1	-0.5	4.8	4.1		0.6
Realizations (INR/car)	9,03,087	8,99,264	8,93,094	9,36,101	9,09,810	9,14,557	9,18,101	9,41,696	9,07,982	9,21,411
Change (%)	-0.4	1.1	1.1	2.6	0.7	1.7	2.8	0.6		1.5
Net operating revenues	1,73,442	1,72,604	1,66,480	1,79,403	1,64,129	1,74,608	1,79,430	1,87,946	6,91,929	7,06,113
Change (%)	4.3	-7.5	-1.3	1.5	-5.4	1.2	7.8	4.8		2.0
RM Cost (% of sales)	71.9	72.5	73.1	71.2	70.7	70.1	69.8	69.5	72.2	70.0
Staff Cost (% of sales)	3.2	3.2	3.6	3.4	3.8	3.5	4.0	3.9	3.3	3.8
Other Cost (% of sales)	11.5	11.5	12.0	11.3	12.2	12.4	13.4	12.7	11.5	12.7
EBITDA	23,403	22,053	18,755	25,327	21,852	24,289	22,980	26,203	89,538	95,325
EBITDA Margins (%)	13.5	12.8	11.3	14.1	13.3	13.9	12.8	13.9	12.9	13.5
Depreciation	5,290	5,185	5,274	5,304	5,281	5,175	6,350	6,479	21,053	23,285
EBIT	18,113	16,868	13,482	20,023	16,571	19,114	16,630	19,725	68,485	72,040
EBIT Margins (%)	10.4	9.8	8.1	11.2	10.1	10.9	9.3	10.5	9.9	10.2
Interest	316	292	299	365	247	167	250	271	1,272	935
Non-Operating Income	2,238	1,923	2,445	2,096	2,148	2,312	2,350	2,308	8,700	9,118
PBT	20,034	18,498	15,627	21,754	18,472	21,260	18,730	21,762	75,913	80,223
Tax	5,137	4,744	4,020	5,611	4,780	5,537	4,851	5,610	19,511	20,778
Effective Tax Rate (%)	25.6	25.6	25.7	25.8	25.9	26.0	25.9	25.8	25.7	25.9
PAT	14,897	13,755	11,607	16,143	13,692	15,723	13,879	16,152	56,402	59,446
Adjusted PAT	14,897	13,755	11,607	16,143	13,692	15,723	13,879	16,152	56,402	59,446
Change (%)	12.1	-15.5	-18.6	-3.7	-8.1	14.3	19.6	0.1		5.4

Tata Motors PV

Sell

CMP: INR370 | TP: INR315 (-15%)

EPS CHANGE (%): FY26E|FY27E: -2 | 5

- India PV volumes grew 22% YoY, fueled by the strong festive and marriage season demand. Led by operating leverage benefits, we expect the India margin to improve 160bp QoQ to 7.3%.
- After the cyber incident in 2Q, we expect JLR to post a steady recovery in volumes (+18% QoQ). Given this, we expect JLR's margins to improve to 5.4%, from -1.6% QoQ.

Quarterly Performance (Consol)

Y/E March	FY25		FY26E			FY26E
	2Q	1Q	2Q	3QE	4QE	
Net Operating Income	8,44,410	8,83,760	7,31,870	8,82,307	12,96,881	37,94,818
RM Cost (% of Sales)	60	63	66	66	65	65
Staff Costs (% of sales)	12	12	15	13	9	12
Other Exp (% of sales)	14	13	15	11	10	12
Total Cost	7,51,730	8,07,610	7,32,580	8,30,750	11,42,467	35,13,407
EBITDA	92,680	76,150	-710	51,557	1,54,414	2,81,411
EBITDA Margins (%)	11.0	8.6	-0.1	5.8	11.9	7.4
Non-Operating Income	6,420	6,330	6,600	5,270	5,807	24,007
Interest	10,300	6,920	6,920	9,661	11,396	34,897
Depreciation & Amort.	54,670	48,510	48,710	48,095	49,011	1,94,325
PBT before EO Exp	34,130	27,050	-49,740	-928	99,814	76,196
EO Exp/(Inc)	13,650	11,920	-30,960	0	0	-19,040
PBT after EO Exp	47,780	38,970	-80,700	-928	99,814	57,156
Tax	17,520	13,060	-17,020	0	21,107	17,147
Effective Tax Rate (%)	36.7	33.5	NM	0.0	21.1	30.0
PAT	30,260	25,910	-63,680	-928	78,707	40,009
Adj PAT	30,260	17,566	-42,008	-928	78,707	53,337

E: MOFSL Estimates

Quarterly Performance (Standalone)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Operating income	1,18,920	1,17,850	1,26,160	1,27,950	1,10,030	1,37,360	1,65,096	1,69,215	4,90,890	5,81,701
Change (%)	-7.7	-3.9	-4.3	-100.0	-7.5	16.6	30.9	32.3	-6.8	18.5
EBITDA	6,860	7,250	9,590	9,930	4,350	7,860	12,132	13,471	33,630	37,813
EBITDA Margins (%)	5.8	6.2	7.6	7.8	4.0	5.7	7.3	8.0	6.9	6.5

JLR

(GBP Million)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	7,273	6,475	7,486	7,727	6,604	4,900	5,996	9,469	28,961	26,970
Change (%)	5.4	-5.6	1.5	-1.7	-9.2	-24.3	-19.9	22.5	-0.1	-6.9
EBITDA Margins (%)	15.8	11.7	14.2	15.3	9.3	-1.6	5.4	12.5	14.3	7.6

Mahindra & Mahindra

Buy

CMP: INR3,802 | TP: INR4,521 (+19%)

EPS CHANGE (%): FY26E|FY27E: 3|2

- MM posted a strong 23% YoY growth in tractors as well as in PVs (incl. PikUp).
- While auto volume growth has been strong, a few adverse factors to note are: 1) rising discounts QoQ, 2) adverse mix, and 3) rising input costs. As a result, we factor in marginal margin expansion QoQ for the Auto segment.
- For the tractor segment, we expect a 190bp margin expansion YoY to 20%.
- Other income for 3Q is likely to be boosted by gains from the RBL stake sale in 3Q.
- Overall, we expect MM to post strong 32% YoY growth in earnings in 3Q.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total Volumes (nos)	315,366	301,457	343,654	319,447	3,60,779	3,49,807	4,22,937	3,62,098	12,79,924	14,98,345
Growth YoY (%)	4.7	-0.5	17.8	15.3	14.4	16.0	23.1	13.4	14.0	17.1
Net Realization	857,378	914,003	888,633	981,490	9,44,712	9,55,430	9,52,633	9,99,266	9,10,083	9,60,917
Growth YoY (%)	7.0	13.5	2.2	8.0	10.2	4.5	7.2	1.8	3.1	5.6
Revenue from Operations	270,388	275,533	305,382	313,534	3,40,832	3,34,216	4,02,904	3,61,832	11,64,837	14,39,784
Growth YoY (%)	12.0	12.9	20.3	24.5	26.1	21.3	31.9	15.4	17.5	23.6
RM Cost (% of sales)	73.7	74.2	74.4	74.1	74.5	75.6	75.0	74.2	74.1	75.2
Staff (% of sales)	4.3	4.2	4.2	4.0	3.8	3.9	3.5	3.7	4.2	3.7
Oth. Exp. (% of Sales)	7.0	7.3	6.7	6.9	5.8	5.9	6.9	7.7	7.0	6.6
EBITDA	40,222	39,497	44,681	46,825	48,840	48,615	58,618	51,884	1,71,226	2,07,957
EBITDA Margins (%)	14.9	14.3	14.6	14.9	14.3	14.5	14.5	14.3	14.7	14.4
Change (%)	22.4	26.4	35.6	42.0	21.4	23.1	31.2	10.8	30.3	21.5
Other inc. (incl Inc. from Invest)	3,515	19,978	6,063	493	6,431	23,076	4,100	635	30,048	34,242
Interest	529	551	614	810	559	590	550	605	2,505	2,304
Depreciation	9,146	9,614	10,451	13,058	9,999	10,406	11,200	12,857	42,268	44,463
EBIT	31,076	29,884	34,231	33,768	38,841	38,209	47,418	39,027	1,28,958	1,63,494
PBT after EO	34,062	49,310	39,679	33,450	44,713	60,695	50,968	39,057	1,56,501	1,95,432
Tax	7,936	10,901	10,036	9,079	10,214	15,489	11,977	9,223	37,952	46,904
Effective Tax Rate (%)	23.3	22.1	25.3	27.1	22.8	25.5	23.5	23.6	24.3	24.0
Reported PAT	26,126	38,409	29,643	24,371	34,498	45,205	38,990	29,834	1,18,550	1,48,528
Change (%)	-5.3	13.2	19.1	21.9	32.0	17.7	31.5	22.4	11.4	25.3
Adj PAT	26,126	38,409	29,643	24,371	34,498	45,205	38,990	29,834	1,18,550	1,48,528
Change (%)	23.2	13.2	19.1	21.9	32.0	17.7	31.5	22.4	11.4	25.3

ESCORTS

Neutral

CMP: INR3,849 | TP: INR3,788 (-1.6%)

EPS CHANGE (%): FY26E|FY27E: 4 | 1

- Tractor volumes underperformed the industry and grew 13.5% YoY in 3Q.
- Led by operating leverage benefits, we expect margin to expand 50bp QoQ (+220bp YoY over low base) to 13.6%.
- PAT is likely to grow 33% YoY over a low base.

Standalone Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	25,563	22,649	29,354	24,303	24,834	27,774	31,984	28,031	1,01,870	1,12,622
YoY Change (%)	9.8	-8.1	8.5	6.1	-2.9	22.6	9.0	15.3	4.1	15.1
Total Expenditure	22,394	20,321	26,001	21,374	21,584	24,142	27,634	24,284	90,091	97,643
EBITDA	3,169	2,328	3,353	2,929	3,250	3,632	4,350	3,747	11,778	14,979
Margins (%)	12.4	10.3	11.4	12.1	13.1	13.1	13.6	13.4	11.6	13.3
Depreciation	590	610	612	615	591	615	630	659	2,426	2,495
Interest	101	92	31	47	36	42	40	31	270	150
Other Income	1,024	1,152	1,092	1,316	1,556	1,336	1,480	1,578	4,584	5,950
PBT	3,502	2,778	3,802	3,313	4,939	4,311	5,160	4,634	13,395	17,524
Rate (%)	24.0	-8.9	23.6	24.3	24.5	25.5	25.0	25.0	17.1	27.2
Adj. PAT	2,662	3,027	2,905	2,710	3,153	3,212	3,870	3,475	11,465	14,840
YoY Change (%)	-5.9	41.9	7.7	9.1	18.5	6.1	33.2	28.2	21.6	57.4
Margins (%)	10.4	13.4	9.9	11.1	12.7	11.6	12.1	12.4	11.3	13.2

Tata Motors CV

Neutral

CMP: INR442 | TP: INR417 (-6%)

EPS CHANGE (%): FY26E|FY27E: 4|5

- India CV volumes rose 21% YoY, supported by GST cuts and the low base of last year. MHCV growth was stronger with 24% YoY growth vs LCV growth of 18%.
- We expect its margin to improve 100bp YoY to 13.2%, due to operating leverage benefits.

Quarterly Performance (Standalone)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total India Volumes (nos)	93,700	86,000	98,370	108,180	88,000	96,800	117,917	120,335	387,031	423,052
Change (%)	6.3	(19.0)	(0.8)	(3.5)	-6	12	21	12	-4.8	9.8
Avg Realization (INR)	19,10,139	18,04,419	18,96,615	21,58,711	17,82,045	17,41,839	17,63,852	17,67,705	19,48,835	17,63,695
Change (%)	-0.8	-4.4	-7.2	11.0	-6.7	-3.5	-7.0	-18.1	0.0	-9.5
Net Operating income	1,78,980	1,55,180	1,86,570	2,33,530	1,56,820	1,68,610	2,07,988	2,12,717	7,54,260	7,46,135
Change (%)	4.9	-23.0	-7.6	7.9	-12.4	8.7	11.5	-8.9	-4.6	-1.1
RM Cost (% of Sales)	67.7	67.9	67.9	68.2	67.1	69.0	69.2	68.8	67.9	68.6
Staff Costs (% of sales)	6.7	7.4	6.3	5.2	7.4	6.9	6.2	6.4	3.8	5.0
Other Exp (% of sales)	14.0	14.1	13.6	13.1	13.4	11.8	11.4	10.9	14.1	11.8
EBITDA	20,790	16,530	22,800	31,370	18,900	20,830	27,518	29,628	88,500	96,876
EBITDA Margins (%)	11.6	10.7	12.2	13.4	12.1	12.4	13.2	13.9	11.7	13.0
Change (%)	30	-21	2	22	-9	26	21	-6	4	9
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	23,928	26,230	66,490	84,078
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	23,928	26,230	66,490	60,318
Tax	2,763	4,460	3,107	2,980	2,140	4,120	5,503	3,316	5,170	15,079
Effective Tax Rate (%)	18.0	41.0	18.0	11.6	13.2	23.4	23.0	12.6	7.8	25.0
Adj PAT	12,587	6,760	14,153	22,660	14,210	13,450	18,424	22,914	61,320	68,998
Change (%)	34.5	-55.7	-14.5	7.9	12.9	99.0	30.2	1.1	0.3	12.5

Ashok Leyland

Buy

CMP: INR189 | TP: INR218 (+15%)

EPS CHANGE (%): FY26E|FY27E: 3|9

- Volumes grew 24% in 3Q, with both LCV and MHCV volumes growing at a similar 24%. Export volumes grew 20% YoY.
- As a result, EBITDA margin is expected to improve 90bp QoQ (+20bp YoY) to 13%.
- However, while volume growth has been strong, margin upside is likely to be limited given the relative adverse mix and the rise in input costs.
- We factor in a PAT growth of 26% YoY in 3Q.

Quarterly Performance (S/A)

(INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total Volumes (nos)	43,893	45,624	46,404	59,176	44,238	49,116	57,625	64,996	1,95,097	2,15,975
Growth %	6.2	-8.5	-1.4	5.1	0.8	7.7	24.2	9.8	0.3	11.0
Realizations (INR '000)	1,959	1,922	2,043	2,012	1,972	1,952	1,961	2,020	1,986	1,979
Change (%)	-1.1	-0.6	3.7	0.6	0.7	1.6	-4.0	0.4	0.7	0.4
Net operating revenues	85,985	87,688	94,787	1,19,067	87,245	95,882	1,12,999	1,31,315	3,87,527	4,27,440
Change (%)	5.0	-9.0	2.2	5.7	1.5	9.3	19.2	10.3	1.0	11.4
RM/sales %	72.2	71.2	71.5	70.6	70.6	71.2	71.5	71.0	71.3	71.1
Staff/sales %	6.4	6.8	6.4	5.5	7.0	6.8	6.0	5.0	6.2	6.1
Other exp/sales %	10.9	10.4	9.4	8.9	11.2	10.0	9.5	8.5	9.8	9.7
EBITDA	9,109	10,173	12,114	17,910	9,696	11,622	14,690	20,257	49,306	56,264
EBITDA Margins (%)	10.6	11.6	12.8	15.0	11.1	12.1	13.0	15.4	12.7	13.2
Interest	591	607	501	471	419	420	400	390	2,169	1,628
Other Income	223	973	247	1,059	529	1,348	300	484	2,503	2,660
Depreciation	1,727	1,754	1,923	1,789	1,828	1,723	1,750	1,850	7,193	7,151
PBT after EO	7,014	9,958	9,938	16,573	7,977	10,427	12,840	18,501	43,483	49,744
Effective Tax Rate (%)	25.1	22.7	23.3	24.8	25.6	26.0	25.0	25.5	24.0	25.5
Adj PAT	5,256	6,933	7,617	12,562	5,937	8,009	9,630	13,745	32,245	37,321
Change (%)	-8.9	20.2	31.2	32.4	13.0	15.5	26.4	9.4	20.2	15.7

Apollo Tyres

Buy

CMP: INR497 | TP: INR584 (+18%)

EPS CHANGE (%): FY26E|FY27E: -5|-10

- We expect standalone revenue growth of 8% YoY (4% QoQ) led by healthy demand across all key segments.
- However, the India margins are likely to be hit by higher promotional spending. Apollo is now the brand sponsor for the Indian Cricket team. We factor in a 70bp QoQ margin impact on account of this.
- Demand in Europe continues to be weak with flattish RM basket QoQ.
- We expect Europe's margin to marginally dip YoY to 17.3%.

Consolidated - Quarterly performance

(INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenues	63,349	64,370	69,280	64,236	65,608	68,311	75,078	70,214	2,61,234	2,79,210
YoY Change (%)	1.4	2.5	5.0	2.6	3.6	6.1	8.4	9.3	2.9	10.0
EBITDA	9,093	8,779	9,470	8,374	8,677	10,207	11,569	9,968	35,715	40,422
Margins (%)	14.4	13.6	13.7	13.0	13.2	14.9	15.4	14.2	13.7	14.5
Depreciation	3,695	3,759	3,759	3,771	3,776	3,834	3,910	4,098	14,984	15,618
Interest	1,070	1,197	1,105	1,094	1,006	1,010	1,020	1,059	4,466	4,095
Other Income	308	217	81	275	189	297	155	374	881	1,015
PBT before EO expense	4,636	4,040	4,686	3,785	4,085	5,660	6,794	5,186	17,146	21,725
Extra-Ord expense	404	52	42	1,188	3,702	1,800	0	0	1,687	5,502
PBT	4,232	3,988	4,644	2,596	383	3,860	6,794	5,186	15,460	16,223
Tax Rate (%)	28.6	25.4	27.4	29.0	66.5	33.2	31.0	32.3	27.5	32.8
MI & P/L of Asso. Cos.	0	-1	-2	-3	-1	-1	-1	-2	-7	-4
Reported PAT	3,020	2,975	3,372	1,846	129	2,580	4,689	3,511	11,213	10,909
Adj PAT	3,313	3,012	3,403	2,708	2,812	3,886	4,689	3,511	12,436	14,607
YoY Change (%)	-18.4	-37.6	-32.9	-41.8	-15.1	29.0	37.8	29.7	-33.2	17.5
Margins (%)	5.2	4.7	4.9	4.2	4.3	5.7	6.2	5.0	4.8	5.2

Balkrishna Industries

Neutral

CMP: INR2,369 | TP: INR2,173 (-8%)

EPS CHANGE (%): FY26E|FY27E: -4|-6

- Wholesale dispatches to the US have improved QoQ as the destocking prevalent in 2Q is now behind. Further, demand in other key regions appears to have broadly remained stable QoQ. Overall, we expect BKT to post a 2% YoY decline (+6% QoQ) in tonnage in 3Q.
- Reduced input costs, a favorable currency would be the margin tailwinds, while higher brand spending would weigh on the same.
- Margin is likely to improve 160bp QoQ over a low base to 23.1%.

Quarterly Earning Model (Standalone)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volumes (Ton)	83,570	73,298	76,343	82,062	80,664	70,252	74,816	84,301	3,15,273	3,10,033
YoY Change (%)	24.3	3.8	4.9	0.0	-3.5	-4.2	-2.0	2.7	7.7	-1.7
Realizations (INR '000/ton)	328.1	336.3	336.8	345.8	342.1	330.3	336.8	336.6	336.7	336.7
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	-1.8	0.0	-2.7	5.1	0.0
Net Revenues	27,415	24,648	25,716	28,376	27,594	23,207	25,201	28,376	1,06,150	1,04,378
YoY Change (%)	29.6	9.7	11.0	5.2	0.7	-5.8	-2.0	0.0	13.2	-1.7
EBITDA	7,137	6,185	6,391	7,035	6,560	4,999	5,814	6,678	26,813	24,051
Margins (%)	26.0	25.1	24.9	24.8	23.8	21.5	23.1	23.5	25.3	23.0
Depreciation	1,617	1,647	1,708	1,760	1,862	1,901	2,000	2,009	6,735	7,772
Interest	143	404	150	490	290	319	340	346	1,252	1,296
Forex loss/(gain)	-60	530	-1,120	580	1,540	10	0	0	-68	1,550
Other Income	830	1,048	240	550	1,042	709	280	632	2,668	632
PBT before EI	6,267	4,653	5,894	4,755	3,910	3,478	3,754	4,955	21,562	16,096
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	6,267	4,653	5,894	4,755	3,910	3,478	3,754	4,955	21,562	16,096
Rate (%)	23.8	24.9	25.4	23.8	26.6	23.7	24.5	25.0	24.5	22.0
Adj PAT	4,773	3,496	4,398	3,622	2,869	2,652	2,834	3,717	16,283	12,072
YoY Change (%)	52.7	4.3	42.6	-25.8	-39.9	-24.1	-35.6	2.6	12.6	-25.9

CEAT

Buy

CMP: INR3,892 | TP: INR4,515 (+16%)

EPS CHANGE (%): FY26E | FY27E: 5 | -1

- Demand has remained healthy across segments in Q3. While OEM demand has been strong in 3Q, even replacement demand has picked up post-GST rate cuts. Exports are also expected to remain strong in 3Q. We expect CEAT to post 24% revenue growth in 3Q.
- Input costs are likely to remain stable QoQ as benefits from the reduction in crude are likely to be offset by currency depreciation.
- Further, this quarter would see the full impact of Camso integration.
- One needs to note that Camso margins are likely to remain muted for 5-6 quarters till CEAT takes full control of distribution and also the supply chain.
- As a result, we expect marginal pressure on CEAT consolidated margins QoQ despite healthy performance from the India entity.
- Overall, PAT is likely to grow 96% YoY due to Camso integration, as well as over a low base.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	31,928	33,045	32,999	34,206	35,294	37,727	40,991	41,526	1,32,179	1,55,537
YoY Change (%)	8.8	8.2	11.4	14.3	10.5	14.2	24.2	21.4	10.7	17.7
RM cost (%)	60.8	62.6	63.2	62.5	63.2	59.1	59.0	59.1	62.3	60.0
Employee cost (%)	6.1	6.6	6.5	6.6	6.4	6.9	7.2	7.3	6.5	7.0
Other expenses (%)	21.1	19.8	20.0	19.5	19.4	20.6	20.7	20.4	20.1	20.3
EBITDA	3,829	3,623	3,409	3,881	3,877	5,034	5,384	5,458	14,741	19,753
Margins (%)	12.0	11.0	10.3	11.3	11.0	13.3	13.1	13.1	11.2	12.7
Depreciation	1,318	1,371	1,415	1,523	1,514	1,739	1,894	1,914	5,627	7,061
Interest	619	665	751	744	821	870	1,050	1,062	2,778	3,802
Other Income	62	35	34	45	47	39	25	29	176	140
PBT before EO expense	1,954	1,622	1,278	1,659	1,590	2,464	2,465	2,510	6,512	9,030
Exceptional item	-75	0	0	370	33	0	0	0	-296	-33
PBT	2,029	1,621	1,278	1,288	1,558	2,464	2,465	2,510	6,808	8,997
Tax Rate (%)	26.6	28.6	28.3	27.6	26.9	27.6	25.5	25.1	25.3	26.2
MI & Profit of Asso. Cos.	-53	-61	-55	-63	14	-72	-63	-63	-231	-185
Reported PAT	1,542	1,219	971	995	1,125	1,857	1,899	1,943	5,319	6,824
Adj PAT	1,486	1,219	971	1,267	1,149	1,857	1,899	1,943	5,101	6,848
YoY Change (%)	3	-41	-46	-16	-23	52	96	53	-26	34

MRF

Sell

CMP: INR1,50,948 | TP: INR126,185 (-16%)

EPS CHANGE (%): FY26E | FY27E: 3 | 0

- Expect 11% YoY revenue growth, led by steady demand revival across segments.
- We expect EBITDA margin to improve 30bp QoQ to 15.3%, led by a pick-up in demand.

Standalone - Quarterly Earnings Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	70,778	67,604	68,832	69,438	75,603	72,497	76,403	76,313	2,76,652	3,00,815
YoY Change (%)	11.9	11.1	13.8	11.7	6.8	7.2	11.0	9.9	12.1	8.7
Total Expenditure	59,400	57,869	60,814	59,011	65,259	61,599	64,713	64,810	2,37,094	2,56,382
EBITDA	11,378	9,734	8,018	10,428	10,343	10,898	11,690	11,503	39,559	44,434
Margins (%)	16.1	14.4	11.6	15.0	13.7	15.0	15.3	15.1	14.3	14.8
Depreciation	3,943	4,079	4,143	4,310	4,270	4,433	4,470	4,575	16,474	17,747
Interest	754	667	711	782	822	708	760	722	2,914	3,011
Other Income	827	1,121	966	1,115	1,255	1,067	1,050	1,065	4,029	4,437
PBT before EO expense	7,509	6,109	4,130	6,451	6,507	6,824	7,510	7,271	24,199	28,112
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	7,509	6,109	4,130	6,451	6,507	6,824	7,510	7,271	24,199	28,112
Tax	1,883	1,555	1,063	1,472	1,665	1,708	1,937	1,858	5,974	7,169
Rate (%)	25.1	25.4	25.7	22.8	25.6	25.0	25.8	25.6	24.7	25.5
Reported PAT	5,625	4,554	3,067	4,978	4,842	5,116	5,572	5,413	18,225	20,943
Adj PAT	5,625	4,554	3,067	4,978	4,842	5,116	5,572	5,413	18,225	20,943
YoY Change (%)	-3.3	-20.4	-39.6	6.1	-13.9	12.3	81.7	8.7	-14.4	14.9
Margins (%)	7.9	6.7	4.5	7.2	6.4	7.1	7.3	7.1	6.6	7.0

Amara Raja Energy Mobility

Neutral

CMP: INR928 | TP: INR934 (+0.6%)

EPS CHANGE (%): FY26E|FY27E: 5|1

- We expect battery demand, especially for auto OEMs, to improve QoQ. Replacement demand is also likely to hold up well in Autos. Overall, we expect Amara to post 11% YoY growth in revenue (+4% QoQ).
- Lead prices are expected to largely remain stable QoQ. Amara has not taken any pricing action in 3Q.
- The one-time impact of EPR credit costs at INR350m seen in 2Q would not recur in 3Q.
- Overall, we expect EBITDA margin to improve 20bp QoQ (down 90bp YoY) to 12.2%.

Quarterly Performance

Y/E March (INR m)	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	31,312	31,358	31,640	29,739	33,499	33,882	35,121	33,939	1,24,049	1,36,441
YoY Change (%)	13.0	11.6	9.8	6.3	7.0	8.0	11.0	14.1	10.2	10.0
Gross operating income	31312	31358	31640	29739	33499	33882	35121	33939	1,24,049	1,36,441
Total Expenditure	27,008	26,952	27,482	26,316	29,633	29,822	30,836	29,845	1,07,758	1,20,136
RM Cost (% of sales)	68.9	67.6	66.9	67.7	70.5	67.2	68.2	68.3	67.8	68.6
Staff Cost (% of sales)	5.9	6.1	6.0	6.1	5.9	6.6	6.4	6.3	6.0	6.3
Other Exp (% of sales)	11.5	12.2	13.9	14.7	12.0	14.2	13.2	13.3	13.1	13.2
EBITDA	4,304	4,407	4,158	3,422	3,867	4,059	4,285	4,094	16,291	16,305
Margins (%)	13.7	14.1	13.1	11.5	11.5	12.0	12.2	12.1	13.1	12.0
Depreciation	1,183	1,220	1,233	1,284	1,292	1,380	1,450	1,505	4,921	5,627
Interest	90	131	107	95	104	83	80	84	422	350
Other Income	256	185	293	200	139	241	180	139	933	700
PBT before EO expense	3,287	3,240	3,111	2,244	2,610	2,838	2,935	2,645	11,881	11,027
Extra-Ord expense	0	0	-1,111	0	0	-1,218	0	0	-1,111	-1,218
PBT after EO	3,287	3,240	4,222	2,244	2,610	4,056	2,935	2,645	12,992	12,245
Tax	841	833	1,103	576	670	1,032	763	695	3,353	3,159
Tax Rate (%)	25.6	25.7	26.1	25.7	25.7	25.4	26.0	26.3	25.8	25.8
Reported PAT	2,446	2,407	3,118	1,668	1,940	3,024	2,172	1,950	9,639	9,086
Adj PAT	2,446	2,407	2,298	1,668	1,940	2,116	2,172	1,950	8,815	8,182
YoY Change (%)	23.1	6.3	-9.1	-26.8	-20.7	-12.1	-5.5	16.9	-2.7	-7.2

Exide Industries

Neutral

CMP: INR368 | TP: INR362 (-2%)

EPS CHANGE (%): FY26E|FY27E: -4|-4

- We expect Exide to post a 15% YoY growth in revenue to INR44.2b.
- We expect EBITDA margin to largely remain stable YoY.
- Overall, we expect 3Q PAT to grow 16% YoY.

S/A Quarterly Performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	43,128	42,673	38,486	41,594	45,098	41,783	44,259	45,584	1,65,881	1,76,724
Growth YoY (%)	5.9	3.9	0.2	3.7	4.6	-2.1	15.0	9.6	3.5	6.5
RM cost (%)	69.3	68.5	68.0	68.8	69.2	70.1	70.0	69.5	68.7	69.7
Employee cost (%)	6.1	6.3	6.8	6.3	3.4	0.3	1.4	11.0	6.4	6.2
Other Exp (%)	13.1	13.9	13.5	13.7	12.6	14.0	12.5	12.0	13.6	12.8
EBITDA	4,943	4,836	4,486	4,667	5,482	3,960	5,090	5,503	18,931	20,035
EBITDA Margin (%)	11.5	11.3	11.7	11.2	12.2	9.5	11.5	12.1	11.4	11.3
Change (%)	14.4	0.1	2.0	-9.6	10.9	-18.1	13.5	17.9	1.2	6.6
Non-Operating Income	142	528	132	161	182	424	144	169	962	919
Interest	87	103	120	130	91	89	95	98	439	373
Depreciation	1,257	1,270	1,244	1,268	1,276	1,306	1,320	1,334	5,039	5,236
PBT after EO Exp	3,741	3,991	3,253	3,430	4,297	2,990	3,819	4,240	14,415	15,345
Effective Tax Rate (%)	25.3	25.4	24.7	25.8	25.4	25.7	25.5	25.4	0.0	25.5
Adj. PAT	2,796	2,978	2,450	2,546	3,205	2,221	2,845	3,162	10,769	11,432
Change (%)	15.6	3.8	2.0	-10.3	14.6	-25.4	16.1	24.2	2.3	6.2

Bharat Forge

Neutral

CMP: INR1,478 | TP: INR1,342 (-9%)

EPS CHANGE (%): FY26E|FY27E: 1|0

- Domestic CV and PV revenues are likely to revive in 3Q. The defense business is also expected to ramp up in 3Q.
- However, export CV demand is likely to be weak even in 3Q.
- Overall, we expect standalone revenue to rise 3% YoY in 3Q.
- We expect EBITDA margin to improve 130bp QoQ to 29.6% on the back of favorable currency.
- Standalone PAT is expected to grow 9% YoY in 3Q.

S/A Quarterly

(INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net operating income	23,381	22,467	20,960	21,630	21,047	19,469	21,565	22,529	88,437	84,611
Change (%)	9.9	-0.1	-7.4	-7.1	-10.0	-13.3	2.9	4.2	-1.4	-4.3
EBITDA	6,515	6,255	6,099	6,167	5,718	5,511	6,383	6,649	25,034	24,262
EBITDA Margins (%)	27.9	27.8	29.1	28.5	27.2	28.3	29.6	29.5	28.3	28.7
Non-Operating Income	446	348	314	481	422	465	455	485	1,589	1,827
Interest	702	635	573	588	522	483	450	445	2,498	1,900
Depreciation	1094	1083	1104	1122	1125	1112	1140	1160	4,404	4,536
EO Exp / (Inc)	1,457	-135	9	203	0	79	0	0		0
PBT after EO items	3,708	5,019	4,727	4,735	4,493	4,380	5,248	5,530	19,721	19,652
Tax	1014	1407	1266	1278	1108	1202	1459	1537	4,965	5,306
Eff. Tax Rate (%)	27.3	28.0	26.8	27.0	24.7	27.9	27.8	27.8	25.2	27.0
Rep. PAT	2,694	3,612	3,461	3,456	3,385	3,099	3,789	3,992	14,756	14,346
Change (%)	-13.5	4.4	-8.4	-11.3	25.6	-14.2	9.5	15.5	2.4	8.5
Adj. PAT	3,787	3,510	3,468	3,608	3,385	3,156	3,789	3,992	13,223	14,346
Change (%)	20.2	0.1	-4.8	-8.8	-10.6	-10.1	9.3	10.6	-7.2	-0.2

CIE Automotive

Buy

CMP: INR428 | TP: INR499 (+17%)

EPS CHANGE (%): CY25E|26E: 1|4

- India business to post 12% YoY growth in revenue due to a pick-up in key segments. EU business to post 25% YoY growth over a very low base of last year.
- Overall, consol. revenue is projected to grow 16% YoY.
- EBITDA margin is expected to largely remain stable YoY at 14.3%.

Quarterly performance (Consol.)

(INR m)	CY24				CY25				CY24	CY25E
Y/E December	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	24,268	22,927	21,346	21,100	22,726	23,690	23,718	24,461	89,641	94,598
YoY Change (%)	-0.5	-1.2	-6.4	-5.8	-6.4	3.3	11.1	15.9	-3.4	5.5
EBITDA	3,606	3,600	3,306	2,993	3,355	3,368	3,557	3,497	13,506	13,776
Margins (%)	14.9	15.7	15.5	14.2	14.8	14.2	15.0	14.3	15.1	14.6
Depreciation	863	836	798	809	864	871	890	916	3,306	3,541
Interest	220	211	169	175	126	16	36	78	776	256
Other Income	513	306	243	336	361	221	192	207	1,396	980
Share of profit from associates	4	6	19	-2	5	7	2	2	27	16
PBT before EO expense	3,035	2,859	2,581	2,344	2,725	2,701	2,822	2,710	10,820	10,959
Tax Rate (%)	24.3	24.5	25.3	23.6	24.6	25.1	24.5	24.8	24.4	24.7
Adj. PAT	2,302	2,164	1,947	1,790	2,060	2,030	2,132	2,041	8,203	8,263
YoY Change (%)	4.5	1.3	4.3	1.1	-10.5	-6.2	9.5	14.0	2.8	0.7
Revenues										
India	14,275	15,047	15,270	14,430	14,658	15,154	15,677	16,136	57,558	61,625
Growth (%)	-1	5	-1	-3	3	6	8	12	-2	7
EU	9,994	7,879	6,077	6,670	8,069	8,536	8,043	8,325	29,098	32,973
Growth (%)	0	-11	-18	-12	-19	-1	18	25	-14	13
EBITDA Margins										
India	15.1	15.5	15.6	14.6	15.7	15.7	15.9	15.3	15.9	15.6
EU	14.6	16.1	15.2	13.2	13.1	11.7	13.2	12.3	15.0	12.5

Craftsman Auto

Neutral

CMP: INR8,010 | TP: INR7,302 (-9%)

EPS CHANGE (%): FY26E | FY27E: -4 | 1

- Standalone revenue is likely to grow ~35% YoY, albeit over a low base and led by steady growth in the aluminum segment and recovery in the powertrain segment.
- Consolidated revenue is likely to grow 33% YoY due to the integration of Sunbeam and Fronberg.
- We factor in margin improvement in consolidated EBITDA margin QoQ to 15.4%.

Quarterly (Consol)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net operating income	11,512	12,140	15,761	17,493	17,840	20,016	20,968	21,781	56,905	80,605
Change (%)	10.9	3.0	39.5	58.3	55.0	64.9	33.0	24.5	27.8	41.6
RM/Sales (%)	56.3	55.6	52.7	54.2	53.9	54.7	54.5	54.2	54.5	54.4
Staff Cost (% of Sales)	6.4	6.9	8.5	8.3	8.1	7.2	7.5	7.7	7.7	7.6
Other Exp. (% of Sales)	20.1	21.6	26.2	23.6	23.2	23.0	22.6	22.3	23.2	22.8
EBITDA	1,973	1,928	1,990	2,436	2,649	3,019	3,229	3,435	8,327	12,333
EBITDA Margins (%)	17.1	15.9	12.6	13.9	14.9	15.1	15.4	15.8	14.6	15.3
Non-Operating Income	48	64	86	52	50	96	45	48	251	238
Interest	492	413	583	679	663	770	820	845	2166	3098
Depreciation	725	762	1035	949	1019	1090	1138	1269	3470	4516
MI/Share of Profit	61	-4	-2	-2	-2	-4	-4	-4	-10	-14
PBT after EO items	744	821	313	755	937	1,253	1,320	1,373	2,951	4,884
Eff. Tax Rate (%)	28.5	24.9	58.6	11.6	25.7	27.5	26.9	27.2	23.3	26.9
Rep. PAT	532	617	129	668	696	909	965	1,000	2,263	3,569
Change (%)	-28.6	-34.7	-82.3	7.1	30.9	47.3	646.3	49.7	-25.7	57.7
Adj. PAT	532	617	242	750	756	912	965	1,000	2,263	3,633
Change (%)	-28.6	-34.7	-66.9	20.3	42.2	47.9	298.1	33.3	-25.7	60.5

E: MOFSL Estimates

Endurance Technologies

Buy

CMP: INR2,541 | TP: INR2,980 (+17%)

EPS CHANGE (%): FY26E | FY27E: 1 | -

- India business to grow 24% YoY on the back of strong OEM volumes in 3Q, as well as a relatively low base.
- Europe revenue to grow 23.6% YoY on Stoferle acquisition.
- India EBITDA margin to dip 80bp YoY to 11.7% due to elevated costs of new plants and personnel.
- Expect Europe's EBITDA margin to rise 180bp YoY to 18%.
- Consolidated PAT to grow 30% YoY in 3Q.

Consolidated - Quarterly

Y/E March	FY25				FY26E				FY25	FY26E
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	28,255	29,127	28,592	29,635	33,189	35,828	37,073	37,918	1,15,608	1,44,008
YoY Change (%)	15.3	14.4	11.6	11.2	17.5	23.0	29.7	28.0	12.9	24.6
EBITDA	3,741	3,820	3,725	4,225	4,439	4,768	4,910	5,205	15,511	19,322
Margins (%)	13.2	13.1	13.0	14.3	13.4	13.3	13.2	13.7	13.4	13.4
Depreciation	1,288	1,311	1,364	1,424	1,644	1,800	1,825	1,869	5,387	7,138
Interest	112	116	115	125	135	137	134	145	468	551
Other Income	339	265	219	346	356	210	240	331	1,170	1,137
PBT before EO expense	2,680	2,658	2,466	3,022	3,016	3,041	3,191	3,522	10,825	12,770
Exceptional Item	0	0	0	-122	0	0	0	0	-122	0
PBT after EO	2,680	2,658	2,466	3,144	3,016	3,041	3,191	3,522	10,947	12,770
Eff. Tax Rate (%)	23.9	23.6	25.2	22.0	24.9	25.3	24.7	24.7	23.6	24.9
Adj. PAT	2,039	2,030	1,844	2,359	2,264	2,273	2,404	2,652	8,270	9,592
YoY Change (%)	24.7	31.3	21.1	21.0	11.0	12.0	30.4	12.4	20.7	16.0

Happy Forgings

Buy

CMP: INR1185 | TP: INR1366 (+15%)

EPS CHANGE (%): FY26E|27E: 2|2

- Key segments in the domestic market (CVs and tractors) have picked up in 3Q and should help drive a pick-up in revenue. This, coupled with the ramp-up of new orders, is expected to drive 12% YoY growth in revenue in 3Q.
- We expect EBITDA margins to improve 60bp YoY to 29.2%.
- This is likely to drive 14% YoY growth in PAT for 3Q.

Quarterly (Standalone)

(INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net operating income	3,415	3,611	3,543	3,520	3,538	3,774	3,968	4,115	14,089	15,395
Change (%)	3.5	5.3	3.6	2.5	3.6	4.5	12.0	16.9	3.7	9.3
RM/Sales (%)	43.5	41.2	42.0	41.3	42.1	39.7	41.8	42.4	42.0	41.5
Staff Cost (%)	8.5	8.5	9.3	9.2	9.1	8.9	8.8	8.3	8.9	8.8
Other Exp. (%)	19.4	21.2	20.1	20.4	20.3	20.7	20.2	20.1	20.3	20.3
EBITDA	976	1,054	1,015	1,023	1,012	1,158	1,159	1,205	4,067	4,533
EBITDA Margins (%)	28.6	29.2	28.6	29.1	28.6	30.7	29.2	29.3	28.9	29.4
Non-Operating Income	77	83	66	101	104	63	75	87	376	329
Interest	14	16	21	24	23	19	18	18	75	78
Depreciation	180	197	191	203	206	216	228	236	771	885
EO Exp		-48			0	0	0	0		0
PBT after EO items	859	973	868	897	886	986	988	1,038	3,597	3,898
Tax	220	259	223	219	230	252	254	263	921	998
Eff. Tax Rate (%)	25.6	26.6	25.7	24.4	25.9	25.5	25.7	25.3	25.6	25.6
Rep. PAT	639	714	645	678	657	734	734	775	2,676	2,900
Change (%)	-0.3	29.3	11.4	3.0	2.9	2.8	13.8	14.4	-68.1	8.4
Adj. PAT	639	666	645	678	657	734	734	775	2,676	2,900
Change (%)	-0.3	20.6	11.4	3.0	2.9	10.2	13.8	14.4	10.1	8.4

E: MOFSL Estimates

Sona Comstar

Neutral

CMP: INR487| TP: INR446 (-8%)

EPS CHANGE (%): FY26E|FY27E: -4|-3

- While EV demand in the US has been weak, SONACOMS' revenue is likely to grow QoQ due to a pick-up in demand from one of its key clients. Demand is likely to be driven by traction motors as well as the railway business. Revenue growth of 30% YoY is largely a function of the integration of the Railways division.
- Given a weak mix, we expect margins to remain under pressure – down 70bp QoQ to 24.6%.
- Overall, we expect the PAT for the core business to grow 9% YoY to INR1.7b.

Consol. Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net operating revenues	8,930	9,251	8,680	8,494	8,509	11,435	11,310	12,009	35,545	42,539
Change (%)	22.0	17.0	11.8	-4.0	-4.7	23.6	30.3	41.4	11.6	19.7
EBITDA	2,512	2,549	2,342	2,160	2,026	2,891	2,782	2,970	9,753	10,669
EBITDA Margins (%)	28.1	27.6	27.0	25.4	23.8	25.3	24.6	24.7	27.4	24.7
Depreciation	606	626	666	646	670	716	725	729	2,544	2,840
EBIT	1,905	1,923	1,677	1,513	1,356	2,174	2,057	2,241	7,209	7,829
EBIT Margins (%)	21.3	20.8	19.3	17.8	15.9	19.0	18.2	18.7	20.3	18.1
Interest	86	106	58	52	53	52	48	49	302	202
Non-Operating Income	70	210	468	522	442	170	250	497	1,269	1,358
PBT	1,889	1,918	2,030	2,147	1,652	2,276	2,259	2,689	8,173	8,984
Effective Tax Rate (%)	25.0	25.1	25.8	23.8	26.3	25.1	25.2	25.6	24.2	0.3
Adjusted PAT	1,417	1,546	1,564	1,473	1,309	1,717	1,690	2,000	6,200	6,720
Change (%)	24.0	20.2	17.1	-0.6	-7.6	13.0	9.0	32.3	27.3	8.4

Bosch

Neutral

CMP: INR39,481 | TP: INR36,103 (-9%)
EPS CHANGE (%): FY26E|27E: 1|-5

- We expect 12% YoY revenue growth, driven by a pick-up in demand in CVs and tractors and sustained momentum in the 2W division.
- We expect margins to improve 60bp QoQ to 13.5% led by a pick-up in demand.
- As a result, we expect Bosch to post 17% YoY growth in PAT.

Quarterly performance (S/A)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	43,168	43,943	44,657	49,106	47,886	47,948	50,016	53,065	1,80,874	1,98,914
YoY Change (%)	3.8	6.4	6.2	16.0	10.9	9.1	12.0	8.1	8.1	10.0
RM Cost (% of sales)	64.6	65.1	61.6	62.4	62.3	64.6	63.0	62.9	63.4	63.2
Staff Cost (% of sales)	7.8	7.8	8.8	8.6	7.1	7.6	8.4	8.4	8.3	7.9
Other Expenses (% of sales)	15.7	14.3	16.5	15.8	17.2	14.9	15.1	14.8	15.6	15.5
EBITDA	5,197	5,605	5,826	6,469	6,393	6,171	6,752	7,386	23,097	26,702
Margins (%)	12.0	12.8	13.0	13.2	13.4	12.9	13.5	13.9	12.8	13.4
Depreciation	856	900	1,008	992	850	925	1,020	1,006	3,756	3,801
Interest	26	22	62	61	45	42	44	44	171	175
Other Income	1,793	2,089	1,891	2,369	2,881	2,099	2,000	2,403	8,142	9,383
PBT before EO expense	6,108	6,772	6,647	7,785	8,379	7,303	7,688	8,739	27,312	32,109
Extra-Ord expense	0	-485	471	0	5,560	0	0	0	0	5,560
PBT after EO Expense	6,108	7,257	6,176	7,785	13,939	7,303	7,688	8,739	27,312	26,549
Tax	1,453	1,898	1,594	2,248	2,785	1,761	1,922	2,384	7,193	8,852
Tax Rate (%)	23.8	26.2	25.8	28.9	20.0	24.1	25.0	27.3	26.3	33.3
Reported PAT	4,655	5,359	4,582	5,537	11,154	5,542	5,766	6,354	20,119	17,697
Adj PAT	4,655	5,002	4,929	5,537	6,705	5,542	5,766	6,354	20,119	22,208
YoY Change (%)	13.8	30.2	4.4	-1.9	44.0	10.8	17.0	14.8	11.4	10.4

E: MOFSL Estimates

Motherson Wiring India

Buy

CMP: INR50 | TP: INR58 (+16%)
EPS CHANGE (%): FY26E|FY27E: 8|3

- Revenue likely to grow 30% YoY to INR30b, aided by a pick-up in auto demand across segments, as well as the ramp-up of its new plants.
- EBITDA margin to improve 50bp QoQ to 10.6% led by a pick-up in demand.
- This is likely to drive 40% YoY earnings growth for 3Q.

MSUMI: Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	21,848	23,256	23,003	25,095	24,940	27,619	29,904	31,245	93,203	1,13,707
YoY Change (%)	16.7	10.5	8.8	12.4	14.2	18.8	30.0	24.5	11.9	22.0
RM Cost (% of sales)	65.1	64.9	64.9	65.7	64.7	66.2	66.2	65.9	65.2	65.8
Staff Cost (% of sales)	17.2	17.3	17.9	16.5	19.1	17.4	17.1	16.7	17.2	17.5
Other Expenses (% of sales)	6.7	7.1	6.8	7.0	6.4	6.3	6.1	6.5	6.9	6.3
EBITDA	2,388	2,496	2,376	2,712	2,443	2,797	3,183	3,403	9,972	11,826
Margins (%)	10.9	10.7	10.3	10.8	9.8	10.1	10.6	10.9	10.7	10.4
Depreciation	399	444	470	476	492	531	545	564	1,789	2,132
Interest	55	72	66	55	63	64	64	59	248	250
Other Income	50	48	6	16	9	8	24	26	119	66
PBT before EO expense	1,984	2,027	1,846	2,197	1,896	2,210	2,598	2,805	8,055	9,510
PBT after EO Expense	1,984	2,027	1,846	2,197	1,896	2,210	2,598	2,805	8,055	9,510
Tax Rate (%)	25	25	24	25	25	25	25	25	25	25
Reported PAT	1,489	1,521	1,400	1,649	1,431	1,653	1,954	2,113	6,060	7,151
Adj PAT	1,489	1,521	1,400	1,649	1,431	1,653	1,954	2,113	6,060	7,151
YoY Change (%)	20.9	-2.4	-16.6	-13.8	-3.9	8.7	39.6	28.1	-5.1	18.0

E: MOFSL Estimates

Samvardhana Motiherson Sumi

Buy

CMP: INR122 | TP: INR140 (+15%)

EPS CHANGE (%): FY26E | FY27E: -1 | 4

- Execution of a healthy order book, integration benefits from recent acquisitions, and currency translation gains should help offset demand weakness in end markets. We expect a 3Q revenue growth of 14% YoY.
- We expect margins to gradually improve QoQ on the back of its cost-cutting initiatives.
- Given strong revenue growth, we expect SAMIL to post 15% growth YoY in PAT in 3Q.

Quarterly performance (Consol.)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	2,88,680	2,78,119	2,76,659	2,93,168	3,02,120	3,01,730	3,15,490	3,29,754	11,36,626	12,49,093
YoY Change (%)	28.5	18.2	7.9	9.1	4.7	8.5	14.0	12.5	15.4	9.9
EBITDA	27,753	24,479	26,858	26,429	24,583	26,107	28,311	29,976	1,05,519	1,08,978
Margins (%)	9.6	8.8	9.7	9.0	8.1	8.7	9.0	9.1	9.3	8.7
Depreciation	10,646	11,028	11,124	12,137	12,297	12,179	12,500	12,959	44,934	49,934
Interest	4,445	5,462	4,661	4,256	4,250	3,865	3,700	3,825	18,824	15,641
Other income	709	862	1,112	1,164	805	1,212	1,250	1,474	5,577	4,741
PBT before EO expense	13,371	8,852	12,185	11,200	8,841	11,275	13,361	14,666	47,338	48,143
Extra-Ord expense	0	-1,730	0	1,730	1,365	362	0	0	0	1,727
PBT after EO Expense	13,371	10,582	12,185	9,470	7,476	10,914	13,361	14,666	47,338	46,417
Tax Rate (%)	26.0	33.2	27.7	12.2	30.1	34.7	29.0	30.1	23.6	30.9
Min. Int & Share of profit	-51	-1,152	26	-672	-300	-1,270	-670	-517	-1,848	-2,758
Reported PAT	9,942	8,797	8,786	8,775	5,118	8,270	10,156	10,776	38,030	34,321
Adj PAT	9,942	7,470	8,790	10,030	6,210	8,559	10,156	10,776	38,030	35,495
YoY Change (%)	65.5	65.7	62.2	9.4	-37.5	14.6	15.5	7.4	51.5	-6.7

E: MOFSL Estimates

Tube Investments

Buy

CMP: INR2,599 | TP: INR3,213 (+24%)

EPS CHANGE (%): FY26E | FY27E: 0 | -2

- We expect TI to post 11% YoY growth in revenues in 3Q.
- While metal metal-formed division is likely to grow 4% YoY, mobility/engineering divisions are expected to grow ~25%/15% YoY. Revenue from other businesses will decline 7% YoY.
- We expect EBITDA margin to largely remain stable YoY at 12.9%.
- Overall, we expect the standalone entity to post 15% YoY growth in earnings in 3Q.

Quarterly performance (S/A)

(INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	19,603	20,648	19,102	19,573	20,066	21,190	21,216	21,802	78,925	84,274
YoY Change (%)	10.1	4.8	0.6	-0.3	2.4	2.6	11.1	11.4	3.7	6.8
EBITDA	2,400	2,460	2,431	2,280	2,474	2,765	2,732	2,721	9,606	10,692
Margins (%)	12.2	11.9	12.7	11.6	12.3	13.1	12.9	12.5	12.2	12.7
Depreciation	386	407	432	463	450	474	485	502	1,688	1,912
Interest	72	69	54	52	37	16	20	17	247	90
Other Income	137	261	175	1,502	234	229	200	1,564	2,075	2,227
PBT before EO expense	2,079	2,245	2,120	3,267	2,221	2,504	2,427	3,765	9,745	10,918
Tax	534	567	512	664	540	637	583	806	2,277	2,566
Tax Rate (%)	25.7	25.3	24.2	20.3	24.3	25.4	24.0	21.4	23.4	23.5
Adj PAT	1,545	1,678	1,607	2,603	1,681	1,868	1,844	2,960	7,468	8,352
YoY Change (%)	4.6	-7.5	2.1	5.0	8.8	11.3	14.7	13.7	1.7	11.8

E: MOFSL Estimates

Capital Goods & Defense

Company

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

Select pockets continue to grow

We expect execution growth to remain healthy for our coverage companies in the capital goods universe, driven by strong order inflows and order books for them. While ordering remains strong across thermal power, renewables, T&D, data centers, buildings & factories, and defense, it is very selectively picking up from the domestic private sector. Government capex growth has remained healthy in 8MFY26, primarily driven by defense, and is expected to pick up from railways over the next few quarters. Government capex growth also benefited from the low base of last year. The export outlook is strong across renewables and T&D, with select EPC and product companies benefiting from this. We will monitor the commodity prices, as select commodities such as copper and zinc have moved up in recent months. For 3QFY26, we estimate our coverage companies to report revenue growth of ~16% YoY, EBITDA growth of 20% YoY, and PAT growth of 24% YoY. We reiterate our positive stance on LT, Cummins India (KKC), and Siemens Energy in the large-cap space and Kirloskar Oil Engines (KOEL) and Kalpataru Projects International (KPIL) in the mid-cap and small-cap segments. In the defense sector, Bharat Electronics (BHE) remains our top pick.

Ordering momentum remains stable

Ordering activity during the quarter remained stable across key areas such as defense, power T&D, hydrocarbon, heavy civil, and buildings & factories segments. Select large-sized order wins were seen for L&T for an ultra-mega project in the hydrocarbon segment, Thermax for a boiler order, and GVTDC for an HVDC project. Based on our discussions with companies, domestic private sector ordering is picking up selectively from metals and mining, buildings & factories, and thermal power, and further pickup is expected in the coming quarters. Ordering also remained healthy across the defense segment and is expected to pick up from railways, particularly for Kavach systems. During 3QFY26, BHE booked orders worth ~INR55b, BDL announced orders worth INR46b, KECI secured ~INR76b, and KPIL acquired ~INR51b. Supported by a strong order backlog and the expected finalization of pending pipeline opportunities, we estimate ~16% YoY growth in execution for our coverage universe in 3QFY26.

Recent developments in the defense sector

India's Defense Acquisition Council (DAC) approved capital acquisition proposals worth INR790b in its winter session, taking FY26YTD approvals to ~INR3.3t, nearly double the capital outlay on defense of INR1.8t. Almost half of these approvals were announced in 3QFY26, with proposals worth INR1.6t announced in Oct'25 and Dec'25 combined. This provides order inflow visibility for the next 2-4 years, as conversion of AoNs takes time to convert into firm orders. The DAC has also extended the current emergency procurement window for the Armed Forces until mid-Jan'26, allowing them to continue fast-track purchases of critical weapons, platforms, and equipment to meet urgent operational needs. Other key developments include 1) completion of the user trials for the Akash-NG system, clearing it for induction, and we expect BDL and BEL to receive production and supply contracts in CY26 with ramp-up orders to follow; 2) the 5th F-404 engine delivered to HAL by GE; and 3) the guideline rollout for the two major shipbuilding schemes by the GoI with a combined outlay of INR447b.

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Commodity prices have been on the rise lately

On a YTD basis, commodity prices have trended upward across most key raw materials. While HRC steel prices, an important input for EPC companies, have moderated by ~6% from March '25 levels, zinc prices have risen by ~9%. This may lead to some margin pressure in subsequent quarters; however, EPC players are generally able to hedge zinc price volatility. Copper/aluminum prices, which remained largely benign for some time, have recently started to increase, rising ~21%/8% from March levels. These increases have a more direct impact on product-oriented companies, and we will monitor the commodity price movements going forward. Overall, while commodity inflation remains a headwind, margin outcomes are likely to be driven more by revenue mix for product companies and indigenization levels for defense companies. We expect margins across our coverage universe to improve by ~50bp YoY, with EPC companies' margins improving ~60bp YoY and product companies' margins increasing ~40bp YoY.

Export demand to remain supportive

The export outlook remains selective for our coverage companies' universe. L&T remains confident in the continuation of the long-term growth momentum from international geographies. Other EPC companies, too, are witnessing healthy order inflows globally. Transformer players are also optimistic about export order inflows due to higher spending across renewables. Product companies like ABB, Siemens, Thermax, and Triveni Turbine are yet to see a meaningful revival in exports. Cummins and KOEL are selectively targeting to grow exports. Demand outlook across defense exports remains strong, though we have yet to see any meaningful export ordering momentum for defense PSUs.

View: Selective stance continues

Our selective stance continues in the sector, and we continue to prefer companies in the T&D, renewables, and defense sectors. Companies that are growing at a high pace will remain preferred bets over the medium to long term.

Our top picks

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

Exhibit 1: Summary of quarterly earnings estimates

Sector	CMP (INR)	RECO	SALES (INR m)			EBITDA (INR m)			NET PROFIT (INR m)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
ABB India	5197	Buy	34,026	1.1	2.8	5,317	-19.1	6.3	4,418	-16.9	8.0
Astra Microwave	963	Buy	2,620	1.4	22.1	616	-19.2	28.7	305	-35.7	27.5
Bharat Dynamics	1495	Buy	11,453	37.6	-0.2	2,062	62.5	9.9	2,066	40.4	-4.3
Bharat Electronics	403	Buy	67,801	17.8	17.6	19,120	15.6	12.8	14,873	13.0	15.6
Cummins India	4482	Buy	29,431	-4.6	-7.2	6,004	0.1	-13.6	5,527	7.5	-13.3
Hind.Aeronautics	4417	Buy	78,745	13.2	18.8	19,686	17.0	26.4	18,593	29.1	11.4
Hitachi Energy	18822	Sell	22,028	36.0	20.2	3,524	111.2	17.9	2,715	217.6	2.7
Kalpataru Proj.	1198	Buy	56,461	17.0	4.2	4,799	19.4	7.3	2,179	38.5	9.0
KEC International	747	Buy	61,335	14.7	0.7	4,539	21.2	5.5	1,769	36.5	10.0
Kirloskar Oil	1261	Buy	14,319	23.1	-10.8	1,904	62.8	-11.2	1,227	88.7	-12.9
Larsen & Toubro	4163	Buy	7,50,667	16.1	10.4	77,306	23.6	13.6	42,955	27.9	9.4
Siemens	3098	Neutral	44,364	23.7	-14.2	5,311	32.5	-13.9	4,394	18.1	-9.5
Siemens Energy	2546	Buy	19,939	31.4	-24.6	4,087	21.9	-14.7	3,029	30.7	-15.8
Thermax	3025	Sell	27,144	8.2	9.7	2,815	49.0	63.6	1,695	49.1	42.0
Triveni Turbine	541	Buy	5,603	11.3	10.7	1,188	8.7	3.7	992	7.2	8.6
Zen Technologies	1362	Neutral	1,391	-1.7	11.6	508	38.2	21.4	490	26.8	6.1
Capital Goods			12,27,327	15.6	7.6	1,58,786	20.5	11.0	1,07,226	24.1	6.8

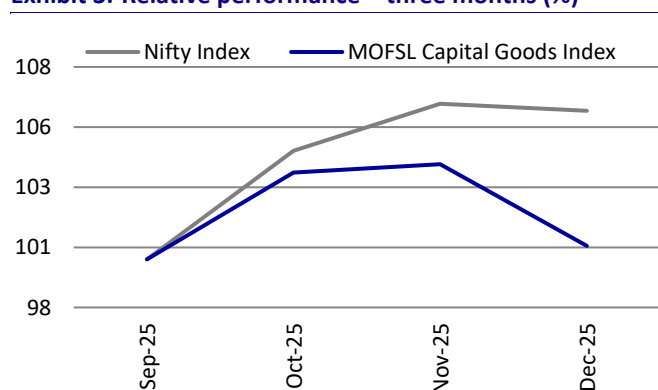
ABB: December Y/E; Siemens Energy: September Y/E

Exhibit 2: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Capital Goods						39.7	33.9	28.2	7.4	6.4	5.4	18.6	18.8	19.3
ABB India	5,197	Buy	79.1	89.3	104.4	65.7	58.2	49.8	14.2	13.0	11.9	22.6	23.4	25.0
Astra Microwave	963	Buy	16.4	23.7	30.3	58.6	40.6	31.8	7.2	6.1	5.1	13.2	16.4	17.6
Bharat Dynamics	1,495	Buy	28.3	37.9	52.0	52.9	39.5	28.7	11.4	9.2	7.2	21.5	23.3	25.2
Bharat Electronics	403	Buy	8.3	9.9	11.5	48.5	40.8	35.2	11.7	9.4	7.6	24.2	23.0	21.6
Cummins India	4,482	Buy	87.6	98.5	114.9	51.2	45.5	39.0	15.5	13.7	12.0	32.3	31.9	32.8
Hind.Aeronautics	4,417	Buy	142.9	161.0	197.8	30.9	27.4	22.3	7.1	6.0	4.9	22.8	21.7	22.1
Hitachi Energy	18,822	Sell	203.2	266.4	334.5	92.6	70.6	56.3	15.6	12.7	10.3	17.8	18.9	19.3
Kalpataru Proj.	1,198	Buy	52.7	73.5	85.6	22.8	16.3	14.0	2.6	2.2	2.0	11.9	14.7	14.9
KEC International	747	Buy	31.1	40.3	50.9	24.0	18.5	14.7	3.3	2.9	2.5	14.6	16.7	18.2
Kirloskar Oil	1,261	Buy	35.5	44.6	52.3	35.5	28.3	24.1	5.4	4.7	4.1	16.2	17.7	18.0
Larsen & Toubro	4,163	Buy	130.3	155.5	183.5	31.9	26.8	22.7	5.2	4.6	4.0	17.3	18.2	18.9
Siemens	3,098	Neutral	73.7	61.8	73.8	42.0	50.1	42.0	6.1	5.5	4.8	14.6	10.9	11.5
Siemens Energy	2,546	Buy	30.9	41.2	61.1	82.4	61.8	41.6	20.7	15.5	11.3	25.1	25.1	27.1
Thermax	3,025	Sell	62.2	72.2	86.5	48.7	41.9	35.0	6.2	5.6	4.9	13.5	14.0	14.9
Triveni Turbine	541	Buy	11.8	14.0	16.8	45.9	38.6	32.2	11.6	9.5	7.8	27.7	27.1	26.7
Zen Technologies	1,362	Neutral	21.6	40.5	53.3	63.2	33.7	25.6	6.5	5.5	4.5	10.9	17.7	19.3

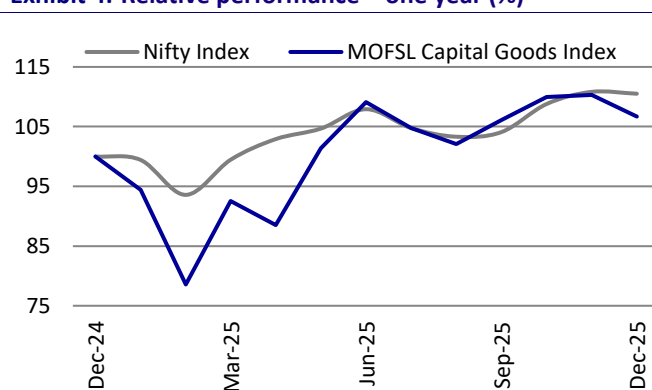
For ABB India, FY26E/FY27E/FY28E indicate CY25/CY26/CY27 data; For Siemens Energy, FY26E/FY27E/FY28E indicate Sep'25/Sep'26/Sep'27 Y/E data; For SIEM, FY26E indicate 18 months Mar'26 Y/E data , and FY27E/FY28E indicate 12 months Mar Y/E data

Exhibit 3: Relative performance – three months (%)



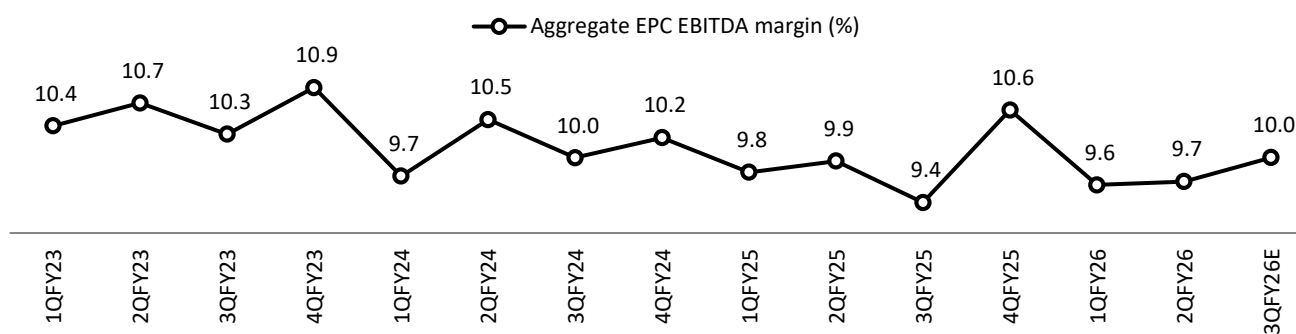
Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)



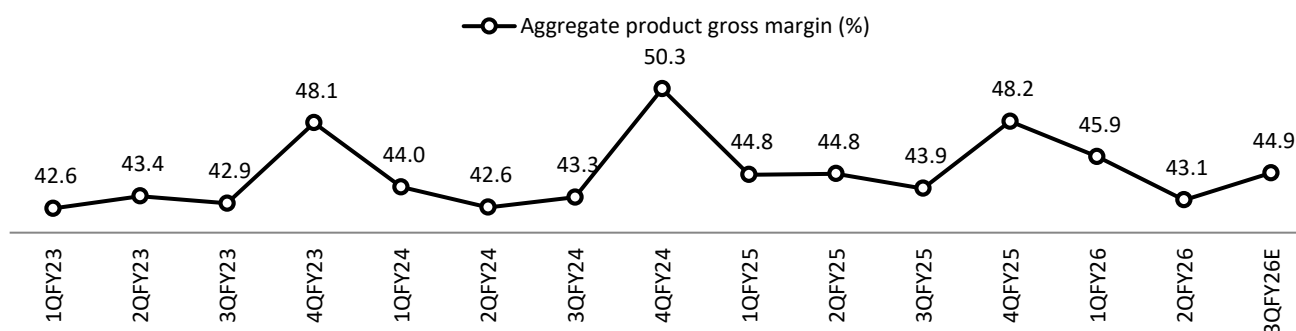
Source: Bloomberg, MOFSL

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



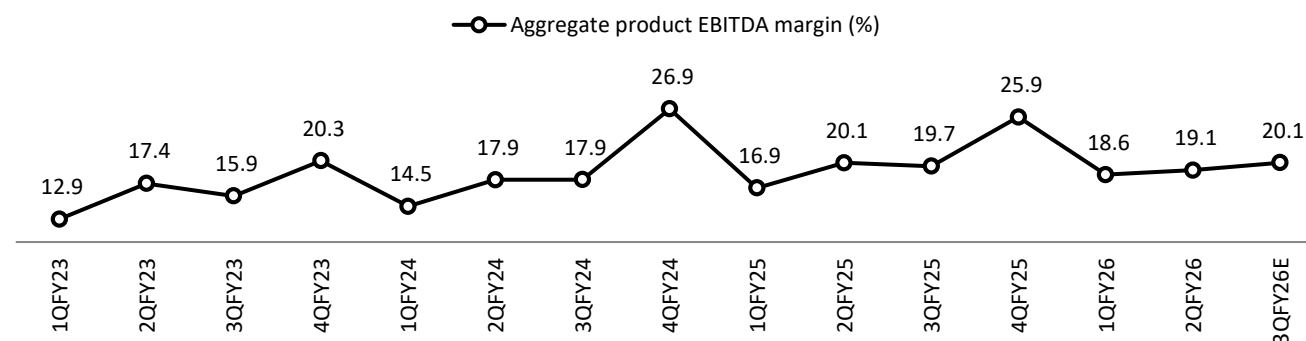
Source: Company, MOFSL

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



Source: Company, MOFSL

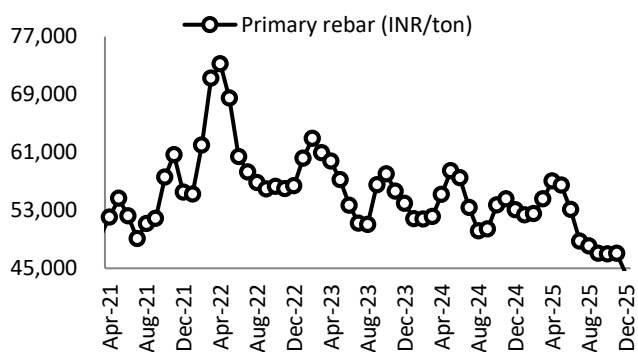
Exhibit 7: EBITDA margin snapshot for product companies under our coverage



Source: Company, MOFSL

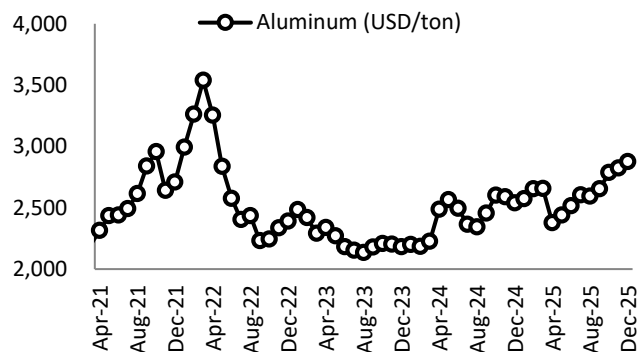
Input prices on the rise lately

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



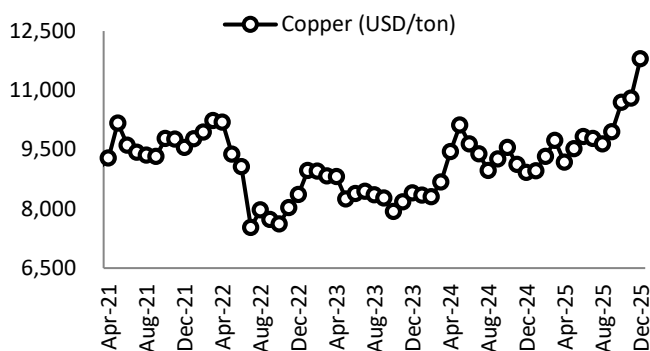
Source: Bloomberg, MOFSL

Exhibit 9: Aluminum price trend (USD/ton)



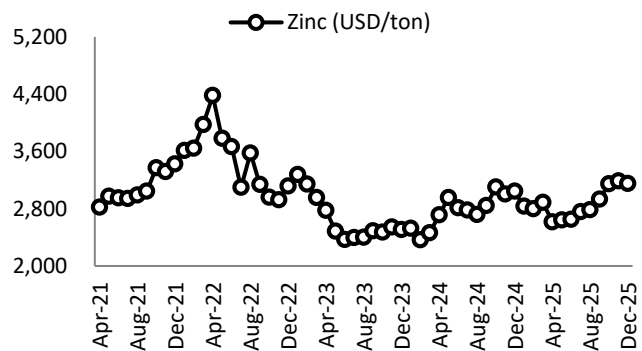
Source: Bloomberg, MOFSL

Exhibit 10: Copper price trend (USD/ton)



Source: Bloomberg, MOFSL

Exhibit 11: Zinc price trend (USD/ton)



Source: Bloomberg, MOFSL

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

ABB India

Buy

CMP: INR5,197 | TP: INR5,800 (+12%)

EPS CHANGE (%): CY25|CY26|CY27: -|-|-

- We expect revenue to be broadly flat YoY, on account of the high base effect of 4QCY24 as well as largely flat YoY order inflow for 9MCY25.
- Key monitorables include order inflow (especially large orders), margin improvement, and export momentum.
- We expect margins to contract by ~390bp YoY mainly due to higher commodity prices and competition.
- We will watch out for incremental inflows from data centers, renewables, railways, and private capex to support order inflow growth.

Standalone - Quarterly Snapshot

Y/E December	CY24				CY25E				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	30,804	28,309	29,122	33,649	31,596	31,754	33,107	34,026	1,21,883	1,30,484
YoY Change (%)	27.8	12.8	5.2	22.0	2.6	12.2	13.7	1.1	16.7	7.1
Total Expenditure	25,152	22,884	23,719	27,076	25,773	27,614	28,103	28,710	98,831	1,10,199
EBITDA	5,652	5,425	5,402	6,573	5,823	4,141	5,004	5,317	23,052	20,284
YoY Change (%)	98.1	55.6	23.2	57.6	3.0	-23.7	-7.4	-19.1	54.7	-12.0
Margins (%)	18.3	19.2	18.6	19.5	18.4	13.0	15.1	15.6	18.9	15.5
Depreciation	314	310	328	337	338	355	366	306	1,289	1,365
Interest	38	45	30	51	47	42	56	41	165	187
Other Income	871	868	929	866	923	998	840	925	3,534	3,685
PBT before EO expense	6,171	5,938	5,973	7,051	6,361	4,741	5,421	5,894	25,133	22,417
PBT	6,171	5,938	5,973	7,051	6,361	4,741	5,421	5,894	25,133	22,417
Tax	1,575	1,511	1,568	1,732	1,620	1,220	1,332	1,476	6,387	5,649
Rate (%)	25.5	25.5	26.3	24.6	25.5	25.7	24.6	25.0	25.4	25.2
Reported PAT	4,596	4,426	4,405	5,319	4,741	3,521	4,089	4,418	18,746	16,768
Adj PAT	4,596	4,426	4,405	5,319	4,741	3,521	4,089	4,418	18,746	16,768
YoY Change (%)	87.4	49.6	21.7	54.1	3.2	-20.5	-7.2	-16.9	50.2	-10.6
Margins (%)	14.9	15.6	15.1	15.8	15.0	11.1	12.4	13.0	15.4	12.9

Astra Microwave Products

Buy

CMP: INR963 | TP: INR1,100 (+14%)

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

- We expect revenue to grow moderately by 1-2% YoY, driven by healthy execution of the opening order book of ~INR22b.
- Key monitorables include order inflow in defense and non-defense segments, weather radars, working capital cycle, and EBITDA margin sustainability.
- We expect margin to contract 600bp YoY on a high base of last year, which benefited from a favorable revenue mix.
- Update on orders for QRSAM, Manpack SDR bidding, AESA radars, and Su-30 EW upgrades will be monitored for in the 3Q results.

Consolidated - Quarterly Earnings Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	1,552	2,296	2,585	4,079	1,997	2,146	2,620	4,387	10,512	11,150
YoY Change (%)	16.0	20.8	11.9	15.2	28.7	-6.5	1.4	7.6	15.7	6.1
Total Expenditure	1,312	1,804	1,823	2,883	1,588	1,667	2,005	3,046	7,822	8,306
EBITDA	240	492	762	1,196	410	478	616	1,340	2,690	2,844
YoY Change (%)	679.4	18.2	15.2	48.1	70.6	-2.8	-19.2	12.1	40.4	5.7
Margins (%)	15.5	21.4	29.5	29.3	20.5	22.3	23.5	30.6	25.6	25.5
Depreciation	82	62	95	111	93	101	100	105	350	399
Interest	104	126	149	192	146	135	170	196	571	647
Other Income	21	22	23	110	25	57	30	36	175	148
PBT before EO expense	75	326	540	1,003	195	300	375	1,075	1,944	1,946
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	75	326	540	1,003	195	300	375	1,075	1,944	1,946
Tax	21	83	141	256	48	85	99	275	502	506
Rate (%)	28.7	25.5	26.2	25.6	24.6	28.2	26.3	25.5	25.8	26.0
MI & P/L of Asso. Cos.	-19	-11	-76	11	-15	-23	-28	-40	-94	-108
Reported PAT	72	254	474	735	163	239	305	841	1,535	1,547
Adj PAT	72	254	474	735	163	239	305	841	1,535	1,547
YoY Change (%)	NM	-15.4	9.3	35.1	125.9	-5.9	-35.7	14.4	26.8	0.8
Margins (%)	4.6	11.1	18.3	18.0	8.1	11.1	11.6	19.2	14.6	13.9

Bharat Dynamics

Buy

CMP: INR1,495 | TP: INR2,000 (+34%)
EPS CHANGE (%): FY26|FY27|FY28: -|-|-

- We expect revenue to grow 38% YoY, driven by the healthy execution of key projects such as the Akash missile, Astra Mk-1, and anti-tank guided missile orders.
- Key monitorables include further inflow from emergency procurement orders, Akash-NG orders, QRSAM, and conversion of export enquiry pipeline into firm orders.
- We expect margins to expand 280bp YoY on higher execution, leading to scale benefits.
- We expect margin recovery to be largely back-ended in 4QFY26, driven by operating leverage.

Standalone - Quarterly Snapshot

Income Statement Y/E March	FY25				FY26E				FY25	FY26E
	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
Change (%)	-35.8	-11.5	38.3	108.0	29.7	110.6	37.6	14.9	41.2	37.0
Expenses	2,435	4,459	7,053	14,780	2,933	9,595	9,391	12,995	28,727	34,915
EBITDA	-523	988	1,269	2,990	-454	1,875	2,062	7,414	4,724	10,897
Change (%)	NA	-26.3	6.8	-5.5	NA	89.7	62.5	148.0	-12.0	130.7
As of % Sales	-27.4	18.1	15.2	16.8	-18.3	16.3	18.0	36.3	14.1	23.8
Depreciation	157	177	177	197	177	191	195	214	707	776
Interest	12	7	7	7	7	13	8	4	33	33
Other Income	804	860	844	996	869	1,206	933	1,026	3,504	4,034
PBT	112	1,665	1,929	3,782	231	2,876	2,792	8,222	7,488	14,121
Tax	40	439	458	1,054	48	717	726	2,264	1,991	3,755
Effective Tax Rate (%)	35.8	26.4	23.7	27.9	20.7	24.9	26.0	27.5	26.6	26.6
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0
Reported PAT	72	1,225	1,471	2,728	183	2,159	2,066	5,958	5,496	10,366
Adj PAT	72	1,225	1,471	2,728	183	2,159	2,066	5,958	5,496	10,366
Change (%)	-82.7	-16.7	9.0	-5.5	154.3	76.2	40.4	118.4	-10.3	88.6
As of % Sales	3.8	22.5	17.7	15.4	7.4	18.8	18.0	29.2	16.4	22.6

Bharat Electronics

Buy

CMP: INR403 | TP: INR500 (+24%)
EPS CHANGE (%): FY26|FY27|FY28: -|-|-

- We expect revenue growth of 18% YoY, led by the healthy execution of the order book of INR745b.
- Key monitorables include updates on orders for sub-systems for 97 LCA MK1A aircraft, Uttam radars, export orders, QRSAM, MRSAM, MF-STAR radars, and Akash-NG missile systems.
- We expect margins to contract slightly by 50bp YoY to 28.2% on a high base.
- The status of EoI for AMCA, finalization of emergency procurement-related orders, execution improvement, and further indigenization of modules and subsystems will remain key areas of focus.

Standalone Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	41,988	45,834	57,561	91,197	44,168	57,637	67,801	1,07,132	2,36,580	2,76,738
Change (%)	19.6	14.8	39.1	6.9	5.2	25.8	17.8	17.5	17.3	17.0
EBITDA	9,367	13,885	16,533	27,890	12,399	16,953	19,120	30,432	67,676	78,904
Change (%)	41.0	38.2	57.5	22.3	32.4	22.1	15.6	9.1	35.4	16.6
As of % Sales	22.3	30.3	28.7	30.6	28.1	29.4	28.2	28.4	28.6	28.5
Depreciation	997	1,032	1,029	1,298	1,129	1,185	1,242	1,413	4,356	4,968
Interest	12	13	13	58	14	17	13	52	96	96
Other Income	2,015	1,668	2,051	1,942	1,636	1,591	2,076	2,385	7,676	7,688
PBT	10,373	14,509	17,542	28,476	12,892	17,343	19,940	31,352	70,900	81,528
Tax	2,612	3,596	4,381	7,428	3,201	4,482	5,067	7,968	18,017	20,718
Effective Tax Rate (%)	25.2	24.8	25.0	26.1	24.8	25.8	25.4	25.4	25.4	25.4
Reported PAT	7,761	10,913	13,161	21,048	9,691	12,861	14,873	23,384	52,883	60,810
Change (%)	46.2	34.3	47.3	18.0	24.9	17.9	13.0	11.1	31.5	15.0
Adj PAT	7,761	10,913	13,161	21,048	9,691	12,861	14,873	23,384	52,883	60,810
Change (%)	46.2	34.3	47.3	18.0	24.9	17.9	13.0	11.1	31.5	15.0

Cummins India

Buy

CMP: INR4,482 | TP: INR4,950 (+10%)

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

- We expect a 5% YoY revenue dip mainly due to up-fronting of data center project delivery in 2QFY26, as well as slightly weak industrial segment demand on a YoY basis.
- Key monitorables include the sustainability of Powergen demand (ex-data center), growth in the Industrial segment, and the export growth trajectory.
- We expect EBITDA margin to expand by ~100bp YoY. We expect a sequential ~150bp contraction as 2QFY26 benefited from the execution of a large data center order.
- We expect Powergen demand to remain healthy, Industrial segment demand to stay soft in the near term. We expect exports to be impacted by the ongoing channel inventory correction.

Standalone - Quarterly Snapshot

Y/E March	FY25			FY26E					FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	23,042	24,923	30,860	24,569	29,068	31,703	29,431	29,269	1,03,394	1,19,471
YoY Change (%)	4.3	31.2	21.8	6.1	26.2	27.2	-4.6	19.1	15.4	15.5
Total Expenditure	18,369	20,113	24,860	19,372	22,833	24,755	23,427	23,148	82,714	94,163
EBITDA	4,673	4,810	6,000	5,197	6,235	6,948	6,004	6,121	20,680	25,308
YoY Change (%)	37.2	42.1	11.5	-4.5	33.4	44.4	0.1	17.8	17.4	22.4
Margins (%)	20.3	19.3	19.4	21.2	21.4	21.9	20.4	20.9	20.0	21.2
Depreciation	439	452	481	457	479	492	492	492	1,829	1,955
Interest	48	26	27	52	27	26	54	60	151	166
Other Income	1,322	1,611	1,209	2,119	1,529	1,964	1,816	1,816	6,261	7,124
PBT before EO expense	5,509	5,944	6,702	6,807	7,258	8,394	7,273	7,385	24,961	30,310
Extra-Ord expense					-442	-	-	-	-	-442
PBT	5,509	5,944	6,702	6,807	7,700	8,394	7,273	7,385	24,961	30,751
Tax	1,311	1,438	1,562	1,593	1,807	2,017	1,745	1,719	5,904	7,289
Rate (%)	23.8	24.2	23.3	23.4	23.5	24.0	24.0	23.3	23.7	23.7
Reported PAT	4,198	4,506	5,140	5,214	5,893	6,377	5,527	5,666	19,058	23,463
Adj PAT	4,198	4,506	5,140	5,214	5,555	6,377	5,527	5,667	19,058	23,126
YoY Change (%)	33.0	37.2	12.7	-7.2	32.3	41.5	7.5	8.7	14.7	21.3
Margins (%)	18.2	18.1	16.7	21.2	19.1	20.1	18.8	19.4	18.4	19.4

Hindustan Aeronautics

Buy

CMP: INR4,417 | TP: INR5,800 (+31%)

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

- We expect revenue growth of 13% YoY, driven by a healthy execution of the opening order book.
- Key monitorables include the status of deliveries of Tejas Mk1A and HTT-40, updates on export strategies, CATS warrior drone systems, as well as working capital cycle.
- We expect EBITDA margin to expand ~80bp YoY as supply chain issues ease out.
- The execution of a huge order backlog, any major provisions, incremental inflows, and margin will be the key focus areas.

Consolidated - Quarterly Snapshot

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

Hitachi Energy India

Sell
CMP: INR18,822 | TP: INR18,000 (-4%)
EPS CHANGE (%): FY26|FY27|FY28: -|-|-

- We expect revenue growth of 36% YoY, led by healthy execution of the opening order book of INR294b.
- Key monitorables include further ramp-up in margins, progress on HVDC project execution, and execution of export orders.
- We expect EBITDA margin to expand ~570bp YoY, aided by operating leverage gains and improved order book mix.
- The execution of product and export orders is expected to support revenue and margin in the near term.

Standalone - Quarterly Snapshot

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	13,272	15,537	16,203	18,837	14,789	18,326	22,028	25,321	63,849	80,463
Change (%)	27.6	26.5	27.2	11.1	11.4	17.9	36.0	34.4	21.9	26.0
EBITDA	479	1,097	1,669	2,713	1,549	2,990	3,524	3,574	5,958	11,638
Change (%)	42.3	68.0	145.5	49.1	223.4	172.5	111.2	31.8	70.7	95.3
As % of Sales	3.6	7.1	10.3	14.4	10.5	16.3	16.0	14.1	9.3	14.5
Depreciation	221	228	230	235	250	258	331	483	914	1,322
Interest	109	164	120	60	40	29	39	45	452	152
Other Income	1	1	2	182	509	826	600	439	186	2,374
PBT	150	706	1,322	2,600	1,769	3,529	3,755	3,484	4,778	12,537
Tax	46	183	467	628	453	886	1,040	1,096	1,324	3,474
Effective Tax Rate (%)	30.8	25.9	35.3	24.1	25.6	25.1	27.7	31.4	27.7	27.7
Extra-ordinary Items			519	(134)					386	
Reported PAT	104	523	1,374	1,839	1,316	2,644	2,715	2,389	3,840	9,063
Change (%)	332.4	111.4	498.1	61.8	1,163.0	405.6	97.6	29.9	110.9	162.4
Adj PAT	104	523	855	1,973	1,316	2,644	2,715	2,389	3,454	9,063
Change (%)	332.4	111.4	272.1	73.5	1,163.0	405.6	217.6	21.1	110.9	162.4
As % of Sales	2.5	0.7	1.7	0.4	7.9	2.2	1.0	0.1	0.2	0.2

Kalpataru Projects International

Buy
CMP: INR1,198 | TP: INR1,500 (+25%)
EPS CHANGE (%): FY26|FY27|FY28: -|-|-

- We expect revenue growth of 17% YoY on strong execution across segments such as T&D, B&F, and O&G. Execution growth during the quarter can be impacted by labor unavailability due to the Bihar elections as well as slower construction activity in the NCR region.
- Key monitorables include execution ramp-up, margin trajectory, customer collections, and progress on road asset monetization.
- We expect an EBITDA margin of 8.5% (+20bp YoY/ QoQ) with further expansion in 4QFY26.
- We will monitor the working capital cycle closely, with payment trends in the water projects remaining a key focus area.

Standalone - Quarterly Snapshot

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	37,219	41,361	48,257	62,042	50,397	54,188	56,461	67,796	1,88,879	2,28,842
YoY Change (%)	2.8	7.6	16.4	20.5	35.4	31.0	17.0	9.3	12.7	21.2
Gross profit	8,687	8,818	10,791	13,191	11,706	13,033	12,704	13,965		
Total Expenditure	34,085	37,877	44,239	56,810	46,114	49,716	51,662	61,921	1,73,009	2,09,412
EBITDA	3,135	3,485	4,019	5,232	4,284	4,472	4,799	5,875	15,870	19,430
YoY Change (%)	-0.2	13.1	16.8	30.8	36.7	28.3	19.4	12.3	16.2	22.4
Margins (%)	8.4	8.4	8.3	8.4	8.5	8.3	8.5	8.7	8.4	8.5
Depreciation	929	914	956	949	936	966	1,029	1,184	3,749	4,116
Interest	861	998	1,071	877	840	1,025	1,043	1,043	3,807	3,951
Other Income	295	264	185	235	234	242	288	317	979	1,081
PBT before EO expense	1,640	1,836	2,177	3,641	2,742	2,723	3,015	3,965	9,294	12,444
Extra-Ord expense	-	-	-	330	-	-	-	-	330	-
PBT	1,640	1,836	2,177	3,311	2,742	2,723	3,015	3,965	8,964	12,444
Tax	474	513	604	894	734	724	836	1,158	2,485	3,451
Rate (%)	28.9	27.9	27.7	27.0	26.8	26.6	27.7	29.2	27.7	27.7
Reported PAT	1,166	1,323	1,574	2,416	2,008	1,999	2,179	2,807	6,479	8,993
Adj PAT	1,166	1,323	1,574	2,657	2,008	1,999	2,179	2,807	6,718	8,993
YoY Change (%)	-7.4	17.1	9.3	51.8	72.1	51.1	38.5	5.6	20.3	33.9
Margins (%)	3.1	3.2	3.3	4.3	4.0	3.7	3.9	4.1	3.6	3.9

KEC International

Buy

CMP: INR747 | TP: INR920 (+23%)

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

- We expect 15% YoY revenue growth, driven by a strong opening order book of INR393b.
- Key monitorables include the order pipeline in both T&D and civil, execution ramp-up, margin improvement in non-T&D, and any impact from PGCIL's exclusion order and subsequent Delhi HC relief.
- We expect EBITDA margin to expand 40bp YoY/30bp QoQ, driven by strong T&D execution and civil stabilization.
- We will monitor the payment cycle, debt levels, and NWC improvement.

Consolidated - Quarterly Snapshot

Y/E March - INR m	FY25				FY26E				(INR M)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	45,119	51,133	53,494	68,721	50,229	60,916	61,335	83,082	2,18,467	2,55,561
YoY Change (%)	6.3	13.7	6.8	11.5	11.3	19.1	14.7	20.9	9.7	17.0
Total Expenditure	42,415	47,931	49,749	63,333	46,728	56,612	56,796	75,664	2,03,428	2,35,800
EBITDA	2,704	3,202	3,745	5,388	3,501	4,304	4,539	7,418	15,039	19,762
YoY Change (%)	10.6	16.7	21.6	38.9	29.5	34.4	21.2	37.7	23.8	31.4
Margins (%)	6.0	6.3	7.0	7.8	7.0	7.1	7.4	8.9	6.9	7.7
Depreciation	465	453	453	465	459	506	521	599	1,837	2,084
Interest	1,550	1,681	1,702	1,703	1,511	1,715	1,713	1,914	6,636	6,854
Other Income	431	66	9	202	54	46	73	118	709	291
PBT before EO expense	1,120	1,135	1,598	3,422	1,585	2,130	2,377	5,023	7,275	11,115
Extra-Ord expense										
PBT	1,120	1,135	1,598	3,422	1,585	2,130	2,377	5,023	7,275	11,115
Tax	245	281	303	740	339	522	609	1,375	1,568	2,845
Rate (%)	21.8	24.7	18.9	21.6	21.4	24.5	25.6	27.4	21.5	25.6
Reported PAT	876	854	1,296	2,682	1,246	1,608	1,769	3,647	5,707	8,269
Adj PAT	876	854	1,296	2,682	1,246	1,608	1,769	3,647	5,707	8,269
YoY Change (%)	106.9	53.1	33.7	76.7	42.3	88.2	36.5	36.0	64.6	44.9
Margins (%)	1.9	1.7	2.4	3.9	2.5	2.6	2.9	4.4	2.6	3.2

Kirloskar Oil Engines

Buy

CMP: INR1,261 | TP: INR1,400 (+11%)

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

- We expect revenue growth of 23% YoY, driven by healthy growth across segments.
- Key monitorables include sustainability of genset demand, pricing and margin trends, and export ramp-up.
- We expect EBITDA margin to expand by 320bp YoY, driven by favorable product mix (HHP and exports), B2C ramp up, and operating leverage on higher volumes.
- Ramp-up of the US and Middle East businesses, performance of the restructured B2C platform, and Arka Fincap's retail pivot will be closely observed.

Standalone - Quarterly Snapshot

Y/E March	FY25				FY26E				(INR M)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	13,429	11,944	11,636	14,125	14,447	16,045	14,319	15,083	51,133	59,894
YoY Change (%)	6.2	12.8	2.5	1.5	7.6	34.3	23.1	6.8	5.4	17.1
Total Expenditure	11,452	10,294	10,466	12,384	12,545	13,901	12,415	13,067	44,596	51,928
EBITDA	1,977	1,650	1,170	1,741	1,902	2,144	1,904	2,015	6,537	7,966
YoY Change (%)	28.0	67.3	(12.0)	(2.3)	(3.8)	30.0	62.8	15.8	15.9	21.9
Margins (%)	14.7	13.8	10.1	12.3	13.2	13.4	13.3	13.4	12.8	13.3
Depreciation	247	266	320	337	340	357	343	334	1,170	1,373
Interest	27	26	31	37	32	29	15	14	121	90
Other Income	108	118	68	52	123	119	101	60	344	403
PBT before EO expense	1,810	1,476	887	1,419	1,653	1,878	1,647	1,728	5,590	6,906
Extra-Ord expense				(209)	-	-	-	-	(209)	-
PBT	1,810	1,476	887	1,628	1,653	1,878	1,647	1,728	5,799	6,906
Tax	462	365	236	416	425	470	420	448	1,480	1,763
Rate (%)	25.5	24.7	26.7	25.6	25.7	25.0	25.5	25.9	25.5	25.5
Reported PAT	1,347	1,111	650	1,211	1,228	1,408	1,227	1,281	4,319	5,144
Adj PAT	1,347	1,111	650	1,056	1,228	1,408	1,227	1,281	4,164	5,144
YoY Change (%)	30.5	89.6	(20.9)	(10.2)	(8.8)	26.8	88.7	21.3	15.1	23.5
Margins (%)	10.0	9.3	5.6	7.5	8.5	8.8	8.6	8.5	8.1	8.6

Larsen & Toubro

Buy

CMP: INR4,163 | TP: INR4,500 (+8%)

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

- We expect consolidated revenue growth of 16% YoY, led by 17% YoY revenue growth for Core E&C.
- Key monitorables include a ramp-up in domestic ordering, conversion of prospect pipeline, private sector ordering, margin performance, and working capital cycle.
- We expect EBITDA margin to expand 50bp YoY to 8.1% for Core E&C, and 50bp YoY to 10.3% at the consol. level.
- We will also look out for execution ramp-up in Saudi projects and trends in the GCC order pipeline.

Consolidated - Quarterly Earning Model

(INR b)

Y/E March - INR b	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	551	616	647	744	637	680	751	897	2,557	2,965
YoY Change (%)	15.1	20.6	17.3	10.9	15.5	10.4	16.1	20.6	15.7	15.9
Total Expenditure	495	552	584	662	574	612	673	796	2,293	2,655
EBITDA	56	64	63	82	63	68	77	101	264	310
YoY Change (%)	15.3	13.0	8.6	13.4	12.5	7.0	23.6	23.5	12.5	17.2
Margins (%)	10.2	10.3	9.7	11.0	9.9	10.0	10.3	11.3	10.3	10.5
Depreciation	10	10	10	11	10	11	12	12	41	45
Interest	9	9	8	7	8	8	9	10	33	34
Other Income	9	11	10	11	14	14	11	11	41	49
PBT before EO expense	47	56	53	75	59	63	67	91	231	279
Extra-Ord expense	-	-	-	-5	-	-	-	-	-5	-
PBT	47	56	53	80	59	63	67	91	236	279
Tax	12	14	13	19	15	16	17	24	59	74
Rate (%)	26.4	26.0	25.0	23.5	26.2	26.0	26.0	26.9	25.0	26.3
MI & P/L of Asso. Cos.	7	7	6	6	7	8	6	6	27	27
Reported PAT	28	34	34	55	36	39	43	61	150	179
Adj PAT	28	34	34	51	36	39	43	61	147	179
YoY Change (%)	11.7	5.4	14.0	18.8	29.8	15.6	27.9	18.4	13.0	22.0
Margins (%)	5.1	5.5	5.2	6.9	5.7	5.8	5.7	6.8	5.7	6.0

Siemens Ltd

Neutral

CMP: INR3,098 | TP: INR3,250 (+5%)

EPS CHANGE (%): 18M26E|12M2027E|12M2028E: -|-|-

- We expect revenue to grow 24% YoY, led by strong execution in the smart infra and mobility segments.
- Key monitorables include the demand trajectory of the digital industries segment, private capex pipeline, margin trajectory, and execution of the locomotive order.
- We expect EBITDA margin to expand ~80bp, on account of improvement in smart infrastructure and mobility as localization and operating leverage benefits play out.
- Demand outlook from both the government and private sectors, and export outlook, will be keenly monitored.

Consolidated - Quarterly Snapshot

(INR m)

Income Statement	12FY24 (Y/E Sep)				18FY26E (Y/E Mar)						12M24	18M26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	5QE	6QE		
Net Sales	37,095	41,524	37,626	44,572	35,872	42,590	43,468	51,712	44,364	48,414	1,60,817	2,66,420
Change (%)					-3	2.6	15.5	16.0	23.7	13.7		65.7
Expenses	32,565	35,155	32,773	39,122	31,863	37,915	38,254	45,541	39,053	42,376	1,39,615	2,35,002
EBITDA	4,530	6,369	4,853	5,450	4,009	4,675	5,214	6,171	5,311	6,038	21,202	31,418
Change (%)					-11.5	-26.6	7.4	13.2	32.5	29.2		48.2
As of % Sales	12.2	15.3	12.9	12.2	11.2	11.0	12.0	11.9	12.0	12.5	13.2	11.8
Depreciation	605	629	697	625	689	686	711	716	698	716	2,556	4,216
Interest	28	212	46	154	34	23	49	45	33	34	440	218
Other Income	1,618	3,253	1,569	2,331	1,723	1,515	1,241	1,224	1,294	1,326	8,771	8,324
PBT pre EO items	5,515	8,781	5,679	7,002	5,009	5,481	5,695	6,634	5,874	6,614	26,977	35,307
PBT	5,515	8,781	5,679	7,002	5,009	5,481	5,695	6,634	5,874	6,614	26,977	35,307
Tax	1,399	2,289	1,309	1,776	1,288	1,402	1,461	1,780	1,480	1,667	6,773	9,078
Effective Tax Rate (%)	25.4	26.1	23.0	25.4	25.7	25.6	25.7	26.8	25.2	25.2	25.1	25.7
Reported PAT	4,116	6,492	4,370	5,226	3,721	4,079	4,234	4,854	4,394	4,947	20,204	26,229
Adj PAT	4,116	6,492	4,370	5,226	3,721	4,079	4,234	4,854	4,394	4,947	20,204	26,229
Margin (%)	11.1	15.6	11.6	11.7	10.4	9.6	9.7	9.4	9.9	10.2	12.6	9.8
Change (%)	NA	NA	NA	NA	-9.6	-37.2	-3.1	-7.1	18.1	21.3		29.8

Siemens Energy

Buy

CMP: INR2,546 | TP: INR3,800 (+49%)

EPS CHANGE (%): FY26E|FY27E|FY28E: -|-|-

- We expect revenue to grow 31% YoY, led by healthy execution of the opening order book of INR162b.
- Key monitorables include the status of capacity expansion, order inflows, and margin trajectory.
- We expect EBITDA to grow 22% YoY. We also expect EBITDA margin to improve sequentially on better pricing.
- T&D sector ordering and execution ramp-up, aided by the commissioning of additional capacities, will be in focus.

Consolidated - Quarterly Snapshot

(INR m)

Income Statement Y/E September	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	15,169	18,795	17,846	26,457	19,939	24,686	23,737	26,585	78,267	94,947
Change (%)	NA	NA	20.2	27.3	31.4	31.3	33.0	0.5	NA	21.3
Expenses	11,816	15,210	14,443	21,664	15,851	19,823	18,752	20,854	63,133	75,280
EBITDA	3,353	3,585	3,403	4,793	4,087	4,863	4,985	5,731	15,134	19,667
Change (%)	NA	NA	59.5	24.5	21.9	35.7	46.5	19.6	NA	30.0
As of % Sales	22.1	19.1	19.1	18.1	20.5	19.7	21.0	21.6	19.3	20.7
Depreciation	207	243	266	314	250	253	266	268	1,030	1,037
Interest	44	33	142	63	68	69	72	73	282	282
Other Income	16	144	525	368	302	305	321	324	1,053	1,252
PBT pre EO items	3,118	3,453	3,520	4,784	4,071	4,847	4,968	5,714	14,875	19,600
Extra-ordinary Items	0	0	0	0	0	0	0	0	0	0
PBT	3,118	3,453	3,520	4,784	4,071	4,847	4,968	5,714	14,875	19,600
Tax	801	992	893	1,188	1,042	1,241	1,262	1,394	3,874	4,939
Effective Tax Rate (%)	25.7	28.7	25.4	24.8	25.6	25.6	25.4	24.4	26.0	25.2
Reported PAT	2,317	2,461	2,627	3,596	3,029	3,606	3,706	4,320	11,001	14,661
Adj PAT	2,317	2,461	2,627	3,596	3,029	3,606	3,706	4,320	11,001	14,661
Margin (%)	15.3	13.1	14.7	13.6	15.2	14.6	15.6	16.2	14.1	15.4
Change (%)	NA	NA	80.2	31.4	30.7	46.5	41.1	20.1	NA	9.9

Thermax

Sell

CMP: INR3,025 | TP: INR3,000 (-1%)

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

- We expect revenue to grow 8% YoY, driven by industrial products, green solutions, and the chemicals segment.
- Key monitorables include finalization of the enquiry pipeline, chemical segment margin recovery, and ramp-up in green solutions and services.
- We expect EBITDA margin to expand ~290bp YoY and ~340bp QoQ, driven by mix improvement and operating leverage, partly offset by weakness in chemicals.
- The performance of key subsidiaries (FEPL and TOESL) needs to be monitored closely.

Consolidated - Quarterly Snapshot

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	21,844	26,116	25,078	30,849	21,502	24,739	27,144	35,109	1,03,887	1,08,494
YoY Change (%)	13.0	13.4	7.9	11.6	-1.6	-5.3	8.2	13.8	11.4	4.4
Total Expenditure	20,433	23,336	23,188	27,853	19,251	23,019	24,329	31,074	94,809	97,673
EBITDA	1,412	2,780	1,890	2,997	2,251	1,720	2,815	4,034	9,078	10,821
YoY Change (%)	6.8	35.8	0.8	9.7	59.5	-38.1	49.0	34.6	13.8	19.2
Margins (%)	6.5	10.6	7.5	9.7	10.5	7.0	10.4	11.5	8.7	10.0
Depreciation	360	421	351	453	489	515	467	443	1,585	1,913
Interest	275	294	287	313	302	322	358	413	1,168	1,395
Other Income	841	598	315	769	656	854	332	365	2,522	2,207
PBT before EO expense	1,617	2,663	1,568	3,000	2,117	1,738	2,322	3,543	8,847	9,720
Extra-Ord expense										0
PBT	1,617	2,663	1,568	3,000	2,117	1,738	2,322	3,543	8,847	9,720
Tax	519	683	425	951	600	543	627	952	2,578	2,722
Rate (%)	32.1	25.6	27.1	31.7	28.4	31.2	27.0	26.9	29.1	28.0
MI & Profit/Loss of Asso. Cos.	4	0	5	-7	2	1	0	-3	2	
Reported PAT	1,094	1,980	1,137	2,056	1,515	1,194	1,695	2,594	6,268	6,998
Adj PAT	1,094	1,980	1,137	2,056	1,515	1,194	1,695	2,594	6,268	6,998
YoY Change (%)	17.4	24.9	-19.0	5.3	38.4	-39.7	49.1	26.2	6.7	11.7
Margins (%)	5.0	7.6	4.5	6.7	7.0	4.8	6.2	7.4	6.0	6.5

Triveni Turbine

Buy

CMP: INR541 | TP: INR640 (+18%)

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

- We expect revenue to grow 11% YoY, driven by better execution, especially in domestic orders. We expect domestic inflows to see an improvement, while exports will improve primarily from 4QFY26.
- Key monitorables include 2H execution ramp-up, sustainability of domestic/API and utility-drive orders, and recovery in export orders.
- We expect EBITDA margins to contract by ~50bp YoY, driven by revenue mix.
- Overall order inflow momentum across domestic, exports, and aftermarket/refurbishment will be the key areas to monitor.

Consolidated - Quarterly Snapshot

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	4,633	5,011	5,034	5,380	3,713	5,062	5,603	6,766	20,058	21,144
YoY Change (%)	23.1	29.2	16.6	17.5	-19.9	1.0	11.3	25.8	21.3	5.4
Total Expenditure	3,677	3,897	3,941	4,176	2,977	3,916	4,415	5,300	15,691	16,609
EBITDA	956	1,114	1,093	1,204	736	1,146	1,188	1,466	4,367	4,535
YoY Change (%)	34.8	49.8	30.6	34.0	-23.0	2.9	8.7	21.7	37.0	3.9
Margins (%)	20.6	22.2	21.7	22.4	19.8	22.6	21.2	21.7	21.8	21.5
Depreciation	62	61	65	75	77	80	76	72	263	305
Interest	10	8	4	7	8	4	8	12	29	32
Other Income	194	196	221	199	222	184	248	248	810	902
PBT before EO expense	1,078	1,241	1,245	1,321	873	1,246	1,352	1,630	4,885	5,101
PBT	1,078	1,241	1,245	1,321	873	1,246	1,352	1,630	4,885	5,101
Tax	274	331	320	375	228	332	360	437	1,300	1,357
Rate (%)	25.4	26.7	25.7	28.4	26.1	26.6	26.6	26.8	26.6	26.6
MI & P/L of Asso. Cos.	0	0	1	0	-1	0	0	1	1	0
Reported PAT	804	910	926	946	644	914	992	1,193	3,586	3,744
Adj PAT	804	910	926	946	644	914	992	1,193	3,586	3,744
YoY Change (%)	31.8	41.4	35.0	25.9	-19.9	0.4	7.2	26.1	33.3	4.4
Margins (%)	17.4	18.2	18.4	17.6	17.3	18.1	17.7	17.6	17.9	17.7

Zen Technologies

Neutral

CMP: INR1,362 | TP: INR1,400 (+3%)

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

- We expect revenue to decline 2% YoY as lower overall ordering activity starts to weigh on execution.
- Key monitorables include order inflows across simulators and anti-drones, execution of equipment orders, and the working capital cycle.
- We expect EBITDA margin to expand 1,050bp YoY on increased share of high-margin simulator business.
- Emergency procurement, progress of subsidiaries, and updates on utilization of QIP proceeds will be in focus.
- ZEN received orders worth ~INR5.5b in 3QFY26 reaching a total of ~INR7b for 9MFY26. Consol inflows will be much higher going forward led by contribution from subsidiaries.

Standalone - Quarterly Earnings Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	2,540	2,417	1,415	2,935	1,111	1,247	1,391	2,047	9,307	5,794
YoY Change (%)	91.7	277.4	44.3	116.3	(56.3)	(48.4)	(1.7)	(30.3)	116.3	(37.7)
Total Expenditure	1,508	1,623	1,048	1,991	730	829	883	1,325	6,169	3,766
EBITDA	1,032	794	367	944	380	418	508	722	3,137	2,028
YoY Change (%)	56.0	264.9	(17.0)	109.4	(63.1)	(47.4)	38.2	(23.5)	77.0	(35.4)
Margins (%)	40.6	32.9	26.0	32.2	34.3	33.5	36.5	35.3	33.7	35.0
Depreciation	22	23	26	29	31	33	32	33	101	130
Interest	10	21	27	36	14	4	2	2	94	22
Other Income	30	84	220	244	199	230	185	126	578	740
PBT	1,030	835	534	1,122	535	610	658	813	3,520	2,617
Tax	288	182	147	273	164	149	169	189	890	670
Rate (%)	28.0	21.8	27.6	24.3	30.6	24.4	25.6	23.2	25.3	25.6
Reported PAT	742	652	386	849	371	462	490	624	2,630	1,947
Adj PAT	742	652	386	849	371	462	490	624	2,630	1,947
YoY Change (%)	57.4	276.1	21.9	177.3	(50.0)	(29.2)	26.8	(26.5)	107.3	(26.0)
Margins (%)	29.2	27.0	27.3	28.9	33.4	37.0	35.2	30.5	28.3	33.6

Cement

Company

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

Robust volume supports earnings growth

Demand recovery seen; prices remained weak sequentially in 3Q

- We estimate our cement coverage universe to post ~16%/38%/ 66% YoY growth in revenue/EBITDA/PAT in 3QFY26. Aggregate cement volume is likely to grow ~17% YoY to 108mt, aided by inorganic growth. However, on a like-to-like basis, volume growth is estimated at ~10% YoY. Blended realization is estimated to grow ~1% YoY (down ~2% QoQ) to INR5,359/t. We estimate EBITDA/t to rise ~21% YoY (down ~1% QoQ) to INR890. Average EBITDA margin (ex-GRASIM) is estimated to expand 2.7pp YoY (flat QoQ) to ~17%.
- Cement prices were under pressure in 3QFY26 and declined across regions, with higher correction seen in East and South regions, followed by West, North and Central regions. The non-trade price corrected sharply after GST rate cut, while the trade price was relatively steady. This also led to a higher gap between trade and non-trade prices. However, after a gradual recovery in cement demand over Nov-Dec'25, the price hike attempt in non-trade segment has been effective in select markets (North and South). Moreover, cement demand was initially weak due to the festive season and labor shortages. However, demand picked up at Nov'25 end and remained strong during Dec'25. Non-trade demand witnessed a strong pickup in the South and West regions amid higher government spending. In North and Central regions, demand uptick was still muted. We estimate industry volume growth in high single digits YoY in 3QFY26. Average grinding capacity utilization (on expanded capacity) is estimated at ~77% vs. ~77%/74% in 3QFY25/2QFY26.
- GRASIM's revenue is estimated to increase ~20% YoY. VSF volume is estimated to inch up ~1% YoY and realization is likely to increase ~6%. Chemical volume is likely to grow ~2% YoY and realization may increase ~5%. Revenue from high-growth businesses (Opus and Birla Pivot) may rise ~3% QoQ to INR27.2b (up ~71% YoY). Overall EBITDA is estimated to grow ~44% YoY to INR3.9b, and OPM is likely to improve 70bp YoY to ~4%. GRASIM is estimated to report a net loss of INR1.3b vs. a net loss of INR1.7b in 3QFY25.

Opex/t down ~2% QoQ, offsetting the impact of weak realization

- Cement volume growth for our coverage companies is estimated at ~17% YoY in 3QFY26, aided by inorganic growth. However, volume growth on a like-to-like basis is estimated at ~10% YoY. JKCE volume is estimated to grow ~14% YoY. We estimate volume growth of ~21% YoY for UTCEM (including ICEM and Kesoram cement volume). However, on a like-to-like basis, UTCEM's volume growth is estimated at ~13% YoY. ACEM's consol. volume may grow ~13% YoY (incl. Penna Cement and Orient Cement volumes), while on a like-to-like basis, it is likely to grow ~5% YoY. Volume growth is estimated at ~12% YoY for ACC/ICEM, followed by ~9% for DALBHARA/JSWC, ~6% for BCORP/JKLC/SRCM and ~5% for TRCL.
- Average opex/t for our coverage universe is estimated to decline ~2% YoY/QoQ (each), led by lower freight cost/employee expenses/other expenses per ton, whereas variable cost/t is estimated to remain flat YoY. Average imported petcoke (US) price was up ~19% YoY/5% QoQ, while average imported coal

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(South Africa) price was down ~22% YoY/5% QoQ. The spot imported coal (South Africa) price at USD87/t inched up ~1% vs. 3QFY26 average, while spot imported petcoke (US) price at USD111/t fell ~4% vs. 3QFY26 average.

- We estimate aggregate EBITDA/t of our cement coverage universe to increase ~21% YoY to INR890 (down ~1% QoQ). We estimate EBITDA/t of INR1,077 for SRCM (the highest in our coverage universe), INR1,009 for UTCEM, INR996 for JKCE and INR953 for ACEM. EBITDA/t is estimated to be in the range of INR620-850 for the remaining players (ACC/BCORP/DALBHARA/JKLC/TRCL/JSWC), except for ICEM, which should post INR251/t.
- We estimate ACEM to report EBITDA growth of ~100% YoY, albeit on a low base, followed by ACC at ~59% and UTCEM/BCORP/JKLC at ~28-29%. EBITDA growth for DALBHARA is estimated at ~20% YoY, JKCE/JSWC/TRCL at ~12-15% and SRCM at ~6%. ICEM is estimated to report EBITDA of INR587m, compared to the operating loss of INR1.9b in 3QFY25.

Sector outlook and recommendation

- We estimate demand to remain healthy in 4QFY26 given the peak construction period. Further, demand improvement could lead to price hike announcements as well in the near term. However, a strong pipeline of capacity addition in the near to medium term (expect capacity addition of ~150-160mtpa till FY28 end) could restrict a sustainable material price hike in the medium term.
- Given expected muted growth in realization amid aggressive capacity addition, we have cut our EBITDA estimates (aggregate) for cement coverage companies by ~2%/4%/4% for FY26/FY27/FY28. Accordingly, we cut our PAT estimates by ~3%/7%/9% owing to higher leverage. We prefer UTCEM in the large-cap space and JKCE and DALBHARA in the mid-cap space.

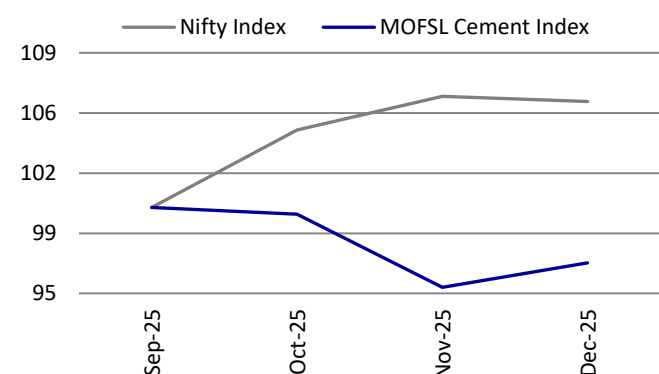
Exhibit 1: Summary of our 3QFY26 estimates

Companies	CMP (INR)	Rating	Sales (INR m)			EBITDA (INR m)			PAT (INR m)		
			Dec-25	YoY (%)	QoQ (%)	Dec-25	YoY (%)	QoQ (%)	Dec-25	YoY (%)	QoQ (%)
ACC	1,749	Neutral	61,854	17.6	5.7	7,503	58.8	(8.4)	4,047	79.6	26.0
Ambuja Cements	565	Buy	99,432	16.9	8.4	17,719	100.1	0.6	5,801	40.2	3.9
Birla Corporation	1,110	Buy	24,212	7.3	9.7	3,189	28.6	4.6	1,089	249.2	20.4
Dalmia Bharat	2,146	Buy	34,647	8.9	1.4	6,141	20.2	(11.8)	1,704	188.9	(27.8)
Grasim Industries	2,858	Buy	97,365	19.9	1.3	3,895	43.9	6.3	(1,264)	NM	NM
India Cements	446	Sell	10,514	16.4	(5.9)	587	NM	NM	(277)	NM	NM
J K Cements	5,570	Buy	32,543	11.1	7.8	5,525	12.3	23.7	2,410	27.4	50.1
JK Lakshmi Cem.	798	Buy	16,988	13.5	10.9	2,573	27.5	23.6	1,090	83.5	34.7
JSW Cement	123	Neutral	15,336	7.0	6.8	2,448	14.5	(8.5)	380	NM	(56.0)
Shree Cement	27,027	Neutral	48,756	15.1	13.3	10,055	6.2	14.9	3,480	51.7	18.6
Ramco Cements	1,057	Neutral	21,997	11.3	(1.6)	3,139	12.3	(18.9)	253	695.8	(65.9)
Ultratech Cement	11,895	Buy	2,11,064	18.7	7.6	37,050	28.0	19.7	16,438	20.9	33.5
Cement			6,74,706	16.2	6.2	99,823	38.1	7.3	35,152	66.1	(10.6)

Exhibit 2: Comparative valuations

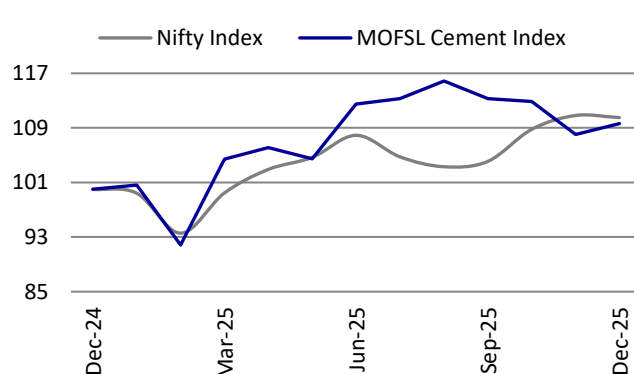
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Cement						41.4	34.1	28.6	3.3	3.1	2.9	8.0	9.2	10.2
ACC	1,749	Neutral	87.5	115.6	133.9	20.0	15.1	13.1	1.6	1.5	1.3	8.5	10.1	10.6
Ambuja Cements	565	Buy	11.4	14.1	15.8	49.7	40.0	35.9	2.4	2.3	2.2	5.1	6.0	6.3
Birla Corporation	1,110	Buy	67.4	76.8	88.2	16.5	14.5	12.6	1.1	1.1	1.0	7.2	7.7	8.2
Dalmia Bharat	2,146	Buy	65.8	68.6	78.5	32.6	31.3	27.3	2.2	2.1	2.0	6.9	6.8	7.4
Grasim Industries	2,858	Buy	81.9	102.2	123.4	34.9	28.0	23.2	3.4	3.3	3.2	-4.3	-1.2	1.3
India Cements	446	Sell	-0.7	5.6	11.5	-676.0	79.7	38.8	1.4	1.4	1.4	-0.2	1.8	3.6
J K Cements	5,570	Buy	141.0	165.4	200.5	39.5	33.7	27.8	6.1	5.3	4.5	16.6	16.8	17.4
JK Lakshmi Cem.	798	Buy	41.1	44.0	42.7	19.4	18.1	18.7	2.5	2.3	2.0	13.8	13.2	11.5
JSW Cement	123	Neutral	2.1	2.7	3.5	58.6	45.2	35.3	2.7	2.5	2.3	6.7	5.8	6.9
Ramco Cements	1,057	Neutral	15.2	23.6	31.2	69.7	44.8	33.9	3.2	3.0	2.8	4.7	7.0	8.6
Shree Cement	27,027	Neutral	482.0	547.1	624.6	56.1	49.4	43.3	4.4	4.1	3.9	8.0	8.6	9.2
Ultratech Cement	11,895	Buy	266.6	315.9	383.3	44.6	37.7	31.0	4.6	4.3	3.9	10.7	11.8	13.2

Exhibit 3: Relative performance – three months (%)



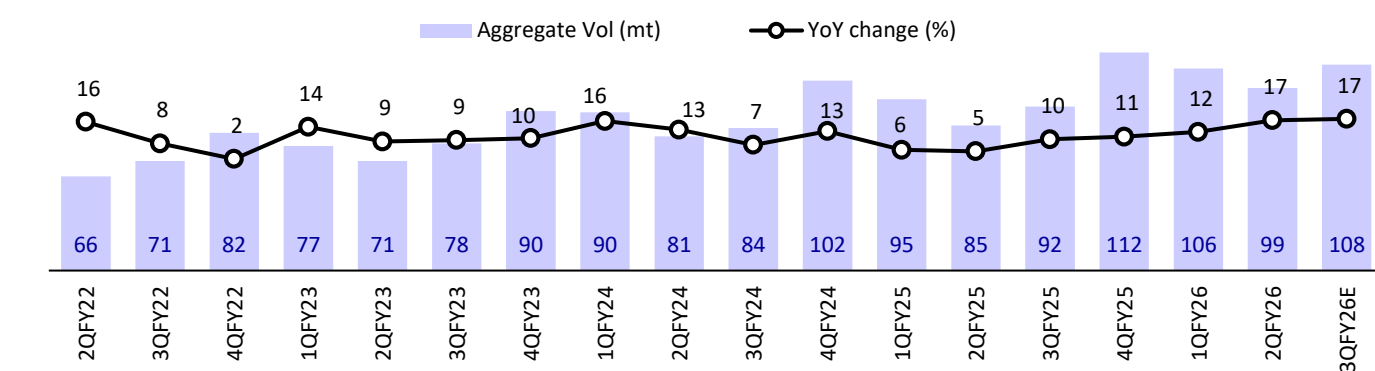
Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)

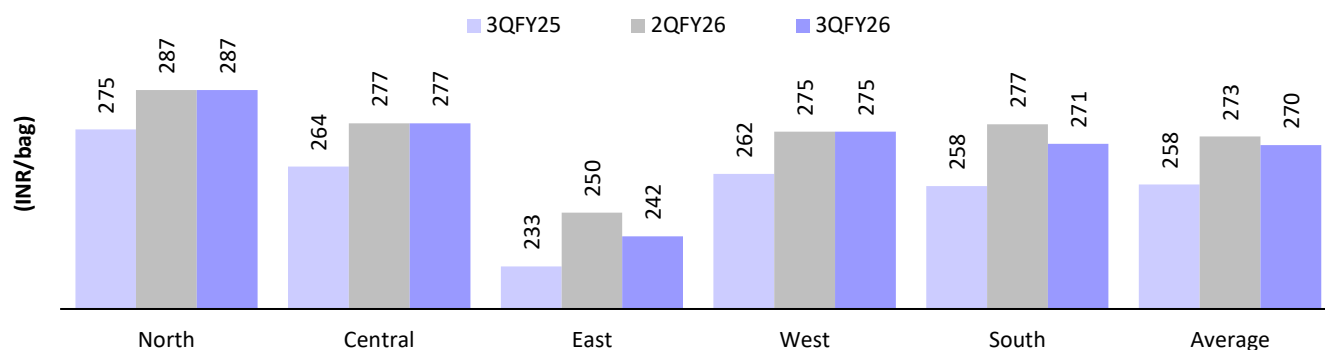


Source: Bloomberg, MOFSL

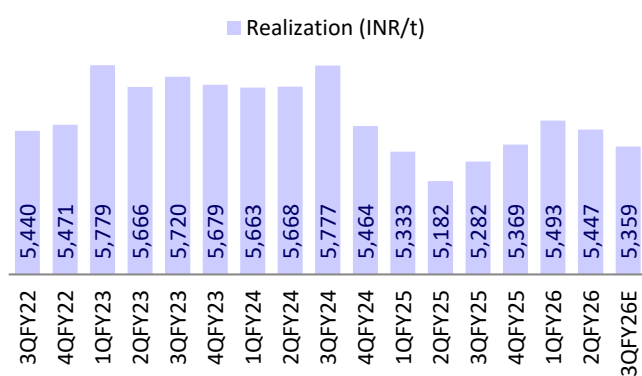
Exhibit 5: Estimate ~17% YoY growth in aggregate sales volume for our coverage universe, aided by inorganic growth



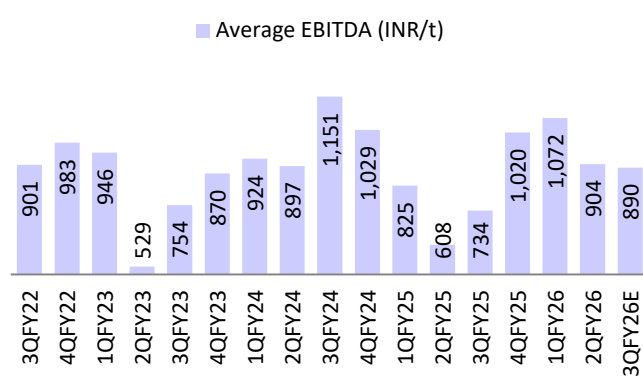
Source: MOFSL, Company, E: MOFSL estimate

Exhibit 6: Pan-India average cement price (WSP-net of GST) trend


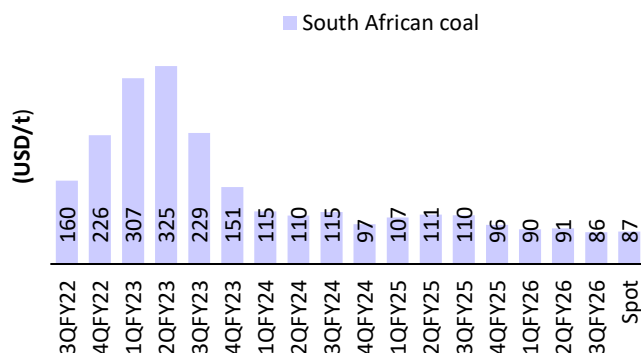
Source: MOFSL, Industry

Exhibit 7: Expect realization to inch up ~1% YoY (-2% QoQ)


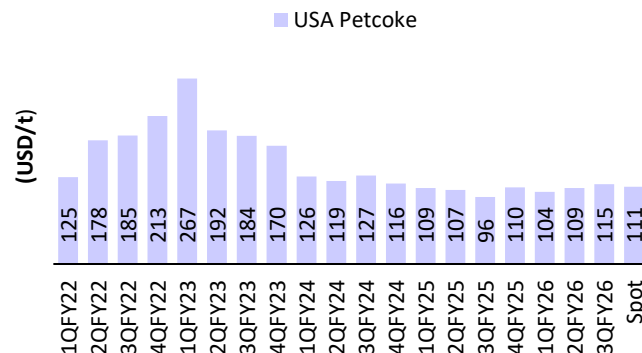
Source: MOFSL; E: MOFSL estimate

Exhibit 8: Expect EBITDA/t to increase ~21% YoY (-1% QoQ)


Source: Company, MOFSL; E: MOFSL estimate

Exhibit 9: Average South African coal price declined ~22% YoY and ~6% QoQ in 3QFY26


Source: Bloomberg, MOFSL

Exhibit 10: Average US petcoke price increased ~19% YoY and 5% QoQ in 3QFY26


Source: Company, Industry

Exhibit 11: Key operating parameters

Companies	Volume (mt)			Realization (INR/t)			EBITDA (INR/t)		
	3QFY26E	YoY (%)	QoQ (%)	3QFY26E	YoY (INR)	QoQ (INR)	3QFY26E	YoY (INR)	QoQ (INR)
ACC	12.0	12.0	7.0	5,161	246	(64)	626	184	(106)
Ambuja Cements (Consol.)	18.6	12.7	10.0	5,349	196	(80)	953	417	(89)
Birla Corporation	4.8	6.0	12.2	5,076	61	(116)	668	117	(49)
Dalmia Bharat	7.2	8.7	5.0	4,782	9	(170)	848	81	(161)
India Cements	2.3	12.4	(4.0)	4,488	155	(90)	251	1,154	(83)
JK Cement	5.5	13.9	11.0	5,868	(148)	(176)	996	(14)	102
JK Lakshmi Cement	3.2	6.0	13.0	5,288	348	(100)	801	135	68
JSW Cement	3.4	9.1	9.5	4,503	(89)	(115)	719	34	(141)
The Ramco Cements	4.6	5.0	0.9	4,794	271	(120)	684	45	(167)
Shree Cement	9.3	6.4	18.0	5,224	394	(217)	1,077	(2)	(29)
UltraTech Cement	36.7	20.9	8.4	5,750	(105)	(43)	1,009	56	95
Sector aggregate/avg.	107.7	17.3	8.9	5,359	77	(88)	890	156	(13)

Exhibit 12: Valuation summary

Company Name	M-cap	CMP	Rating	EV/EBITDA (x)			EV/t (USD)			Net debt/EBITDA (x)		
	(USD b)	INR		FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Cement												
UltraTech Cement	38.2	11,895	Buy	22.1	18.7	16.0	196	180	175	1.0	0.7	0.4
Ambuja Cements (Consol.)	15.5	565	Buy	19.6	16.8	14.7	148	134	125	0.3	0.2	0.1
Shree Cement	10.8	27,027	Neutral	20.4	17.5	15.3	146	137	129	(1.2)	(1.2)	(1.4)
JK Cement	4.8	5,570	Buy	19.1	16.7	14.3	158	162	135	2.2	2.3	1.8
Dalmia Bharat	4.5	2,146	Buy	12.6	11.5	10.4	90	82	78	0.5	0.8	0.8
ACC	3.7	1,749	Neutral	9.0	7.1	6.2	75	71	61	(0.5)	(0.8)	(0.9)
The Ramco Cements	2.8	1,057	Neutral	17.5	14.8	12.7	123	105	103	2.6	2.1	1.5
JSW Cement	1.9	123	Neutral	17.9	16.0	13.3	110	97	85	3.6	3.6	3.2
India Cements	1.5	446	Sell	40.9	24.6	16.6	109	98	96	3.9	3.1	1.7
JK Lakshmi	1.0	798	Buy	9.9	9.6	9.0	68	64	60	1.8	2.2	2.1
Birla Corporation	0.9	1,110	Buy	7.5	6.4	6.3	55	53	56	1.9	2.0	2.2

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

ACC

Neutral

CMP: INR1,749 | TP: INR1,900 (+9%)
EPS CHANGE (%): FY26|27|28: -0.8|-0.6|-1.6

- Sales volume is estimated to grow ~12% YoY, whereas blended realization is estimated to increase ~3% YoY.
- EBITDA/t is estimated at INR626 vs. INR442/INR732 in 3QFY25/2QFY26.
- Variable cost/t is likely to increase ~4% YoY and opex/t to increase ~1%. OPM is expected to expand 3.1pp YoY to ~12%.
- Adj. PAT is expected to increase 80% YoY to INR4.1b.

Standalone quarterly performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	52.0	46.3	52.6	60.6	60.7	58.5	61.9	69.3	210.5	250.4
Change (YoY %)	(0.0)	4.4	6.9	12.2	16.7	26.4	17.6	14.5	(5.2)	18.9
EBITDA	6.8	4.3	4.7	8.0	7.7	8.2	7.5	9.2	22.9	32.6
Margin (%)	13.0	9.3	9.0	13.2	12.7	14.0	12.1	13.3	10.9	13.0
Change (YoY %)	(11.9)	(21.7)	(47.7)	(4.4)	14.1	90.9	58.8	15.1	140.5	42.8
Depreciation	2.2	2.3	2.5	2.5	2.4	2.6	2.6	2.6	9.6	10.2
Interest	0.3	0.3	0.3	0.1	0.3	0.3	0.3	0.4	1.1	1.3
Other Income	0.7	1.5	1.1	0.6	0.7	0.2	0.5	0.6	4.0	2.0
PBT before EO Item	4.9	3.2	3.1	6.0	5.7	5.5	5.1	6.8	16.2	23.2
EO Income/(Expense)	0.0	0.0	11.7	2.6	0.0	2.1	0.0	0.0	14.3	2.1
PBT after EO Item	4.9	3.2	14.8	8.6	5.7	7.6	5.1	6.8	30.5	25.2
Tax	1.3	0.8	3.9	1.2	1.9	-3.6	1.1	1.4	7.2	0.8
Rate (%)	25.6	26.5	26.2	14.4	33.0	(47.0)	21.0	21.1	23.6	3.4
Reported PAT	3.7	2.3	10.9	7.4	3.8	11.1	4.0	5.3	23.3	24.4
Adjusted PAT	3.7	2.3	2.3	5.1	3.8	3.2	4.0	5.3	13.4	16.4
Margins (%)	7.0	5.1	4.3	8.5	6.3	5.5	6.5	7.7	6.4	6.6
Change (YoY %)	(21.1)	(39.1)	(57.3)	4.5	5.0	37.3	79.6	4.1	35.3	22.9

Ambuja Cements

Buy

CMP: INR565 | TP: INR670 (+19%)
EPS CHANGE (%): FY26|27|28: -0.1|-5.4|-11.8

- Consolidated volume is expected to increase ~13% YoY. On a like-to-like basis, its volume is likely to grow ~5% YoY.
- Consolidated EBITDA/t is expected to be INR953 vs. INR537/INR1,042 in 3QFY25/2QFY26.
- We estimate variable cost/t to decline ~8% YoY. Opex/t is expected to decline ~5% YoY.
- Depreciation is estimated to increase ~34% YoY. Adjusted PAT (after MI) is estimated to grow 40% YoY.

Consolidated quarterly performance

(INR b)

Y/E December/March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	83.9	73.8	85.0	99.8	102.9	91.7	99.4	113.9	342.5	408.0
Change (YoY %)	-3.7	-0.6	4.6	12.2	22.6	24.3	16.9	14.2	10.0	19.1
EBITDA	12.8	9.7	8.9	18.7	19.6	17.6	17.7	22.6	50.1	77.5
Change (YoY %)	-23.2	-25.2	-48.9	9.9	53.2	80.9	100.1	21.1	73.0	54.9
Margin (%)	15.3	13.2	10.4	18.7	19.1	19.2	17.8	19.8	14.6	19.0
Depreciation	4.8	5.2	6.6	7.9	8.0	8.9	8.9	9.4	24.5	35.1
Interest	0.7	0.7	0.7	0.1	0.7	0.8	0.8	0.8	2.2	3.1
Other Income	3.5	3.7	2.4	2.7	2.6	2.6	2.5	2.6	12.4	10.2
PBT before JV profit/(loss)	10.9	7.6	4.0	13.4	13.5	10.6	10.5	15.0	35.9	49.6
Share of JV Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Extraordinary Inc./(Exp.)	0.0	-0.2	19.4	4.4	0.4	-2.2	0.0	0.0	23.5	-1.8
PBT after EO Exp./(Inc.)	10.9	7.4	23.4	17.8	14.0	8.4	10.6	15.0	59.5	47.9
Tax	3.1	2.5	5.2	4.6	4.0	2.5	2.7	3.6	15.4	12.9
Prior Period Tax Adj. and Reversal	0.0	0.0	-8.1	0.4	-0.3	-17.1	0.0	0.0	-7.7	-17.4
Rate (%)	28.4	33.3	22.3	26.0	29.0	29.3	25.8	24.3	25.9	-9.4
Reported Profit	7.8	5.0	26.2	12.8	10.2	23.0	7.8	11.3	51.8	52.4
Adj PAT before MI	7.8	5.1	3.0	7.3	9.6	7.6	7.8	11.3	41.9	40.8
Minority Interest	1.4	0.2	5.0	3.3	1.8	5.4	2.0	2.4	9.9	11.6
Adj. Pat after MI	6.4	4.9	4.1	4.4	7.8	5.6	5.8	8.9	19.9	28.1
Change (YoY %)	(29.3)	(38.0)	(49.7)	(17.0)	22.0	13.6	40.2	102.1	(29.6)	41.5

Birla Corporation

Buy

CMP: INR1,110 | TP: INR1,340 (+21%)
EPS CHANGE (%): FY26|27|28: -4.0|-9.8|-7.3

- Volume is expected to grow ~6% YoY. Blended realization may inch up ~1% YoY.
- EBITDA/t is estimated at INR668 vs. INR551/INR717 in 3QFY25/2QFY26.
- Variable cost/t is likely to decline 1% YoY and opex/t is estimated to decline 1% YoY/QoQ (each).
- EBITDA may grow ~29% YoY to INR3.2b, while Adj PAT is likely to jump ~249% YoY to INR1.1b on a low base

Consolidated quarterly performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	21.9	19.5	22.6	28.1	24.5	22.1	24.2	28.0	92.1	98.8
Change (YoY %)	(9.1)	(14.6)	(2.4)	6.0	12.0	13.0	7.3	(0.6)	(4.6)	7.2
Total Expenditure	19.3	17.8	20.1	22.8	21.1	19.0	21.0	23.6	80.0	84.7
EBITDA	2.6	1.8	2.5	5.3	3.5	3.0	3.2	4.4	12.2	14.1
Margin (%)	11.8	9.1	11.0	19.0	14.1	13.8	13.2	15.8	13.2	14.3
Change (YoY %)	-13.3	-38.7	-34.5	13.0	34.3	72.1	28.6	-17.4	-15.3	16.0
Depreciation	1.5	1.5	1.4	1.4	1.3	1.3	1.4	1.4	5.7	5.4
Interest	0.9	0.9	0.8	0.7	0.7	0.7	0.7	0.7	3.3	2.8
Other Income	0.2	0.2	0.2	0.5	0.3	0.3	0.3	0.2	1.0	1.1
Profit before Tax	0.4	-0.4	0.4	3.7	1.8	1.3	1.4	2.5	4.2	7.0
EO (Income)/Expense	-	-	-	0.4	-	-	-	-	0.4	-
Profit before Tax after EO	0.4	-0.4	0.4	3.3	1.8	1.3	1.4	2.5	3.8	7.0
Tax	0.1	-0.1	0.1	0.7	0.6	0.4	0.3	0.5	0.8	1.8
Rate (%)	25.9	29.4	24.6	21.8	32.6	30.9	21.0	20.4	21.9	25.6
Reported PAT	0.3	-0.3	0.3	2.6	1.2	0.9	1.1	2.0	3.0	5.2
Adj. PAT	0.3	-0.3	0.3	2.9	1.2	0.9	1.1	2.0	3.3	5.2
Margins (%)	1.5	-1.3	1.4	10.2	4.9	4.1	4.5	7.1	3.5	5.3
Change (YoY %)	(45.4)	NM	(71.4)	52.2	266.6	NM	249.2	(30.3)	(21.8)	59.5

Dalmia Bharat

Buy

CMP: INR2,146 | TP: INR2,500 (+16%)
EPS CHANGE (%): FY26|27|28: -3.2|-5.7|-7.3

- Sales volume is estimated to increase ~9% YoY. Realization is expected to be flat YoY (down 3% QoQ).
- EBITDA/t is estimated at INR848 vs. INR767/ INR1,009 in 3QFY25/2QFY26.
- Variable cost/t may be flat YoY. Opex/t is estimated to decline ~2% YoY.
- Adj. PAT is estimated to increase ~189% YoY (on a low base).

Consolidated quarterly performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	36.2	30.9	31.8	40.9	36.4	34.2	34.6	44.1	139.8	149.3
Change (YoY %)	-0.3	-2.0	-11.7	-5.0	0.4	10.7	8.9	7.9	-4.8	6.8
Total Expenditure	29.5	26.5	26.7	33.0	27.5	27.2	28.5	34.2	115.7	117.5
EBITDA	6.7	4.3	5.1	7.9	8.8	7.0	6.1	9.9	24.1	31.8
Margins (%)	18.5	14.1	16.1	19.4	24.3	20.4	17.7	22.5	17.2	21.3
Change (YoY %)	8.4	-26.3	-34.4	21.3	32.0	60.4	20.2	25.0	-8.8	32.3
Depreciation	3.2	3.4	3.6	3.1	3.2	3.2	3.3	3.3	13.3	13.1
Interest	1.0	1.0	1.0	1.1	1.1	1.2	1.2	1.1	4.0	4.6
Other Income	0.5	0.7	0.4	0.9	0.5	0.7	0.7	0.8	2.5	2.7
PBT before EO Expense	3.1	0.7	0.8	4.7	5.0	3.2	2.3	6.2	9.3	16.8
Extra-Ord. Expense	1.1	0.0	0.0	0.0	-0.2	0.0	0.0	0.0	1.1	-0.2
PBT after EO Expense	1.9	0.7	0.8	4.7	5.2	3.2	2.3	6.2	8.2	16.9
Tax	0.5	0.2	0.2	0.3	1.2	0.8	0.6	1.6	1.2	4.3
Prior Period Tax Adj.	0.0	0.1	0.0	-0.8	0.0	0.0	0.0	0.0	-0.7	0.0
Rate (%)	16.0	20.5	22.9	22.9	24.5	24.8	25.6	26.4	5.6	25.2
Reported PAT	1.5	0.5	0.7	4.4	4.0	2.4	1.7	4.6	7.0	12.7
Minority + Associate	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.2	0.1
PAT Adj. for EO Items	2.3	0.6	0.6	3.6	3.7	2.4	1.7	4.5	7.0	12.3
Change (YoY %)	82.9	-53.8	-78.1	40.7	65.8	329.1	188.9	27.8	-9.0	77.6

Grasim Industries

Buy

CMP: INR2,858 | TP: INR3,600 (+26%)

EPS CHANGE (%): FY26|27|28: +1.5|-0.8|-0.6

- Revenue for VSF/Chemical segments is expected to increase 7% YoY each.
- EBITDA for the VSF segment may grow ~17% YoY and OPM is expected to expand 80bp YoY to ~9.2%.
- The Chemical segment's EBITDA should rise 2% YoY and OPM is likely to decline by 80bp YoY to ~14%.
- Standalone revenue is estimated to increase ~20% YoY. EBITDA is expected to rise ~44% YoY to INR3.9b. OPM may expand 70bp YoY to 4.0%.
- Interest/depreciation are estimated to increase ~14%/23% YoY. Net loss is estimated to be INR1.3b vs. INR1.7b in 3QFY25.

Standalone quarterly performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	68.9	76.2	81.2	89.3	92.2	96.1	97.4	101.0	315.6	386.7
Change (YoY %)	10.5	18.3	26.9	31.9	33.8	26.1	19.9	13.1	22.1	22.5
EBITDA	3.3	3.3	2.7	2.2	3.8	3.7	3.9	4.5	11.4	15.9
Change (YoY %)	(51.7)	(45.2)	(48.2)	(58.1)	(50.7)	18.3	12.6	43.9	(50.7)	18.3
Margin (%)	4.7	4.3	3.3	2.5	4.2	3.8	4.0	4.4	3.6	4.1
Depreciation	3.5	4.1	4.2	5.0	4.8	5.0	5.2	5.3	16.8	20.3
Interest	1.4	1.6	1.8	2.0	2.1	2.0	2.1	2.1	6.8	8.3
Other Income	0.9	12.9	1.0	2.3	1.4	14.2	1.7	2.0	17.2	19.3
PBT before EO Items	-0.7	10.5	-2.3	-2.5	-1.6	10.8	-1.7	-0.9	5.0	6.7
Extraordinary Inc./ (Exp.)	-	(0.5)	-	(1.1)	-	-	-	-	(1.6)	-
PBT after EO Items	-0.7	10.0	-2.3	-3.7	-1.6	10.8	-1.7	-0.9	3.3	6.7
Tax	-0.2	2.8	-0.6	-0.8	-0.4	2.8	-0.4	-0.2	1.2	1.7
Rate (%)	25.8	28.0	26.8	21.8	24.4	25.6	25.6	27.3	36.2	25.6
Reported PAT	-0.5	7.2	-1.7	-2.9	-1.2	8.0	-1.3	-0.6	2.1	5.0
Prior period tax Adj.	-	-	-	-	-	-	-	-	-	-
Adj. PAT	-0.5	7.6	-1.7	-2.1	-1.2	8.0	-1.3	-0.6	3.3	5.0
Margins	-0.8	9.9	-2.1	-2.4	-1.3	8.4	-1.3	-0.6	1.0	1.3
Change (YoY %)	(114.7)	(4.7)	(171.4)	(191.6)	NM	6.2	NM	NM	(79.8)	52.2

India Cements

Sell

CMP: INR446 | TP: INR370 (-17%)

EPS CHANGE (%): FY26|27|28: --|46.7|2.1

- Volume is expected to increase ~12% YoY, and blended realization may grow ~4% YoY.
- EBITDA/t is estimated at INR251 vs. operating loss/t of INR904 in 3QFY25.
- Variable cost/t would decline 15% YoY. Total opex/t is estimated to fall 19% YoY.
- ICEM is estimated to report a net loss of INR277m vs. a net loss of INR2.6b/INR69m in 3QFY25/2QFY26.

Standalone quarterly performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	9.7	10.2	9.0	12.0	10.2	11.2	10.5	12.9	40.9	44.9
Change (YoY %)	(30.3)	(16.8)	(16.5)	(3.9)	5.5	9.9	16.4	8.0	(17.3)	9.7
EBITDA	(0.3)	(1.6)	(1.9)	0.0	0.8	0.8	0.6	1.3	(3.8)	3.6
Change (YoY %)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Margin (%)	(3.2)	(16.1)	(20.9)	0.0	8.0	7.3	5.6	10.3	(9.4)	7.9
Depreciation	0.6	0.5	0.6	0.7	0.7	0.7	0.8	0.8	2.4	3.0
Interest	0.8	0.7	0.7	0.5	0.3	0.3	0.3	0.3	2.8	1.3
Other Income	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.5	0.5
PBT before EO Expense	(1.6)	(2.8)	(3.1)	(1.0)	(0.2)	(0.1)	(0.4)	0.4	(8.5)	(0.3)
Extra-Ord. Expense	(2.4)	(0.1)	1.9	0.0	-	-	-	-	(0.5)	-
PBT	0.8	(2.7)	(5.0)	(1.0)	(0.2)	(0.1)	(0.4)	0.4	(7.9)	(0.3)
Tax	0.0	(0.3)	(0.7)	(0.3)	(0.0)	(0.0)	(0.1)	0.1	(1.3)	(0.1)
Rate (%)	1.7	12.6	13.7	25.2	15.3	39.4	25.0	25.1	16.0	25.0
Reported PAT	0.8	(2.4)	(4.3)	(0.8)	(0.1)	(0.1)	(0.3)	0.3	(6.7)	(0.2)
Tax	-	-	-	-	-	-	-	-	-	-
Adj. PAT	(1.6)	(2.5)	(2.6)	(0.7)	(0.1)	(0.1)	(0.3)	0.3	(7.4)	(0.2)
Change (YoY %)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Margin (%)	(16.4)	(24.2)	(29.3)	(6.2)	(1.3)	(0.6)	(2.6)	2.2	(18.2)	(0.5)

JSW Cement

Neutral

CMP: INR123 | TP: INR130 (+5%)
EPS CHANGE (%): FY26|27|28: -10.8|-5.8|-4.0

- Sales volume is expected to increase 9% QoQ. Realization is estimated to decline ~2% YoY.
- EBITDA/t is estimated at INR719 vs. INR685/INR860 in 3QFY25/2QFY26.
- We expect opex/t to decline ~3% YoY. Variable cost/t is expected to decline ~7% YoY.
- Depreciation/interest costs may rise 1%/3% YoY. Adj. PAT would be INR380m vs. net loss of INR199m in 3QFY25.

Consolidated quarterly performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	14.5	12	14	17.1	15.6	14.4	15.3	19.0	58.1	64.3
YoY Change (%)	NA	NA	NA	NA	7.8	17.4	7.0	11.4	0.0	10.7
EBITDA	2.3	2	2	2.5	3.2	2.7	2.4	3.6	8.6	11.9
YoY Change (%)					38.8	65.2	14.5	42.4	-20.1	38.8
Margins (%)	16.1	13.2	14.9	14.6	20.7	18.6	16.0	18.7	14.8	18.5
Depreciation	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.9	3.1	3.3
Interest	1.1	1.1	1.2	1.1	1.0	1.0	1.2	1.3	4.5	4.5
Other Income	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.4	1.0	1.1
PBT before EO Expense	0.7	0.0	0.4	0.8	1.6	1.1	0.7	1.8	2.0	5.2
Extra-Ord loss/ (income)	0.3	0.4	0.7	0.1	14.7	-	-	-	1.4	14.7
PBT after EO Expense	0.4	-0.3	-0.2	0.7	-13.0	1.1	0.7	1.8	0.5	-9.4
Tax	0.3	0.0	0.3	0.6	0.6	0.5	0.1	0.2	1.2	1.4
Prior period tax adjustment	-	-	-	-	-	-	-	-	-	-
Rate (%)	80.4	-3.9	-134.0	86.4	-5.0	41.2	12.0	9.5	0.0	0.0
Reported PAT (pre minority)	0.1	-0.3	-0.5	0.1	-13.7	0.7	0.6	1.6	-0.7	-10.8
Share of loss/(profit) from JV	0.3	0.3	0.2	-0.1	-0.0	-0.2	0.2	0.6	1.0	1.0
Minority	-0.1	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1	-0.2	-0.5	-0.5
PAT Adj. for EO items and post MI	0.1	-0.4	-0.2	0.4	1.1	0.9	0.4	1.0	-0.1	3.4
YoY Change (%)	NA	NA	NA	NA	NA	NA	NA	148.5	NA	NA
Margins (%)	0.6	-3.0	-1.4	2.4	7.1	6.0	2.5	5.4	-0.1	5.3

JK Cement

Buy

CMP: INR5,570 | TP: INR6,580 (+18%)
EPS CHANGE (%): FY26|27|28: -3.4|-11.9|-7.7

- JKCE's volume is estimated to grow ~14% YoY. Blended realization is estimated to decline 2% YoY.
- EBITDA/t is estimated at INR996 vs. INR1,010/INR894 in 3QFY25/2QFY26.
- Variable cost/t is expected to decline 2% YoY. Opex/t is estimated to fall ~3% YoY.
- EBITDA may grow ~12% YoY, while adj. PAT is estimated to increase ~27% YoY.

Consolidated quarterly performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	28.1	25.6	29.3	35.8	33.5	30.2	32.5	38.9	118.8	135.1
Change (YoY %)	1.6	(7.0)	(0.2)	15.3	19.4	17.9	11.1	8.6	2.8	13.8
Total Expenditure	23.2	22.8	24.4	28.2	26.6	25.7	27.0	31.2	98.5	110.6
EBITDA	4.9	2.8	4.9	7.6	6.9	4.5	5.5	7.7	20.3	24.5
Change (YoY %)	19.2	-39.2	-21.3	36.6	41.4	57.3	12.3	0.4	-1.6	21.1
Margin (%)	17.3	11.1	16.8	21.4	20.5	14.8	17.0	19.7	17.1	18.2
Depreciation	1.5	1.5	1.5	1.6	1.5	1.5	1.6	1.9	6.0	6.4
Interest	1.1	1.2	1.1	1.1	1.1	1.1	1.1	1.2	4.6	4.5
Other Income	0.4	0.4	0.4	0.5	0.6	0.5	0.5	0.5	1.7	2.1
PBT before EO Expense	2.7	0.5	2.8	5.4	4.9	2.4	3.3	5.1	11.4	15.8
Extra-Ord. Expense	-	(1.0)	-	-	-	-	-	-	(1.0)	-
PBT	2.7	1.6	2.8	5.4	4.9	2.4	3.3	5.1	12.4	15.8
Tax	0.9	0.2	0.9	1.7	1.6	0.8	0.9	1.5	3.7	4.9
Profit from Associate and MI	(0.0)	0.1	(0.0)	0.0	(0.0)	(0.0)	-	-	0.1	(0.0)
Tax-Rate (%)	32.3	12.2	32.1	32.5	33.7	34.5	28.0	28.7	29.8	31.0
Reported PAT	1.9	1.3	1.9	3.6	3.2	1.6	2.4	3.7	8.6	10.9
Adj. PAT	1.9	0.4	1.9	3.6	3.2	1.6	2.4	3.7	7.7	10.9
Change (YoY %)	49.3	(80.0)	(33.3)	69.1	75.1	346.8	27.4	1.1	(3.7)	41.4
Margin (%)	6.6	1.4	6.5	10.1	9.7	5.3	7.4	9.4	6.5	8.1

JK Lakshmi

Buy

CMP: INR798 | TP: INR920 (+15%)

EPS CHANGE (%): FY26|27|28: -0.5|-13.6|-16.8

- Sales volume is expected to increase 6% YoY. Realization may rise ~7% YoY.
- EBITDA/t is estimated at INR801 vs. INR666/INR733 in 3QFY25/2QFY26.
- We expect opex/t to increase ~5% YoY. Variable cost/t is expected to rise ~4% YoY.
- Depreciation/interest costs may increase ~3%/15% YoY. Adj. PAT is estimated to grow ~83% to INR1.1b.

Consolidated quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	15.6	12.3	15.0	19.0	17.4	15.3	17.0	19.7	61.9	69.4
Change (YoY %)	(9.6)	(21.6)	(12.1)	6.6	11.3	24.1	13.5	3.9	(8.8)	12.1
EBITDA	2.2	0.9	2.0	3.5	3.1	2.1	2.6	3.5	8.6	11.3
Change (YoY %)	13.3	(58.9)	(33.2)	4.4	39.9	133.3	27.5	(0.2)	(17.8)	30.4
Margin (%)	14.2	7.2	13.5	18.5	17.9	13.6	15.1	17.8	14.0	16.2
Depreciation	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	3.0	3.1
Interest	0.5	0.4	0.5	0.4	0.5	0.5	0.5	0.5	1.8	2.1
Other Income	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.5	0.9
PBT before EO Expense	1.2	(0.2)	0.9	2.5	2.0	1.0	1.5	2.4	4.3	7.0
Extra-Ord. Exp. (Inc.)	0.4	-	-	-	-	-	-	-	0.4	-
PBT	0.8	(0.2)	0.9	2.5	2.0	1.0	1.5	2.4	3.9	7.0
Tax	0.3	0.0	0.3	0.8	0.5	0.2	0.4	0.7	1.3	1.8
Prior Period Tax Adj.	-	-	-	-	-	-	-	-	-	-
Rate (%)	32.3	(10.6)	29.7	31.7	26.5	21.5	26.5	28.6	33.6	26.5
Reported PAT	0.5	(0.2)	0.6	1.7	1.5	0.8	1.1	1.7	2.6	5.1
Minority Interest	(0.0)	0.1	0.0	(0.1)	(0.0)	(0.0)	0.0	0.0	0.0	0.0
Adj. PAT	0.9	(0.3)	0.6	1.8	1.5	0.8	1.1	1.7	3.0	5.1
Change (YoY %)	17.7	(133.1)	NA	11.9	62.6	NM	83.5	(3.1)	(36.3)	72.0
Margin (%)	5.9	-2.5	4.0	9.3	8.6	5.3	6.4	8.6	4.8	7.4

The Ramco Cements

Neutral

CMP: INR1,057 | TP: INR1,000 (-5%)

EPS CHANGE (%): FY26|27|28: -5.4|-4.2|-9.9

- Volume is expected to increase ~5% YoY and realization is expected to grow 6% YoY.
- EBITDA/t is estimated at INR684 vs. INR639/INR851 in 3QFY25/2QFY26.
- Variable cost/t is expected to increase 8% YoY. Opex/t is expected to rise ~6% YoY.
- EBITDA should grow 12% YoY to INR3.1b. Adj. PAT would increase 696% YoY to INR253m on a low base.

Standalone quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	20.9	20.4	19.8	23.9	20.7	22.3	22.0	27.7	85.0	92.8
Change (YoY %)	(6.8)	(12.5)	(6.2)	(10.5)	(0.9)	9.6	11.3	16.0	(9.1)	9.2
Total Expenditure	17.7	17.3	17.0	20.7	16.7	18.5	18.9	22.6	72.6	76.7
EBITDA	3.2	3.1	2.8	3.2	4.0	3.9	3.1	5.1	12.3	16.1
Change (YoY %)	(6.5)	(21.7)	(29.3)	(23.1)	(74.4)	21.1	0.6	82.8	(20.7)	30.6
Margin (%)	15.3	15.3	14.1	13.4	19.2	17.3	14.3	18.4	14.5	17.3
Depreciation	1.7	1.7	1.7	1.8	1.8	1.8	1.9	1.9	6.9	7.4
Interest	1.1	1.2	1.1	1.1	1.0	1.1	1.1	1.0	4.6	4.3
Other Income	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.4	0.4
PBT before EO Expense	0.5	0.3	0.0	0.4	1.2	1.0	0.3	2.3	1.3	4.8
Extra-Ord Exp./(Inc.)	-	-	(3.3)	(0.1)	-	-	-	-	(3.4)	-
PBT	0.5	0.3	3.3	0.5	1.2	1.0	0.3	2.3	4.7	4.8
Tax	0.1	0.1	0.1	0.2	0.3	0.3	0.1	0.6	0.5	1.3
Prior Year Tax Adj.	-	-	-	-	-	-	-	-	-	-
Rate (%)	26.3	26.9	2.4	37.1	26.2	25.9	26.0	26.0	10.4	26.0
Reported PAT	0.4	0.3	3.3	0.3	0.9	0.7	0.3	1.7	4.2	3.6
Adj. PAT	0.4	0.3	0.0	0.3	0.9	0.7	0.3	1.7	0.9	3.6
Change (YoY %)	(55.0)	(74.7)	(96.6)	(76.7)	142.3	190.5	695.8	512.0	(76.6)	287.4
Margins (%)	1.7	1.3	0.2	1.2	4.2	3.3	1.2	6.2	1.1	3.9

Shree Cement

Neutral

CMP: INR27,027 | TP: INR28,000 (+4%)

EPS CHANGE (%): FY26|27|28: -9.0|-2.6|-7.7

- Volume is expected to increase 6% YoY and blended realization is estimated to rise ~8% YoY.
- We estimate EBITDA/t at INR1,077 vs. INR1,079/INR1,106 in 3QFY25/2QFY26.
- Variable cost/t is estimated to increase 22% YoY. Opex/t is estimated to rise 11% YoY.
- Depreciation may decline ~16% YoY, while interest would rise ~1% YoY. Adj. PAT is estimated to increase ~52% YoY.

Standalone quarterly performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	48.3	37.3	42.4	52.4	49.5	43.0	48.8	55.8	180.4	197.1
Change (YoY %)	-2.7	-18.3	-13.6	3.3	2.3	15.5	15.1	6.5	-7.5	9.3
Total Expenditure	39.2	31.3	32.9	38.3	37.2	34.3	38.7	42.7	141.7	152.9
EBITDA	9.2	5.9	9.5	14.1	12.3	8.8	10.1	13.1	38.7	44.2
Change (YoY %)	-1.7	-31.9	-23.3	6.4	34.1	47.7	6.2	-7.3	-11.4	14.2
Margin (%)	19.0	15.9	22.3	26.9	24.8	20.3	20.6	23.4	21.4	22.4
Depreciation	6.4	6.7	7.5	7.5	5.5	5.5	6.3	7.5	28.1	24.9
Interest	0.6	0.6	0.5	0.4	0.4	0.5	0.5	0.5	2.1	2.0
Other Income	1.3	1.8	1.1	1.5	2.0	1.6	1.5	1.3	5.8	6.3
PBT before EO Exp.	3.5	0.4	2.6	7.7	8.3	4.3	4.7	6.3	14.3	23.6
Extra-Ord. Exp./(Inc.)	0.0	0.0	0.0	0.3	0.0	0.2	0.0	0.0	-0.3	0.2
PBT	3.5	0.4	2.6	7.4	8.3	4.0	4.7	6.3	14.0	23.4
Tax	0.3	-0.5	0.3	1.9	2.1	1.3	1.2	1.5	2.0	6.1
Rate (%)	9.4	-108.1	11.4	25.1	25.8	31.2	25.5	24.4	14.4	26.3
Reported PAT	3.2	0.9	2.3	5.6	6.2	2.8	3.5	4.8	12.0	17.2
Prior Period Tax Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj. PAT	3.2	0.9	2.3	5.8	6.2	2.9	3.5	4.8	12.2	17.4
Change (YoY %)	-45.3	-81.0	-68.8	-12.5	94.7	215.1	51.7	-17.3	-50.6	42.6

UltraTech Cement

Buy

CMP: INR11,895 | TP: INR13,650 (+15%)

EPS CHANGE (%): FY26|27|28: -2.3|-9.9|-9.6

- Sales volume (consolidated) is expected to increase ~21% YoY. On a like-to-like basis, UTCEM's volume growth is estimated to grow ~13% YoY.
- Blended realization is estimated to decline 2% YoY.
- RMC revenue may grow 28% YoY, whereas white cement revenue is expected to increase 7% YoY.
- Variable cost per ton is expected to remain flat YoY and opex/t is expected to decline 3% YoY.
- We expect EBITDA/t at INR1,009 vs. INR953/INR914 in 3QFY25/2QFY26.
- Depreciation/interest expenses are estimated to increase 22%/3% YoY. Adj. PAT is estimated to increase 21% YoY.

Consolidated performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	188.2	162.9	177.8	230.6	212.8	196.1	211.1	251.9	759.6	871.8
Change (YoY %)	6.1	1.8	6.2	13.0	13.1	20.3	18.7	9.2	7.1	14.8
Total Expenditure	158.0	142.7	148.8	184.4	168.7	165.1	174.0	200.0	634.0	707.8
EBITDA	30.2	20.3	28.9	46.2	44.1	30.9	37.0	51.9	125.6	164.0
Change (YoY %)	-1.1	-20.5	-11.1	12.3	46.2	52.6	28.0	12.4	-3.2	30.6
Margin (%)	16.0	12.4	16.3	20.0	20.7	15.8	17.6	20.6	16.5	18.8
Depreciation	9.2	9.8	9.9	11.2	11.1	11.5	12.1	12.5	40.1	47.1
Interest	3.3	3.9	4.6	4.8	4.3	4.6	4.7	4.9	16.5	18.5
Other Income	1.7	2.3	2.5	1.0	1.8	1.7	1.8	1.8	7.4	7.1
PBT before EO Expense	19.4	8.8	16.9	31.2	30.5	16.6	22.0	36.3	76.4	105.5
Extra-Ord. Expense	0.88	-	-	0.09	0.38	-	-	-	0.97	0.38
PBT after EO Expense	18.5	8.8	16.9	31.1	30.1	16.6	22.0	36.3	75.4	105.1
Tax	3.6	1.7	3.3	6.3	7.9	4.2	5.6	9.3	14.9	26.9
Prior Period Tax Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate (%)	19.6	19.5	19.4	20.1	26.1	25.1	25.3	25.6	19.7	25.6
Reported PAT	14.9	7.1	13.6	24.9	22.3	12.4	16.4	27.1	60.5	78.2
Minority Interest	0.0	0.1	0.1	0.0	0.0	0.1	0.0	0.0	-0.1	0.0
Adj. PAT	15.7	7.0	13.6	24.9	22.5	12.3	16.4	27.1	61.2	78.6
Change (YoY %)	-7.3	-45.2	-23.5	7.8	44.0	75.2	20.9	8.7	-13.3	28.4

Chemicals

Company

Alkyl Amines Chemicals

Atul

Clean Science

Deepak Nitrite

Ellenbarrie

Fine Organic Industries

Galaxy Surfactants

Navin Fluorine International

NOCIL

PI Industries

Privi Specialty chemicals

SRF

Tata Chemicals

Vinati Organics

Volume-led recovery to continue amid weak spreads and pricing pressure

- Brent crude prices averaged USD62.5/bbl in Dec'25 (vs. USD63.8/bbl in Nov'25). Oil prices declined as rising global supply outpaced demand, raising concerns about a potential oil glut.
- Prices of organic compounds, Butadiene (Korea)/ Toluene (Korea), fell 28%/12% YoY in Dec'25, while prices of Benzene decreased 18% and Propylene (Korea) fell 12%. Prices of other key materials, Aniline/Acetone, dipped 15%/15% YoY in Dec'25, while the price of IPA increased 5%. Price of ACN rose 4% YoY in Dec'25. Blended Phenol and Acetone spread stood at INR102/kg in 3QFY26 (up 27% YoY). Acetic Acid prices declined 8% YoY, while Ammonia prices decreased 11% YoY to INR29/kg in 3QFY26.
- **We estimate our coverage universe to report: 1) sales growth of 6% YoY, 2) EBITDA growth of 14% YoY, and 3) PAT growth of 24% YoY in 3QFY26. Aggregate EBITDAM may expand 150bp YoY. However, margins are expected to remain under pressure on a QoQ basis, with a contraction of 70bp.**
- In the first two months of 3QFY26, four companies in our coverage universe saw an uptick in total export value. ATLP, DN, NFIL, and VO have shown YoY growth, while the rest have reported a decline in value terms. Meanwhile, INR depreciated ~5% YoY vs. USD in 3QFY26.
- We expect the companies to exhibit a measured recovery, underpinned by a scale-up in specialty segments and steady progress in domestic import substitution. The near-term margin trajectories remain mixed, given the consistent oversupply in the market, while the challenging short-term macro environment is expected to continue. Key variables to be tracked going forward include the timely execution of planned commissioning activities.

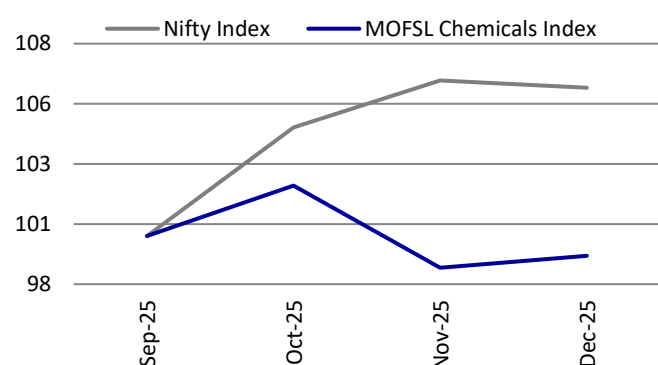
Exhibit 1: Summary of 3QFY26 performance estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Alkyl Amines	1607	Neutral	3,749	1.0	-3.7	676	-5.1	-3.7	433	-1.0	0.9
Atul	6093	Buy	16,194	14.3	4.4	2,748	22.6	2.7	1,609	37.4	-11.8
Clean Science	870	Neutral	2,420	0.5	-1.0	859	-12.8	-1.3	589	-10.3	6.3
Deepak Nitrite	1711	Sell	18,914	-0.6	-0.6	2,459	45.9	20.4	1,535	56.5	29.3
Ellenbarrie Industrial	341	Buy	831	22.1	-6.9	293	8.6	-12.4	248	29.2	-32.5
Fine Organic	4184	Sell	5,241	2.1	-12.3	1,012	2.2	-25.2	869	5.0	-19.9
Galaxy Surfactants	2050	Buy	13,267	27.4	0.0	1,121	6.2	1.4	646	-0.1	-2.9
Navin Fluorine	5903	Neutral	7,664	26.4	1.0	2,264	53.7	-8.0	1,282	53.3	-13.6
P I Industries	3257	Buy	16,888	-11.2	-9.8	4,032	-21.2	-25.5	3,042	-18.4	-25.7
Privi Speciality	2779	Buy	6,504	32.5	-4.2	1,503	33.2	-17.4	665	49.6	-29.2
SRF	3058	Buy	38,089	9.1	4.6	7,862	20.3	-2.3	3,984	30.5	-4.9
Tata Chemicals	755	Neutral	35,749	-0.4	-7.8	5,430	25.1	1.1	1,269	LP	0.9
Vinati Organics	1601	Buy	5,738	10.0	5.0	1,784	25.0	-0.1	1,229	28.6	-4.7
Chemicals			1,71,248	6.0	-2.0	32,044	14.6	-5.7	17,399	25.0	-10.1

Exhibit 2: Comparative valuations

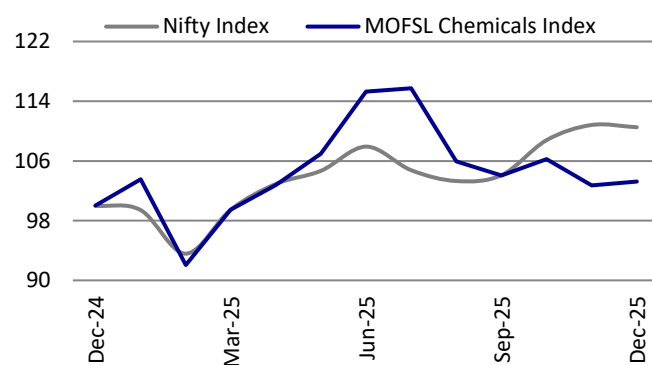
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Chemicals						37.7	29.9	25.4	3.9	3.5	3.1	10.3	11.8	12.4
Alkyl Amines	1,607	Neutral	35.7	41.2	45.1	45.0	39.0	35.6	5.4	4.9	4.4	12.4	13.1	13.0
Atul	6,093	Buy	216.8	250.5	270.7	28.1	24.3	22.5	2.9	2.7	2.4	10.9	11.4	11.2
Clean Science	870	Neutral	23.8	30.2	36.1	36.5	28.8	24.1	5.7	4.9	4.2	16.6	18.2	18.6
Deepak Nitrite	1,711	Sell	43.8	58.0	59.9	39.1	29.5	28.6	4.0	3.6	3.2	10.6	12.7	11.8
Ellenbarrie Industrial	341	Buy	8.0	12.3	16.2	42.7	27.8	21.1	4.8	4.1	3.4	15.0	15.8	17.6
Fine Organic	4,184	Sell	136.9	138.8	159.4	30.6	30.1	26.3	4.9	4.3	3.7	17.4	15.2	15.2
Galaxy Surfactants	2,050	Buy	78.6	93.5	107.1	26.1	21.9	19.1	2.8	2.6	2.3	11.3	12.3	12.8
Navin Fluorine	5,903	Neutral	106.4	131.5	153.7	55.5	44.9	38.4	7.9	7.0	6.1	16.9	16.5	16.9
P I Industries	3,257	Buy	94.6	104.6	119.5	34.4	31.1	27.3	4.4	3.9	3.5	13.4	13.2	13.5
Privi Speciality	2,779	Buy	76.0	96.3	141.3	36.6	28.8	19.7	7.8	6.1	4.1	23.7	23.7	25.3
SRF	3,058	Buy	66.9	90.6	104.3	45.7	33.7	29.3	6.5	5.6	4.8	14.9	17.7	17.7
Tata Chemicals	755	Neutral	27.8	44.4	60.0	27.2	17.0	12.6	0.9	0.8	0.8	3.3	5.1	6.6
Vinati Organics	1,601	Buy	50.3	59.2	69.1	31.8	27.1	23.2	5.1	4.5	3.8	17.3	17.6	17.8

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



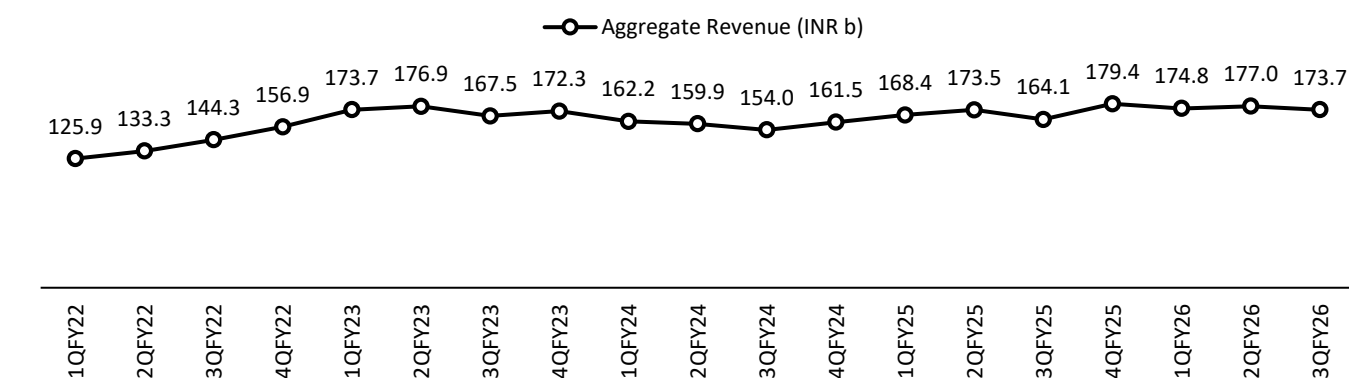
Source: Bloomberg, MOFSL

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



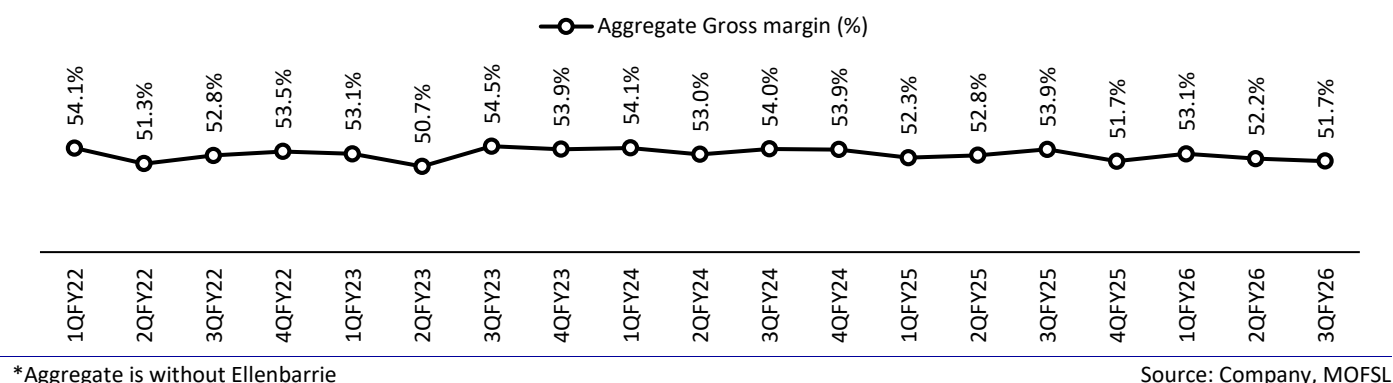
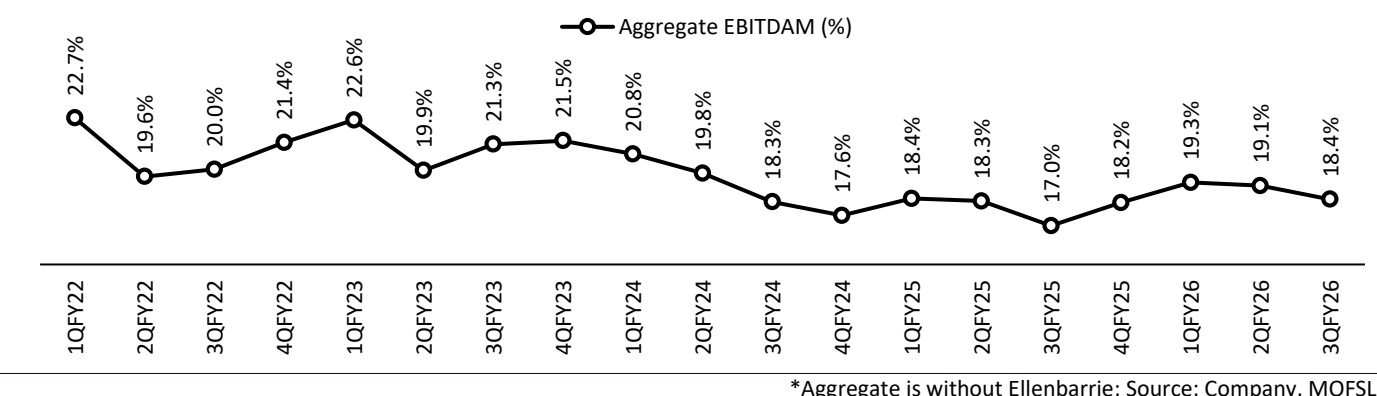
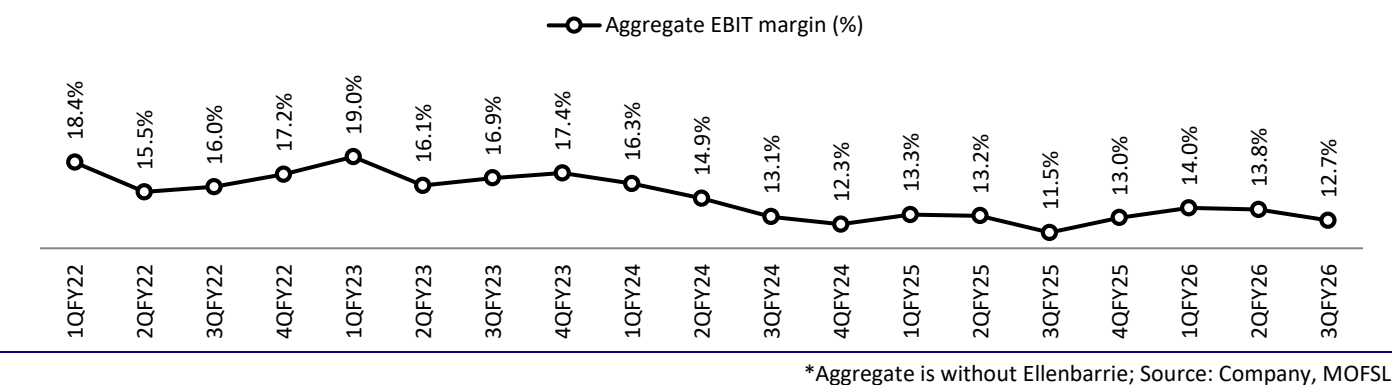
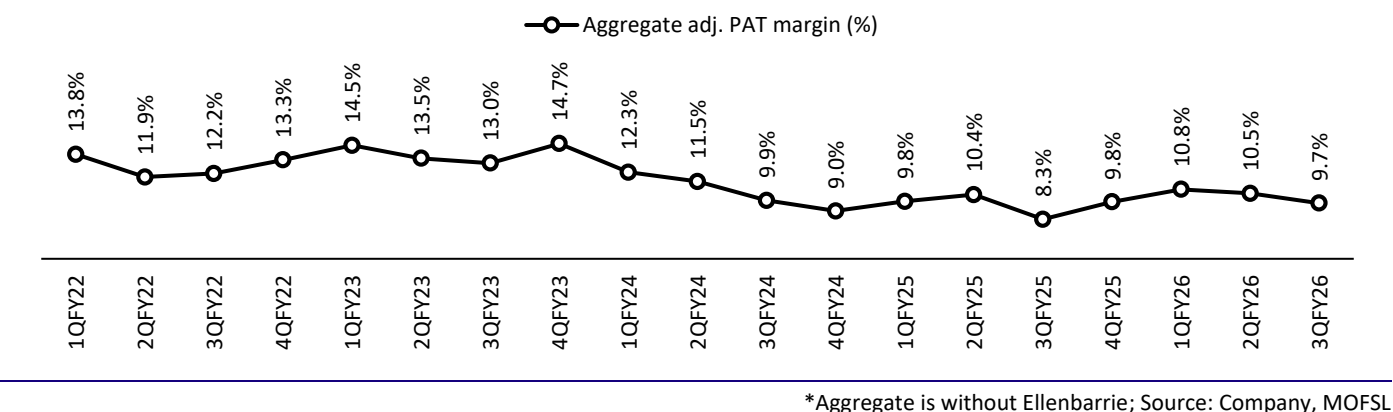
Source: Bloomberg, MOFSL

Exhibit 5: Revenue snapshot for our coverage universe



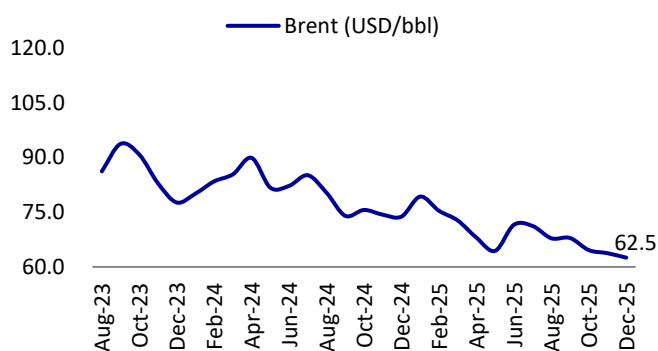
Source: Company, MOFSL

*Aggregate is without Ellenbarrie due to the non-availability of numbers

Exhibit 6: Gross margin snapshot for our coverage universe

Exhibit 7: EBITDAM snapshot for our coverage universe

Exhibit 8: EBIT margin snapshot for our coverage universe

Exhibit 9: PAT margin snapshot for our coverage universe


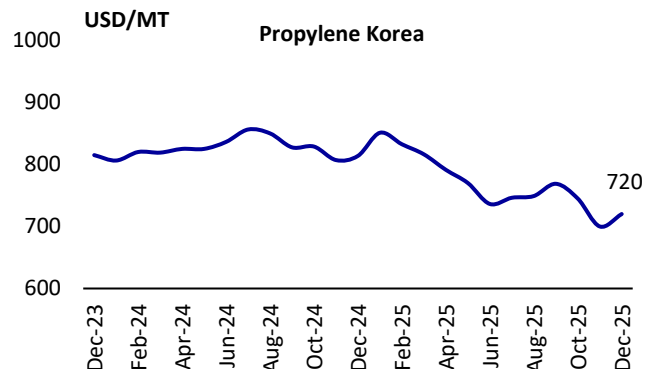
Trends in key RM and product prices

Exhibit 10: Brent crude price down 15% YoY



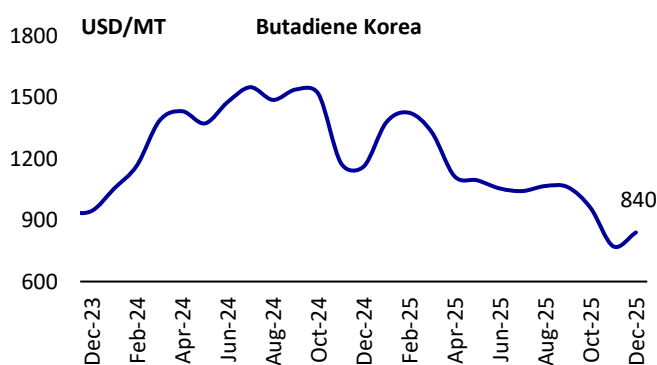
Source: Reuters, MOFSL

Exhibit 11: Propylene (Korea) price down 12% YoY



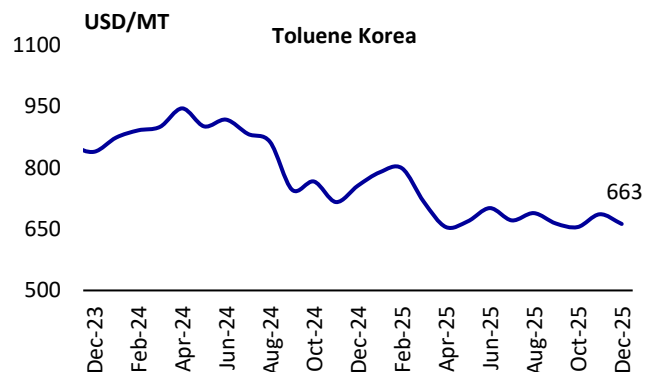
Source: Bloomberg, MOFSL

Exhibit 12: Butadiene price down 28% YoY



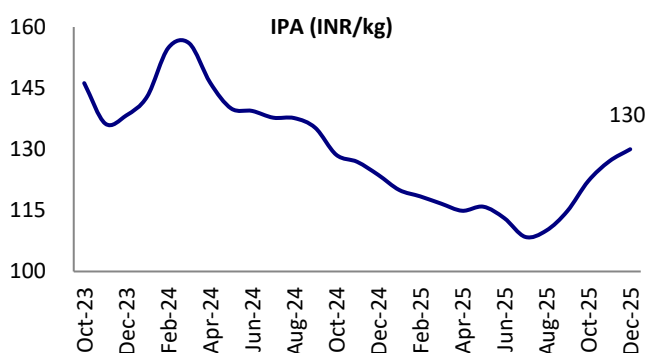
Source: Bloomberg, MOFSL

Exhibit 13: Toluene (Korea) price down 12% YoY



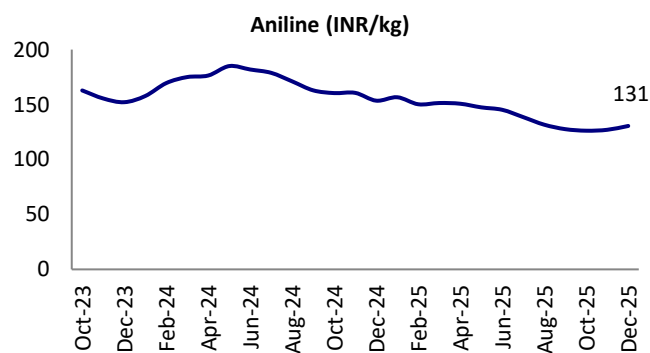
Source: Bloomberg, MOFSL

Exhibit 14: IPA price stable YoY



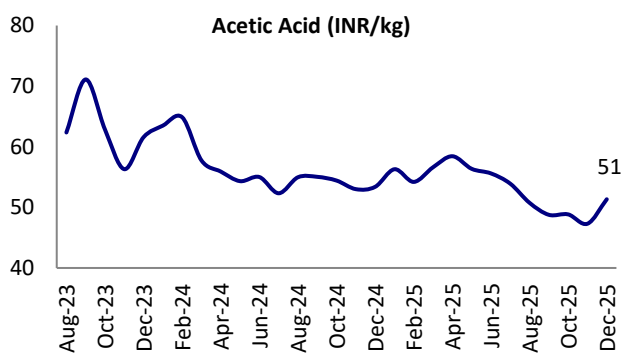
Source: IndiaPetroChem, MOFSL

Exhibit 15: Aniline price down 19% YoY



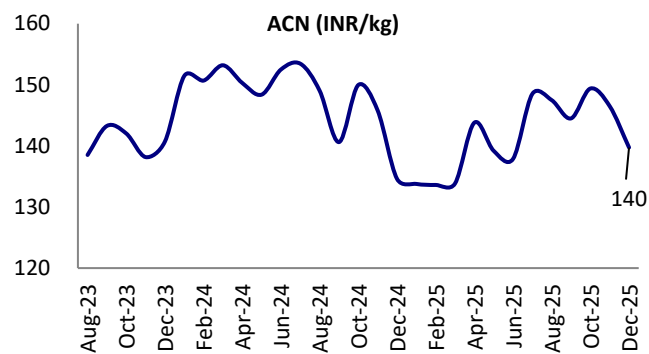
Source: IndiaPetroChem, MOFSL

Exhibit 16: Acetic Acid price down 8% YoY



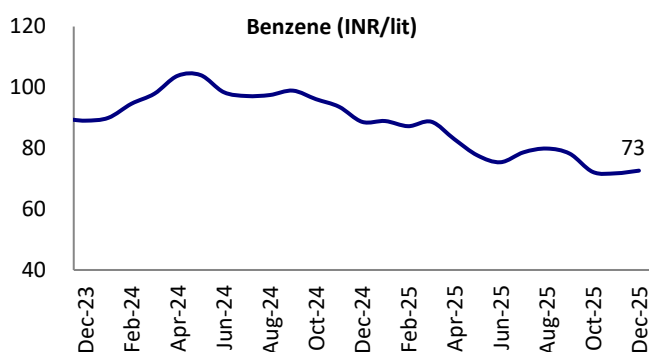
Source: IndiaPetroChem, MOFSL

Exhibit 17: ACN price up 1% YoY



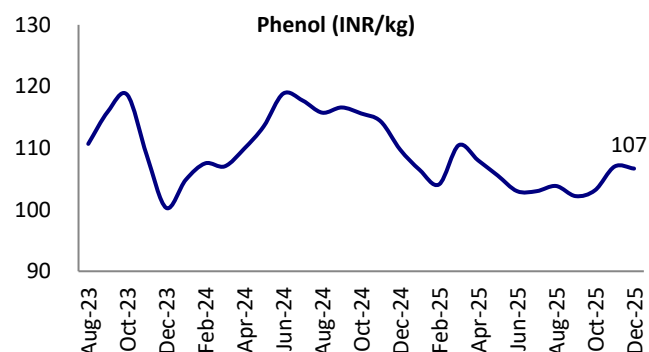
Source: IndiaPetroChem, MOFSL

Exhibit 18: Benzene price down 22% YoY



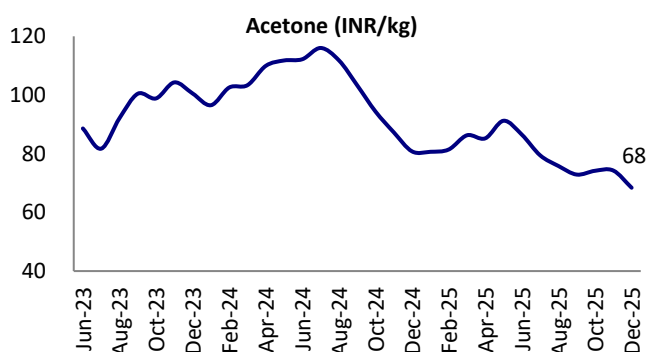
Source: IndiaPetroChem, MOFSL

Exhibit 19: Phenol price down 7% YoY



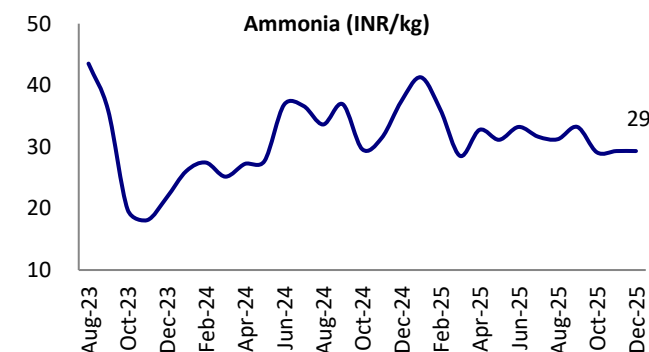
Source: IndiaPetroChem, MOFSL

Exhibit 20: Acetone price down 17% YoY



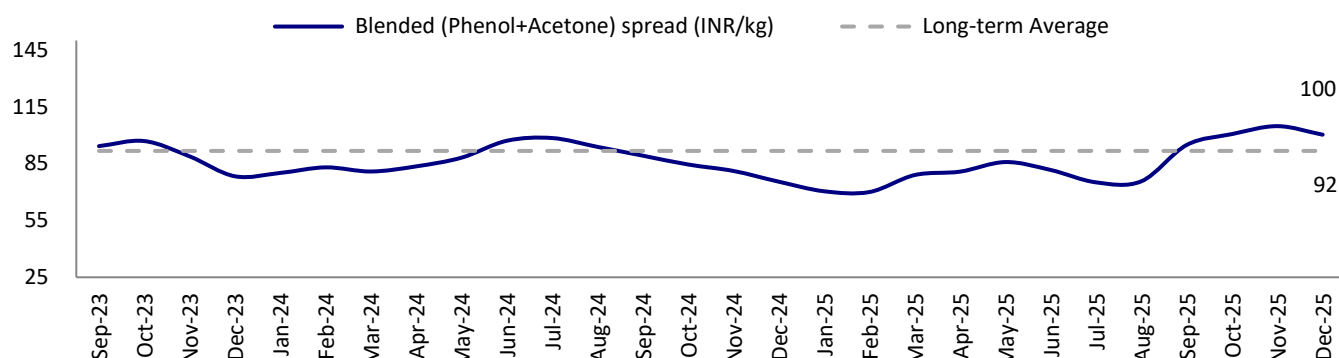
Source: IndiaPetroChem, MOFSL

Exhibit 21: Ammonia price down 11% YoY



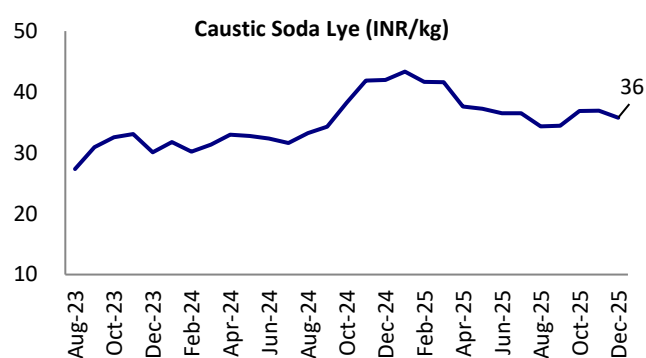
Source: IndiaPetroChem, MOFSL

Exhibit 22: Blended Phenol and Acetone spread up 27% YoY



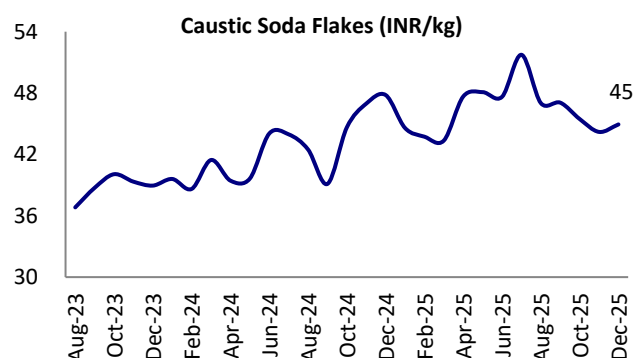
Source: IndiaPetroChem, MOFSL

Exhibit 23: Caustic Soda Lye price down 10% YoY



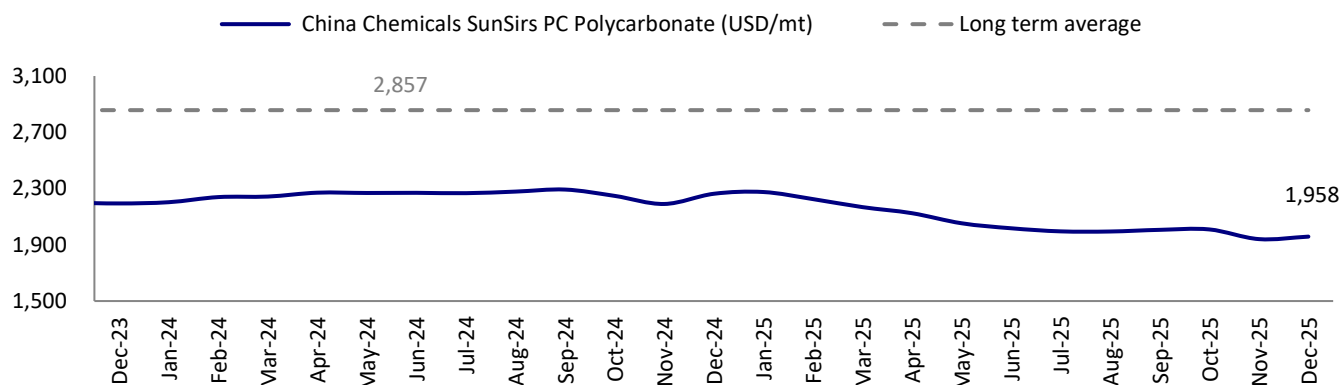
Source: IndiaPetroChem, MOFSL

Exhibit 24: Caustic Soda Flakes price down 3% YoY



Source: IndiaPetroChem, MOFSL

Exhibit 25: Polycarbonate price down 12% YoY



Source: Bloomberg, MOFSL

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

Alkyl Amines

Neutral
CMP: INR1,607 | TP: INR1,835 (+14%)
EPS CHANGE (%): FY26|27|FY28: -3|-3|-3

- Expect revenue to remain flat (1% growth) YoY and EBITDA to decline ~5% YoY.
- Key monitorables: Stabilization of the Ethylamines plant and update on ACN market conditions post the ADD imposition.
- Expect EBITDA margin to contract 120bp YoY to 18% in 3QFY26.
- Watch out for updates on the progress of new products and ADD probe acetonitrile.

Standalone - Quarterly Snapshot

(InR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	3,997	4,149	3,712	3,861	4,055	3,894	3,749	3,976	15,718	15,675
YoY Change (%)	-2.5	17.8	15.3	8.3	1.5	-6.1	1.0	3.0	9.1	-0.3
Total Expenditure	3,206	3,414	3,000	3,182	3,290	3,192	3,073	3,245	12,807	12,800
Gross Margin (%)	47.0%	45.4%	48.4%	45.9%	45.8%	47.3%	48.0%	48.0%	46.6%	47.2%
EBITDA	791	735	712	678	766	702	676	731	2,911	2,875
Margin (%)	19.8	17.7	19.2	17.6	18.9	18.0	18.0	18.4	18.5	18.3
Depreciation	177	180	179	176	179	182	185	197	712	742
Interest	2	4	9	2	3	3	3	4	10	13
Other Income	47	92	66	93	80	74	91	97	298	342
PBT before EO expense	659	643	591	594	663	591	579	628	2,486	2,462
PBT	659	643	591	594	663	591	579	628	2,486	2,462
Tax	170	169	153	133	169	162	146	158	625	634
Rate (%)	25.9	26.2	25.9	22.5	25.5	27.4	25.2	25.2	25.1	25.8
Adj PAT	489	475	438	460	494	429	433	470	1,861	1,827
YoY Change (%)	-1.8	74.2	30.9	19.7	1.2	-9.5	-1.0	2.1	25.0	-1.8
Margin (%)	12.2	11.4	11.8	11.9	12.2	11.0	11.6	11.8	11.8	11.7

Atul

Buy
CMP: INR6,093 | TP: INR7,520 (+23%)
EPS CHANGE (%): FY26|27|FY28: -|-|-

- Expect revenue to increase 14% YoY and EBITDA to rise 23% YoY.
- Expect revenue for Life Science Chemicals to grow 15% YoY, while revenue for Performance will increase 14% YoY.
- EBITDA margin is likely to expand 120bp YoY, while gross margin is anticipated to contract 150bp YoY.
- Monitor the commissioning and subsequent ramp-up of newly added capacities.

Consolidated - Quarterly Snapshot

(InR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	13,221	13,928	14,168	14,516	14,780	15,519	16,194	16,720	55,834	63,212
YoY Change (%)	11.8	16.7	24.5	19.8	11.8	11.4	14.3	15.2	18.1	13.2
Total Expenditure	10,988	11,501	11,928	12,287	12,425	12,844	13,447	13,853	46,704	52,568
Gross Margin (%)	50.0%	53.1%	50.5%	49.7%	48.7%	46.6%	49.0%	50.0%	50.8%	48.6%
EBITDA	2,232	2,427	2,241	2,229	2,355	2,675	2,748	2,866	9,130	10,644
Margin (%)	16.9	17.4	15.8	15.4	15.9	17.2	17.0	17.1	16.4	16.8
Depreciation	766	775	810	817	820	810	830	850	3,168	3,310
Interest	54	89	43	54	45	49	48	48	240	190
Other Income	130	315	158	487	262	485	243	251	1,090	1,241
PBT before EO expense	1,543	1,878	1,546	1,845	1,752	2,301	2,112	2,219	6,812	8,384
PBT	1,543	1,878	1,546	1,845	1,752	2,301	2,112	2,219	6,812	8,384
Tax	455	514	407	560	447	489	532	643	1,937	2,110
Rate (%)	29.5	27.4	26.4	30.3	25.5	21.3	25.2	29.0	28.4	25.2
MI and Profit/Loss of Asso. Cos.	33	31	33	16	19	12	28	54	113	113
Reported PAT	1,121	1,395	1,171	1,301	1,324	1,824	1,609	1,631	4,988	6,387
Adj PAT	1,121	1,395	1,171	1,301	1,324	1,824	1,609	1,631	4,988	6,387
YoY change (%)	9.8	52.9	62.5	121.3	18.1	30.7	37.4	25.3	53.9	28.0
Margin (%)	8.5	10.0	8.3	9.0	9.0	11.8	9.9	9.8	8.9	10.1

Ellenbarrie Industrial Gases

Buy

CMP: INR341 | TP: INR450 (+32%)

EPS CHANGE (%): FY26|27|FY28: -18|-10|-5

- Expect revenue to decline 7% QoQ to INR831m.
- EBITDA margin is likely to stand at 35.3% vs. 37.5% in 3QFY26.
- The commissioning and ramp-up of its new facilities will drive volume growth and margin expansion.

Quarterly Snapshot

(INR m)

Y/E March	FY25			FY26				FY25	FY26E
	1Q	2Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	673	947	825	836	892	831	1,003	3,125	3,561
YoY Change (%)	NA	NA	NA	24.3	-5.8	NA	21.6	16.0	14.0
Total Expenditure	454	585	579	529	557	537	611	2,027	2,235
Gross Margin (%)	88.6%	85.9%	85.4%	88.8%	90.6%	88.4%	89.1%	88.6%	89.2%
EBITDA	219	362	246	307	335	293	391	1,097	1,326
Margin (%)	32.5	38.2	29.8	36.7	37.5	35.3	39.0	35.1	37.2
Depreciation	49	48	65	51	51	62	70	207	234
Interest	39	42	54	46	11	10	10	171	77
Other Income	79	72	114	68	126	110	120	359	424
PBT before EO expense	211	345	241	278	400	331	431	1,078	1,441
Extra-Ord. expense	0	0	0	0	0	0	0	0	0
PBT	211	345	241	278	400	331	431	1,078	1,441
Tax	49	48	59	91	32	83	109	245	316
Rate (%)	23.2	14.0	24.3	32.8	8.1	25.2	25.2	22.8	21.9
Adj. PAT	162	297	183	187	367	248	323	833	1,125
YoY Change (%)	NA	NA	NA	15.6	23.8	NA	-12.1		35.1
Margin (%)	24.1	31.3	22.2	22.4	41.2	29.9	32.2	26.7	31.6

Clean Science & Technology

Neutral

CMP: INR870 | TP: INR910(+5%)

EPS CHANGE (%): FY26|27|FY28: -9|-6|-5

- Expect revenue to be flat YoY; EBITDA to decline 12% YoY
- Key monitorables: Ramp-up of the new HALS plant in the subsidiary and updates on new product commissioning.
- Expect EBITDA margins to contract to 35.5% in 3QFY26.
- The company's Project 1 (Performance Chemical) has undergone chemical trials with satisfactory results.

Consolidated - Quarterly Snapshot

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	2,240	2,381	2,408	2,637	2,429	2,446	2,420	2,798	9,666	10,094
YoY Change (%)	19.1	31.5	23.7	15.9	8.4	2.7	0.5	6.1	22.1	4.4
Gross Margin (%)	65.4%	62.4%	63.5%	63.7%	65.5%	60.7%	61.5%	61.8%	63.7%	62.3%
EBITDA	947	897	985	1,048	999	871	859	1,035	3,876	3,764
Margin (%)	42.3	37.7	40.9	39.7	41.1	35.6	35.5	37.0	40.1	37.3
Depreciation	158	175	183	174	187	188	195	205	691	775
Other Income	99	111	52	124	134	67	102	98	386	401
PBT before EO expense	887	832	853	996	946	749	765	926	3,567	3,386
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	887	832	853	996	946	749	765	926	3,567	3,386
Tax	228	245	196	255	245	194	176	241	923	856
Rate (%)	25.7	29.4	23.0	25.6	25.9	26.0	23.0	26.0	25.9	25.3
Adj. PAT	659	587	656	741	701	554	589	685	2,644	2,529
YoY Change (%)	11.9	12.6	4.8	5.4	6.3	-5.6	-10.3	-7.5	8.3	-4.3
Margin (%)	29.4	24.7	27.3	28.1	28.8	22.7	24.3	24.5	27.4	25.1

Deepak Nitrite

Sell
CMP: INR1,711 | TP: INR1,440 (-16%)
EPS CHANGE (%): FY26|27|FY28: -7|-5|-6

- Expect revenue to decline 1% YoY.
- Expect EBITDA margin of 13% (vs. 8.9% in 3QFY25).
- With the Successful commissioning and run-rate stabilization of WNA by 2Q end, we expect margin expansion from 3Q onward.
- Persistent oversupply from China and rapidly evolving geopolitical developments are expected to continue to exert pricing pressure.

Consolidated - Quarterly Snapshot

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Gross Sales	21,668	20,320	19,034	21,797	18,899	19,019	18,914	22,359	82,819	79,190
YoY Change (%)	22.5	14.3	-5.3	2.5	-12.8	-6.4	-0.6	2.6	7.8	-4.4
Total Expenditure	18,577	17,345	17,349	18,631	17,003	16,976	16,455	19,118	71,901	69,553
Gross Margin (%)	30.8%	32.0%	26.8%	30.6%	28.0%	27.6%	30.5%	31.5%	30.1%	29.5%
EBITDA	3,092	2,975	1,685	3,166	1,896	2,043	2,459	3,241	10,918	9,638
Margin (%)	14.3	14.6	8.9	14.5	10.0	10.7	13.0	14.5	13.2	12.2
Depreciation	475	485	482	513	513	533	550	570	1,954	2,165
Interest	58	63	61	93	81	79	80	85	275	326
Other Income	188	213	210	228	246	200	225	249	839	919
PBT before EO expense	2,748	2,640	1,352	2,788	1,547	1,630	2,053	2,835	9,528	8,066
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	2,748	2,640	1,352	2,788	1,547	1,630	2,053	2,835	9,528	8,066
Tax	723	698	371	762	425	443	518	704	2,554	2,090
Rate (%)	26.3	26.4	27.4	27.3	27.5	27.2	25.2	24.8	26.8	25.9
Reported PAT	2,025	1,942	981	2,025	1,122	1,187	1,535	2,130	6,974	5,975
Adj PAT	2,025	1,942	981	2,025	1,122	1,187	1,535	2,130	6,974	5,975
YoY Change (%)	35.1	-5.3	-51.4	3.4	-44.6	-38.9	56.5	5.2	-7.3	-14.3
Margin (%)	9.3	9.6	5.2	9.3	5.9	6.2	8.1	9.5	8.4	7.5

Fine Organic Industries

Sell
CMP: INR4,184 | TP: INR3,710 (-12%)
EPS CHANGE (%): FY26|27|FY28: -1|-3|-3

- Expect revenue to grow 2% YoY and EBITDA margin to remain stable at 19.3% in 3QFY26.
- The company remains focused on strengthening its global presence through investments in overseas subsidiaries.
- Key risk: Delay in capacity addition could dent growth, with almost all existing capacities running at optimum utilization.

Consolidated - Income Statement

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Gross Sales	5,497	5,958	5,132	6,068	5,884	5,973	5,241	6,063	22,655	23,161
YoY Change (%)	0.5	10.2	5.1	11.0	7.0	0.2	2.1	-0.1	16.1	2.2
Total Expenditure	4,100	4,452	4,142	4,872	4,648	4,621	4,229	4,708	17,566	18,207
Gross Margin (%)	43.6%	42.8%	39.4%	39.6%	40.4%	41.6%	40.0%	40.7%	22.5%	21.4%
EBITDA	1,397	1,506	990	1,196	1,236	1,352	1,012	1,355	5,089	4,954
Margin (%)	25.4	25.3	19.3	19.7	21.0	22.6	19.3	22.4	22.5	21.4
Depreciation	117	124	130	148	118	128	135	140	512	521
Interest	4	4	4	5	5	5	6	7	17	22
Other Income	245	219	291	258	398	211	290	295	966	1,194
PBT	1,521	1,597	1,146	1,300	1,581	1,430	1,161	1,434	5,527	5,676
Tax	383	418	319	327	403	335	292	378	1,350	1,407
Rate (%)	25.2	26.2	27.8	25.2	25.5	23.4	25.2	26.4	24.4	24.8
MI & Profit/Loss of Asso. Cos.	5	5	0	-1	7	10	0	0	0	17
Reported PAT	1,134	1,175	827	974	1,171	1,085	869	1,056	4,177	4,251
Adj PAT	1,134	1,175	827	974	1,119	1,085	869	1,107	4,177	4,199
YoY Change (%)	13.6	13.6	-12.2	-15.2	-1.3	-7.6	5.0	13.7	13.5	0.5
Margin (%)	20.6	19.7	16.1	16.1	19.0	18.2	16.6	18.3	18.4	18.1

Galaxy Surfactants

Buy

CMP: INR2,050 | TP: INR2,550 (+24%)

EPS CHANGE (%): FY26|27|FY28: -1|-1|-1

- Expect revenue to increase 27% YoY, led by improving realization in 3QFY26.
- EBITDA margin is expected to be 8.3%, with absolute EBITDA/kg declining YoY.
- We expect the medium-term consumption growth to be driven by GST reforms despite temporary softness from inventory adjustments and reformulations.

Consolidated - Quarterly Snapshot

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	9,741	10,630	10,417	11,449	12,779	13,262	13,267	13,430	42,237	52,738
YoY Change (%)	3.4	8.1	10.8	23.2	31.2	24.8	27.4	17.3	11.3	24.9
Total Expenditure	8,500	9,353	9,361	10,180	11,541	12,157	12,146	12,280	37,394	48,124
Gross Margin (%)	33.6%	33.0%	31.1%	29.4%	26.2%	24.5%	26.9%	27.3%	31.7%	26.2%
EBITDA	1,241	1,276	1,056	1,269	1,239	1,105	1,121	1,150	4,842	4,614
Margin (%)	12.7	12.0	10.1	11.1	9.7	8.3	8.4	8.6	11.5	8.7
Depreciation	266	278	277	283	293	298	301	308	1,103	1,200
Interest	40	41	50	62	66	73	72	74	193	285
Other Income	54	87	40	78	112	58	61	88	258	319
PBT before EO expense	989	1,045	769	1,001	992	792	809	856	3,804	3,449
PBT	989	1,045	769	1,001	992	792	809	856	3,804	3,449
Tax	192	198	123	243	197	127	163	173	755	661
Rate (%)	19.4	18.9	16.0	24.2	19.9	16.0	20.2	20.2	19.8	19.2
Reported PAT	797	847	646	759	795	665	646	683	3,049	2,788
Adj PAT	797	847	646	759	795	665	646	683	3,049	2,788
YoY Change (%)	6.0	9.4	-9.5	-2.1	-0.3	-21.5	-0.1	-10.0	1.1	-8.6
Margin (%)	8.2	8.0	6.2	6.6	6.2	5.0	4.9	5.1	7.2	5.3

Navin Fluorine International

Neutral

CMP: INR5,903 | TP: INR5,490(-7%)

EPS CHANGE (%): FY26|27|FY28: -2|1|3

- Expect revenue to grow 26% YoY to INR7.6b, led by strong growth across segments.
- EBITDA margin is likely to expand 520bp YoY to 29.5%.
- The company is well-positioned to sustain its growth momentum in 2HFY26, led by robust order books, strategic customer relationships, ongoing R&D investment, new product launches, and repeat orders expected in CY26.

Consolidated - Quarterly Snapshot

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	5,237	5,186	6,062	7,009	7,254	7,584	7,664	8,630	23,494	31,132
YoY Change (%)	6.6	9.9	21.2	16.4	38.5	46.3	26.4	23.1	13.8	32.5
Gross Margin (%)	56.0%	56.8%	56.6%	54.2%	57.6%	58.7%	57.0%	57.7%	55.8%	57.8%
EBITDA	1,004	1,074	1,473	1,787	2,068	2,462	2,264	2,551	5,337	9,345
Margin (%)	19.2	20.7	24.3	25.5	28.5	32.5	29.5	29.6	22.7	30.0
Depreciation	267	279	296	353	352	366	410	425	1,194	1,553
Interest	156	139	202	283	304	303	290	250	779	1,147
Other Income	103	112	105	118	139	182	150	155	437	627
PBT before EO expense	683	768	1,080	1,270	1,551	1,975	1,714	2,032	3,801	7,272
PBT	683	768	1,080	1,270	1,551	1,975	1,714	2,032	3,801	7,272
Tax	171	179	244	320	379	491	433	522	915	1,825
Rate (%)	25.0	23.4	22.6	25.2	24.5	24.9	25.2	25.7	24.1	25.1
Reported PAT	512	588	836	950	1,172	1,484	1,282	1,510	2,886	5,447
Adj. PAT	512	588	836	950	1,172	1,484	1,282	1,510	2,886	5,447
YoY Change (%)	-16.8	-2.9	131.2	35.0	128.9	152.2	53.3	58.9	26.3	88.7
Margin (%)	9.8	11.3	13.8	13.6	16.2	19.6	16.7	17.5	12.3	17.5

PI Industries

Buy

CMP INR3,257 | TP: INR4,033(+24%)

EPS CHANGE (%): FY26|27|FY28: -7|-5|-5

- We expect total revenue to decline 11% YoY to INR16.8b.
- EBITDA margin is likely to contract ~310bp YoY.
- Demand scenario and product launches in the domestic and CSM segments will be the key focus areas.

Quarterly Earning Model

Y/E March	FY25				FY26E				(INRm)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	20,689	22,210	19,008	17,871	19,005	18,723	16,888	17,756	79,778	72,371
YoY Change (%)	8.3	4.9	0.2	2.6	-8.1	-15.7	-11.2	-0.6	4.1	-9.3
Total Expenditure	14,857	15,928	13,888	13,315	13,814	13,310	12,856	13,495	57,988	53,475
EBITDA	5,832	6,282	5,120	4,556	5,191	5,413	4,032	4,261	21,790	18,897
Margins (%)	28.2	28.3	26.9	25.5	27.3	28.9	23.9	24.0	27.3	26.1
Depreciation	834	798	991	902	965	980	1,000	1,077	3,525	4,022
Interest	83	85	83	79	39	26	35	32	330	132
Other Income	727	1,222	759	734	859	825	940	1,027	3,442	3,651
PBT before EO expense	5,642	6,621	4,805	4,309	5,046	5,232	3,937	4,179	21,377	18,394
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	5,642	6,621	4,805	4,309	5,046	5,232	3,937	4,179	21,377	18,394
Tax	1,175	1,546	1,080	1,017	1,074	1,160	906	961	4,818	4,101
Rate (%)	20.8	23.3	22.5	23.6	21.3	22.2	23.0	23.0	22.5	22.3
MI & Profit/Loss of Asso. Cos.	-21	-7	-2	-13	-28	-21	-10	-20	-43	-79
Reported PAT	4,488	5,082	3,727	3,305	4,000	4,093	3,042	3,238	16,602	14,372
Adj PAT	4,488	5,082	3,727	3,305	4,000	4,093	3,042	3,238	16,602	14,372
YoY Change (%)	17.2	5.8	-16.9	-10.6	-10.9	-19.5	-18.4	-2.0	-1.3	-13.4
Margins (%)	21.7	22.9	19.6	18.5	21.0	21.9	18.0	18.2	20.8	19.9

Privi Speciality Chemicals

Buy

CMP: INR2,779 | TP: INR3,810(+37%)

EPS CHANGE (%): FY26|FY27|FY28: -2|0|0

- We expect revenue to grow ~33% in 3QFY26.
- The impact of the company's merger with PF SPL and PBPL will be a key monitorable.
- We expect EBITDA to grow ~33% in 3QFY26, with margins at 23.1% (margin expansion of 10bp).

Consolidated - Quarterly Snapshot

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY25	FY26E
Gross Sales	4,640	5,328	4,909	6,136	5,588	6,787	6,504	7,056	21,012	25,935
YoY Change (%)	14%	17%	22%	27%	20%	27%	33%	15%	20%	43%
Total Expenditure	3,696	4,226	3,781	4,809	4,267	4,967	5,001	5,349	16,512	19,585
Gross Margin (%)	43.8%	45.1%	51.5%	44.5%	50.7%	50.7%	49.5%	49.5%	46.1%	50.1%
EBITDA	944	1,102	1,128	1,326	1,321	1,820	1,503	1,706	4,500	6,350
Margin (%)	20.3	20.7	23.0	21.6	23.6	26.8	23.1	24.2	21.4	24.5
Depreciation	321	324	323	349	362	356	400	465	1,318	1,583
Interest	220	215	218	226	237	215	275	322	879	1,049
Other Income	27	45	22	148	90	1	20	19	242	130
PBT before EO expense	429	608	609	899	812	1,251	848	938	2,545	3,848
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	429	608	609	899	812	1,251	848	938	2,545	3,848
Tax	115	159	164	260	236	349	184	193	698	962
Rate (%)	26.7	26.2	27.0	28.9	29.1	27.9	21.7	20.6	27.4	25.0
MI & Profit/Loss of Asso. Cos.	1	-1	0	-25	-44	-37	-1	-1	-25	-83
Reported PAT	314	449	444	665	619	939	665	746	1,873	2,969
Adj. PAT	314	449	444	665	619	939	665	746	1,873	2,969
Margin (%)	6.8	8.4	9.1	10.8	11.1	13.8	10.2	10.6	8.9	11.4

SRF

Buy

CMP INR3,058 | TP: INR3,620(+18%)

EPS CHANGE (%): FY26|FY27|FY28: -2|-1|-1

- Expect margins to expand 190bp YoY to 20.6%.
- The Chemicals business is expected to deliver better margins than 3QFY25.
- Expect strong revenue growth in chemicals, led by better pricing. Technical textile is expected to continue to witness a subdued quarter.

Consolidated - Quarterly Earning

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	34,641	34,243	34,913	43,133	38,186	36,402	38,089	49,120	1,46,931	1,61,797
YoY Change (%)	3.8	7.8	14.4	20.8	10.2	6.3	9.1	13.9	11.8	10.1
Total Expenditure	28,435	28,637	28,375	33,108	29,975	28,354	30,227	36,520	1,18,555	1,25,076
EBITDA	6,207	5,606	6,538	10,025	8,212	8,048	7,862	12,600	28,376	36,721
Margins (%)	17.9	16.4	18.7	23.2	21.5	22.1	20.6	25.7	19.3	22.7
Depreciation	1,882	1,939	1,943	1,952	2,032	2,121	2,210	2,300	7,715	8,664
Interest	965	938	963	894	799	707	750	800	3,760	3,056
Other Income	253	333	396	345	291	257	375	436	1,327	1,360
PBT before EO expense	3,612	3,063	4,029	7,525	5,671	5,477	5,277	9,936	18,229	26,361
Extra-Ord expense & DO	172	226	342	451	-87	306	0	0	1,192	219
PBT	3,440	2,837	3,687	7,074	5,758	5,171	5,277	9,936	17,037	26,142
Tax	918	822	976	1,813	1,435	1,289	1,293	2,434	4,529	6,451
Rate (%)	25.4	26.9	24.2	24.1	25.3	23.5	24.5	24.5	24.8	24.5
Reported PAT	2,522	2,014	2,711	5,261	4,323	3,882	3,984	7,502	12,508	19,691
Adj PAT	2,695	2,240	3,053	5,712	4,236	4,188	3,984	7,502	13,700	19,911
YoY Change (%)	-29.6	-30.0	12.4	30.4	57.2	87.0	30.5	31.3	-3.0	45.3
Margins (%)	7.8	6.5	8.7	13.2	11.1	11.5	10.5	15.3	9.3	12.3

Tata Chemicals

Neutral

CMP INR755 | TP: INR850 (+13%)

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

- Revenue is likely to remain flat YoY.
- EBITDA margin is likely to expand ~310bp on a YoY basis.
- The pricing outlook on Soda Ash will be the key monitorable.

Consolidated - Quarterly Earning

(INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	37,890	39,990	35,900	35,090	37,190	38,770	35,749	37,662	1,48,870	1,49,371
YoY Change (%)	-10.2	0.0	-3.8	1.0	-1.8	-3.1	-0.4	7.3	-3.5	0.3
Total Expenditure	32,150	33,810	31,560	31,820	30,700	33,400	30,319	31,541	1,29,340	1,25,959
EBITDA	5,740	6,180	4,340	3,270	6,490	5,370	5,430	6,121	19,530	23,411
Margins (%)	15.1	15.5	12.1	9.3	17.5	13.9	15.2	16.3	13.1	15.7
Depreciation	2,730	2,770	2,800	2,930	2,800	2,850	2,950	3,050	11,230	11,650
Interest	1,330	1,450	1,480	1,370	1,470	1,440	1,150	1,000	5,630	5,060
Other Income	470	1,080	280	420	960	1,380	350	550	2,250	3,240
PBT before EO expense	2,150	3,040	340	-610	3,180	2,460	1,680	2,621	4,920	9,941
Extra-Ord expense	0	0	700	550	0	650	0	0	1,250	650
PBT	2,150	3,040	-360	-1,160	3,180	1,810	1,680	2,621	3,670	9,291
Tax	940	810	170	-250	440	820	412	648	1,670	2,319
Rate (%)	43.7	26.6	-47.2	21.6	13.8	45.3	24.5	24.7	45.5	25.0
MI & Profit/Loss of Asso. Cos.	-140	290	0	-170	220	220	0	-64	-20	376
Reported PAT	1,350	1,940	-530	-740	2,520	770	1,269	2,037	2,020	6,596
Adj PAT	1,350	1,940	-5	-328	2,520	1,258	1,269	2,037	2,958	7,083
YoY Change (%)	-73.8	-44.8	-100.3	-68.7	86.7	-35.2	-25,471.0	-722.1	-67.9	139.5
Margins (%)	3.6	4.9	0.0	-0.9	6.8	3.2	3.5	5.4	2.0	4.7

Vinati Organics

Buy

CMP: INR1,601 | TP: INR2,040(+27%)

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

- Expect revenue to increase 10% YoY to INR5.7b, driven by growth across segments.
- Key driver: Ramp-up of Antioxidants (AOs) plants supported by favorable demand trends are expected to aid sales growth.
- EBITDA margin expected to be 31.1% (up 370bp YoY), with gross margin at 52% (up 300bp YoY) in 3QFY26.

Standalone - Quarterly Earning Model

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Gross Sales	5,247	5,533	5,217	6,485	5,423	5,463	5,738	7,003	22,481	23,627
YoY Change (%)	19.6	19.5	16.4	17.8	3.3	-1.3	10.0	8.0	18.3	5.1
Total Expenditure	3,996	4,193	3,789	4,649	3,764	3,677	3,954	4,763	16,626	16,159
Gross Margin (%)	44.9%	45.8%	49.0%	47.4%	52.0%	56.5%	52.0%	51.3%	46.8%	46.7%
EBITDA	1,251	1,340	1,428	1,836	1,658	1,786	1,784	2,240	5,855	7,468
Margin (%)	23.8	24.2	27.4	28.3	30.6	32.7	31.1	32.0	26.0	31.6
Depreciation	196	205	205	202	213	215	240	255	808	923
Interest	4	1	1	2	4	0	2	2	8	8
Other Income	93	222	67	61	73	159	100	118	443	450
PBT before EO expense	1,144	1,357	1,289	1,694	1,515	1,730	1,642	2,101	5,482	6,988
PBT	1,144	1,357	1,289	1,694	1,515	1,730	1,642	2,101	5,482	6,988
Tax	284	295	333	418	387	440	413	528	1,330	1,767
Rate (%)	24.8	21.8	25.8	24.7	25.5	25.4	25.2	25.1	24.3	25.3
Reported PAT	860	1,061	956	1,276	1,128	1,290	1,229	1,573	4,152	5,220
Adj PAT	860	1,061	956	1,276	1,128	1,290	1,229	1,573	4,152	5,220
YoY Change (%)	23.9	46.4	24.1	22.1	31.1	21.6	28.6	23.3	28.4	25.7
Margin (%)	16.4	19.2	18.3	19.7	20.8	23.6	21.4	22.5	18.5	22.1

Consumer

Company	Reco	TP (INR)
Staples		
BRIT	Buy	7,150
CLGT	Buy	2,700
DABUR	Neutral	535
HMN	Buy	675
GCPL	Buy	1,450
HUVR	Buy	2,800
ITC	Neutral	400
JYL	Neutral	325
L T Foods	Buy	550
MRCO	Buy	875
NESTLE	Neutral	1,300
PG	Neutral	14,000
TATACON	Buy	1,475
VBL	Buy	576
Zydus	Buy	575
Paints		
APNT	Neutral	3,000
INDIGOPN	Buy	1,450
PIDI	Neutral	1,500
Innerwear		
PAGE	Buy	44,500
Liquor		
RDCK	Buy	3,550
UBBL	Neutral	1,700
UNSP	Neutral	1,550
QSR		
UFBL	Neutral	235
DEVYANI	Buy	180
JUBI	Neutral	635
RBA	Buy	120
SAPPHIRE	Buy	325
WESTLIFE	Neutral	600
Jewelry		
KALYANKJ	Buy	650
PNG	Buy	825
SENCO	Neutral	365
TTAN	Buy	4,650

Print appears to be improving; jewelry continues to outperform

Within our consumer coverage universe, almost all segments are expected to see an improvement in revenue/EBITDA growth YoY in 3QFY26 — staples +9%/+7%, paints & adhesives +8%/+11%, liquor +7%/+12%, innerwear +6%/+2%, QSR +13%/+10%, and jewelry +31%/+20%.

- **Staples** companies are expected to report sequential improvement in revenue growth. Post GST 2.0, the disruption continues for Oct and partially in November (nearly 40-45 days affected). Thereafter, partial restocking supported the primary growth. Grammage additions in price packs (LUPs), undertaken to pass on GST rate reductions, should support volume growth (particularly packaged foods). A favorable winter further drives off-take of health supplements, personal care, hot beverages, and other winter-sensitive products. From 4Q onwards, growth is likely to reflect better underlying demand as trade disruptions fully normalize. Rural demand is expected to remain resilient, while urban demand has also shown an improving trajectory. Benign raw material prices should start seeing a recovery in gross margin. EBITDA margin is also likely to improve. Nestle, GCPL, Marico, Britannia, Emami, LT Foods, and Tata Consumer are expected to deliver double-digit YoY EBITDA growth. We expect our coverage universe to deliver a sales/EBITDA/APAT growth of 9%/7%/8% in 3QFY26.
- **Paint & Adhesives** – Improvement in demand was below expectation but is expected to be slightly better than 1HFY26. Demand post-festive period has not seen much pickup. Industry demand in value terms is expected to be in the low-to-mid-single digits in 3Q. Gross margins are expected to improve, supported by benign raw material prices, which should also aid EBITDA margin expansion. Pidilite is likely to sustain double-digit growth, underpinned by margin tailwinds and resilient underlying demand. We build in sales/EBITDA/PAT growth of 8%/11%/12% for our coverage companies in 3QFY26.
- **Liquor**: UNSP's volume and revenue are expected to grow ~2% and ~6%, respectively, in 3Q, impacted by the excise duty hike in Maharashtra (a high-teens revenue contributor) and the annualization of the AP policy. In contrast, Radico is expected to sustain robust double-digit, volume-led revenue growth. Gross margins are likely to see YoY improvement, supported by benign raw material prices. UBBL is likely to report weak revenue growth, hurt by the off-season (extended monsoon and early winters). Weak volume growth is expected to impact EBITDA margins. We expect sales/EBITDA/PAT growth of 7%/12%/13% for our coverage companies in 3QFY26.
- **Innerwear** demand remains soft, mainly due to a slowdown in the GT channel, while e-commerce continues to grow well. GT demand in Metro and Tier-1 cities (around 60% of sales) is still under pressure, whereas Tier-2/3 cities are seeing healthy growth. PAGE has geared up well for product launches, along with marketing and technology, though growth is expected to trend below its guidance. Going forward, it expects a new steady-state volume growth of 8-9% and a pricing contribution of 2-3% to drive double-digit revenue growth. EBITDA margins may face some pressure due to higher ad spending and a high base (23% in 3QFY25). We expect a sales/EBITDA/PAT growth of 6%/2%/5% for PAGE.

- **QSR:** The QSR print is expected to look better than 2Q, as Navratri was shifted to September vs. last year in October. Underlying demand has not seen much improvement. ADS and SSSG should be better than 2QFY26. Gross margins for most players are expected to see an improvement post-GST benefits. With better ADS, we believe the operating margin will be better than 2Q but will be lower for several brands on a YoY basis. We expect JUBI and RBA to deliver YoY expansion in EBITDA margin, and we expect them to deliver double-digit EBITDA growth. Intensified focus on in-store activations and new launches will be important to drive footfalls and order growth ahead. We expect sales and EBITDA growth of 13%/10% for 3QFY26.
- **Jewelry:** In 3QFY26, gold prices surged, rising ~60% YoY and ~20% QoQ. Despite this steep inflation, consumer demand for top brands remained resilient, supported by a strong festive season and sustained momentum during the wedding period. Demand was further aided by higher old-gold exchange-led purchases and attractive promotional offers. Gold coin sales also witnessed a sharp uptick amid rising gold prices. Now, consumers increasingly view gold inflation as structural and are therefore advancing their purchase decisions rather than postponing them. SSSG is expected to grow in high double digits, largely driven by value growth. However, margins may witness YoY pressure due to an adverse product mix amid elevated gold prices and high coin sales. We model a sales/EBITDA/PAT growth of 31%/30%/30% for our coverage jewelry companies in 3QFY26.
- **Outperformers and underperformers:** Among our coverage companies, Britannia, Emami, GCPL, MRCO, Nestle, Pidilite, Radico Khaitan, RBA, Titan, and Kalyan Jewelers are expected to be outliers in 3QFY26, whereas Colgate, HUL, UNSP, and UBBL will likely be the underperformers.
- **Outlook:** With trade stabilizing after the GST reduction, staples are expected to see a gradual pickup in demand, supported by a steady rural recovery and improving urban sentiment. Multiple measures have been initiated by the govt., and we expect steady improvement in demand from 4QFY26 onward. **Our top picks are Britannia, Titan, and Radico.**

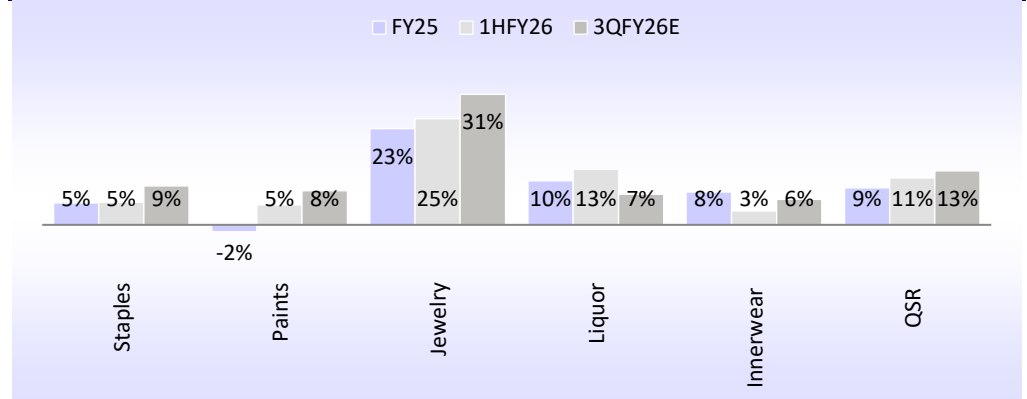
Raw material prices remain stable

- Commodity prices have seen deflationary trends during the quarter. We expect staple companies to see some sequential GM expansion. Further, margins started to see a YoY recovery for some companies. Most agricultural commodities and prices of non-agricultural commodities, including crude oil, its derivatives, TiO₂, and VAM, have seen moderation. However, select commodities such as gold continue to see inflationary pressure. Overall, RM inflationary pressure is likely to ease out in 2H FY26.
- **Agricultural commodities:** Wheat prices dipped 10% YoY and 3% QoQ. Barley prices declined 4% YoY and were flat QoQ. Sugar prices increased 7% YoY and 1% QoQ. Coffee prices increased 1% YoY while down 2% QoQ. Cocoa bean prices have started to ease and were down 33% YoY and 26% QoQ, offering relief to companies like Nestlé and HUL. Copra prices surged 71% YoY while down 1% QoQ, while palm oil prices are down 13% YoY and 2% QoQ.
- **Non-agricultural commodities:** These commodities have seen a moderation in prices. Crude oil prices are down 14% YoY. Other commodities such as TiO₂ and TiO₂ (China) continue to show a downward trend. VAM (China) prices rose 2%

YoY and 4% QoQ. Gold prices jumped 60% YoY and 21% QoQ, putting pressure on the margins of jewelry companies.

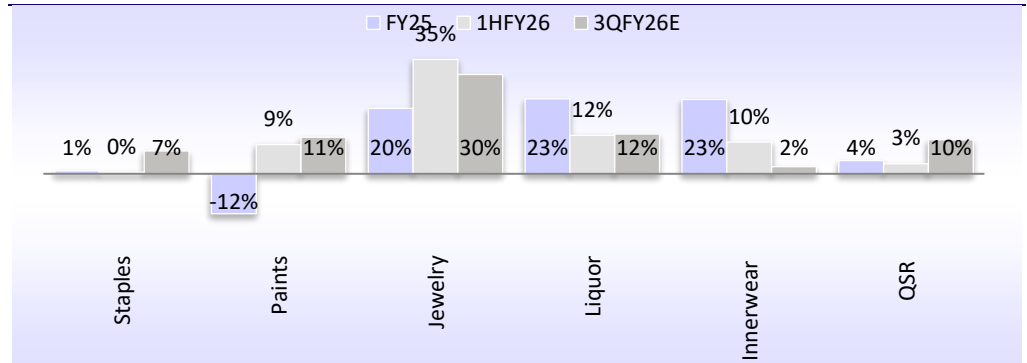
- Companies remain focused on normalizing the gap between volume and value growth while prioritizing a strategic balance between revenue growth and margin expansion amid evolving market dynamics. This approach aims to navigate cost pressures effectively while maintaining competitive positioning.

Exhibit 1: Revenue growth for our coverage universe in FY25, 1HFY26, and 3QFY26E (%)



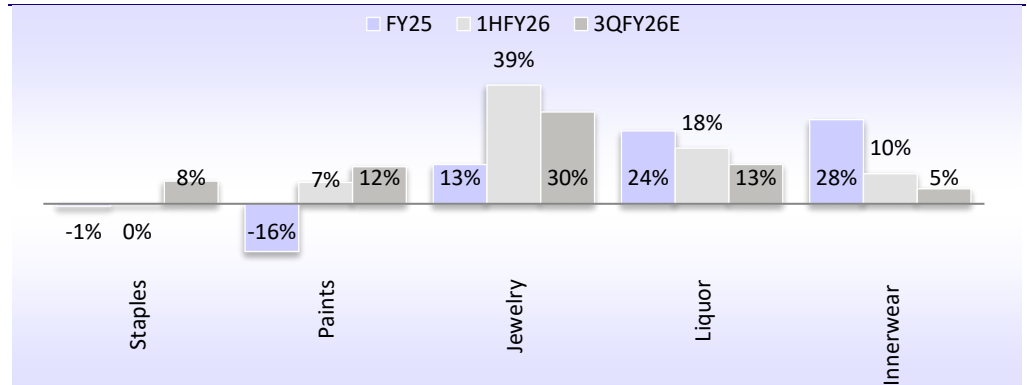
Source: Company, MOFSL

Exhibit 2: EBITDA growth for our coverage universe in FY25, 1HFY26, and 3QFY26E (%)



Source: Company, MOFSL

Exhibit 3: APAT growth for our coverage universe in FY25, 1HFY26, and 3QFY26E (%)



Source: Company, MOFSL

Exhibit 4: Summary of our 3QFY26 earnings estimates

Sector	CMP (INR)	Reco	Sales (INR M)	Growth (%)		EBITDA (INR M)	Growth (%)		PAT (INR M)	Growth (%)	
			Dec-25	YoY	QoQ	Dec-25	YoY	QoQ	Dec-25	YoY	QoQ
Staples											
Britannia	5982	Buy	50,212	12.5	5.7	9,874	16.9	3.4	6,898	18.5	5.3
Colgate	2089	Buy	14,938	2.2	-1.7	4,601	1.3	-1.2	3,262	1.1	-0.4
Dabur	522	Neutral	36,057	7.5	13.0	7,392	8.4	25.7	5,615	5.8	21.9
Emami	522	Buy	11,623	10.8	45.6	3,852	13.7	115.8	3,306	10.0	93.2
Godrej Consumer	1236	Buy	41,602	10.4	8.8	8,631	14.2	17.7	6,095	21.3	26.7
Hind. Unilever	2348	Buy	1,60,962	1.8	-1.0	37,386	1.2	0.0	25,695	-1.3	2.8
ITC	350	Neutral	2,07,068	10.2	6.2	67,781	6.5	1.2	51,742	9.4	2.2
Jyothy Labs	284	Neutral	7,496	6.4	1.8	1,241	7.2	4.9	951	8.9	8.4
L T Foods	390	Buy	27,564	21.2	-0.3	3,041	21.7	-1.7	1,673	16.8	2.1
Marico	758	Buy	35,689	27.7	2.5	5,971	12.0	6.6	4,448	11.5	5.9
Nestle	1280	Neutral	53,544	12.0	-5.1	12,371	10.2	-1.3	7,614	11.4	2.5
P&G Hygiene	12883	Neutral	12,975	4.0	12.8	3,698	-0.3	29.9	2,756	2.6	31.3
Tata Consumer	1170	Buy	49,766	12.0	0.2	7,021	24.3	4.5	3,996	41.0	-1.2
Varun Beverages	494	Buy	39,391	6.8	-19.6	6,287	8.4	-45.2	2,586	39.7	-65.0
Zydus Wellness	472	Buy	5,713	152.5	66.0	321	1,839.5	1,748.7	-310	PL	Loss
Paints											
Asian Paints	2772	Neutral	91,052	6.5	6.7	18,050	10.3	20.1	12,502	10.8	22.8
Indigo Paints	1170	Buy	3,745	9.3	20.0	659	15.2	41.6	395	9.8	57.5
Pidilite Inds.	1478	Neutral	37,783	12.2	6.3	8,984	12.5	5.6	6,375	15.4	9.9
Innerwear											
Page Industries	35767	Buy	13,927	6.1	7.9	3,092	2.2	10.6	2,147	4.9	10.3
Liquor											
Radico Khaitan	3095	Buy	15,297	18.2	2.4	2,493	35.6	4.9	1,493	55.6	7.5
United Breweries	1596	Neutral	20,183	1.0	-1.6	1,211	-14.2	-6.9	460	-28.2	-2.1
United Spirits	1381	Neutral	36,677	6.9	15.7	6,528	11.0	-2.9	4,607	9.6	-6.8
QSR											
Devyani Intl.	148	Buy	15,017	16.0	9.1	2,351	7.2	21.0	135	LP	LP
Jubilant Foodworks	553	Neutral	18,447	14.5	8.6	3,680	17.7	11.7	876	46.9	36.9
Restaurant Brands	65	Buy	5,862	18.3	3.1	910	15.3	12.0	-100	Loss	Loss
Sapphire Foods	253	Buy	8,228	8.8	10.8	1,348	0.3	32.0	48	-62.0	LP
United Foodbrands	216	Neutral	3,437	4.5	12.8	619	0.6	64.0	-30	PL	Loss
Westlife Foodworld	539	Neutral	7,015	7.3	9.3	1,004	9.9	32.4	86	21.5	LP
Jewelry											
Kalyan Jewellers	496	Buy	97,874	34.3	24.6	6,396	29.6	28.7	3,674	41.4	41.0
P N Gadgil Jewellers	612	Buy	32,543	33.6	49.4	1,810	47.5	69.0	1,163	35.2	46.6
Senco Gold	324	Neutral	23,938	17.0	55.8	1,604	49.1	50.6	796	46.8	63.1
Titan Company	4051	Buy	2,32,707	31.2	24.3	24,684	28.1	31.6	15,832	27.1	41.5

Exhibit 5: Volume growth expectations in 3QFY26

Volume growth (%)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Asian Paints	12.0	10.0	7.0	-0.5	1.6	1.8	3.9	10.9	12.0
Britannia	5.5	6.0	8.0	8.0	6.0	3.0	2.0	-3.0	8.0
Colgate	-1.0	1.0	7.0	8.0	4.0	0.0	-3.0	-5.0	1.0
Dabur	4.0	3.0	5.2	-7.0	1.2	-5.0	-1.0	2.0	5.0
Emami	-1.0	6.4	8.7	1.7	4.0	5.0	-3.0	-16.0	13.0
Godrej Consumer	5.0	9.0	8.0	7.0	0.0	4.0	5.0	3.0	8.0
HUL	2.0	2.0	4.0	3.0	0.0	2.0	4.0	0.0	3.0
ITC	-2.0	2.0	3.0	3.5	6.0	5.0	6.0	6.0	6.0
Jyothy labs	11.0	10.0	10.8	3.0	8.0	5.0	3.6	2.8	5.0
Marico	2.0	3.0	4.0	5.0	6.0	7.0	9.0	7.0	8.0
Nestle	4.0	4.0	2.0	-1.5	2.5	2.0	2.0	7.0	9.0
Page Industries	4.6	6.1	2.6	6.7	4.7	8.5	1.9	2.5	4.5
UBBL	8.0	10.9	5.0	5.0	8.0	5.0	11.0	-3.0	0.5
United spirits	-1.8	3.7	3.5	-4.4	10.2	6.9	9.4	7.7	2.4
-P&A	4.6	3.7	5.1	-3.7	11.2	9.2	9.0	8.0	2.5
Radico Khaitan	3.6	-1.0	-4.1	-2.4	15.5	27.5	37.5	37.7	17.3
Radico Khaitan (P&A)	20.1	14.5	14.2	12.7	18.0	16.4	40.7	21.6	18.0

Source: Company, MOFSL

Exhibit 6: Revenue growth trends of our coverage universe

Companies name	Revenue growth (%)								
	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Staples									
Britannia	1	1	6	5	8	9	9	4	12
Colgate	8	10	13	10	5	(2)	(4)	(6)	2
Dabur	7	5	7	(5)	3	1	2	5	7
Emami	1	7	10	3	5	8	(0)	(10)	11
Godrej Consumer	2	6	(3)	2	3	6	10	4	10
HUL*	(0)	(0)	1	2	2	3	5	2	2
ITC	2	2	8	17	4	5	16	(6)	10
Jyothy	11	7	8	0	4	1	1	0	6
LT Foods	9	14	16	7	17	7	19	31	21
Marico	(2)	2	7	8	15	20	23	31	28
Nestle	8	9	3	1	4	4	6	11	12
P&G Hygiene	(0)	13	10	(0)	10	(1)	1	1	4
Tata consumer	9	9	16	13	17	17	10	18	12
Varun Beverages	20	11	28	24	38	29	(2)	2	7
Zyduz Wellness	(3)	10	20	12	15	17	2	32	106
Zyduz Wellness - Organic									7
Paints & Adhesives									
Asian Paints	5	(1)	(2)	(5)	(6)	(4)	(0)	6	6
Indigo Paints	26	18	8	7	(3)	1	(1)	4	9
Pidilite	4	8	4	5	8	8	11	10	12
Liquor									
United Breweries	13	21	9	12	10	9	16	(3)	1
United Spirits	7	7	8	(1)	15	11	8	12	7
Radico Khaitan	47	30	19	21	11	21	33	34	18
Innerwear									
Page Industries	2	3	4	11	7	11	3	4	6
QSR									
Jubilant Food.	3	15	10	9	19	10	18	16	15
Devyani International	7	39	44	49	54	16	11	13	16
Westlife Foodworld	(2)	1	0	1	9	7	7	4	7
Sapphire Foods	12	13	10	8	14	13	8	7	9
Restaurant Brands	20	20	16	9	11	12	13	16	18
Barbeque Nation	1	6	(6)	1	(1)	(2)	(3)	(0)	5
Jewelry									
Titan	22	21	12	16	25	19	25	29	31
Kalyan	34	34	27	37	40	37	31	30	34
Senco	23	40	8	31	24	21	30	2	17
PN Gadgil			33	46	24	5	3	9	34

*HUL organic revenue growth is 4% Source: Company, MOFSL

Exhibit 7: EBITDA growth trends of our coverage universe

Companies name	EBITDA growth (%)								
	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Staples									
Britannia	0	(2)	9	(10)	3	2	0	22	17
Colgate	30	18	22	3	(3)	(6)	(11)	(6)	1
Dabur	8	14	8	(16)	2	(9)	2	6	8
Emami	7	6	14	7	8	4	(1)	(29)	14
Godrej Consumer	18	14	7	5	(16)	(0)	(4)	(4)	14
HUL	(1)	(1)	2	(0)	1	2	(1)	(1)	1
ITC	(3)	0	1	5	(2)	(2)	1	(1)	7
Jyothy	41	19	14	2	(2)	3	(7)	(15)	7
LT Foods	44	25	13	(5)	5	5	10	35	22
Marico	13	12	9	5	4	4	5	7	12
Nestle	14	19	5	(4)	(1)	5	(0)	5	10
P&G Hygiene	7	72	(38)	2	20	(19)	103	(2)	(0)
Tata consumer	26	23	22	17	(1)	(1)	(9)	7	24
Varun Beverages	36	24	32	30	39	28	0	(0)	8
Zydus Wellness	(55)	18	52	17	17	17	0	17	321
Zydus Wellness - Organic									(60)
Paints & Adhesives									
Asian Paints	28	(9)	(20)	(28)	(20)	(15)	(4)	21	10
Indigo Paints	53	18	(4)	(1)	(8)	3	(6)	12	15
Pidilite	50	26	15	13	8	10	16	11	13
Liquor									
United Breweries	90	166	28	23	(3)	31	9	(43)	(14)
United Spirits	34	7	19	8	20	40	(9)	33	11
Radico Khaitan	47	55	25	35	29	45	56	46	36
Innerwear									
Page Industries	19	22	2	20	32	43	21	(0)	2
QSR									
Jubilant Food.	(2)	1	1	1	11	20	16	16	18
Devyani International	(16)	15	29	25	50	16	(8)	(2)	7
Westlife Foodworld	(13)	(16)	(24)	(21)	(5)	3	7	(4)	10
Sapphire Foods	4	5	2	(3)	10	3	(9)	(9)	0
Restaurant Brands	48	30	27	10	12	41	21	16	15
Barbeque Nation	7	37	9	3	(7)	(3)	(10)	(17)	1
Jewelry									
Titan	16	9	11	8	23	29	47	23	28
Kalyan	13	15	16	26	33	35	35	25	30
Senco	11	31	62	107	(41)	45	69	30	49
PN Gadgil	-	-	44	59	33	6	71	49	47

Source: Company, MOFSL

Exhibit 8: APAT growth trends of our coverage universe

Companies name	APAT growth (%)								
	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Staples									
Britannia	0	-4	16	-9	4	4	-2	23	18
Colgate	36	20	26	5	-2	-7	-12	-8	1
Dabur	8	11	8	-17	2	-8	3	6	6
Emami	11	13	21	19	6	9	8	-27	10
Godrej Consumer	6	23	24	12	-14	-25	0	-3	21
HUL	-2	-2	2	-2	3	3	-5	-4	-1
ITC	7	0	0	2	-11	-1	3	1	9
Jyothy	35	32	17	1	-4	3	-5	-16	9
LT Foods	59	16	11	-7	-5	8	10	10	17
Marico	17	5	9	11	4	8	9	7	11
Nestle	24	22	6	-3	-12	-4	-13	-5	11
P&G Hygiene	10	72	-39	1	17	-16	111	-1	3
Tata consumer	19	38	-5	10	-18	-18	10	5	41
Varun Beverages	77	25	26	24	40	35	5	19	40
Zyduz Wellness	-98	-2	19	154	2033	14	-13	-135	87
Paints & Adhesives									
Asian Paints	34	-1	-25	-29	-24	-31	-6	17	11
Indigo Paints	42	10	-16	-11	-3	6	-1	11	10
Pidilite	67	30	21	19	8	20	19	8	15
Liquor									
United Breweries	275	731	27	23	-25	20	6	-64	-28
United Spirits	61	10	25	5	21	60	-1	48	10
Radico Khaitan	29	52	21	33	30	60	84	69	56
Innerwear									
Page Industries	23	38	4	29	34	52	22	0	5
QSR									
Jubilant Food.	(31)	(44)	(31)	(28)	(2)	43	29	23	47
Devyani International	(93)	(95)	(17)	PL	PL	PL	(94)	PL	LP
Westlife Foodworld	(53)	(96)	(89)	(98)	(59)	96	(65)	PL	22
Sapphire Foods	(70)	(82)	(67)	(66)	29	189	PL	PL	(62)
Restaurant Brands	NM	NM	NM	NM	NM	NM	NM	NM	NM
Barbeque Nation	(2)	NM	NM	NM	5	NM	NM	NM	NM
Jewelry									
Titan	15	5	-5	2	18	13	53	20	27
Kalyan	21	96	23	35	44	36	49	43	41
Senco	6	24	85	189	-50	94	104	41	47
PN Gadgil	0	0	59	141	49	13	96	50	35

Source: Company, MOFSL

Exhibit 9: Gross and EBITDA margin expansions in 3QFY26E (%)

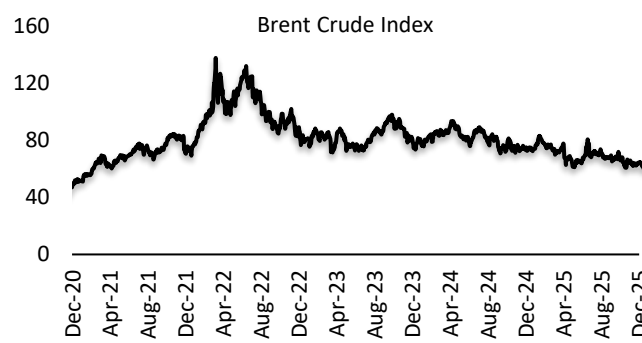
Companies	Gross Margin	YoY (bp)	QoQ (bp)	EBITDA Margin	YoY (bp)	QoQ (bp)
Staples						
Britannia	41.7%	298	2	19.3%	91	-41
Colgate	69.5%	-41	5	30.8%	-28	17
Dabur	48.8%	74	-64	20.5%	18	207
Emami	70.4%	6	-67	33.1%	86	1078
Godrej Consumer	54.0%	-14	190	20.7%	69	158
HUL	51.2%	-11	-23	23.2%	-13	21
ITC	57.5%	-12	-75	32.7%	-112	-160
Jyothy	50.6%	83	255	16.6%	12	49
LT Foods	34.0%	53	-2	11.0%	5	-16
Marico	43.2%	-635	50	16.7%	-235	65
Nestle	55.2%	-119	88	23.1%	-38	89
P&G Hygiene	63.5%	-130	221	28.5%	-123	374
Tata consumer	42.7%	163	62	14.1%	140	58
Varun Beverages	53.9%	-218	-282	16.0%	24	-747
Zydus Wellness	60.0%	1101	709	6.5%	333	300
Paints & Adhesives						
Asian Paints	43.8%	135	61	19.8%	68	220
Indigo Paints	47.0%	38	222	17.6%	91	269
Pidilite	55.0%	68	-4	23.8%	8	-16
Liquor						
United Breweries	43.0%	-13	20	6.0%	-106	-34
United Spirits	45.8%	107	-130	17.8%	67	-340
Radico Khaitan	44.0%	98	36	16.3%	209	39
Innerwear						
Page Industries	59.1%	275	-83	22.2%	-84	55
QSR						
Barbeque Nation	67.1%	-114	86	18.0%	-71	562
Devyani intl.	68.5%	-20	74	15.7%	-128	154
Jubilant Food.	75.3%	24	93	20.0%	54	56
Restaurant Brands	68.6%	75	30	15.5%	-40	123
Sapphire Foods	68.6%	-1	82	16.4%	-137	263
Westlife Foodworld	72.0%	192	-40	14.3%	34	250
Jewelry						
Kalyan	12.3%	-78	-62	6.5%	-24	21
PN Gadgil	11.9%	208	5	5.6%	52	64
Senco	14.3%	270	-273	6.7%	144	-23
Titan	23.5%	146	205	10.6%	-26	59

Source: Company, MOFSL

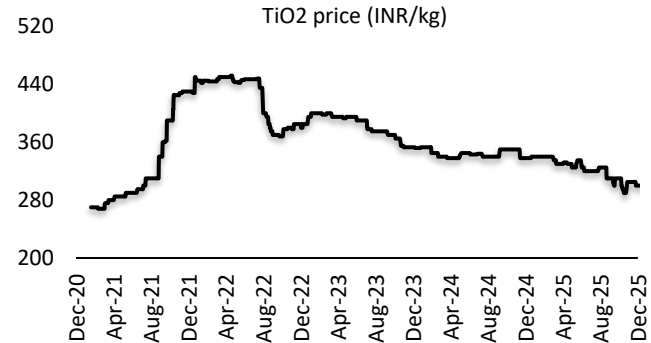
Exhibit 10: Trend in commodity prices

Commodity	Unit	CMP	Average prices of commodities						Change in prices (%)	
			2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY	QoQ
Non-Agri Commodities										
Brent Crude	\$/barrel	61	80	75	76	68	69	64	-14%	-7%
Titanium Dioxide	INR/kg	300	343	344	337	327	317	302	-12%	-5%
Titanium Dioxide China	CNY/MT	13,670	15,771	15,180	15,099	14,892	13,657	13,684	-10%	0%
VAM China	USD/MT	774	778	783	809	782	767	798	2%	4%
Soda Ash	INR/50kg	1,600	1,832	1,803	1,848	1,600	1,565	1,507	-16%	-4%
Glass	India WPI Index	173	174	173	174	174	173	173	0%	0%
Gold	MCX Gold (INR/10gm)	1,31,661	71,543	76,403	83,375	94,876	1,02,287	1,24,189	63%	21%
HDPE	INR/10kg	850	1,026	964	942	928	946	875	-9%	-8%
Agri Commodities										
Wheat	INR/quintal	2,600	2,743	2,949	2,947	2,630	2,732	2,645	-10%	-3%
Sugar	INR/quintal	4,050	3,901	3,874	4,074	4,088	4,068	4,127	7%	1%
Mentha	INR/KG	1,125	1,012	1,002	1,021	1,007	1,062	1,094	9%	3%
Cashew	India WPI Index	194	164	170	168	172	172	185	9%	7%
Maize	INR/quintal	1,874	2,527	2,437	2,377	2,262	2,357	1,907	-22%	-19%
Molasses	India WPI Index	161	157	158	158	161	163	163	3%	0%
Barley	INR/quintal	2,298	2,221	2,396	2,391	2,276	2,304	2,296	-4%	0%
Tea	India WPI Tea	186	208	210	173	194	176	183	-13%	4%
Cocoa beans	USD/MT	6,005	8,555	8,709	9,668	9,359	7,940	5,848	-33%	-26%
Coffee	India WPI Coffee	229	232	231	230	234	239	234	1%	-2%
Tobacco	India WPI Tobacco	114	114	114	114	114	114	114	0%	0%
Milk	India WPI Milk	191	186	185	187	189	191	191	3%	0%
SMP	US\$/CWT	116	135	139	133	131	125	115	-17%	-8%
Copra	Copra WPI Index	408	175	215	234	281	391	402	87%	3%
Cotton	USD/LB	64	73	73	70	70	69	65	-10%	-5%
Yarn	NNS Cotton Yarn Hosiery Yarn Carded 30 price INR/kg India	222	233	231	231	233	228	224	-3%	-2%
Oil Commodities										
Palm Fatty acid	USD/MT	1,001	844	961	1,038	902	970	1,019	6%	5%
Malaysia Palm oil	MYR/MT	4,006	4,000	4,840	4,712	4,071	4,275	4,206	-13%	-2%
Coconut Oil	INR/quintal	32,750	13,617	18,781	18,460	23,131	32,223	32,059	71%	-1%
Rice Bran oil	Rice Bran oil Index	180	155	179	177	177	179	180	1%	1%
Sunflower oil	INR/MT	1,42,000	96,071	1,28,397	1,32,328	1,30,508	1,30,939	1,40,284	9%	7%

Source: Bloomberg, MOFSL

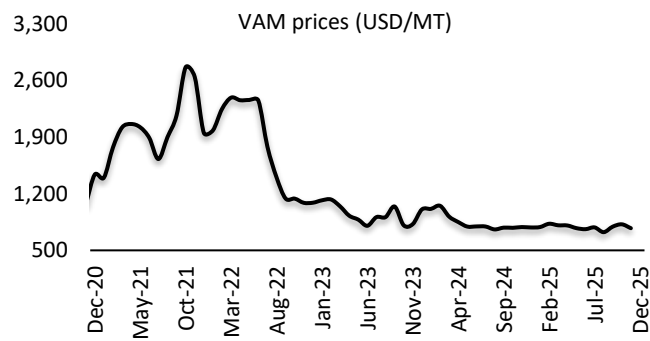
Exhibit 11: Crude oil prices down 15% YoY/8% QoQ in Dec'25


Source: Bloomberg, MOFSL

Exhibit 12: TiO2 prices down 12% YoY/5% QoQ in Dec'25


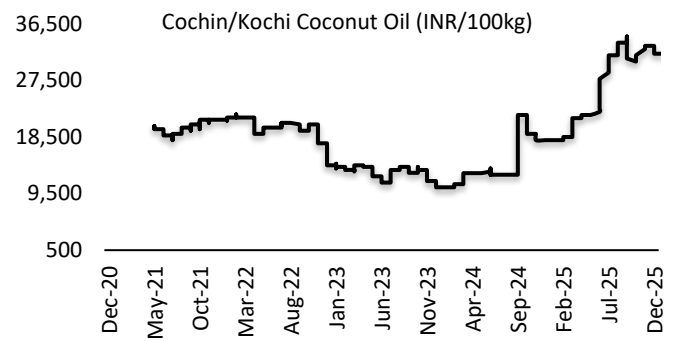
Source: Bloomberg, MOFSL

Exhibit 13: VAM prices up 2% YoY/4% QoQ in Dec'25



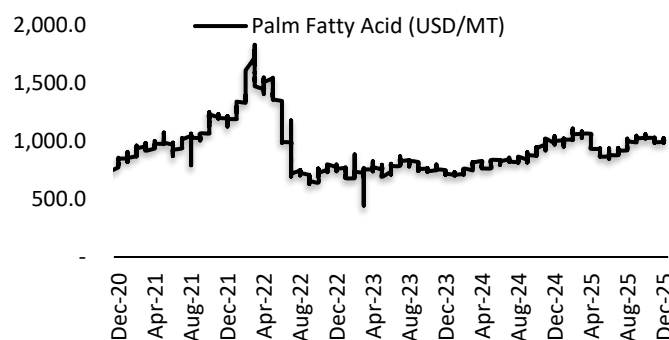
Source: Bloomberg, MOFSL

Exhibit 14: Coconut oil prices up 71% YoY/flat QoQ in Dec'25



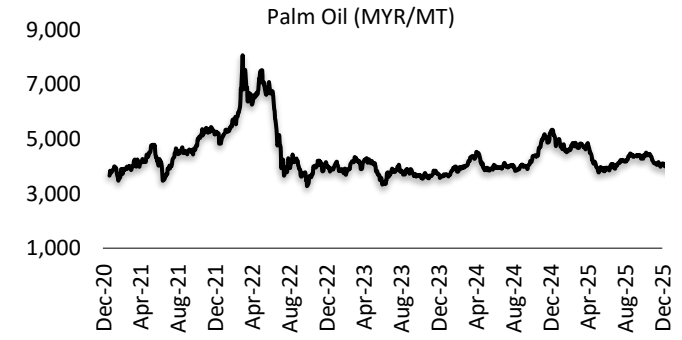
Source: Company, MOFSL

Exhibit 15: PFAD prices up 6% YoY/5% QoQ in Dec'25



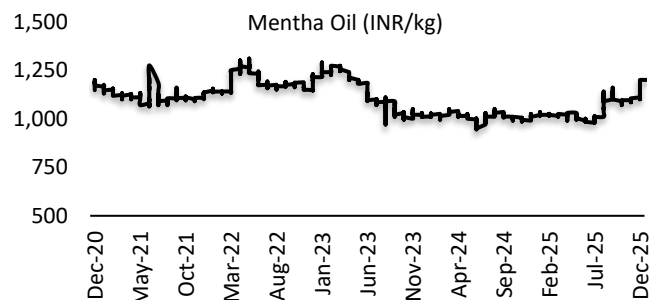
Source: Bloomberg, MOFSL

Exhibit 16: Malaysian palm oil prices declined 14% YoY/2% QoQ in Dec'25



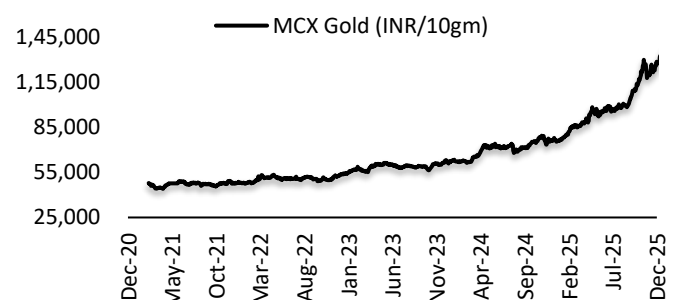
Source: Bloomberg, MOFSL

Exhibit 17: Mentha oil prices rose 10% YoY/4% QoQ in Dec'25



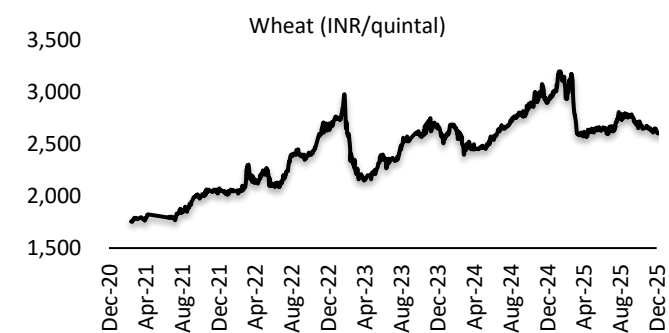
Source: Bloomberg, MOFSL

Exhibit 18: Average gold prices rose 65% YoY/23% QoQ in Dec'25



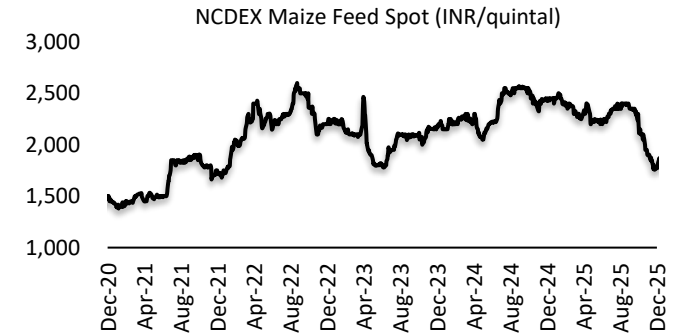
Source: Bloomberg, MOFSL

Exhibit 19: Wheat prices down 10% YoY/3% QoQ in Dec'25

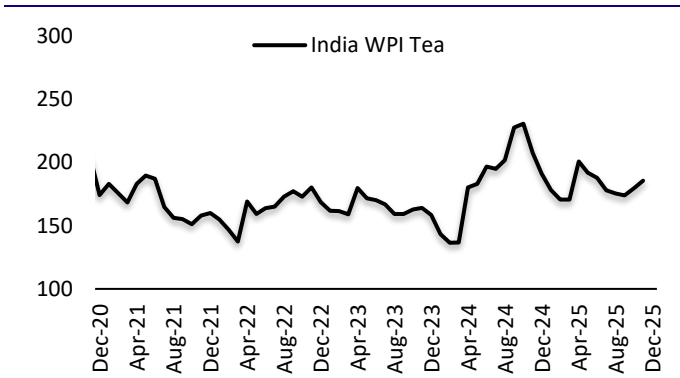


Source: Bloomberg, MOFSL

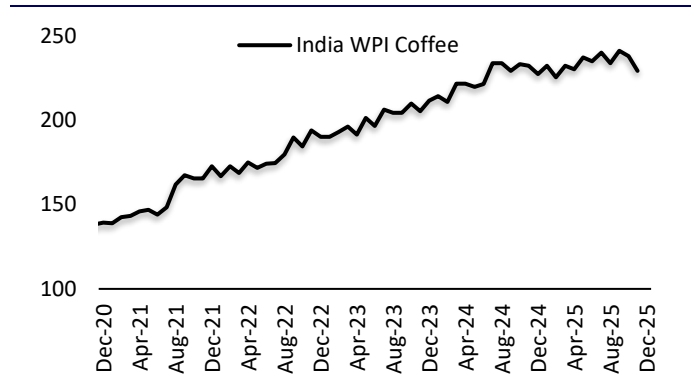
Exhibit 20: Maize prices down 22% YoY/19% QoQ in Dec'25



Source: Bloomberg, MOFSL

Exhibit 21: India WPI tea prices down 13% YoY/up 4% QoQ in Dec'25


Source: Bloomberg, MOFSL

Exhibit 22: India coffee prices up 1% YoY/down 2% QoQ in Dec'25


Source: Bloomberg, MOFSL

Exhibit 23: Changes to our EPS estimates (%)

	New			Old			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Staples									
Britannia	106.4	126.0	142.7	108.4	126.4	143.5	-1.9%	-0.3%	-0.6%
Colgate	50.7	56.7	61.7	51.9	57.8	63.0	-2.2%	-2.0%	-2.0%
Dabur	10.8	12.2	13.4	10.8	12.2	13.4	0.0%	0.0%	0.0%
Emami	20.3	21.9	23.6	20.3	21.9	23.6	0.0%	0.0%	0.0%
GCPL	21.4	26.5	30.5	21.4	26.5	30.5	0.0%	0.0%	0.0%
HUL	43.4	48.0	52.8	44.1	50.3	54.4	-1.5%	-4.5%	-3.0%
ITC	16.6	16.4	17.7	16.6	16.4	17.7	0.0%	0.0%	0.0%
Jyothy Lab	10.1	11.5	12.9	10.3	11.7	13.0	-2.4%	-1.1%	-0.5%
LT Foods	20.1	26.5	31.3	20.5	26.9	31.8	-2.2%	-1.6%	-1.5%
Marico	13.6	16.3	18.2	13.6	16.3	18.1	0.2%	0.1%	0.1%
Nestle	16.7	19.8	22.2	16.9	20.1	22.5	-0.9%	-1.5%	-1.6%
P&G	268.1	296.7	330.1	268.1	296.7	330.1	0.0%	0.0%	0.0%
Tata Consumer	16.8	20.3	22.2	17.0	20.1	22.1	-1.0%	0.7%	0.8%
Varun Beverages	9.0	10.7	12.7	9.1	10.7	12.8	-0.9%	-0.6%	-0.6%
Zydus Wellness	11.7	17.0	18.9	11.7	17.0	18.9	0.0%	0.0%	0.0%
Paints & Adhesives									
Asian Paints	46.7	54.5	62.0	46.8	54.1	61.9	-0.1%	0.8%	0.1%
Indigo Paints	33.3	39.4	46.3	33.3	39.4	46.3	0.0%	0.0%	0.0%
Pidiltie	23.8	27.6	31.6	23.9	27.6	31.6	-0.3%	0.0%	0.0%
Liquor									
UBBL	15.1	25.0	33.5	16.4	26.3	34.1	-7.8%	-4.8%	-2.0%
UNSP	22.8	25.5	28.2	23.0	25.6	28.2	-1.0%	-0.4%	-0.1%
RDCK	42.7	54.0	65.9	41.9	53.3	65.5	2.0%	1.3%	0.7%
Innerwear									
Page Industries	704.4	791.2	892.4	704.4	791.2	892.4	0.0%	0.0%	0.0%
QSR*									
Barbeque Nation	2.0	2.3	2.5	2.0	2.3	2.5	-0.5%	-0.5%	-0.4%
Devyani	8.3	10.8	13.3	8.2	10.8	13.3	1.6%	0.0%	0.0%
Jubilant	18.5	21.5	25.1	18.5	21.5	25.1	0.0%	0.0%	0.0%
RBA	3.3	4.8	6.3	3.3	5.0	6.6	0.0%	-3.0%	-3.1%
Sapphire	4.6	5.7	6.4	4.8	5.9	6.6	-3.2%	-3.2%	-3.1%
Westlife	3.4	4.0	4.7	3.4	4.1	4.9	0.0%	-2.6%	-4.4%
Jewelry									
Kalyan	11.4	14.6	17.2	11.4	14.6	17.3	-0.2%	-0.1%	-0.1%
PN Gadgil	25.2	29.8	35.1	25.1	29.5	34.8	0.3%	0.8%	0.8%
Senco	17.6	18.3	22.4	17.7	18.5	22.6	-0.7%	-1.1%	-0.7%
Titan	56.8	67.2	79.5	56.8	67.2	79.5	0.0%	0.0%	0.0%

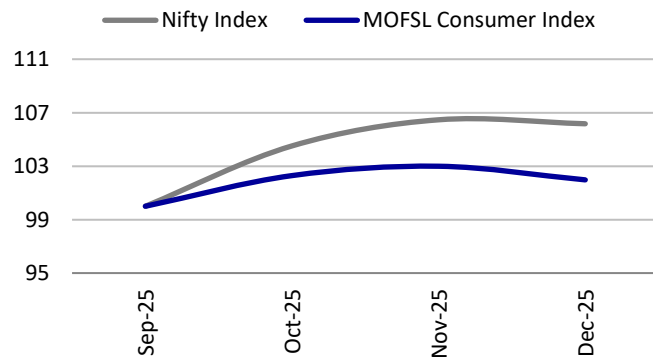
Source: Company, MOFSL *For QSR, it is change in our EBITDA estimates

Comparative valuations

Company	Reco	CMP (INR)	TP (INR)	EPS (INR)			EPS Growth YoY (%)			P/E (x)			EV/EBITDA (x)			ROE (%)			Div. Yield
				FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	
Staples																			
BRIT	Buy	5,982	7,150	106.4	126.0	142.7	16	18	13	56	47	42	39	33	29	54	54	50	1.3
CLGT	Buy	2,089	2,700	50.7	56.7	61.7	-1	12	9	41	37	34	29	26	24	86	101	110	2.6
DABUR	Neutral	522	535	10.8	12.2	13.4	7	12	10	48	43	39	34	30	27	17	18	20	1.8
HMN	Buy	522	675	20.3	21.9	23.6	0	8	8	26	24	22	22	19	18	31	30	30	2.2
GCPL	Buy	1,236	1,450	21.4	26.5	30.5	16	24	15	58	47	41	40	34	30	18	21	23	1.8
HUVR	Buy	2,348	2,800	43.4	48.0	52.8	-2	11	10	54	49	44	36	33	30	21	23	24	1.8
ITC	Neutral	350	400	16.6	16.4	17.7	4	-1	8	21	21	20	15	16	14	29	28	30	4.3
JYL	Neutral	284	325	10.1	11.5	12.9	-1	14	12	28	25	22	20	17	15	18	19	20	1.9
L T Foods	Buy	390	550	20.1	26.5	31.3	15	32	18	19	15	12	12	9	8	17	19	19	1.3
MRCO	Buy	758	875	13.6	16.3	18.2	10	20	11	56	46	42	41	34	30	43	49	50	1.6
NESTLE	Neutral	1,280	1,300	16.7	19.8	22.2	4	19	12	77	65	58	47	41	37	77	85	87	1.2
PG	Neutral	12,883	14,000	268.1	296.7	330.1	37	11	11	48	43	39	35	32	29	106	96	89	1.7
TATACON	Buy	1,170	1,475	16.8	20.3	22.2	20	21	9	70	58	53	41	34	31	8	9	10	0.6
VBL	Buy	494	576	9.0	10.7	12.7	17	19	19	55	46	39	33	28	24	17	18	18	0.5
ZyduS	Buy	472	575	11.7	17.0	18.9	9	45	11	40	28	25	33	22	18	6	9	10	0.4
Paints																			
APNT	Neutral	2,772	3,000	46.7	54.5	62.0	10	17	14	59	51	45	40	34	30	23	26	27	1.5
INDIGOPN	Buy	1,170	1,450	33.3	39.4	46.3	12	18	18	35	30	25	20	17	14	15	15	15	0.7
PIDI	Neutral	1,478	1,500	23.8	27.6	31.6	15	16	14	62	54	47	43	38	33	23	24	24	0.8
Innerwear																			
PAGE	Buy	35,767	44,500	704.4	791.2	892.4	8	12	13	51	45	40	35	31	27	47	44	42	1.3
Liquor																			
RDCK	Buy	3,095	3,550	42.7	54.0	65.9	66	26	22	72	57	47	44	36	31	18	19	20	0.3
UBBL	Neutral	1,596	1,700	15.1	25.0	33.5	-14	65	34	106	64	48	53	38	30	9	14	17	0.4
UNSP	Neutral	1,381	1,550	22.8	25.5	28.2	16	12	10	61	54	49	42	37	33	17	16	15	0.9
QSR																			
UFBL	Neutral	216	235	-14.3	-13.6	-12.7	Loss	Loss	Loss	NM	NM	NM	5	4	4	-18	-21	-24	0.0
DEVYANI	Buy	148	180	-0.1	1.2	2.2	PL	LP	89	NM	127	67	26	20	16	-1	26	59	0.0
JUBI	Neutral	553	635	5.3	8.1	10.7	48	53	31	104	68	52	22	19	16	17	26	32	0.3
RBA	Buy	65	120	-3.2	-1.7	-0.6	Loss	Loss	Loss	NM	NM	NM	11	8	6	-23	-15	-5	0.0
SAPPHIRE	Buy	253	325	-0.1	1.7	2.4	PL	LP	42	NM	148	104	17	14	12	-0	4	5	0.0
WESTLIFE	Neutral	539	600	-0.2	1.5	4.4	PL	LP	187	NM	354	123	29	24	21	-1	4	10	0.0
Jewelry																			
KALYANKJ	Buy	496	650	11.4	14.6	17.2	45	28	18	44	34	29	25	20	17	22	24	25	0.6
PNG	Buy	612	825	25.2	29.8	35.1	45	18	18	24	21	17	17	15	13	20	19	19	0.0
SENCO	Neutral	324	365	17.6	18.3	22.4	42	4	23	18	18	14	11	11	9	14	13	14	0.5
TTAN	Buy	4,051	4,650	56.8	67.2	79.5	34	18	18	71	60	51	44	39	33	38	35	32	0.4

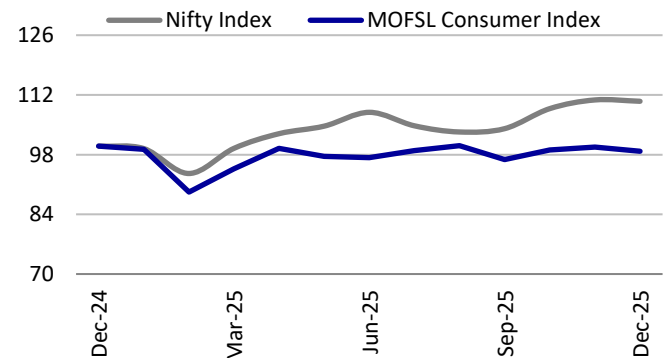
Source: Company, MOFSL

Exhibit 24: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 25: One-year relative performance (%)



Source: MOFSL, Company

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

Asian Paints					Neutral				
CMP: INR2,772 TP: INR3,000 (+8%)					EPS CHANGE (%): FY26 FY27 FY28: - +1 -				
- We model 6.5% revenue growth in 3Q on a weak base. Two-year revenue CAGR is flat. - APNT aims to achieve mid-single-digit value growth in domestic decorative paints in FY26.					- Volume growth expected to be 12% in domestic decorative paints. The gap in volume and value growth is due to down trading. - We expect GP margin expansion of 140bp YoY to 43.8% on deflation in RM prices. EBITDA margin expected to improve 70bp YoY to 19.8%.				

Quarterly Performance (Consol.)										(INR m)
Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Est. Dom. Deco. Vol. growth (%)	7.0	-0.5	1.6	1.8	3.9	10.9	12.0	13.2	2.5	10.0
Net Sales	89,697	80,275	85,494	83,589	89,386	85,313	91,052	92,023	3,39,056	3,57,773
Change (%)	-2.3	-5.3	-6.1	-4.3	-0.3	6.3	6.5	10.1	-4.5	5.5
Gross Profit	38,152	32,732	36,291	36,724	38,155	36,849	39,881	40,596	1,43,898	1,55,481
Gross Margin (%)	42.5	40.8	42.4	43.9	42.7	43.2	43.8	44.1	42.4	43.5
EBITDA	16,938	12,395	16,367	14,362	16,250	15,034	18,050	16,799	60,062	66,133
Margin (%)	18.9	15.4	19.1	17.2	18.2	17.6	19.8	18.3	17.7	18.5
Change (%)	-20.2	-27.8	-20.4	-15.1	-4.1	21.3	10.3	17.0	-20.8	10.1
Interest	554	630	558	528	445	439	455	473	2,270	1,812
Depreciation	2,277	2,420	2,556	3,011	3,009	3,049	3,100	3,195	10,263	12,353
Other Income	1,562	1,736	1,430	999	1,928	1,986	1,800	1,042	5,726	6,757
PBT	15,669	11,081	14,683	11,822	14,724	13,532	16,295	14,174	53,255	58,725
Tax	4,168	2,654	3,897	3,214	3,917	3,733	3,992	3,333	13,934	14,975
Effective Tax Rate (%)	26.6	23.9	26.5	27.2	26.6	27.6	24.5	23.5	26.2	25.5
Adjusted PAT	11,868	8,738	11,284	8,838	11,171	10,182	12,502	10,941	40,728	44,796
Change (%)	-24.6	-29.1	-23.5	-30.7	-5.9	16.5	10.8	23.8	-26.7	10.0

E: MOFSL Estimates

Britannia Industries					Buy				
CMP: INR5,982 TP: INR 7,150 (+20%)					EPS CHANGE (%): FY26 FY27 FY28: -2 - -				
We expect 12.5% revenue growth YoY, led by volume growth of 8%. The growth will be led by gram muge hikes in LUPs (60-65% sales mix).					- GP margin is expected to expand 300bp YoY to 41.7% on a low base, and EBITDA margin is likely to improve 90bp YoY to 19.3%. - BRIT continues to focus on innovation and distribution channels to gain market share.				

Consol. Quarterly Performance										(INR m)
Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Base business volume growth (%)	8.0	8.0	6.0	3.0	2.0	-3.0	8.0	11.0	6.3	4.5
Net Revenue	41,299	45,662	44,633	43,756	45,349	47,522	50,212	50,873	1,75,350	1,93,956
YoY change (%)	4.0	4.5	6.5	9.0	9.8	4.1	12.5	16.3	6.0	10.6
Other operating income	1,204	1,013	1,293	566	874	885	925	1,036	4,077	3,719
YoY change (%)	194.6	62.4	100.5	2.4	-27.4	-12.7	-28.5	83.0	82.8	-8.8
Total Revenue	42,503	46,676	45,926	44,322	46,222	48,406	51,137	51,909	1,79,427	1,97,675
YoY change (%)	6.0	5.3	7.9	8.9	8.8	3.7	11.3	17.1	7.0	10.2
Gross Profit	18,449	19,381	17,784	17,773	18,631	20,177	21,324	21,507	73,386	81,640
Margins (%)	43.4	41.5	38.7	40.1	40.3	41.7	41.7	41.4	40.9	41.3
EBITDA	7,537	7,834	8,449	8,052	7,571	9,545	9,874	9,619	31,872	36,609
Margins (%)	17.7	16.8	18.4	18.2	16.4	19.7	19.3	18.5	17.8	18.5
YoY growth (%)	9.4	-10.2	2.9	2.3	0.4	21.8	16.9	19.5	0.5	14.9
Depreciation	739	761	824	810	820	851	860	870	3,133	3,401
Interest	290	346	446	307	262	347	375	390	1,388	1,373
Other Income	556	460	625	630	570	521	620	694	2,271	2,405
PBT	7,064	7,187	7,804	7,566	7,059	8,869	9,259	9,053	29,621	34,240
Tax	1,762	1,836	1,961	1,928	1,809	2,286	2,333	2,190	7,487	8,618
Rate (%)	24.9	25.5	25.1	25.5	25.6	25.8	25.2	24.2	25.3	25.2
Adjusted PAT	5,295	5,317	5,823	5,591	5,201	6,551	6,898	6,865	22,027	25,515
YoY change (%)	16.3	-9.3	4.3	4.2	-1.8	23.2	18.5	22.8	3.1	15.8

E: MOFSL Estimates

Colgate

Buy

CMP: INR2,089 | TP: INR2,700 (+29%)

EPS CHANGE (%): FY26|FY27|FY28: -2|-2|-2

- Demand remained subdued for the company during the quarter. We model a revenue growth of ~2% and volume growth of ~1% in 3Q.
- Around 95% of Colgate's portfolio witnessed a GST rate cut from 18% to 5% under GST 2.0. This cut is leading to a trade disruption in the first half of 3Q.
- GP margin is expected to contract 40bp YoY to 69.5%, and EBITDA margin is expected to contract 30bp YoY to 30.8%.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume Gr %	7.0	8.0	4.0	0.0	-3.0	-5.0	1.0	7.0	4.8	0.0
Net Sales (inclgd. OOI)	14,967	16,191	14,618	14,625	14,341	15,195	14,938	15,992	60,402	60,465
YoY change (%)	13.1	10.1	4.7	-1.8	-4.2	-6.2	2.2	9.3	6.3	0.1
Gross Profit	10,574	11,098	10,220	10,327	9,884	10,553	10,382	11,204	42,219	42,023
Gross margin (%)	70.6	68.5	69.9	70.6	68.9	69.5	69.5	70.1	69.9	69.5
EBITDA	5,083	4,974	4,544	4,980	4,526	4,654	4,601	5,598	19,581	19,379
Margins (%)	34.0	30.7	31.1	34.1	31.6	30.6	30.8	35.0	32.4	32.1
YoY growth (%)	21.6	3.2	-3.0	-6.4	-11.0	-6.4	1.3	12.4	3.0	-1.0
Depreciation	415	417	411	384	375	372	448	570	1,627	1,766
Interest	10	12	11	11	10	10	12	15	43	48
Financial other Income	234	195	204	191	179	150	220	328	824	878
PBT	4,893	4,740	4,325	4,776	4,320	4,423	4,361	5,341	18,734	18,444
Tax	1,253	1,354	1,097	1,226	1,113	1,148	1,099	1,282	4,930	4,642
Rate (%)	25.6	28.6	25.4	25.7	25.8	25.9	25.2	24.0	26.3	25.2
Adj PAT	3,640	3,555	3,228	3,550	3,206	3,275	3,262	4,059	13,973	13,801
YoY change (%)	26.2	4.6	-2.2	-6.5	-11.9	-7.9	1.1	14.3	4.4	-1.2
Reported PAT	3,640	3,951	3,228	3,550	3,206	3,275	3,262	4,059	14,368	13,801

E: MOFSL Estimates

Dabur

Neutral

CMP: INR522 | TP: INR535 (+2%)

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

- We expect ~7.5 revenue growth, mainly backed by 5% volume growth in the India business. The growth will be led by the loading of the winter portfolio and some benefits of GST.
- Home and Personal Care (HPC) division is expected to perform well, driven by the oral, OTC, and Ethicals, home and skin care categories.
- GP margin is expected to expand 70bp YoY to 48.8% and EBITDA is expected to improve by 20bp YoY to 20.5%.
- International business is likely to deliver high single-digit CC growth, fueled by MENA, Turkey, Bangladesh, and the US Namaste business.

Quarterly Performance (Consolidated)

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Domestic FMCG vol. growth (%)	5.2	-7.0	1.2	-5.0	-1.0	2.0	5.0	12.0	-1.4	4.5
Net sales	33,491	30,286	33,553	28,301	34,046	31,913	36,057	31,073	1,25,631	1,33,089
YoY change (%)	7.0	-5.5	3.1	0.6	1.7	5.4	7.5	9.8	1.3	5.9
Gross profit	16,005	14,943	16,124	13,211	16,013	15,778	17,596	14,762	60,282	64,149
Margin (%)	47.8	49.3	48.1	46.7	47.0	49.4	48.8	47.5	48.0	48.2
EBITDA	6,550	5,526	6,819	4,269	6,678	5,881	7,392	5,070	23,163	25,021
Margins (%)	19.6	18.2	20.3	15.1	19.6	18.4	20.5	16.3	18.4	18.8
YoY growth (%)	8.3	-16.4	2.1	-8.6	2.0	6.4	8.4	18.8	-3.5	8.0
Depreciation	1,091	1,110	1,086	1,169	1,141	1,154	1,194	1,172	4,456	4,661
Interest	327	474	442	393	346	397	375	357	1,635	1,475
Other income	1,294	1,515	1,280	1,412	1,440	1,401	1,400	1,462	5,501	5,703
PBT	6,427	5,457	6,571	4,119	6,630	5,731	7,223	5,003	22,573	24,588
Tax	1,481	1,284	1,418	992	1,543	1,282	1,769	1,428	5,175	6,023
Rate (%)	23.0	23.5	21.6	24.1	23.3	22.4	24.5	28.5	22.9	24.5
Adjusted PAT	5,084	4,333	5,306	3,284	5,222	4,608	5,615	3,777	18,006	19,222
YoY change (%)	7.7	-17.2	1.6	-8.2	2.7	6.4	5.8	15.0	-4.0	6.7

E: MOFSL Estimates

Emami

Buy

CMP: INR522 | TP: INR675 (+29%)

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

- We model 11% revenue growth and 13% volume growth, led by the loading of winter products and normalization of trade post-GST implementation.
- Kesh King has seen improvement, and the product re-launched in 2Q will also contribute to the growth.
- GM is expected to flat YoY at 70.4% and EBITDA margin is likely to expand 80bp YoY to 33.4% led by operating leverage.
- International business expected to deliver 10% revenue growth in 3Q.

Consol. Quarterly performance

(INR m)

Y/E MARCH	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Domestic volume growth (%)	8.7	1.7	4.0	5.0	-3.0	-16.0	13.0	16.0	4.9	2.5
Net Sales	9,061	8,906	10,495	9,631	9,041	7,985	11,623	10,829	38,092	39,478
YoY change (%)	9.7	3.0	5.3	8.1	-0.2	-10.3	10.8	12.4	6.5	3.6
Gross Profit	6,131	6,296	7,377	6,346	6,276	5,671	8,177	7,115	26,150	27,240
Gross margin (%)	67.7	70.7	70.3	65.9	69.4	71.0	70.4	65.7	68.6	69.0
EBITDA	2,165	2,505	3,387	2,194	2,142	1,785	3,852	2,576	10,251	10,355
Margins (%)	23.9	28.1	32.3	22.8	23.7	22.4	33.1	23.8	26.9	26.2
YoY change	13.9	7.2	7.6	4.0	-1.1	-28.7	13.7	17.4	8.0	1.0
Depreciation	444	447	456	435	445	453	452	459	1,782	1,808
Interest	21	23	22	28	24	26	23	17	93	90
Other Income	105	216	149	212	216	214	175	207	681	812
PBT	1,805	2,251	3,059	1,943	1,889	1,520	3,552	2,308	9,057	9,269
Tax	278	94	224	315	225	18	426	443	911	1,112
Rate (%)	15.4	4.2	7.3	16.2	11.9	1.2	12.0	19.2	10.1	12.0
Adj. PAT	1,702	2,333	3,006	1,812	1,843	1,711	3,306	2,021	8,853	8,873
YoY change (%)	20.5	18.6	6.3	8.6	8.3	-26.7	10.0	11.5	12.4	0.2
Reported PAT	1,506	2,110	2,790	1,622	1,643	1,484	3,103	1,830	8,027	8,059
YoY change (%)	10.1	17.2	7.0	10.5	9.1	-29.7	11.2	12.8	10.9	0.4

E: MOFSL Estimates

Godrej Consumer

Buy

CMP: INR1,236 | TP: INR1,450 (+17%)

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

- We expect 8% volume and revenue growth in the India business. Soaps portfolio (1/3rd of India) impacted in 2Q due to GST will see improvement. Home care expected to deliver double-digit growth.
- We model revenue growth of (-2%)/23%/(-5%) in Indonesia/GAUM and other international businesses.
- India business gross margins expected to be stable YoY at 54.8 while EBITDA margin expected to improve 180bp YoY to 24.4% on a favorable base (22.7% in 3QFY25). Indonesia and other international business EBITDA are expected to decline, while GAUM EBITDA is expected to rise in double digits. Consolidated EBITDA is expected to grow 14% YoY.

Quarterly Performance (Consolidated)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Domestic volume Growth (%)	8	7	0	4	5	3	8	10	5	7
Net Sales (including OOI)	33,316	36,663	37,684	35,980	36,619	38,251	41,602	39,602	1,43,643	1,57,545
YoY change (%)	-3.4	1.8	3.0	6.3	9.9	4.3	10.4	10.1	1.9	9.7
Gross Profit	18,608	20,381	20,402	18,890	19,005	19,931	22,466	21,941	78,282	83,343
Margin (%)	55.9	55.6	54.1	52.5	51.9	52.1	54.0	55.4	54.5	52.9
Other Operating Exp.	11,346	12,764	12,843	11,298	12,060	12,598	13,835	13,593	48,251	52,033
EBITDA	7,262	7,617	7,559	7,592	6,946	7,333	8,631	8,348	30,031	31,310
Margins (%)	21.8	20.8	20.1	21.1	19.0	19.2	20.7	21.1	20.9	19.9
YoY growth (%)	6.5	5.3	-16.4	-0.2	-4.4	-3.7	14.2	10.0	-2.2	4.3
Depreciation	495	501	619	726	594	656	650	624	2,340	2,524
Interest	878	831	897	896	865	759	755	769	3,501	3,147
Other Income	751	843	831	737	845	629	900	1,200	3,161	3,573
PBT	6,623	7,107	6,874	6,708	6,332	6,547	8,126	8,155	27,312	29,212
Tax	1,933	2,154	1,834	2,275	1,613	1,657	2,032	2,002	8,196	7,303
Rate (%)	29.2	30.3	26.7	33.9	25.5	25.3	25.0	24.6	30.0	25.0
Adj PAT	4,649	4,953	5,025	4,321	4,669	4,811	6,095	6,153	18,948	21,909
YoY change (%)	23.6	12.2	-14.3	-24.8	0.4	-2.9	21.3	42.4	-4.2	15.6
Reported PAT	4,507	4,913	4,983	4,119	4,525	4,593	6,095	6,153	18,522	21,909

E: MOFSL Estimate

Hindustan Unilever

Buy

CMP: INR2,348 | TP: INR2,800 (+19%)

EPS CHANGE (%): FY26|FY27: -2|-5|-3

- The organic business is expected to deliver 4% revenue growth led by 3% volume growth. Reported revenue growth has been 2% due to the demerger of the ice cream business.
- The transitory impact of GST rate rationalization (which hit 40% of HUL's portfolio) weighed on the first half of 3Q.
- We model revenue growth of 3% in home care and personal care each, 8% in Beauty and Wellbeing, and 2% in F&B
- Reported EBITDA margin is expected to decline marginally by ~20bp to 23.2%. On an underlying, like-for-like basis, margins have contracted by ~60bp. However, at the reported level, margins benefit by ~50–60bp due to the demerger of the ice-cream business, which was a low-margin segment.

Quarterly performance (Consolidated)

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Domestic volume growth (%)	4.0	3.0	0.0	2.0	4.0	0.0	3.0	5.0	2.0	3.0
Total revenue	157.1	159.3	158.2	156.7	165.1	162.5	161.0	164.2	631.2	652.7
YoY change (%)	1.4	1.9	1.6	3.0	5.1	2.0	1.8	4.8	2.0	3.4
Gross Profit	81.6	82.2	81.2	80.5	82.7	83.6	82.4	84.2	325.4	332.9
Margin %	52.0	51.6	51.3	51.4	50.1	51.4	51.2	51.2	51.6	51.0
EBITDA	37.4	37.9	37.0	36.2	37.2	37.4	37.4	37.9	148.5	149.7
YoY change (%)	2.2	-0.1	0.8	2.4	-0.7	-1.4	1.2	4.6	1.3	0.8
Margins (%)	23.8	23.8	23.4	23.1	22.5	23.0	23.2	23.0	23.5	22.9
Depreciation	3.3	3.4	3.4	3.5	3.6	3.6	3.6	3.6	13.6	14.4
Interest	0.9	1.1	1.1	0.8	1.3	1.3	1.1	0.9	4.0	4.5
Other income	2.6	2.2	2.3	3.1	2.0	1.5	1.6	1.7	10.2	6.8
PBT	35.8	35.6	34.7	35.0	34.3	34.0	34.3	35.0	141.2	137.5
Tax	9.2	9.5	9.9	8.9	5.4	8.8	8.6	8.9	37.4	31.6
Rate (%)	25.6	26.6	28.6	25.3	15.6	25.8	25.0	25.5	26.5	23.0
PAT bei	26.5	26.0	26.0	25.7	25.3	25.0	25.7	26.0	104.2	102.0
YoY change (%)	2.5	-2.1	2.9	2.6	-4.5	-4.0	-1.3	1.4	1.4	-2.1
Reported Profit	26.1	25.9	29.8	24.6	27.6	27.0	25.7	26.0	106.5	105.6

E: MOFSL Estimates

Indigo Paints

Buy

CMP: INR1,170 | TP: INR1,450 (+24%)

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

- We expect 9% revenue growth in 3QFY26, ahead of industry growth but below the management's earlier guidance of double-digit growth.
- Demand was soft in Oct after the festive season, while a meaningful pickup was seen in Nov'25.
- GP margin expected to improve 40bp YoY to 47%. EBITDA margins expected to improve 90bp YoY to 17.6%.
- The company does not expect to take price hikes in the near term.

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	3,110	2,995	3,426	3,876	3,089	3,121	3,745	4,374	13,407	14,328
Change (%)	7.8	7.4	-3.2	0.7	-0.7	4.2	9.3	12.9	2.6	6.9
Raw Material/PM	1,661	1,686	1,829	2,061	1,671	1,723	1,985	2,315	7,237	7,694
Gross Profit	1,449	1,309	1,597	1,815	1,418	1,397	1,760	2,059	6,170	6,634
Gross Margin (%)	46.6	43.7	46.6	46.8	45.9	44.8	47.0	47.1	46.0	46.3
EBITDA	474	415	572	874	443	465	659	1,023	2,335	2,591
Margin (%)	15.2	13.9	16.7	22.6	14.3	14.9	17.6	23.4	17.4	18.1
Change (%)	-3.5	-1.5	-8.1	3.3	-6.5	12.1	15.2	17.1	-1.9	11.0
Interest	6	7	6	15	7	7	12	14	35	40
Depreciation	152	154	147	132	148	151	162	165	585	626
Other Income	42	51	31	60	60	30	45	66	185	200
PBT	357	306	450	787	348	338	530	910	1,900	2,125
Tax	90	83	92	213	87	85	134	229	478	535
Effective Tax Rate (%)	25.3	27.2	20.4	27.0	25.0	25.2	25.2	25.2	25.2	25.2
Adjusted PAT	262	226	360	569	259	251	395	681	1,418	1,586
Change (%)	-15.6	-10.6	-3.3	6.0	-1.0	10.9	9.8	19.6	-3.8	11.9

E: MOFSL Estimates

ITC

Neutral

CMP: INR350 | TP: INR400 (+14%)
EPS CHANGE (%): FY26|FY27|FY28: -|-|-

- The cigarette business is expected to show stable volumes and pricing, with the portfolio continuing to grow, aided by improvements in the product mix. We model 6% volume growth and 7% revenue growth in 3Q.
- FMCG business expected to post healthy growth. We model 9% revenue growth.
- The agriculture segment performed well during the quarter. We model 20% revenue growth.
- We model 6% YoY growth in cigarette EBIT, though margins may contract by 30bp due to rising leaf tobacco prices. In the FMCG business, we expect a 38% EBIT growth, with a 160bp margin expansion.
- In the paper segment, sequential improvement can be seen due to an increase in paper prices. We model 7% revenue and 5% EBIT growth.

Consol. Quarterly Performance (Reported)

(InR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q*	4Q*	1Q*	2Q*	3QE	4QE		
Est. cigarette vol. gr. (%)	3.0	3.5	6.0	5.0	6.0	6.0	6.0	-5.5	4.4	3.1
Net Sales	184.6	207.4	187.9	187.7	214.9	195.0	207.1	200.9	767.5	818.0
YoY change (%)	7.5	16.7	4.3	4.7	16.5	-6.0	10.2	7.1	8.3	6.6
Gross Profit	111.7	115.9	108.3	110.3	112.6	113.6	119.1	116.0	446.2	461.3
Margin (%)	60.5	55.9	57.6	58.8	52.4	58.3	57.5	57.7	58.1	56.4
EBITDA	67.5	67.6	63.6	65.2	68.2	66.9	67.8	66.6	263.9	271.8
Growth (%)	1.2	4.8	-2.2	-1.6	1.0	-1.0	6.5	2.2	0.5	3.0
Margins (%)	36.6	32.6	33.9	34.7	31.7	34.3	32.7	33.2	34.4	33.2
Depreciation	5.0	5.2	4.2	4.1	4.2	4.3	4.5	4.6	18.5	17.7
Interest	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.0	0.5	0.5
Other Income	6.9	6.2	6.0	6.4	6.8	5.8	6.9	7.7	25.5	27.3
PBT	69.3	68.4	65.3	67.4	70.6	68.2	69.9	69.7	270.4	280.8
Tax	17.6	17.9	17.3	16.8	17.8	17.9	17.6	17.3	69.6	70.7
Rate (%)	25.4	26.2	26.4	24.9	25.3	26.3	25.2	24.8	25.7	25.2
Adj PAT	50.9	49.9	47.3	50.7	52.4	50.6	51.7	51.0	198.9	207.8
YoY change (%)	-0.2	2.0	-11.4	-0.9	3.0	1.3	9.4	0.5	-2.8	4.5
Reported PAT	50.9	49.9	47.3	50.7	52.4	51.3	51.7	51.0	199.9	207.8

E: MOFSL estimate; *Excluding the hotel business data, therefore not comparable YoY

Jyothy Labs.

Neutral

CMP: INR284 | TP: INR325 (+14%)
EPS CHANGE (%): FY26|FY27|FY28: -2|-1|-1

- We expect consolidated net sales to grow 6% YoY, led by volume growth of 5% in 3QFY26.
- In segment revenue, we model growth of 7% in Fabric care, 6% in Dishwashing, 8% in HI, and 5% in personal care.
- We expect gross margin expansion of 80bp YoY to 50.6% on benign palm oil prices.
- EBITDA margin is expected to improve 10bp YoY to 16.6%.

Consolidated Quarterly Performance

(InR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume growth (%)	11%	3%	8%	5%	4%	3%	5%	7%	6%	8%
Net Sales	7,418	7,338	7,045	6,670	7,512	7,361	7,496	7,309	28,470	29,677
YoY change (%)	8.0	0.2	4.0	1.1	1.3	0.3	6.4	9.6	3.3	4.2
Gross Profit	3,805	3,683	3,506	3,281	3,608	3,537	3,793	4,049	14,275	14,987
Margins (%)	51.3	50.2	49.8	49.2	48.0	48.1	50.6	55.4	50.1	50.5
EBITDA	1,335	1,385	1,158	1,119	1,242	1,183	1,241	1,185	4,996	4,850
EBITDA growth %	13.7	2.3	-2.4	3.3	-7.0	-14.6	7.2	5.9	4.1	-2.9
Margins (%)	18.0	18.9	16.4	16.8	16.5	16.1	16.6	16.2	17.5	16.3
Depreciation	134	139	143	146	147	152	153	154	561	606
Interest	14	14	15	17	13	14	16	19	59	62
Other Income	137	125	139	155	194	170	180	151	556	695
PBT	1,324	1,357	1,138	1,112	1,275	1,187	1,252	1,163	4,931	4,877
Tax	307	307	264	306	307	309	300	254	1,184	1,171
Rate (%)	23.2	22.6	23.2	27.6	24.1	26.1	24.0	21.9	24.0	24.0
Adjusted PAT	1,017	1,050	874	806	968	878	951	909	3,747	3,706
YoY change (%)	16.6	1.0	-3.9	3.1	-4.8	-16.4	8.9	12.8	4.0	-1.1

E: MOFSL Estimates

LT Foods

Buy

CMP: INR390 | TP: INR550 (+41%)
EPS CHANGE (%): FY26|FY27|FY28: -2|-2|-2

- We expect consolidated sales to grow ~21% YoY, primarily driven by volume growth
- We expect the International operations of Specialty Rice to grow ~29% YoY due to the change in base resulting from the acquisition of Golden Star.
- EBITDA margin expected to remain constant YoY at 11% in 3QFY26.
- Organic segment's gross margins are expected to decline 960bps YoY in 3QFY26, impacted by outsourcing operations due to new plant commissioning in Europe.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	20,705	21,078	22,748	22,284	24,639	27,657	27,564	28,051	86,815	1,07,912
YoY Change (%)	16.4	6.6	17.2	7.4	19.0	31.2	21.2	25.9	11.7	24.3
Total Expenditure	18,296	18,785	20,250	19,701	21,985	24,563	24,523	24,690	77,032	95,762
EBITDA	2,409	2,293	2,498	2,583	2,654	3,094	3,041	3,361	9,783	12,150
Margins (%)	11.6	10.9	11.0	11.6	10.8	11.2	11.0	12.0	11.3	11.3
Depreciation	420	448	458	531	523	599	610	630	1,857	2,362
Interest	187	196	236	257	280	280	280	200	877	1,040
Other Income	175	263	134	313	371	67	110	130	885	678
PBT before EO expense	1,977	1,911	1,938	2,107	2,221	2,283	2,261	2,661	7,934	9,426
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	1,977	1,911	1,938	2,107	2,221	2,283	2,261	2,661	7,934	9,426
Tax	530	494	525	554	598	653	588	692	2,102	2,530
Rate (%)	26.8	25.8	27.1	26.3	26.9	28.6	26.0	26.0	26.5	26.8
Minority Interest & Profit/Loss of Asso. Cos.	-84	-66	-19	-52	-62	-8	0	0	-222	-70
Reported PAT	1,532	1,484	1,433	1,605	1,685	1,639	1,673	1,969	6,053	6,966
Adj PAT	1,532	1,484	1,433	1,605	1,685	1,639	1,673	1,969	6,053	6,966
YoY Change (%)	11.4	-7.2	-5.2	7.9	10.0	10.4	16.8	22.7	1.3	15.1
Margins (%)	7.4	7.0	6.3	7.2	6.8	5.9	6.1	7.0	7.0	6.5

Marico

Buy

CMP: INR750 | TP: INR875 (+15%)
EPS CHANGE (%): FY26|FY27|FY28: -|-|-

- In the pre-quarter update, MRCO estimated high-single digit volume growth (est. +8%) in the India business. Consolidated revenue grew in the high 20s (est +28%).
- GM is expected to improve sequentially (est. 43.2% in 3Q, up 60bp QoQ) and EBITDA will grow in double digits (est. +12% YoY).
- Parachute volume declined marginally. Saffola Oils has muted quarter. VAHO grew in the 20s. Foods had a benign quarter, while premium personal care showed resilient growth.
- The International business is expected to deliver revenue growth (CC terms) in the early 20s.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Domestic volume growth (%)	4.0	5.0	6.0	7.0	9.0	7.0	8.0	8.0	5.5	8.0
Net Sales	26,430	26,640	27,940	27,300	32,590	34,820	35,689	34,000	1,08,310	1,37,099
YoY Change (%)	6.7	7.6	15.4	19.8	23.3	30.7	27.7	24.5	12.2	26.6
Gross Profit	13,810	13,530	13,830	13,260	15,290	14,850	15,400	14,921	54,430	60,461
Gross margin (%)	52.3	50.8	49.5	48.6	46.9	42.6	43.2	43.9	50.3	44.1
EBITDA	6,260	5,220	5,330	4,580	6,550	5,600	5,971	5,291	21,390	23,412
Margins (%)	23.7	19.6	19.1	16.8	20.1	16.1	16.7	15.6	19.7	17.1
YoY Change (%)	9.1	5.0	3.9	3.6	4.6	7.3	12.0	15.5	5.6	9.5
Depreciation	410	410	440	520	450	470	485	527	1,780	1,932
Interest	170	110	130	120	100	120	125	132	530	477
Other Income	370	400	420	470	560	490	500	562	1,660	2,112
PBT	6,050	5,100	5,180	4,410	6,560	5,500	5,861	5,194	20,740	23,115
Tax	1,310	1,190	1,120	960	1,430	1,180	1,319	1,272	4,580	5,201
Rate (%)	21.7	23.3	21.6	21.8	21.8	21.5	22.5	24.5	22.1	22.5
Adjusted PAT	4,640	3,915	3,990	3,430	5,040	4,200	4,448	3,849	15,975	17,537
YoY Change (%)	8.7	10.9	4.2	7.9	8.6	7.3	11.5	12.2	7.9	9.8
Reported PAT	4,640	4,230	3,990	3,430	5,040	4,200	4,448	3,849	16,290	17,537

E: MOFSL Estimates

Nestlé India

Neutral

CMP: INR1,280 | TP: INR1,300 (+2%)

EPS CHANGE (%): FY26|FY27|FY28: -1|-1|-2

- We model 12% YoY consol. revenue growth. Domestic business is expected to grow 12% led by volume. The growth is supported by the normalization of trade post-GST implementation.
- NEST has been strategically taking pricing action in response to rising commodity prices.
- We expect GP margin contraction of 120bp YoY, but it has expanded 90bp QoQ to 55.2% due to the moderation in RM prices sequentially. EBITDA margin to contract by 40bp YoY to 23.1%.

Quarterly performance

Y/E December	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	48,140	51,040	47,797	55,039	50,962	56,436	53,544	61,816	2,02,016	2,22,757
YoY Change (%)	3.3	1.3	3.9	4.5	5.9	10.6	12.0	12.3	3.5	10.3
COGS	20,388	22,139	20,846	24,124	22,854	25,781	23,988	27,618	87,498	1,00,241
Gross Profit	27,751	28,901	26,951	30,914	28,107	30,656	29,556	34,198	1,14,518	1,22,516
Margin (%)	57.6	56.6	56.4	56.2	55.2	54.3	55.2	55.3	56.7	55.0
Operating Exp	16,513	16,983	15,728	16,791	16,925	18,116	17,186	18,230	66,014	70,456
EBITDA	11,239	11,918	11,223	14,124	11,183	12,539	12,371	15,968	48,503	52,060
Margins (%)	23.3	23.3	23.5	25.7	21.9	22.2	23.1	25.8	24.0	23.4
YoY Growth (%)	5.4	-4.4	-0.6	5.2	-0.5	5.2	10.2	13.1	2.6	7.3
Depreciation	1,127	1,216	1,503	1,553	1,569	1,634	1,650	1,672	5,399	6,525
Interest	317	322	346	375	469	464	435	432	1,360	1,800
Other income	391	69	44	84	40	16	55	256	589	367
PBT	10,186	10,448	9,419	12,280	9,185	10,458	10,341	14,119	42,333	44,103
Tax	2,625	3,010	2,264	3,192	2,412	2,753	2,606	3,539	11,085	11,311
Rate (%)	25.8	28.8	24.0	26.0	26.3	26.3	25.2	25.1	26.2	25.6
Adjusted PAT	7,467	7,792	6,836	8,730	6,466	7,432	7,614	10,453	30,827	32,192
YoY Change (%)	6.4	-3.3	-12.4	-4.5	-13.4	-4.6	11.4	19.7	-2.6	4.4

E: MOFSL Estimates

Page Industries

Buy

CMP: INR35,767 | TP: INR44,500 (+24%)

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

- We expect ~6% YoY revenue growth, led by volume growth of 4.5% (rest by mix change). No price hike expected in 3Q.
- The growth trends were similar to the previous quarter, as no major pickup was seen in 3Q.
- Gross margin is expected to expand 280bp YoY to 59.1%, led by stable input prices.
- EBITDA margin is expected to contract 80bp YoY to 22.2% due to the increase in ad spending as well as a high margin base (23% in 3QFY25).

Quarterly Statement

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume growth (%)	2.6	6.7	4.7	8.5	1.9	2.5	4.5	9.1	5.0	3.7
Net Sales	12,775	12,454	13,131	10,981	13,166	12,909	13,927	12,220	49,340	52,221
YoY change (%)	3.9	10.7	6.9	10.6	3.1	3.7	6.1	11.3	8.0	5.8
Gross Profit	6,918	7,031	7,399	6,689	7,784	7,736	8,231	7,476	28,036	31,228
Gross margin (%)	54.1	56.5	56.3	60.9	59.1	59.9	59.1	61.2	56.8	59.8
EBITDA	2,433	2,806	3,025	2,352	2,947	2,795	3,092	2,495	10,617	11,329
Margins (%)	19.0	22.5	23.0	21.4	22.4	21.7	22.2	20.4	21.5	21.7
YoY change	2.0	20.1	31.7	43.1	21.1	-0.4	2.2	6.1	23.5	6.7
Depreciation	221	226	297	249	266	254	275	288	992	1,083
Interest	117	109	119	118	127	125	125	129	464	506
Other Income	129	146	140	201	148	195	175	232	616	750
PBT	2,225	2,616	2,750	2,187	2,702	2,611	2,867	2,310	9,777	10,490
Tax	572	672	703	547	694	663	720	556	2,494	2,633
Rate (%)	25.7	25.7	25.6	25.0	25.7	25.4	25.1	24.1	25.5	25.1
PAT	1,652	1,944	2,047	1,640	2,008	1,948	2,147	1,754	7,282	7,857
YoY change (%)	4.3	29.3	34.3	51.6	21.5	0.2	4.9	7.0	27.9	7.9

E: MOFSL Estimates

P&G Hygiene

Neutral

CMP: INR12,883 | TP: INR14,000 (+9%)

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

- Sales are expected to grow ~4% YoY in 3QFY26.
- Gross margin is expected to contract 130bp YoY to 63.5%.
- EBITDA margin is expected to contract 120bp YoY to 28.5%.
- A&P spending and demand outlook are the key monitorables.

Standalone - Quarterly Earnings

(INR m)

Y/E June	FY25			FY26E				FY25*	FY26E
	1Q	2Q	3Q	1Q	2Q	3QE	4QE		
Net Sales	11,352	12,476	9,916	9,370	11,502	12,975	10,908	33,744	44,756
YoY Change (%)	-0.3	10.1	-1.1	0.6	1.3	4.0	10.0	-19.8	32.6
Gross profit	7,139	8,085	5,969	5,959	7,050	8,239	7,083	21,193	28,330
Margin (%)	62.9	64.8	60.2	63.6	61.3	63.5	64.9	62.8	63.3
EBITDA	2,905	3,709	2,097	2,662	2,848	3,698	2,474	8,711	11,681
Growth	2.0	19.8	-18.5	102.7	-2.0	-0.3	18.0	-11.4	34.1
Margins (%)	25.6	29.7	21.1	28.4	24.8	28.5	22.7	25.8	26.1
Depreciation	117	99	104	91	93	98	105	319	386
Interest	19	66	58	1	36	40	58	143	135
Other Income	85	97	191	77	99	125	188	373	489
PBT	2,854	3,641	2,127	2,647	2,818	3,685	2,499	8,622	11,649
PBT after EO expense	2,854	3,641	2,127	2,647	2,818	3,685	2,499	8,622	11,649
Tax	735	955	566	726	719	929	561	2,256	2,936
Rate (%)	25.7	26.2	26.6	27.4	25.5	25.2	22.5	26.2	25.2
Adj PAT	2,119	2,686	1,561	1,921	2,099	2,756	1,938	6,366	8,713
YoY Change (%)	0.6	17.3	-15.8	111.4	-1.0	2.6	24.1	-11.1	36.9
Margins (%)	18.7	21.5	15.7	20.5	18.2	21.2	17.8	18.9	19.5

E: MOFSL Estimates; *FY25 has 9M as the company changed the Jun year-end to Mar

Pidilite Industries

Neutral

CMP: INR1,478 | TP: INR1,500 (+1%)

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

- We expect that the company will maintain the double-digit growth trajectory. We model 12% revenue growth led by the volume growth of 12%.
- We expect gross margin to expand 70bp YoY to 55% on benign RM (VAM and crude oil) prices. EBITDA margin expected to up marginally by 10bp YoY to 23.8%.

Consolidated - Quarterly Earnings Model

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume growth (%)	9.6	8.0	9.7	9.8	9.9	10.3	12.0	12.0	9.3	11.1
Net Sales	33,954	32,349	33,689	31,411	37,531	35,544	37,783	36,114	1,31,403	1,46,964
YoY change (%)	3.7	5.2	7.6	8.2	10.5	9.9	12.2	15.0	6.1	11.8
Gross Profit	18,268	17,583	18,301	17,288	20,314	19,563	20,781	19,909	71,440	80,566
Margin (%)	53.8	54.4	54.3	55.0	54.1	55.0	55.0	55.1	54.4	54.8
Total Expenditure	25,826	24,661	25,705	25,086	28,121	27,037	28,799	28,791	41,315	46,373
EBITDA	8,127	7,688	7,984	6,326	9,410	8,507	8,984	7,323	30,125	34,193
YoY change (%)	15.0	13.1	7.5	9.6	15.8	10.7	12.5	15.8	11.3	13.5
Margins (%)	23.9	23.8	23.7	20.1	25.1	23.9	23.8	20.3	22.9	23.3
Depreciation	844	879	895	967	967	1,000	1,000	1,038	3,585	4,004
Interest	118	117	125	144	138	133	135	126	504	532
Other Income	539	571	558	804	857	502	725	977	2,472	3,061
PBT	7,704	7,263	7,522	6,019	9,162	7,877	8,574	7,136	28,509	32,718
Tax	1,984	1,848	1,947	1,487	2,383	2,027	2,143	1,707	7,265	8,261
Rate (%)	25.7	25.4	25.9	24.7	26.0	25.7	25.0	23.9	25.7	25.3
Reported PAT	5,669	5,346	5,524	4,223	6,724	5,799	6,375	5,368	20,762	24,236
Adj PAT	5,669	5,346	5,524	4,473	6,724	5,799	6,375	5,368	21,012	24,236
YoY change (%)	21.1	18.7	8.2	20.2	18.6	8.5	15.4	20.0	16.7	15.3
Margins (%)	16.7	16.5	16.4	14.2	17.9	16.3	16.9	14.9	16.0	16.5

E: MOFSL Estimates

Radico Khaitan

Buy

CMP: INR3,095 | TP: INR3,550 (+15%)

EPS CHANGE (%): FY26|FY27|FY28: +2|+1|+1

- We expect 18% revenue growth. In P&A, we model 18% volume growth and 20% revenue growth. In popular, we expect 40% volume growth and 43% growth in revenue.
- GM to expand 100bp YoY to 44% on benign RM prices. EBITDA margin expected to improve 210bp YoY to 16.3% led by GM and premiumization.
- Radico has mid-to-high single-digit revenue contribution from Maharashtra, so the impact of an increase in excise duty will be less compared to other branded players.
- The success of new launches will be a key monitorable for the company's performance.

Radico Khaitan(Standalone)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
IMFL volume growth %	-4.1	-2.4	15.5	27.5	37.5	37.7	17.3	14.0	9.2	25.3
P&A volume growth (%)	14.2	12.7	18.0	16.4	40.7	21.6	18.0	20.7	15.5	24.3
Regular volume growth (%)	-14.0	-11.9	13.5	78.1	51.8	79.4	40.0	11.7	13.3	40.2
Total revenues	11,365	11,163	12,942	13,041	15,060	14,939	15,297	15,207	48,512	60,503
YoY change (%)	19.1	20.7	11.5	20.9	32.5	33.8	18.2	16.6	17.8	24.7
Gross Profit	4,720	4,870	5,568	5,669	6,477	6,520	6,731	6,682	20,773	26,410
Margin (%)	41.5	43.6	43.0	43.5	43.0	43.6	44.0	43.9	42.8	43.7
EBITDA	1,490	1,632	1,840	1,776	2,322	2,376	2,493	2,416	6,737	9,608
Margins (%)	13.1	14.6	14.2	13.6	15.4	15.9	16.3	15.9	13.9	15.9
EBITDA growth (%)	24.7	34.6	28.8	45.0	55.8	45.6	35.6	36.1	33.1	42.6
Depreciation	329	357	356	360	363	374	380	379	1,401	1,495
Interest	185	167	195	215	159	163	145	135	738	602
Other income	37	11	11	14	47	24	25	30	49	125
PBT	1,014	1,118	1,299	1,215	1,846	1,863	1,993	1,933	4,646	7,636
Tax	251	297	339	308	443	474	500	500	1,194	1,917
Rate (%)	24.7	26.5	26.1	25.3	24.0	25.4	25.1	25.8	25.7	25.1
Reported PAT	763	822	960	907	1,473	1,390	1,493	1,433	3,452	5,789
Adj.PAT	763	822	960	907	1,403	1,390	1,493	1,433	3,452	5,719
YoY change (%)	20.7	32.8	30.0	59.7	83.9	69.1	55.6	58.0	35.0	65.7

E: MOFSL Estimate

Tata Consumer Products

Buy

CMP: INR1,170 | TP: INR1,475 (+26%)

EPS CHANGE (%): FY26|FY27|FY28: -1|1|1

- We expect revenue to grow ~12% YoY, led by growth across all segments.
- EBITDA margin is likely to expand to ~14.1% in 3QFY26 vs. 12.7% in 3QFY25.
- We expect tea volumes to grow in the low single digits, with a marginal increase in tea prices.
- We expect high-double-digit growth in the Salt business in 3QFY26.

Consolidated - Quarterly Earnings Model

(INR Million)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	43,521	42,145	44,436	46,082	47,789	49,659	49,766	52,288	1,76,183	1,99,503
YoY Change (%)	16.3	12.9	16.8	17.3	9.8	17.8	12.0	13.5	15.9	13.2
Total Expenditure	36,847	35,882	38,788	39,873	41,720	42,941	42,746	44,372	1,51,390	1,71,779
EBITDA	6,674	6,263	5,647	6,210	6,069	6,718	7,021	7,916	24,794	27,724
Margins (%)	15.3	14.9	12.7	13.5	12.7	13.5	14.1	15.1	14.1	13.9
Depreciation	1,480	1,493	1,503	1,531	1,489	1,533	1,540	1,550	6,007	6,112
Interest	936	987	579	400	338	332	345	350	2,902	1,365
Other Income	392	460	516	565	412	380	450	635	1,933	1,877
PBT before EO expense	4,650	4,242	4,081	4,844	4,654	5,233	5,586	6,651	17,817	22,124
Extra-Ord expense	-171	-272	-62	453	0	0	0	0	-51	0
PBT	4,479	3,971	4,019	5,297	4,654	5,233	5,586	6,651	17,766	22,124
Tax	1,337	377	1,022	1,226	1,190	1,262	1,406	1,656	3,962	5,514
Rate (%)	29.9	9.5	25.4	23.2	25.6	24.1	25.2	24.9	22.3	24.9
Minority Interest	-11	28	30	39	-24	21	33	43	86	73
Profit/Loss of Asso. Cos.	-249	79	-178	-584	-147	95	-150	-530	-932	-732
Reported PAT	2,903	3,644	2,789	3,449	3,342	4,045	3,996	4,422	12,785	15,805
Adj PAT	3,031	3,848	2,835	3,109	3,342	4,045	3,996	4,422	12,823	15,805
YoY Change (%)	-5.4	10.2	-18.4	-17.9	10.2	5.1	41.0	42.3	-8.1	23.3
Margins (%)	7.0	9.1	6.4	6.7	7.0	8.1	8.0	8.5	7.3	7.9

United Breweries

Neutral

CMP: INR1,596 | TP: INR1,700 (+7%)
EPS CHANGE (%): FY26|FY27|FY28: -8|-5|-2

- Demand environment for beer players moderated in 3Q due to the off-season (extended monsoon and earlier winters). We model 1% revenue growth and 1% volume growth YoY.
- UBBL continues to gain market share in the premium segment; this should aid realization.
- We expect GM will be flat YoY at 43%. EBITDA margins expected to decline 110bp YoY to 6% due to operating leverage.
- The outlook on state mix and realization growth remains a key monitorable.

Standalone Quarterly Performance

(INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume growth (%)	5	5	8	5	11	-3	1	8	6	7
Net Sales	24,730	21,147	19,984	23,214	28,624	20,511	20,183	25,171	89,074	94,489
YoY Change (%)	8.8	12.0	9.6	8.9	15.7	-3.0	1.0	8.4	9.7	6.1
Gross Profit	10,642	9,272	8,619	9,772	12,176	8,779	8,679	10,808	38,305	40,441
Margin (%)	43.0	43.8	43.1	42.1	42.5	42.8	43.0	42.9	43.0	42.8
EBITDA	2,847	2,268	1,411	1,862	3,105	1,301	1,211	2,196	8,390	7,814
YoY Change (%)	27.8	22.9	-3.0	31.2	9.1	-42.6	-14.2	17.9	20.5	-6.9
Margins (%)	11.5	10.7	7.1	8.0	10.8	6.3	6.0	8.7	9.4	8.3
Depreciation	577	571	613	567	628	640	645	660	2,327	2,573
Interest	16	22	32	59	112	147	110	82	129	450
Other Income	73	105	101	79	110	150	145	131	357	536
PBT before EO expense	2,327	1,781	867	1,316	2,475	665	601	1,585	6,291	5,326
Tax	595	458	227	342	638	196	141	357	1,622	1,332
Rate (%)	25.5	25.7	26.2	26.0	25.8	29.4	23.5	22.5	26.9	25.0
Reported PAT	1,733	1,322	383	974	1,837	469	460	1,228	4,412	3,995
Adj PAT	1,733	1,322	640	974	1,837	469	460	1,228	4,669	3,995
YoY Change (%)	27.3	22.9	-24.5	20.5	6.0	-64.5	-28.2	26.1	13.6	-14.4
Margins (%)	7.0	6.3	3.2	4.2	6.4	2.3	2.3	4.9	5.2	4.2

E: MOFSL Estimates

United Spirits

Neutral

CMP: INR1,381 | TP: INR1,550 (+12%)
EPS CHANGE (%): FY26|FY27|FY28: -1|-1|-

- We model 2.5% volume growth and 7% revenue growth in the P&A segment. The growth was impacted due to the excise duty rise in Maharashtra and Andhra Pradesh's policy change regarding anniversarization.
- We model 2% volume growth and 4% revenue growth in the popular segment.
- GM expected to expand 110bp YoY to 45.8% given stable input prices. EBITDA margin expected to inch up 70bp YoY, to 17.8%.
- The company guided double-digit revenue growth in the P&A segment, which is a key monitorable.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
(Standalone)	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Volume growth %	3.5	-4.4	10.2	6.9	9.4	7.7	2.4	3.6	4.1	5.5
Total revenues	23,520	28,430	34,320	29,460	25,490	31,700	36,677	32,891	1,15,730	1,26,758
YoY change (%)	8.3	-0.8	14.8	10.5	8.4	11.5	6.9	11.6	8.2	9.5
Gross Profit	10,460	12,850	15,350	13,100	11,210	14,930	16,798	14,990	51,760	57,928
Margin (%)	44.5	45.2	44.7	44.5	44.0	47.1	45.8	45.6	44.7	45.7
Total Exp	18,940	23,360	28,440	24,410	21,340	24,980	30,148	27,093	95,150	1,03,561
EBITDA	4,580	5,070	5,880	5,050	4,150	6,720	6,528	5,798	20,580	23,197
Margins (%)	19.5	17.8	17.1	17.1	16.3	21.2	17.8	17.6	17.8	18.3
EBITDA growth (%)	18.9	7.8	19.7	39.5	-9.4	32.5	11.0	14.8	20.5	12.7
Depreciation	650	690	720	680	680	650	670	662	2,740	2,662
Interest	220	250	200	220	490	210	240	250	890	1,190
Other income	320	340	720	750	610	760	650	730	2,130	2,750
PBT	4,030	4,470	5,680	4,900	3,590	6,620	6,268	5,616	19,080	22,095
Tax	1,040	1,120	1,480	1,340	900	1,600	1,661	1,400	4,980	5,561
Rate (%)	25.8	25.1	26.1	27.3	25.1	24.2	26.5	24.9	26.1	25.2
Adj. PAT	2,990	3,350	4,203	3,750	2,963	4,945	4,607	4,216	14,293	16,534
YoY change (%)	24.8	5.3	20.7	60.3	-0.9	47.6	9.6	12.4	25.4	15.7

E: MOFSL Estimate

Varun Beverages

Buy

CMP: INR494 | TP: INR576 (+17%)

EPS CHANGE (%): CY25 | CY26 | CY27: -1 | -1 | -1

- We expect Net sales to grow 7% YoY in 4QCY25.
- We expect EBITDA margin to expand by ~20bps YoY to 16% in 4QCY25.
- Gross Margins are expected to decline by ~210bps in 4QCY25 due to rising RM costs.
- International volumes are expected to increase by high single digits in 4QCY25.

Consolidated - Quarterly Earnings Model

Y/E December	CY24				CY25				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	43,173	71,969	48,047	36,888	55,669	70,174	48,967	39,391	2,00,077	2,14,201
YoY Change (%)	10.9	28.3	24.1	38.3	28.9	-2.5	1.9	6.8	24.7	7.1
Total Expenditure	33,286	52,056	36,536	31,088	43,030	50,186	37,493	33,104	1,52,966	1,63,812
EBITDA	9,888	19,912	11,511	5,800	12,640	19,988	11,474	6,287	47,111	50,388
Margins (%)	22.9	27.7	24.0	15.7	22.7	28.5	23.4	16.0	23.5	23.5
Depreciation	1,875	2,425	2,566	2,608	2,725	3,062	3,076	3,164	9,474	12,027
Interest	937	1,292	1,185	1,090	411	365	452	400	4,504	1,629
Other Income	84	440	243	446	281	772	1,464	700	1,213	3,216
PBT before EO expense	7,159	16,636	8,002	2,548	9,784	17,332	9,410	3,423	34,346	39,949
PBT	7,159	16,636	8,002	2,548	9,784	17,332	9,410	3,423	34,346	39,949
Tax	1,678	4,012	1,713	585	2,465	4,066	1,957	722	7,988	9,209
Rate (%)	23.4	24.1	21.4	23.0	25.2	23.5	20.8	21.1	23.3	23.1
Minority Interest & P/L of Asso. Cos.	109	98	93	112	54	97	57	115	411	323
Reported PAT	5,373	12,526	6,196	1,851	7,265	13,170	7,396	2,586	25,946	30,417
Adj PAT	5,373	12,526	6,196	1,851	7,265	13,170	7,396	2,586	25,946	30,417
YoY Change (%)	25.2	26.0	23.6	40.5	35.2	5.1	19.4	39.7	26.2	17.2
Margins (%)	12.4	17.4	12.9	5.0	13.1	18.8	15.1	6.6	13.0	14.2

Zydrus Wellness

Buy

CMP: INR472 | TP: INR575 (+22%)

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

- We expect 7% organic business revenue growth led by volumes. The acquisition of ComfortClick in Sep'25 drove the consolidated revenue growth.
- The GP margin expansion is due to CC as it is a higher GP margin business (82%).
- The Max protein is expected to sustain strong double-digit growth momentum.
- Organic business EBITDA margin expected to contract 200bp YoY to 1.2% due to negative operating leverage.

Quarterly Performance (Consolidated)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total revenues	8,410	4,929	4,619	9,131	8,609	6,505	9,522	14,466	27,089	39,103
YoY change (%)	19.8	12.0	14.6	16.7	2.4	32.0	106.2	58.4	16.4	44.3
Gross Profit	4,677	2,354	2,263	5,014	4,731	3,442	5,713	9,773	14,308	23,660
Margin (%)	55.6	47.8	49.0	54.9	55.0	52.9	60.0	67.6	52.8	60.5
EBITDA	1,553	196	148	1,900	1,556	230	623	2,982	3,798	5,391
Margins (%)	18.5	4.0	3.2	20.8	18.1	3.5	6.5	20.6	14.0	13.8
EBITDA growth (%)	51.8	16.7	16.5	17.1	0.2	17.3	320.7	57.0	23.2	41.9
Depreciation	51	49	52	132	108	118	115	95	284	435
Amortisation						133	430	370		933
Interest	36	9	33	42	25	157	369	368	120	919
Other income	50	40	38	8	30	14	6	5	136	55
PBT	1,516	178	101	1,734	1,453	-164	-285	2,154	3,530	3,158
Tax	39	28	37	15	174	22	25	142	119	363
Rate (%)	2.6	15.7	36.6	0.9	12.0	-13.4	-8.8	6.6	3.4	11.5
Adj. PAT	1,477	150	64	1,719	1,279	-53	120	2,382	3,413	3,728
YoY change (%)	18.5	154.2	2,033.3	14.4	-13.4	-135.1	86.9	38.6	21.3	9.2
Extraordinary inc/(Exp)	0	-59	0	0	0	475	430	370	-57	1,275
Reported PAT	1,477	209	64	1,719	1,279	-528	-310	2,012	3,470	2,453

E: MOFSL Estimate

Company

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

QSR: No underlying improvement in the demand trajectory

- The QSR demand environment remained soft in 3QFY26, impacted by weak discretionary spending and rising competition from cloud kitchens. Ongoing store additions by organized QSR players further intensified competition, putting pressure on SSSG across the sector.
- The QSR print is expected to look better than 2Q, as Navratri was shifted to September vs. last year in October. Underlying demand has not seen much improvement. ADS and SSSG should be better than 2QFY26. Gross margins for most players are expected to see an improvement post-GST benefits. With better ADS, we expect the operating margin will be better than 2QFY26 but will be lower YoY for several brands. We expect Jubilant and RBA to deliver YoY expansion in EBITDA margin, and we expect them to deliver double-digit EBITDA growth as well. Intensified focus on in-store activations and new launches will be important to drive footfalls and order growth ahead. We expect sales and EBITDA growth of 13%/10% for 3QFY26.

Outliers: JUBI and RBA

Underperformers: Devyani and Sapphire

Exhibit 26: QSR quarterly trends

Particulars	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Revenue Growth (%)									
United Foodbrands	1%	6%	-6%	1%	-1%	-2%	-3%	0%	5%
Devyani (Consol)	7%	39%	44%	49%	54%	16%	11%	13%	16%
-KFC	14%	11%	7%	7%	9%	3%	10%	5%	9%
-Pizza Hut	-2%	-4%	-1%	0%	6%	8%	3%	1%	-1%
Jubilant (Standalone)	3%	15%	10%	9%	19%	10%	18%	16%	15%
Sapphire	12%	13%	10%	8%	14%	13%	8%	7%	9%
-KFC	16%	16%	11%	9%	12%	12%	11%	7%	11%
-Pizza Hut	-4%	-3%	3%	3%	10%	5%	-6%	-6%	-10%
Restaurant Brands (Consol)	15%	16%	6%	1%	6%	6%	8%	11%	15%
Restaurant Brands (Standalone)	20%	20%	16%	9%	11%	12%	13%	16%	18%
Westlife	-2%	1%	0%	1%	9%	7%	7%	4%	7%
Total	6%	9%	5%	5%	11%	8%	11%	10%	12%
SSSG									
United Foodbrands	-5%	1%	-7%	-3%	-2%	-2%	-3%	-2%	0%
Devyani - KFC	-5%	-7%	-7%	-7%	-4%	-6%	-1%	-4%	-1%
Devyani - PH	-13%	-14%	-9%	-6%	-1%	1%	-4%	-4%	-3%
Jubilant (LFL)	-3%	0%	3%	3%	13%	12%	12%	9%	7%
Sapphire - KFC	-2%	-3%	-6%	-8%	-3%	-1%	0%	-3%	0%
Sapphire - PH	-19%	-15%	-7%	-3%	5%	1%	-8%	-8%	-10%
Restaurant Brands	3%	2%	3%	-3%	-1%	5%	3%	3%	4%
Westlife	-9%	-5%	-7%	-7%	3%	1%	1%	-3%	0%
Gross profit margin (%)									
United Foodbrands	67.9%	68.9%	68.1%	68.1%	68.2%	68.5%	67.7%	66.2%	67.1%
Devyani (Consol)	70.6%	69.2%	69.2%	69.3%	68.7%	68.5%	68.2%	67.8%	68.5%
-KFC	69.4%	69.9%	69.5%	69.0%	68.6%	68.3%	67.1%	68.1%	68.5%
-Pizza Hut	75.8%	77.3%	76.8%	76.7%	76.2%	75.6%	74.7%	74.7%	75.3%
Jubilant (Standalone)	76.7%	76.6%	76.1%	76.1%	75.1%	74.5%	74.1%	74.4%	75.3%
Sapphire	68.9%	68.9%	68.6%	68.8%	68.6%	68.2%	67.4%	67.8%	68.6%
-KFC	68.4%	68.3%	68.2%	68.3%	68.2%	68.0%	67.1%	67.2%	68.7%
-Pizza Hut	75.7%	75.5%	76.1%	76.5%	75.6%	74.8%	74.6%	74.4%	75.5%
Restaurant Brands (Consol)	64.4%	64.2%	64.5%	64.9%	65.6%	65.3%	65.4%	66.1%	66.4%
Restaurant Brands (Standalone)	67.1%	67.7%	67.6%	67.5%	67.8%	67.8%	67.7%	68.3%	68.6%
Westlife	70.3%	70.2%	70.6%	69.7%	70.1%	70.0%	71.6%	72.4%	72.0%
RoM % (pre-Ind AS)									
United Foodbrands									

Particulars	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Devyani (Consol)	15.4%	13.6%	15.3%	13.6%	14.3%	13.8%	13.1%	11.7%	14.2%
-KFC	19.0%	19.0%	19.5%	16.6%	17.2%	16.2%	15.5%	14.1%	16.5%
-Pizza Hut	6.1%	4.4%	4.9%	3.1%	2.1%	0.7%	-1.1%	-0.2%	-0.5%
Jubilant (Standalone)									
Sapphire	16.0%	13.8%	15.2%	13.8%	15.5%	12.0%	12.1%	11.3%	14.2%
-KFC	20.1%	18.7%	18.8%	16.5%	18.2%	15.7%	15.7%	13.8%	17.5%
-Pizza Hut	4.6%	-2.7%	4.6%	4.1%	4.7%	-4.6%	-2.5%	-1.8%	-1.5%
Restaurant Brands (Consol)	9.3%	6.0%	7.1%	7.2%	8.2%	7.7%	7.7%	7.5%	8.6%
Restaurant Brands (Standalone)	12.2%	7.8%	8.9%	10.6%	12.0%	10.5%	9.7%	10.4%	11.6%
Westlife									
EBITDA Pre-Ind AS margins (%)									
Barbeque Nation	11.0%	6.4%	6.9%	5.4%	10.3%	6.5%	4.6%	1.1%	8.0%
Devyani (Consol)	9.3%	9.2%	11.6%	9.4%	10.1%	8.9%	8.1%	6.8%	9.7%
Jubilant	12.9%	10.9%	11.6%	11.7%	12.4%	11.8%	12.0%	12.1%	12.9%
Sapphire	10.8%	8.6%	9.8%	8.5%	10.7%	7.1%	7.1%	7.4%	9.4%
Restaurant Brands (Consol)	2.8%	-0.5%	1.3%	0.6%	2.1%	2.3%	1.7%	1.6%	3.1%
Restaurant Brands (India)	6.8%	2.4%	3.6%	5.0%	6.2%	5.4%	4.1%	5.0%	6.3%
Westlife	11.4%	8.7%	8.1%	7.7%	9.1%	7.6%	7.7%	6.2%	9.3%
ADS ('000')									
United Foodbrands	175	153	155	153	162	141	140	141	151
Devyani									
-KFC	104	93	104	96	96	83	98	89	90
-Pizza Hut	37	32	36	35	35	31	33	33	33
Jubilant (Standalone)	78	75	79	78	84	82	85	81	86
Sapphire									
-KFC	125	114	122	111	115	108	116	103	111
-Pizza Hut	45	41	48	47	48	42	44	42	42
Restaurant Brands (India)	119	105	119	118	114	108	120	119	114
Westlife	176	157	170	168	173	153	165	158	168
Store (India)									
United Foodbrands	210	217	219	222	226	230	236	241	253
Devyani India	1,387	1,429	1,473	1,557	1,658	1,664	1,767	1,802	1,650
-KFC	590	596	617	645	689	696	704	734	764
-Pizza Hut	565	567	570	593	644	630	618	621	625
Jubilant	2,007	2,096	2,148	2,199	2,266	2,304	2,362	2,450	2,520
Sapphire	725	748	762	784	835	836	846	867	891
-KFC	406	429	442	461	496	502	510	529	553
-Pizza Hut	319	319	320	323	339	334	336	338	338
Restaurant Brands	441	455	456	464	510	513	519	533	573
Westlife	380	397	403	408	421	438	444	450	465
PBT (INR M)									
United Foodbrands	75	(9)	(55)	(100)	47	(165)	(170)	(232)	(31)
Devyani (Consol)	97	44	381	(9)	56	(208)	19	(297)	101
Jubilant (Standalone)	819	508	683	698	788	677	883	856	1,170
Sapphire	140	8	118	53	168	45	(18)	(166)	65
Restaurant Brands (Consol)	(376)	(742)	(488)	(655)	(547)	(604)	(454)	(633)	(472)
Restaurant Brands (Standalone)	(64)	(310)	(269)	(166)	(186)	(254)	(116)	(202)	(100)
Westlife	231	20	45	7	65	13	16	(88)	114
PBT Margins									
United Foodbrands	2.3%	-0.3%	-1.8%	-3.3%	1.4%	-5.6%	-5.7%	-7.6%	-0.9%
Devyani (Consol)	1.1%	0.4%	3.1%	-0.1%	0.4%	-1.7%	0.1%	-2.2%	0.7%
Jubilant (Standalone)	6.0%	3.8%	4.7%	4.8%	4.9%	4.3%	5.2%	5.0%	6.3%
Sapphire	2.1%	0.1%	1.6%	0.8%	2.2%	0.6%	-0.2%	-2.2%	0.8%
Restaurant Brands (Consol)	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%	-6.5%	-9.0%	-6.4%
Restaurant Brands (Standalone)	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%	-2.1%	-3.6%	-1.7%
Westlife	3.9%	0.4%	0.7%	0.1%	1.0%	0.2%	0.2%	-1.4%	1.6%

United Foodbrands

Neutral

CMP: INR215 | TP: INR235 (+9%)

EBITDA CHANGE (%): FY26|FY27|FY28: -|-|-

- Demand environment remains subdued as there is no meaningful improvement. We model 5% revenue YoY.
- We expect same-store sales to be flat YoY; expect 11 store additions in 3Q, taking the total count to 253.
- ADS expected to decline 5% YoY to INR150-152k.
- Gross margins expected to decline 110bp YoY to 67.1%. EBITDA margin expected to decline 70bp YoY to 18%.

Cons. Quarterly Performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
SSSG (%)	-7.4	-2.5	-2.0	-2.0	-3.4	-2.2	0.0	1.6	-3.8	-1.0
No. of stores	219	222	226	230	236	241	253	260	230	260
Net Sales	3,057	3,057	3,289	2,928	2,970	3,048	3,437	3,172	12,330	12,627
YoY change (%)	-5.6	1.3	-0.6	-1.8	-2.8	-0.3	4.5	8.4	-1.7	2.4
Gross Profit	2,081	2,081	2,244	2,006	2,010	2,019	2,307	2,125	8,412	8,460
Margin (%)	68.1	68.1	68.2	68.5	67.7	66.2	67.1	67.0	68.2	67.0
EBITDA	509	456	615	533	460	377	619	552	2,113	2,008
EBITDA growth %	8.8	2.7	-7.2	-2.6	-9.6	-17.2	0.6	3.5	-0.4	-5.0
Margin (%)	16.6	14.9	18.7	18.2	15.5	12.4	18.0	17.4	17.1	15.9
Depreciation	405	409	428	523	449	483	490	502	1,765	1,924
Interest	186	189	195	209	200	207	210	228	779	846
Other Income	27	43	55	34	19	81	50	40	158	190
PBT	-55	-100	47	-165	-170	-232	-31	-139	-272	-572
Tax	-11	-28	-3	42	-3	-7	-2	-3	-1	-14
Rate (%)	20.9	28.4	-6.5	-25.2	1.8	2.8	5.0	2.0	0.5	2.4
Adjusted PAT	-43	-71	51	-207	-167	-225	-30	-136	-271	-558
YoY change (%)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M

E: MOFSL Estimates

Devyani International

Buy

CMP: INR148 | TP: INR180 (+22%)

EBITDA CHANGE (%): FY26|FY27|FY28: +1|-|-

- Demand remained soft in 3QFY26. PH same-store sales are likely to decline by 2.5%. We model 4 store additions and 1% revenue decline for PH.
- We model 9% revenue and 2% SSSG in Costa Coffee. International business revenue is expected to grow by 14%.
- KFC revenue expected to grow 9% YoY, led by store additions. We model 30 store additions (+11% YoY), while same-store sales may decline by 1% on a negative base.
- EBITDA margin pressure will persist due to lower demand and negative operating leverage.

Quarterly Performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
KFC - No. of stores	617	645	689	696	704	734	764	791	696	791
PH - No. of stores	570	593	644	630	618	621	625	628	630	628
KFC - SSSG (%)	-7.0	-7.0	-4.4	-6.1	-0.7	-4.2	-1.0	1.9	-6.4	-1.0
PH - SSSG (%)	-8.6	-5.7	-0.8	1.0	-4.2	-4.1	-2.5	0.8	-3.8	-2.5
Net Sales	12,219	12,222	12,944	12,126	13,570	13,768	15,017	13,937	49,511	56,291
YoY change (%)	44.3	49.1	53.5	15.8	11.1	12.6	16.0	14.9	39.2	13.7
Gross Profit	8,450	8,474	8,892	8,306	9,252	9,329	10,287	9,589	34,122	38,457
Margin (%)	69.2	69.3	68.7	68.5	68.2	67.8	68.5	68.8	68.9	68.3
EBITDA	2,234	1,987	2,192	2,008	2,049	1,943	2,351	1,979	8,422	8,321
EBITDA growth %	28.8	25.2	49.9	15.5	-8.3	-2.2	7.2	-1.5	29.1	-1.2
Margin (%)	18.3	16.3	16.9	16.6	15.1	14.1	15.7	14.2	17.0	14.8
Depreciation	1,322	1,391	1,557	1,653	1,497	1,603	1,620	1,717	6,332	6,437
Interest	630	653	670	695	668	688	690	645	2,648	2,691
Other Income	99	48	91	132	135	51	60	185	370	431
PBT	381	-9	56	-208	19	-297	101	-198	-188	-375
Tax	81	10	162	-56	5	-52	20	-48	197	-75
Rate (%)	21.2	-113.1	286.8	26.8	27.0	17.5	20.0	24.4	-104.7	20.0
Adjusted PAT	281	-27	-9	-20	17	-186	135	-32	226	-76
Margin (%)	2.3	-0.2	-0.1	-0.2	0.1	-1.4	0.9	-0.2	0.5	-0.1
YoY change (%)	-17.2	NM	NM	-161.2	-94.0	NM	NM	NM	-75.7	-133.6

E: MOFSL Estimates

Jubilant FoodWorks

Neutral

CMP: INR553 | TP: INR635 (+15%)

EBITDA CHANGE (%): FY26|FY27|FY28: -|-|-

- JUBI revenue growth expected to moderate to 14% YoY (19% in 2HFY25 and 17% in 1HFY26) due to high base. We model ~6.5% LFL growth.
- We expect that store additions will continue, and we model 70 Dominos India store additions, taking the total count to 2,391 stores.
- Gross margins expected to improve marginally by 20bp, led by the stable RM environment and some benefit of GST rate cut on RM. EBITDA (pre-Ind AS) expected to improve 50bp YoY to 12.9% led by GM and operating leverage.
- Focusing on value-driven innovations, emphasizing new product developments.

Quarterly Standalone Perf.

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
No of stores (Dominos)	2,029	2,079	2,139	2,179	2,240	2,321	2,391	2,429	2,179	2,429
LFL growth (%)	3.0	2.8	12.5	12.1	11.6	9.1	6.5	6.0	7.6	8.3
Net Sales	14,396	14,669	16,111	15,872	17,016	16,987	18,447	17,938	61,047	70,387
YoY change (%)	9.9	9.1	18.9	19.2	18.2	15.8	14.5	13.0	14.3	15.3
Gross Profit	10,955	11,157	12,092	11,828	12,610	12,634	13,890	13,445	46,032	52,579
Gross margin (%)	76.1	76.1	75.1	74.5	74.1	74.4	75.3	75.0	75.4	74.7
EBITDA	2,782	2,842	3,128	3,056	3,233	3,294	3,680	3,523	11,807	13,730
EBITDA growth %	0.6	1.3	10.6	20.2	16.2	15.9	17.7	15.3	7.9	16.3
Margins (%)	19.3	19.4	19.4	19.3	19.0	19.4	20.0	19.6	19.3	19.5
Depreciation	1,552	1,654	1,741	1,777	1,817	1,840	1,880	1,920	6,724	7,457
Interest	619	640	682	667	657	672	720	730	2,609	2,778
Other Income	73	150	83	66	125	73	90	121	371	408
PBT	683	698	788	677	883	856	1,170	995	2,846	3,903
YoY Change (%)	-32.6	-27.5	-3.8	33.2	29.2	22.6	48.5	46.9	-13.9	37.2
Tax	168	177	192	182	216	216	295	256	719	982
Rate (%)	24.6	25.4	24.3	26.9	24.5	25.3	25.2	25.7	25.3	25.2
Adjusted PAT	515	521	596	495	667	639	876	739	2,126	2,415
YoY change (%)	-31.5	-27.8	-2.2	43.3	29.5	22.8	46.9	49.4	-12.4	13.6

E: MOFSL Estimates

Sapphire Foods

Buy

CMP: INR253 | TP: INR325 (+28%)

EBITDA CHANGE (%): FY26|FY27|FY28: -3|-3|-3

- Demand trends were weak despite the festive season.
- PH same-store sales expected to decline 10% YoY. We expect no store additions during the quarter. Revenue is expected to decline 10% YoY.
- Sri Lanka is expected to sustain growth momentum, and we model an 18% revenue growth in 3Q.
- KFC revenue is expected to grow 11% YoY, led by store additions (11% YoY). We model 24 24-store addition and flat YoY same-store-sales growth.
- The GM is expected to remain stable largely, while the EBITDA margin is expected to contract due to negative operating leverage.

Quarterly Performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
KFC - No. of stores	442	461	496	502	510	529	553	572	502	572
PH - No. of stores	320	323	339	334	336	338	338	344	334	344
KFC - SSSG (%)	-6.0	-8.0	-3.0	-1.0	0.0	-3.0	0.0	1.0	-4.0	-0.5
PH - SSSG (%)	-7.0	-3.0	5.0	1.0	-8.0	-8.0	-10.0	-6.0	-1.0	-8.0
Net Sales	7,183	6,957	7,565	7,113	7,768	7,424	8,228	8,036	28,819	31,456
YoY change (%)	9.8	8.3	13.7	12.6	8.1	6.7	8.8	13.0	11.1	9.2
Gross Profit	4,927	4,786	5,189	4,848	5,235	5,031	5,642	5,396	19,750	21,342
Margin (%)	68.6	68.8	68.6	68.2	67.4	67.8	68.6	67.1	68.5	67.8
EBITDA	1,242	1,120	1,343	1,062	1,129	1,021	1,348	1,132	4,768	4,629
EBITDA growth %	2.3	-2.7	10.3	3.2	-9.1	-8.9	0.3	6.6	3.4	-2.9
Margin (%)	17.3	16.1	17.8	14.9	14.5	13.8	16.4	14.1	16.5	14.7
Depreciation	904	881	1,005	850	920	972	1,105	1,032	3,639	4,029
Interest	273	271	275	298	295	307	303	299	1,116	1,204
Other Income	53	85	105	130	68	92	125	265	372	550
PBT	118	53	168	45	-18	-166	65	66	384	-54
Tax	36	1	41	-14	-1	-38	16	9	64	-14
Rate (%)	30.8	2.2	24.3	-31.7	5.7	22.9	25.2	13.9	16.7	25.2
Adjusted PAT	82	52	127	59	-17	-128	48	57	320	-40
YoY change (%)	-67.1	-65.9	29.5	189.3	-121.2	-346.8	-62.0	-4.0	-38.4	-112.6

Restaurant Brands Asia

Buy

CMP: INR65 | TP: INR120 (+85%)

EBITDA CHANGE (%): FY26|FY27|FY28: -|-3|-3

- The India business is expected to grow 18% YoY. We build 4% SSSG as there is not much improvement in the underlying demand.
- Demand in Indonesia remained moderate, and we model 4% revenue growth.
- We model 40 store additions in India, taking the store count to 573 (12% YoY). We expect 80bp improvement in GP margin to 68.6% on stable RM prices and EBITDA Margin to be contracted 40bp YoY to 15.5% on account of some operating deleverage.
- ADS is expected to remain flat YoY at ~INR114k.

Quarterly Standalone Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
SSSG (%)	3.1%	-3.0%	-0.5%	5.1%	2.6%	2.8%	4.0%	4.6%	1.1%	3.5%
No. of stores	456	464	510	513	519	533	573	578	513	578
Net Sales	4,905	4,921	4,954	4,898	5,523	5,687	5,862	5,841	19,678	22,912
YoY change (%)	16.2	8.5	11.2	11.6	12.6	15.6	18.3	19.3	11.8	16.4
Gross Profit	3,318	3,322	3,361	3,322	3,739	3,884	4,021	3,936	13,322	15,580
Margin (%)	67.6	67.5	67.8	67.8	67.7	68.3	68.6	67.4	67.7	68.0
EBITDA	618	700	789	777	745	813	910	879	2,890	3,347
EBITDA growth %	27.5	10.3	11.5	41.1	20.6	16.2	15.3	13.1	21.6	15.8
Margin (%)	12.6	14.2	15.9	15.9	13.5	14.3	15.5	15.0	14.7	14.6
EBITDA (Pre - Ind As)	175	244	309	266	225	284	371	314	994	1,194
EBITDA growth %	72.7	0.4	2.3	150.9	28.6	16.4	20.0	17.9	32.0	20.1
Margin (%)	3.6	5.0	6.2	5.4	4.1	5.0	6.3	5.4	5.1	5.2
Depreciation	633	611	632	670	663	690	710	749	2,546	2,811
Interest	319	326	364	403	410	404	400	427	1,411	1,640
Other Income	64	71	21	42	212	78	100	102	192	492
PBT	-269	-166	-186	-254	-116	-202	-100	-194	-876	-612
Tax	0	0	0	0	0	0	0	0	0	0
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted PAT	-269	-166	-186	-254	-116	-202	-100	-194	-876	-612
YoY change (%)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM

E: MOFSL Estimates

Westlife Development

Neutral

CMP: INR540 | TP: INR600 (+11%)

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

- We expect 7% revenue growth, led by 10% store growth (15 store additions). Same-store sales expected to be flat YoY. There is no material change in the demand environment; it remains subdued.
- ADS is expected to decline 3% YoY to INR156k.
- Gross margin is expected to improve 190bp to 72% benefiting from stable RM and the GST rate cut on RM.
- We model EBITDA Pre-Ind AS margins at 9.3% for 3QFY26, up marginally 20bp YoY. It is impacted due to negative operating leverage.

Consolidated quarterly performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
SSSG %	(6.7)	(6.5)	2.8	0.7	0.5	(2.8)	0.0	2.3	-2.9	0.0
No. of McDonald's restaurants	403	408	421	438	444	450	465	478	438	478
Net Sales	6,163	6,180	6,537	6,031	6,576	6,419	7,015	6,702	24,912	26,713
YoY Change (%)	0.3	0.5	8.9	7.3	6.7	3.9	7.3	11.1	4.2	7.2
Gross profit	4,351	4,306	4,581	4,221	4,709	4,647	5,051	4,826	17,459	19,233
Margin (%)	70.6	69.7	70.1	70.0	71.6	72.4	72.0	72.0	70.1	72.0
EBITDA	799	786	914	794	855	759	1,004	793	3,293	3,410
YoY Change (%)	-24.1	-21.1	-4.8	3.0	6.9	-3.5	9.9	-0.2	-12.9	3.5
Margins (%)	13.0	12.7	14.0	13.2	13.0	11.8	14.3	11.8	13.2	12.8
Depreciation	506	528	549	550	553	574	580	584	2,133	2,385
Interest	298	316	330	328	354	363	360	374	1,272	1,451
Other Income	51	65	29	98	68	91	50	169	242	378
PBT after EO expense	45	7	65	13	16	367	114	5	131	-48
Tax	13	3	-5	-2	4	92	29	-137	9	-12
Rate (%)	27.9	48.1	-8.0	-13.9	27.4	-105.2	25.0	-2,930.4	6.9	25.0
Adj PAT	33	4	71	15	11	-180	86	142	122	-36
YoY Change (%)	-88.7	-98.3	-59.1	96.5	-64.8	NA	21.5	832.4	-82.4	-129.3
Margins (%)	0.5	0.1	1.1	0.3	0.2	-2.8	1.2	2.1	0.5	-0.1

E: MOFSL Estimates

Company

Kalyan
PN Gadgil
Senco Gold
Titan

Jewelry: Demand momentum sustained despite elevated gold prices

- In 3QFY26, gold prices surged, rising ~60% YoY and ~20% QoQ. Despite this steep inflation, consumer demand remained resilient, supported by a strong festive season and sustained momentum during the wedding period. Demand was further aided by higher old-gold exchange-led purchases and attractive promotional offers. Gold coin sales also witnessed a sharp uptick amid rising gold prices. Now, consumers increasingly view gold inflation as structural and are therefore advancing their purchase decisions rather than postponing them. SSSG is expected to grow in high double digits, largely driven by value growth. However, margins may witness some pressure due to an adverse product mix amid elevated gold prices. We build sales/EBITDA/PAT growth of 31%/30%/30% for our coverage jewelry companies in 3QFY26.

Outliers: Kalyan Jewellers and Titan

Kalyan Jewellers

Buy

CMP: INR 496 | TP: INR650 (+31%)

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

- We expect 38% revenue growth in the India business. We model 25% SSSG, led by the gold price increase. We expect 47 store additions for Kalyan (incl. Candere and Middle East), bringing the total count to 483 stores in 3QFY26.
- In India, GP margin is expected to dip 50bp YoY to 12.2%, due to promotional schemes given to offset the gold price surge and franchise-led store expansion. EBITDA margin is expected to contract 20bp YoY to 6.5%.
- In the Middle East, we expect 9% YoY revenue growth and flat EBITDA margin YoY.

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Stores	277	303	349	388	406	436	483	556	388	555
Net Sales	55,355	60,655	72,869	61,815	72,685	78,560	97,874	81,643	2,50,451	3,30,762
Change (%)	26.5	37.4	39.5	36.6	31.3	29.5	34.3	32.1	35.0	32.1
Raw Material/PM	47,419	52,313	63,323	53,314	62,603	68,395	85,814	70,785	2,16,370	2,87,597
Gross Profit	7,935	8,342	9,546	8,501	10,081	10,166	12,060	10,859	34,081	43,165
Gross Margin (%)	14.3	13.8	13.1	13.8	13.9	12.9	12.3	13.3	13.6	13.1
Operating Expenses	4,175	4,379	4,609	4,507	5,001	5,196	5,664	5,916	17,671	21,777
% of Sales	7.5	7.2	6.3	7.3	6.9	6.6	5.8	7.2	7.1	6.6
EBITDA	3,760	3,962	4,936	3,994	5,080	4,970	6,396	4,942	16,410	21,388
Margin (%)	6.8	6.5	6.8	6.5	7.0	6.3	6.5	6.1	6.6	6.5
Change (%)	16.4	26.3	33.5	34.8	35.1	25.4	29.6	23.7	25.0	30.3
Interest	852	903	876	962	1,036	949	876	800	3,595	3,661
Depreciation	755	850	890	933	977	1,032	1,042	977	3,427	4,028
Other Income	222	260	313	408	463	514	454	595	1,446	2,026
PBT	2,375	2,469	3,484	2,507	3,530	3,503	4,931	3,761	10,834	15,725
Tax	599	649	886	630	889	898	1,257	968	2,764	4,011
Effective Tax Rate (%)	25.2	26.3	25.4	25.1	25.2	25.6	25.5	25.7	25.5	25.5
Adjusted PAT	1,776	1,821	2,598	1,877	2,641	2,605	3,674	2,794	8,070	11,713
Change (%)	23.4	34.6	43.8	36.4	48.7	43.1	41.4	48.8	35.1	45.1
Reported PAT	1,776	1,303	2,187	1,877	2,641	2,605	3,674	2,794	7,142	11,713

E: MOFSL Estimates

PN Gadgil

Buy

CMP: INR612 | TP: INR825 (+35%)

EPS CHANGE (%): FY26|FY27|FY28: -|+1|+1

- We expect 40% YoY growth in retail revenue, 25% in franchise, and double e-commerce sales in 3QFY26.
- GP margin to expand by 210bp YoY to 11.9%, driven by improvement in product mix.
- EBITDA margin expected to expand 50bp YoY to 5.6%.
- We expect five store additions, taking the total count to 68 stores.

Consol. Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	16,682	20,013	24,358	15,882	17,146	21,776	32,543	22,363	76,935	93,827
YoY change (%)	32.7	45.9	23.5	5.0	2.8	8.8	33.6	40.8	25.9	22.0
Gross Profit	1,386	1,531	2,391	1,909	2,259	2,581	3,873	2,780	7,216	11,492
Margins (%)	8.3	7.6	9.8	12.0	13.2	11.9	11.9	12.4	9.4	12.2
EBITDA	643	721	1,228	941	1,100	1,071	1,810	1,329	3,538	5,311
Margins (%)	3.9	3.6	5.0	5.9	6.4	4.9	5.6	5.9	4.6	5.7
YoY growth (%)	44.2	59.4	33.3	5.8	70.9	48.6	47.5	41.2	30.5	50.1
Depreciation	63	72	84	130	112	139	145	149	348	546
Finance Cost	123	129	63	115	189	198	205	229	430	822
Other Income	19	118	70	149	129	358	90	73	351	650
PBT	477	638	1,150	846	927	1,092	1,550	1,024	3,111	4,593
YoY growth (%)	57.3	110.2	48.6	15.2	94.4	71.0	34.8	21.0	48.6	47.6
APAT	353	529	860	620	693	793	1,163	772	2,363	3,422
Margins (%)	2.1	2.6	3.5	3.9	4.0	3.6	3.6	3.5	3.1	3.6
YoY change (%)	59.5	141.1	49.4	12.9	96.3	49.9	35.2	24.6	52.4	44.8

E: MOFSL estimates

Senco Gold

Neutral

CMP: INR324 | TP: INR365 (+13%)

EPS CHANGE (%): FY26|FY27|FY28: -1|-1|-1

- We expect 17% YoY revenue growth and SSSG of 12% in 3QFY26.
- Gross margins expected to expand 270bp YoY to 14.3%.
- EBITDA margin expected to improve 140bp YoY to 6.7%.
- We model three new store additions, taking the store count to 195 in 3QFY26.

Consolidated Quarterly Performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Stores	165	166	171	175	186	192	195	196	174	196
Net Sales	14,039	15,005	20,460	13,777	18,263	15,361	23,938	15,841	63,281	73,403
Change (%)	7.5	30.9	23.8	21.1	30.1	2.4	17.0	15.0	20.7	16.0
Gross Profit	2,428	1,976	2,373	2,313	3,489	2,616	3,423	2,780	9,090	12,308
Gross Margin (%)	17.3	13.2	11.6	16.8	19.1	17.0	14.3	17.5	14.4	16.8
Operating Expenses	1,341	1,159	1,297	1,042	1,653	1,551	1,819	1,399	4,839	6,423
% of Sales	9.5	7.7	6.3	7.6	9.1	10.1	7.6	8.8	7.6	8.8
EBITDA	1,087	818	1,076	1,270	1,836	1,065	1,604	1,381	4,251	5,886
Margin (%)	7.7	5.4	5.3	9.2	10.1	6.9	6.7	8.7	6.7	8.0
Change (%)	61.8	107.1	-40.6	44.8	68.8	30.3	49.1	8.7	13.2	38.4
Interest	322	326	339	375	430	462	475	485	1,362	1,852
Depreciation	181	178	131	191	187	190	205	216	681	798
Other Income	123	149	127	147	186	178	140	113	546	617
PBT	708	462	732	851	1,406	591	1,064	792	2,754	3,852
Tax	195	117	190	226	359	103	268	241	729	971
Effective Tax Rate (%)	27.6	25.3	26.0	26.6	25.6	17.4	25.2	30.4	26.5	25.2
Adjusted PAT	513	345	542	624	1,047	488	796	551	2,024	2,882
Change (%)	85.3	188.7	-50.4	94.0	104.1	41.4	46.8	-11.7	11.8	42.3
Reported PAT	513	121	335	624	1,047	488	796	551	1,593	2,882

E: MOFSL Estimates

Titan Company

Buy

CMP: INR4,050 | TP: INR4,650 (+15%)

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

- We model 28% standalone revenue growth (excl. bullion) and Tanishq LTL growth of 23% in 3QFY26.
- Standalone Jewelry EBIT (ex-bullion) margin is expected to decline 50bp YoY to 10.7% impacted due to weak mix (high gold coin) on rise in gold prices.
- Caratlane business revenue is expected to grow 30% YoY, while EBIT margin is expected to up marginally by 20bp YoY to 11.9%.
- We expect healthy double-digit growth in watches, eyewear, and other businesses.

Consolidated Quarterly Performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	132.7	145.3	177.4	149.2	165.2	187.3	232.7	172.0	604.6	757.1
YoY change (%)	11.5	16.0	25.2	19.4	24.6	28.8	31.2	15.3	18.3	25.2
Gross Profit	29.3	33.0	39.1	34.0	37.1	40.2	54.7	46.0	135.4	177.9
Margin (%)	22.1	22.7	22.0	22.8	22.5	21.4	23.5	26.7	22.4	23.5
EBITDA	12.5	15.3	19.3	15.4	18.3	18.8	24.7	19.7	62.4	81.5
EBITDA growth %	10.8	8.2	23.1	29.1	46.8	22.9	28.1	28.2	17.9	30.6
Margin (%)	9.4	10.5	10.9	10.3	11.1	10.0	10.6	11.5	10.3	10.8
Depreciation	1.6	1.7	1.8	1.8	1.8	1.9	1.9	1.9	6.9	7.6
Interest	2.3	2.4	2.3	2.5	2.7	2.8	2.6	2.5	9.5	10.6
Other Income	1.2	1.2	1.3	1.2	1.1	1.1	1.1	1.2	4.9	4.5
PBT	9.7	12.4	16.5	12.2	14.8	15.2	21.3	16.6	50.8	67.8
Tax	2.6	3.1	4.0	3.5	3.9	4.0	5.4	4.0	13.1	17.3
Rate (%)	26.5	24.8	24.5	28.5	26.3	26.4	25.5	24.0	25.9	25.5
Adjusted PAT	7.2	9.3	12.5	8.7	10.9	11.2	15.8	12.6	37.6	50.5
YoY change (%)	-5.4	1.7	18.3	13.0	52.6	20.2	27.1	44.7	7.6	34.3
Extraordinary	0.0	2.3	2.0	0.0	0.0	0.0	0.0	0.0	4.3	0.0
Reported PAT	7.2	7.0	10.5	8.7	10.9	11.2	15.8	12.6	33.4	50.5

E: MOFSL Estimates

Consumer Durables

Company

Blue Star
Crompton Greaves Consumer Elec.
LG Electronics India
Havells India
KEI Industries
Polycab India
R R Kabel
Voltas

Robust C&W; FMEG subdued, and RAC continues to lag

C&W offsets weakness in the FMEG and appliances segments

- Within the consumer durables sector, strong growth momentum in the cables and wires (C&W) sector remains intact, driven by strong domestic demand as well as exports. C&W is also estimated to benefit, given the rising trend in copper and aluminum pricing. In the RAC segment, the initial festive season drove some volume pick-up; however, severe winter conditions and higher channel inventory have hit overall growth in 3QFY26. The FMEG segment has also seen subdued growth due to overall weak consumer demand.
- For our coverage companies, we estimate aggregate revenue/EBITDA/PAT growth of ~11%/16%/20% YoY. We estimate average OPM to improve 40bp YoY at 9.7%. We estimate aggregate revenue growth of ~27%/4% YoY for the C&W/FMEG segments. While aggregate UCP and home appliances segment revenue is estimated to decline by ~5% YoY.
- We continue our positive view on C&W companies, driven by strong demand in the domestic market and growing opportunities in exports. Our preferred picks in the consumer durables space are POLYCAB, KEIL, and LGEIL.

Growth momentum strong in C&W; margin expansion expected

- C&W volume growth is estimated in the mid-teens, indicating continued strong demand in the sector. Key demand drivers are power generation, transmission, distribution, renewable energy, real estate, data centers, metro, rail, defense, EV, and industrials. We estimate POLYCAB/RRKABEL's revenue to grow ~30% YoY (each) in the C&W segment, followed by ~24% growth for HAVL and ~23% for KEIL.
- Copper and aluminum prices (key input materials) have been rising since May'25. Copper and aluminum prices rose ~10% and 4% MoM in Dec'25, whereas their average prices rose ~15% and 11% QoQ and ~26% and 17% YoY in 3Q, respectively. Consistent RM price increases are likely to drive overall revenue growth as industry players have passed on higher costs by revising prices frequently for retail customers and through a price variation clause for large orders.
- Given the positive operating leverage and uptrend in commodity prices during the quarter, we estimate the C&W segment margin (average) to improve 1.2pp YoY to 12.6% (dip ~40bp QoQ). We estimate C&W segment margins at 14.5% for POLYCAB, 13.2%/11.0% for HAVL/KEIL, and 8.8% for RRKABEL.

Lower-than-exp. recovery in the festive season; higher inventory continues

- RAC volume remained weak in 3QFY26 due to higher channel inventory and a strong winter. Further, the recovery during the festive season was below our expectations. However, this decline in 3Q is estimated to be lower than that in 1Q/2QFY26. We estimate aggregate UCP segment revenue (for our coverage companies) to dip ~5% YoY, and EBIT margin is likely to contract ~1.0pp YoY to 4.7%. We estimate VOLT's UCP revenue to decline ~10% YoY, HAVL's Lloyd

revenue to dip ~5%, and LGEIL's home appliances and air solution revenue to decline ~5%. However, BLSTR's UCP revenue is estimated to increase ~4% YoY.

- Industry players estimate inventory to normalize gradually from Jan'25 with a pick-up in demand. Additionally, the energy label changes and resultant price increase expectations should drive primary sales in the near term. Industry players are confident of a positive demand outlook for the upcoming summer season, led by strong growth drivers such as GST rate reduction, increasing affordability, low penetration, strong demand from tier II- IV cities, and new labeling norms.
- Other home appliance products also experienced lower-than-expected demand during the festive period. TV and washing machine witnessed moderate demand, while refrigerator demand was weak due to the strong winter season.

Subdued growth in the FMEG segment amid weak consumer sentiments

- The FMEG segment's (Fans, lighting, Switches, Switchgear, pumps, etc.) demand growth was subdued due to weak consumer sentiments. Fans' demand was weak due to the winter season and the upcoming BEE norms. In Switchgear, demand was relatively better, while other product categories experienced subdued demand growth due to weak consumer sentiments.
- We estimate aggregate FMEG revenue (for our coverage companies) to grow ~4% YoY. EBIT margin is estimated to contract 70bp YoY to 10.2%. We estimate FMEG segment revenue growth at ~15% YoY for POLYCAB, followed by ~4%/3% for HAVL/CROMPTON. RRKABEL FMEG revenue is estimated to decline ~5% YoY.
- We estimate HAVL's FMEG segment (Switchgear/ECD/Lighting & Fixture) margin to largely remain flat at 12.4%. POLYCAB is likely to continue to report profit in the FMEG segment vs. segment loss in 3QFY25. CROMPTON's FMEG (ECD/ Lighting) segment margin is estimated to dip 2.2pp YoY to 12.3%. RRKABEL's segment loss is estimated to increase to INR117m vs. INR44m in 3QFY25.

Outlook and recommendation

- In our [recent report](#), we highlighted that the strong demand momentum and the uptrend in commodity prices will continue to drive robust revenue growth in 2HFY26 for C&W companies. In the RAC segment, we closely monitor the impact of the energy label changes, channel inventory trends, and the upcoming summer season for demand recovery.
- POLYCAB, KEIL, and LGEIL are our preferred picks given strong growth momentum and reasonable valuations.

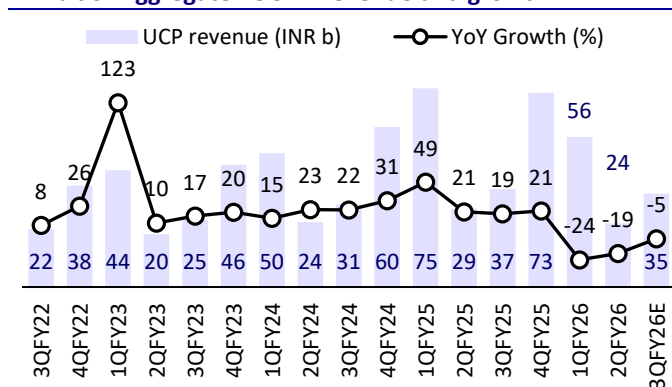
Exhibit 1: Summary of our 3QFY26 estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Blue Star	1813	Neutral	30,802	9.7	27.2	2,269	8.4	23.7	1,296	5.2	30.8
CG Consumer Elect.	252	Buy	18,400	4.0	-3.9	1,720	-8.5	8.6	951	-13.5	10.3
Havells India	1439	Neutral	53,695	9.8	12.3	5,529	29.6	26.1	3,910	40.7	22.8
KEI Industries	4527	Buy	30,017	21.2	10.1	3,131	25.0	16.2	2,275	38.0	11.8
LG Electronics	1483	Buy	41,772	-5.0	-32.3	2,708	-23.0	-50.5	1,845	-22.9	-52.6
Polycab India	7799	Buy	65,931	26.2	1.8	9,555	32.7	-3.3	6,359	39.0	-3.7
R R Kabel	1511	Neutral	22,329	25.3	3.2	1,784	61.4	1.5	1,124	63.9	-3.3
Voltas	1430	Neutral	30,187	-2.8	28.6	1,699	-13.9	141.3	1,138	-13.9	231.9
Consumer Durables			2,93,134	10.8	1.1	28,394	15.7	0.3	18,896	20.1	-0.9

Exhibit 2: Comparative valuations

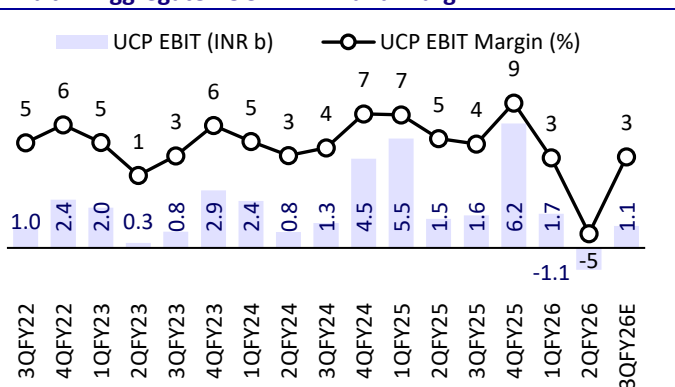
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Consumer Durables						51.9	42.6	35.4	9.0	7.8	6.7	17.4	18.3	18.9
Blue Star	1,813	Neutral	28.3	37.3	46.9	64.1	48.6	38.7	10.8	9.2	7.8	16.8	19.0	20.2
CG Consumer Elect.	252	Buy	7.3	8.5	10.7	34.6	29.6	23.6	3.9	3.6	3.3	11.4	12.3	14.0
Havells India	1,439	Neutral	24.4	29.8	35.5	59.0	48.3	40.5	9.7	8.6	7.5	16.4	17.7	18.6
KEI Industries	4,527	Buy	93.9	110.5	131.4	48.2	40.9	34.4	6.5	5.7	4.9	14.5	14.8	15.3
LG Electronics	1,483	Buy	27.0	33.5	39.2	55.0	44.3	37.8	14.1	11.7	9.7	27.9	28.8	28.0
Polycab India	7,799	Buy	178.4	201.9	241.1	43.7	38.6	32.4	9.8	8.2	6.8	22.4	21.3	21.2
R R Kabel	1,511	Neutral	39.9	46.2	56.1	37.9	32.7	26.9	6.8	5.8	4.9	19.3	19.0	19.6
Voltas	1,430	Neutral	18.0	28.9	36.0	79.4	49.6	39.7	6.9	6.1	5.5	8.6	12.4	13.8

Exhibit 3: Aggregate* UCP – revenue and growth



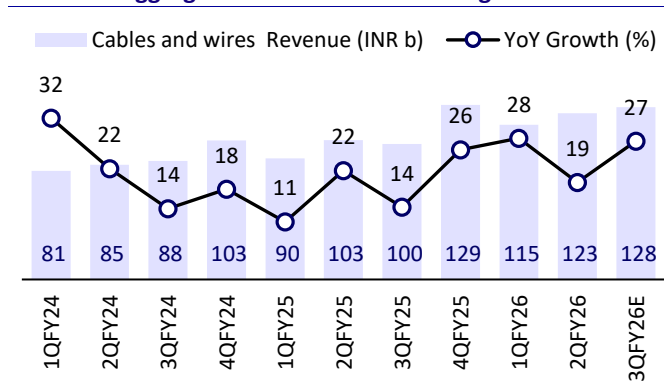
Source: MOFSL; E: MOFSL estimate; Note: *UCP revenue of VOLT, BLSTR, HAVL (Lloyd)

Exhibit 4: Aggregate* UCP – EBIT and margin



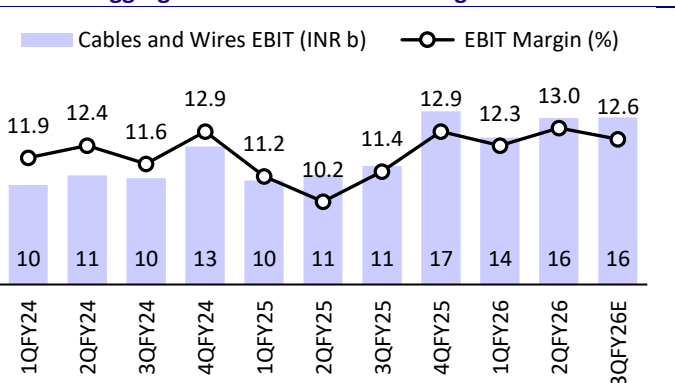
Source: MOFSL; E: MOFSL estimate; Note: *UCP EBIT of VOLT, BLSTR and HAVL (Lloyd)

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



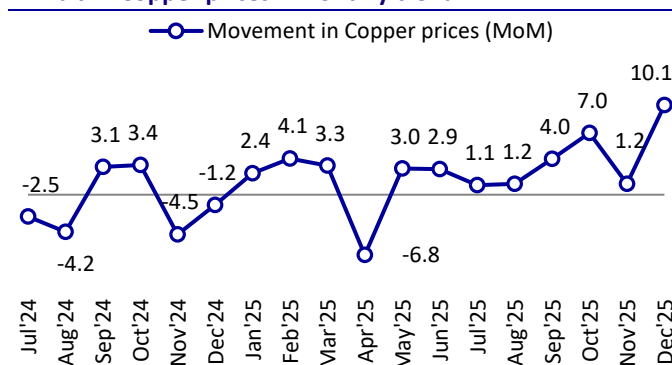
Source: MOFSL; E: MOFSL estimate; Note: *Cables and wires revenue of POLYCAB, HAVL, KEIL and RRKABEL

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



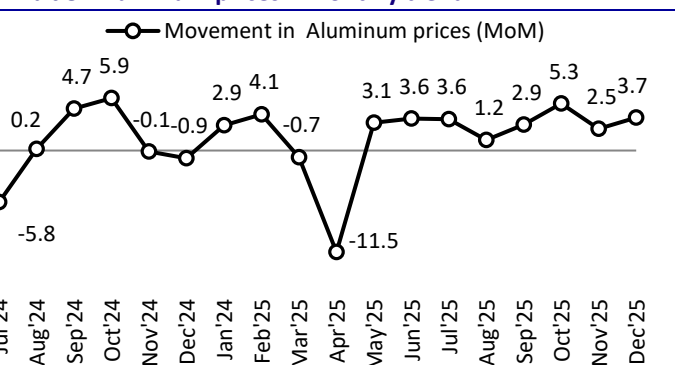
Source: MOFSL; E: MOFSL estimate; Note: *Cables and wires EBIT of POLYCAB, HAVL, KEIL and RRKABEL

Exhibit 7: Copper prices – monthly trend



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

Exhibit 8: Aluminum prices – monthly trend



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

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

Blue Star

Neutral

CMP: INR1,813 | TP: INR2,030 (+12%)
EPS CHANGE (%): FY26|27|28: -1.4|+0.3|+0.2

- Estimate revenue to grow ~10% YoY in 3QFY26.
- Revenue from UCP/EMPS is estimated to increase 4%/15% YoY. PES revenue is expected to decline 10% YoY.
- EBITDA is estimated to increase ~8% YoY to INR2.3b. EBITDA margin is estimated to stay flat YoY at 7.4%.
- Depreciation/Interest cost is estimated to rise ~26%/29% YoY. Adj. PAT is estimated to increase ~5% YoY to INR1.3b.

Consolidated quarterly performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	28,654	22,760	28,074	40,190	29,823	24,224	30,802	44,450	1,19,677	1,29,298
Change (%)	28.7	20.4	25.3	20.8	4.1	6.4	9.7	10.6	23.6	8.0
EBITDA	2,378	1,493	2,094	2,794	2,000	1,834	2,269	3,495	8,759	9,621
Change (%)	64.0	21.7	34.8	15.5	-15.9	22.8	8.4	25.1	31.7	9.8
As of % Sales	8.3	6.6	7.5	7.0	6.7	7.6	7.4	7.9	7.3	7.4
Depreciation	280	300	350	354	414	434	440	439	1,284	1,726
Interest	76	65	159	188	101	169	205	175	488	650
Other Income/JV share	239	182	80	236	147	90	88	157	737	482
Extra-ordinary Items	0	0	125	0	0	0	0	0	125	0
PBT	2,260	1,311	1,665	2,488	1,632	1,322	1,711	3,039	7,724	7,727
Tax	573	350	465	548	424	334	431	722	1,937	1,912
Effective Tax Rate (%)	25.3	26.7	27.9	22.0	26.0	25.3	25.2	23.8	25.1	24.7
MI/Share of profit from JV	1	1	1	-4	1	2	1	-7	0	-2
Reported PAT	1,688	962	1,326	1,936	1,210	990	1,281	2,310	5,912	5,813
Change (%)	102.6	36.1	32.1	20.6	-28.4	2.9	-3.4	19.3	42.5	-1.7
Adj PAT	1,688	962	1,232	1,936	1,210	990	1,296	2,318	5,818	5,813
Change (%)	102.6	36.1	22.7	20.6	-28.4	2.9	5.2	19.7	40.2	-0.1

Crompton Greaves Consumer Electricals

Buy

CMP: INR252 | TP: INR350 (+39%)
EPS CHANGE (%): FY26|27|28: --|--|--

- Revenue is estimated to grow ~4% YoY in 3QFY26.
- Revenue from ECD/Lighting is estimated to grow 3%/4% YoY. Butterfly's revenue is expected to increase ~10% YoY.
- EBITDA is estimated to decline ~9% YoY to INR1.7b. EBITDA margin is estimated to decline 1.3pp YoY to 9.3%.
- Depreciation is estimated to rise ~19% YoY, while interest cost is expected to decline ~41%. Adj. PAT is estimated to decline ~13% YoY to INR951m.

Quarterly Performance (Consolidated)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	21,377	18,960	17,692	20,606	19,983	19,156	18,400	23,063	78,636	80,592
Change (%)	13.9	6.4	4.5	5.1	-6.5	1.0	4.0	11.9	7.5	2.5
Adj EBITDA	2,324	2,034	1,880	2,644	1,917	1,584	1,720	2,413	8,882	7,791
Change (%)	25.1	16.6	25.5	29.9	-17.5	-22.1	-8.5	-8.7	24.5	-12.3
Adj EBITDA margin (%)	10.9	10.7	10.6	12.8	9.6	8.3	9.3	10.5	11.3	9.7
Depreciation	372	382	379	396	395	440	450	460	1,528	1,745
Interest	155	120	105	100	98	52	62	47	480	258
Other Income	238	175	116	159	237	134	114	160	688	645
Extra-ordinary items	-	-	-	-	-	204	-	-	-	204
PBT	2,035	1,707	1,512	2,308	1,661	1,022	1,322	2,066	7,562	6,432
Tax	511	427	393	591	422	268	346	532	1,921	1,568
Effective Tax Rate (%)	25.1	25.0	26.0	25.6	25.4	26.2	26.2	25.7	25.4	24.4
Reported PAT	1,524	1,281	1,119	1,717	1,239	754	976	1,535	5,641	5,068
Change (%)	24.8	27.0	31.0	28.7	(18.7)	(41.1)	(12.8)	(10.6)	27.7	(10.2)
Minority Interest	6.3	31.7	20.8	22.6	16.1	42.5	25.0	35.7	81.4	119.3
Adj PAT	1,517	1,249	1,098	1,695	1,223	862	951	1,499	5,559	4,745
Change (%)	28.2	28.5	27.7	22.5	(19.4)	(31.0)	(13.5)	(11.5)	26.4	(14.7)

Havells India

Neutral
CMP: INR1,439 | TP: INR1,600 (+11%)
EPS CHANGE (%): FY26|27|28: -0.5|-4.4|-5.4

- Estimate revenue to grow ~10% YoY in 3QFY26.
- Revenue from C&W/Switchgear/Lighting/ECD is estimated to grow 24%/8%/4%/2% YoY. Lloyd's revenue is expected to decline ~5% YoY.
- EBITDA is estimated to increase ~30% YoY to INR5.5b. Expect EBITDA margin to improve 1.6pp YoY to 10.3%.
- Depreciation/Interest cost is estimated to rise ~9%/76% YoY. Adj. PAT is estimated to increase ~41% YoY to INR3.9b.

Consolidated quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	58,062	45,393	48,890	65,436	54,554	47,793	53,695	71,872	2,17,781	2,27,914
Change (%)	20.1	16.4	10.8	20.2	-6.0	5.3	9.8	9.8	17.1	4.7
Adj EBITDA	5,722	3,751	4,265	7,570	5,157	4,384	5,529	7,413	21,309	22,482
Change (%)	42.4	0.5	-1.4	19.3	-9.9	16.9	29.6	-2.1	15.6	5.5
Adj EBITDA Margin (%)	9.9	8.3	8.7	11.6	9.5	9.2	10.3	10.3	9.8	9.9
Depreciation	920	946	1,041	1,097	1,057	1,058	1,138	1,405	4,004	4,658
Interest	86	101	94	152	94	91	165	126	432	476
Other Income	773	929	643	687	692	911	820	835	3,033	3,359
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
PBT	5,490	3,633	3,773	7,009	4,698	4,146	5,046	6,717	19,905	20,708
Tax	1,415	955	994	1,839	1,222	963	1,186	2,041	5,203	5,412
Effective Tax Rate (%)	25.8	26.3	26.3	26.2	26.0	23.2	23.5	30.4	26.1	26.1
Reported PAT	4,075	2,678	2,780	5,170	3,475	3,183	3,910	4,728	14,702	15,296
Change (%)	42.0	7.5	(3.5)	15.7	(14.7)	18.9	40.7	(8.6)	15.7	4.0
Adj PAT	4,075	2,678	2,780	5,170	3,475	3,183	3,910	4,728	14,702	15,296
Change (%)	42.0	7.5	(3.5)	15.7	(14.7)	18.9	40.7	(8.6)	15.7	4.0

KEI Industries

Buy
CMP: INR4,527 | TP: INR5,260 (+16%)
EPS CHANGE (%): FY26|27|28: 1.9|1.9|2.0

- Estimate revenue to increase ~21% YoY in 3QFY26.
- Revenue from C&W/SSW is estimated to increase 23%/5% YoY, while EPC revenue is expected to increase 40% YoY.
- EBITDA is estimated to grow 25% YoY to INR3.1b. OPM is estimated to rise 30bp YoY to 10.4%.
- Depreciation/interest is estimated to increase ~64%/5% YoY.
- Other income is estimated to surge ~859% YoY on a low base
- Adj. PAT is estimated to increase ~38% YoY to INR2.3b.

Consolidated quarterly performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	20,605	22,838	24,768	29,148	25,903	27,263	30,017	34,837	97,359	1,18,021
Change (%)	15.6	17.3	20.3	25.7	25.7	19.4	21.2	19.5	20.1	21.2
Adj EBITDA	2,146	2,248	2,504	3,013	2,580	2,693	3,131	3,854	9,910	12,258
Change (%)	20.4	10.3	16.7	23.2	20.3	19.8	25.0	27.9	18.3	23.7
Adj EBITDA Margin (%)	10.4	9.8	10.1	10.3	10.0	9.9	10.4	11.1	10.2	10.4
Depreciation	155	163	190	193	199	202	312	422	701	1,135
Interest	142	133	143	139	145	142	150	172	556	608
Other Income	178	128	41	371	396	423	393	348	718	1,560
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
PBT	2,027	2,079	2,212	3,052	2,632	2,773	3,062	3,609	9,370	12,075
Tax	525	531	564	786	675	738	787	901	2,406	3,100
Effective Tax Rate (%)	25.9	25.5	25.5	25.8	25.6	26.6	25.7	25.0	25.7	25.7
Reported PAT	1,502	1,548	1,648	2,265	1,957	2,035	2,275	2,708	6,964	8,975
Change (%)	23.8	10.4	9.4	34.4	30.3	31.5	38.0	19.5	19.9	28.9
Adj PAT	1,502	1,548	1,648	2,265	1,957	2,035	2,275	2,708	6,964	8,975
Change (%)	23.8	10.4	9.4	34.2	30.3	31.5	38.0	19.5	19.9	28.9

LG Electronics

Buy

CMP: INR1,483 | TP: INR1,770 (+19%)

EPS CHANGE (%): FY26|27|28: -6.6|-8.0|-6.6

- Revenue is estimated to decline 5% YoY in 3QFY26.
- Revenue from the H&A Division/HE Division is estimated to decline ~5% YoY (each).
- Estimate H&A EBIT margin to decline 60bp YoY to ~6.5%, while HE EBIT margin to decline 3.5pp YoY to ~10%.
- EBITDA is estimated to decline ~23% YoY, while OPM is expected to decline 1.5pp YoY to ~6%.
- Adj. PAT is estimated to decline ~23% YoY to INR1.8b.

Consolidated performance

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	64,088	61,139	43,970	74,465	62,629	61,740	41,772	81,189	2,43,666	2,47,336
Change (%)	-	-			-2.3	1.0	-5.0	9.0	-	1.5
Adj EBITDA	9,581	7,570	3,517	10,434	7,163	5,476	2,708	10,204	31,101	25,550
Change (%)	-	-			-25.2	-27.7	-23.0	-2.2	-	-17.8
Adj EBITDA margin (%)	14.9	12.4	8.0	14.0	11.4	8.9	6.5	12.6	12.8	10.3
Depreciation	967	973	920	943	902	935	954	964	3,804	3,755
Interest	69	65	80	91	85	90	88	95	306	359
Other Income	580	668	698	695	744	798	810	826	2,640	3,178
Extra-ordinary items	-	-	-	-	-	-	-	-	-	-
PBT	9,124	7,199	3,214	10,094	6,920	5,249	2,476	9,971	29,631	24,615
Tax	2,328	1,842	823	2,606	1,787	1,354	631	2,539	7,598	6,311
Effective Tax Rate (%)	25.5	25.6	25.6	25.8	25.8	25.8	25.5	25.5	25.6	25.6
Reported PAT	6,796	5,357	2,391	7,488	5,133	3,894	1,845	7,432	22,033	18,303
Change (%)	-	-			(24.5)	(27.3)	(22.9)	(0.7)	-	-16.9
Adj PAT	6,796	5,357	2,391	7,488	5,133	3,894	1,845	7,432	22,033	18,303
Change (%)	-	-			(24.5)	(27.3)	(22.9)	(0.7)	-	-16.9

Polycab India

Buy

CMP: INR7,799 | TP: INR9,650 (+24%)

EPS CHANGE (%): FY26|27|28: 1.2|1.5|1.5

- Revenue is estimated to increase 26% YoY in 3QFY26.
- Revenue from C&W/FMEG is estimated to increase 30%/15% YoY. Revenue for EPC and others to decline ~4% YoY.
- Estimate C&W EBIT margin to improve ~85bp YoY to ~15%.
- EBITDA is estimated to increase ~33% YoY, while OPM is expected to increase 70bp YoY to ~14%. FMEG EBIT is estimated at INR24m vs. a loss of INR128m in 3QFY25.
- Adj. PAT is estimated to increase ~39% YoY to INR6.4b.

Consolidated performance

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	46,980	54,984	52,261	69,858	59,060	64,772	65,931	80,577	2,24,083	2,70,340
Change (%)	20.8	30.4	20.4	24.9	25.7	17.8	26.2	15.3	24.2	20.6
EBITDA	5,834	6,316	7,199	10,254	8,576	9,877	9,555	11,482	29,602	39,490
Change (%)	6.3	3.7	26.4	34.6	47.0	56.4	32.7	12.0	18.8	33.4
EBITDA Margin (%)	12.4	11.5	13.8	14.7	14.5	15.2	14.5	14.3	13.2	14.6
Depreciation	671	721	786	804	857	968	990	1,012	2,981	3,827
Interest	413	453	498	325	513	484	520	464	1,689	1,980
Other Income	584	762	250	481	799	454	550	688	2,076	2,492
Share of JV's loss	-	-	-	-	-	-	-	-	-	-
PBT	5,334	5,903	6,166	9,606	8,006	8,880	8,595	10,694	27,008	36,175
Tax	1,317	1,451	1,522	2,262	2,009	2,280	2,166	2,697	6,553	9,152
Tax Rate (%)	24.7	24.6	24.7	23.5	25.1	25.7	25.2	25.2	24.3	25.3
MI	57	54	68	77	76	75	70	55	255	276
Exceptional Items	-	-	-	-	-	330	-	-	0	330
Reported PAT	3,960	4,398	4,576	7,267	5,921	6,930	6,359	7,867	20,200	27,077
Change (%)	-0.9	3.3	10.8	33.1	49.5	57.6	39.0	8.3	13.2	34.0
Adj. PAT	3,960	4,398	4,576	7,267	5,921	6,601	6,359	7,950	20,200	26,831
Change (%)	-0.9	3.3	10.8	33.1	49.5	50.1	39.0	9.4	13.2	32.8

R R KABEL

Neutral

CMP: INR1,511 | TP: INR1,680 (+11%)
EPS CHANGE (%): FY26|27|28: 0.4|+7.0|+10.3

- Estimate revenue to grow ~25% YoY in 3QFY26.
- Revenue from the C&W/ FMEG segment is estimated to rise ~30% YoY; FMEG revenue is estimated to decline ~5% YoY.
- EBITDA is estimated to increase ~61% YoY to INR1.8b. OPM is estimated to increase 1.8pp YoY to 8.0%.
- Depreciation/interest is estimated to increase 29%/8% YoY. Adj. PAT is estimated to increase ~64% YoY to INR1.1b.

Consolidated quarterly performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	18,081	18,101	17,822	22,178	20,586	21,638	22,329	25,246	76,182	89,799
YoY Change (%)	13.2	12.5	9.1	26.4	13.9	19.5	25.3	13.8	15.5	17.9
EBITDA	949	858	1,105	1,944	1,421	1,758	1,784	2,119	4,856	7,082
YoY Change (%)	(15.9)	(29.1)	(1.8)	68.6	49.6	104.9	61.4	17.3	5.2	45.8
EBITDA Margin (%)	5.3	4.7	6.2	8.8	6.9	8.1	8.0	8.4	6.4	7.9
Depreciation	162	175	178	190	203	219	229	246	705	897
Interest	116	156	162	155	151	162	175	180	589	669
Other Income	185	72	134	119	124	169	120	124	511	537
PBT	857	599	900	1,718	1,190	1,546	1,500	1,818	4,074	6,053
Tax	218	101	219	441	303	386	384	477	978	1,550
Effective Tax Rate (%)	25.4	16.9	24.3	25.6	25.4	25.0	25.6	26.2	24.0	25.6
JV Share	5	(2)	4	14	10	3	8	(11)	21	10
Reported PAT	644	495	686	1,291	898	1,163	1,124	1,330	3,116	4,514
YoY Change (%)	(13.4)	(33.2)	(3.4)	64.0	39.4	134.7	126.9	16.7	4.5	601.1
Adj. PAT	644	495	686	1,291	898	1,163	1,124	1,330	3,116	4,514
YoY Change (%)	(13.4)	(33.2)	(3.4)	64.0	39.4	134.7	63.9	16.7	4.5	601.1
Margin (%)	3.6	2.7	3.8	5.8	4.4	5.4	5.0	5.3	4.1	5.0

Voltas

Neutral

CMP: INR1,430 | TP: INR1,410 (-1%)
EPS CHANGE (%): FY26|27|28: -3.3|-2.7|-2.6

- Estimate revenue to decline ~3% YoY in 3QFY26.
- Revenue from UCP is estimated to decline ~10% YoY. EMPS/PES revenue is estimated to grow ~7%/5% YoY.
- EBITDA is estimated to decline ~14% YoY to 1.7b. OPM is estimated to decline by 75bp YoY to 5.6%.
- Adj PAT is estimated to decline ~14% YoY to INR1.1b.

Consolidated quarterly performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Sales	49,210	26,191	31,051	47,676	39,386	23,473	30,187	51,615	1,54,128	1,44,662
Change (%)	46.5	14.2	18.3	13.4	(20.0)	(10.4)	(2.8)	8.3	23.5	(6.1)
EBITDA	4,238	1,622	1,974	3,328	1,785	704	1,699	4,237	11,162	8,425
Change (%)	128.6	130.8	594.5	74.6	(57.9)	(56.6)	(13.9)	27.3	135.2	(24.5)
As of % Sales	8.6	6.2	6.4	7.0	4.5	3.0	5.6	8.2	7.2	5.8
Depreciation	134	164	179	141	185	244	252	231	618	912
Interest	98	136	155	233	135	200	210	205	621	750
Other Income	803	1,055	591	797	821	646	750	845	3,245	3,062
Extraordinary Items	0	0	0	-	-	-	-	-	0	0
PBT	4,809	2,377	2,231	3,751	2,286	906	1,987	4,646	13,168	9,825
Tax	1,165	726	599	1,075	621	226	532	1,273	3,565	2,653
Effective Tax Rate (%)	24.2	30.5	26.8	28.7	27.2	25.0	26.8	27.4	27.1	27.0
Share of Profit of Associates/JVs	(294)	(323)	(324)	(320)	(259)	(365)	(330)	(326)	(1,260)	(1,280)
Reported PAT	3,350	1,328	1,308	2,357	1,406	315	1,124	3,047	8,343	5,892
Change (%)	159.1	262.1	NA	102.4	(58.0)	(76.3)	(14.0)	29.3	231.1	-29.4
Minority Interest	8	(12)	(14)	(53)	2	(28)	(14)	(31)	(71)	(71)
Adj PAT	3,342	1,340	1,321	2,410	1,405	343	1,138	3,078	8,414	5,963
Change (%)	158.5	265.3	NM	132.2	(58.0)	(74.4)	(13.9)	27.7	251.5	-29.1

Company under Coverage

Amber Enterprises

Avalon Technologies

Cyient DLM

Data Patterns

Dixon Technologies

Kaynes Technologies

Syrma SGS

Healthy global demand drives growth

Revenue/EBITDA to grow ~9%/14% YoY in 3QFY26

- The EMS industry continues to witness strong growth, led by improving global order visibility, expanding export markets, and broad-based multi-segment demand, while higher-margin order inflows, a deeper global footprint, and capabilities in complex manufacturing further reinforce the momentum.
- EMS companies under our coverage universe are likely to continue their strong revenue growth trajectory. Aggregate revenue for our coverage is likely to grow 9% YoY in 3QFY26, aided by healthy demand across end-user industries and the execution of a strong order book at hand.
- Kaynes is likely to report the highest revenue growth of ~40% YoY, followed by SYRMA/AVALON/AMBER/DATAPATT/DIXON at 38%/23%/19%/5%/3%. We estimate a 17% revenue decline for CYIENTDL due to changes in their product mix.
- The sector's order book is expected to strengthen, led by robust traction in high-margin segments such as aerospace, industrials, automotive, and critical infrastructure, alongside a continued focus on increasing wallet share and improving product mix.
- In addition, EBITDA margin for our EMS coverage universe may expand ~50bp YoY, primarily due to 180bp/160bp/50bp YoY margin expansion in KAYNES/CYIENTDL/SYRMA. Conversely, DATAPATT/AMBER/AVALON may contract 700bp/80bp/60bp.

Kaynes and Syrma to lead the pack with strong anticipated revenue growth

- **AMBER:** Consumer demand has recovered QoQ, though the RAC industry still faces some inventory issues. Pick up is expected in 2H, though it will be back-ended. We expect overall revenue to grow 19% YoY/54% QoQ. EBITDA margin is expected to contract 80bp YoY due to a steep increase in copper prices.
- **Avalon:** Revenue is anticipated to grow ~23% YoY, with an EBITDA margin of ~11.7% in 3QFY26 (60bp margin contraction YoY). The company is well placed to meet its yearly guidance for FY26. The company is in the process of building a quality system, training human resources, and automation.
- **CYIENTDL:** We anticipate the company to showcase a ~17% YoY consol. revenue decline in 3QFY26. EBITDA margin may expand 160bp YoY to 9.7%. We anticipate a healthy order inflow with an improvement in the book-to-bill ratio.
- **DATAPATT:** We expect revenue to grow 5%, while EBITDA is expected to decline ~11% YoY (with EBITDA margins expected to contract 710bp YoY in 3QFY26). New product development remains the company's key focus area.
- **DIXON:** We build in ~3% YoY consolidated revenue growth. Mobile revenues may be impacted by lower client volumes and higher memory prices, while healthy non-mobile demand should keep EBITDA margins stable at ~3.8%.
- **KAYNES:** We expect revenue growth of ~40% YoY this quarter, driven by healthy traction across sectors. Margins are expected to expand ~180bp YoY to ~16.0%, led by margin-accretive orders.

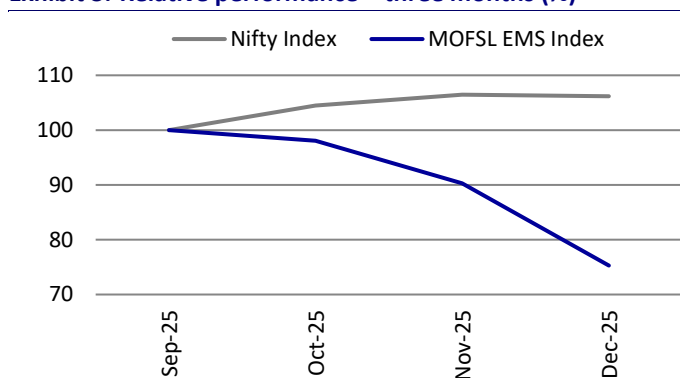
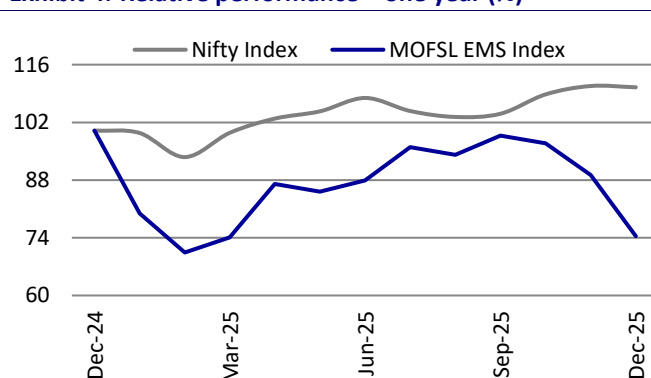
- **SYRMA:** We expect revenue to grow by 38% YoY, led by growth in the automotive and industrial segments. Industrials and automotive are expected to drive future revenue growth. EBITDA margin is likely to expand ~90bp YoY.

Exhibit 1: Summary of our 3QFY26 estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Amber Enterp.	6480	Buy	25,355	18.9	53.9	1,685	6.1	84.6	618	72.3	LP
Avalon Tech	892	Buy	3,454	23.0	-9.7	406	17.2	5.1	257	7.1	2.8
Cyient DLM	416	Buy	3,687	-17.0	18.7	359	-0.7	15.0	157	-6.5	25.1
Data Pattern	2621	Neutral	1,229	5.0	-60.0	480	-11.1	-29.9	415	-7.1	-15.7
Dixon Tech.	12181	Buy	1,07,408	2.7	-27.7	4,076	4.4	-27.4	1,631	-4.7	-34.1
Kaynes Tech	3979	Buy	9,256	40.0	2.1	1,481	57.5	0.1	1,182	77.8	-2.7
Syrma SGS Tech.	742	Buy	12,000	38.1	4.7	1,147	45.1	-0.5	713	40.0	11.3
EMS			1,62,390	8.6	-17.0	9,634	13.7	-8.6	4,973	21.3	2.1

Exhibit 2: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
EMS						67.0	40.9	30.0	8.5	7.1	5.7	12.7	17.3	19.2
Amber Enterp.	6,480	Buy	81.3	144.4	214.7	79.7	44.9	30.2	6.4	5.6	4.7	9.7	13.2	16.9
Avalon Tech	892	Buy	15.3	25.0	34.1	58.3	35.7	26.1	8.3	6.7	5.3	15.3	20.8	22.8
Cyient DLM	416	Buy	9.6	16.9	23.9	43.1	24.6	17.4	3.2	2.8	2.4	7.7	12.1	14.9
Data Pattern	2,621	Neutral	46.2	64.3	82.6	56.8	40.8	31.8	8.3	6.9	5.7	15.8	18.6	19.7
Dixon Tech.	12,181	Buy	145.6	247.4	322.2	83.6	49.2	37.8	19.1	13.9	10.3	25.6	32.8	31.3
Kaynes Tech	3,979	Buy	77.5	123.0	180.3	51.3	32.4	22.1	5.4	4.6	3.8	13.3	15.3	18.9
Syrma SGS Tech.	742	Buy	14.8	23.4	30.5	50.3	31.7	24.3	4.4	3.9	3.3	11.9	14.0	15.8

Exhibit 3: Relative performance – three months (%)

Exhibit 4: Relative performance – one year (%)


Source: Bloomberg, MOFSL

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

Amber Enterprises

Buy

CMP: INR6,480 | TP: INR8,000 (+23%)

EPS CHANGE (%): FY26|27|28: -|-|-

- Consumer demand has recovered QoQ, though the RAC industry still faces some inventory issues. Pick up expected in 2H, though it will be back-ended. Overall, Amber expects to outperform industry growth by 10-15% as the RAC industry is likely to remain flat in FY26. We expect overall revenue to grow 19% YoY/54% QoQ.
- EBITDA margin is expected to contract 80bp YoY on a high base and due to a steep rise in copper prices.
- We will watch out for an update on acquisitions made during the year, the railways segment, planned expansions, and improved top-line on the expanded portfolio.
- Key monitorables – Demand scenario in RAC, outlook on electronic segment growth, and margin sustainability.

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	24,013	16,847	21,333	37,537	34,491	16,470	25,355	41,624	99,730	1,17,940
YoY Change (%)	41.1	81.7	64.8	33.8	43.6	-2.2	18.9	10.9	48.2	18.3
Total Expenditure	22,051	15,710	19,746	34,590	31,924	15,557	23,671	38,287	92,096	1,09,439
EBITDA	1,962	1,137	1,587	2,947	2,567	913	1,685	3,337	7,634	8,502
YoY Change (%)	48.7	90.9	102.2	32.8	30.8	-19.7	6.1	13.2	55.2	11.4
Margins (%)	8.2	6.8	7.4	7.9	7.4	5.5	6.6	8.0	7.7	7.2
Depreciation	549	566	588	580	618	702	647	620	2,283	2,588
Interest	518	486	537	546	634	769	250	359	2,087	2,012
Other Income	207	178	160	191	297	156	189	151	736	792
PBT before EO expense	1,101	263	623	2,013	1,612	-403	977	2,508	3,999	4,694
PBT	1,101	263	623	2,013	1,612	-403	977	2,508	3,999	4,694
Tax	298	26	162	702	484	-156	254	835	1,188	1,416
Rate (%)	27.0	10.1	26.1	34.9	30.0	38.8	26.0	33.3	29.7	30.2
MI & P/L of Asso. Cos.	79	44	102	151	90	82	104	148	376	425
Reported PAT	724	192	359	1,160	1,039	-329	618	1,525	2,436	2,854
Adj PAT	724	192	359	1,160	1,039	-329	618	1,525	2,436	2,854
YoY Change (%)	58.6	NM	NM	22.6	43.5	NM	72.3	31.4	83.3	17.2
Margins (%)	3.0	1.1	1.7	3.1	3.0	-2.0	2.4	3.7	2.4	2.4

Avalon Technologies

Buy

CMP INR892 | TP: INR1,180 (+32%)

EPS CHANGE (%): FY26|FY27|FY28: 0|0|0

- Revenue is anticipated to grow ~23% YoY, with an EBITDA margin of ~11.7% in 3QFY26.
- The company is on track to meet its yearly guidance.
- We expect the company to clock revenue of over INR14.7b in FY26.

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	1,995	2,750	2,809	3,428	3,233	3,825	3,454	4,216	10,981	14,728
YoY Change (%)	-15.2	36.8	31.1	58.1	62.1	39.1	23.0	23.0	26.6	34.1
Total Expenditure	1,951	2,449	2,462	3,014	2,934	3,438	3,049	3,681	9,876	13,103
EBITDA	44	301	346	414	299	386	406	535	1,105	1,626
Margins (%)	2.2	11.0	12.3	12.1	9.2	10.1	11.7	12.7	10.1	11.0
Depreciation	66	69	74	77	85	89	91	93	286	357
Interest	42	37	45	42	38	41	30	19	167	127
Other Income	44	39	100	32	17	79	60	65	215	221
PBT before EO expense	-20	234	327	326	193	336	345	488	867	1,362
PBT	-20	234	327	326	193	336	345	488	867	1,362
Tax	3	60	87	83	51	86	88	124	233	349
Rate (%)	-14.5	25.4	26.7	25.5	26.4	25.6	25.5	25.5	26.8	25.7
Reported PAT	-23	175	240	243	142	250	257	363	634	1,012
Adj PAT	-23	175	240	243	142	250	257	363	634	1,012
YoY Change (%)	NA	140.1	264.7	243.8	NA	42.9	7.1	49.7	126.7	59.6
Margins (%)	-1.2	6.4	8.5	7.1	4.4	6.5	7.4	8.6	5.8	6.9

Cyient DLM

Buy

CMP INR416 | TP: INR550 (+32%)

EPS CHANGE (%): FY26|FY27|FY28: 1|1|1

- Revenue is expected to decline ~17% YoY in 3QFY26.
- We anticipate healthy order inflow with an improvement in the book-to-bill ratio.
- Margin is anticipated to remain flattish sequentially.
- New client additions and order inflows will be the key monitorables.

Consolidated - Quarterly Earnings

Y/E March	FY25				FY26E				INRm	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Gross Sales	2,579	3,895	4,442	4,281	2,784	3,106	3,687	4,923	15,196	14,500
YoY Change (%)	18.8	33.4	38.4	18.3	8.0	-20.2	-17.0	15.0	27.5	-4.6
Total Expenditure	2,379	3,578	4,081	3,706	2,534	2,794	3,328	4,233	13,745	12,890
EBITDA	200	316	361	574	251	312	359	689	1,452	1,611
Margins (%)	7.8	8.1	8.1	13.4	9.0	10.0	9.7	14.0	9.6	11.1
Depreciation	67	69	100	105	105	106	109	110	341	430
Interest	80	110	100	86	86	68	75	70	375	299
Other Income	89	71	69	33	42	31	35	35	262	143
PBT before EO expense	142	209	230	417	101	169	210	544	997	1,024
Extra-Ord expense	0	0	80	0	0	-196	0	0	80	-196
PBT	142	209	150	417	101	365	210	544	917	1,220
Tax	36	54	40	106	26	43	52	137	236	259
Rate (%)	25.2	26.0	26.8	25.5	26.1	11.9	25.0	25.2	25.8	21.2
Reported PAT	106	155	110	310	75	321	157	407	681	961
Adj PAT	106	155	168	310	75	126	157	407	739	765
YoY Change (%)	97.7	5.5	-8.7	36.5	-29.6	-18.7	-6.5	31.2	20.8	3.5
Margins (%)	4.1	4.0	3.8	7.3	2.7	4.0	4.3	8.3	4.9	5.3

Data Pattern

Neutral

CMP INR2,621 | TP: INR2,950 (+13%)

EPS CHANGE (%): FY26|FY27|FY28: 0|0|0

- The company is likely to grow ~30% in FY26.
- Movement in working capital requirements will remain the key monitorable.
- New product development will be the key focus area for the company.

Consolidated - Quarterly Earnings

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Gross Sales	1,041	910	1,170	3,962	993	3,075	1,229	4,160	7,084	9,457
YoY Change (%)	16.0	-16.0	-16.1	117.4	-4.6	237.8	5.0	5.0	36.3	33.5
Total Expenditure	669	567	630	2,467	673	2,390	749	2,355	4,334	6,166
EBITDA	372	343	540	1,495	321	685	480	1,805	2,750	3,291
Margins (%)	35.7	37.7	46.2	37.7	32.3	22.3	39.1	43.4	38.8	34.8
Depreciation	31	35	35	39	55	57	58	60	139	229
Interest	30	28	32	31	32	24	20	18	121	94
Other Income	123	120	114	106	106	59	150	170	463	485
PBT before EO expense	435	400	588	1,531	340	664	552	1,897	2,953	3,452
PBT	435	400	588	1,531	340	664	552	1,897	2,953	3,452
Tax	107	98	141	390	85	172	137	472	735	866
Rate (%)	24.5	24.4	24.0	25.5	24.9	25.9	24.9	24.9	24.9	25.1
Reported PAT	328	303	447	1,141	255	492	415	1,425	2,218	2,586
Adj PAT	328	303	447	1,141	255	492	415	1,425	2,218	2,586
YoY Change (%)	26.9	-10.4	-12.4	60.5	-22.2	62.5	-7.1	24.9	22.1	16.6
Margins (%)	31.5	33.3	38.2	28.8	25.7	16.0	33.7	34.2	31.3	27.3

Dixon Technologies

Buy

CMP: INR12,181 | TP: INR18,500 (+52%)
EPS CHANGE (%): FY26|27|28: -17|-11|-11

- We build in ~3% YoY growth in consol. revenue. Mobile revenues are expected to be impacted by lower volumes from some key clients. Higher memory prices have increased low-end phone costs, weighing on demand.
- Key monitorables include Vivo JV approval, ECMS approval for displays (camera module and optical transceiver unit already approved), and progress on backward integration.
- We expect EBITDA margin to remain stable at 3.8% as the demand momentum remained healthy for non-mobile segments.
- We cut our estimates to bake in the transfer of the lighting division to JV, as well as lower mobile volumes of 36-37mn for FY26.

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	65,798	1,15,341	1,04,537	1,02,925	1,28,357	1,48,550	1,07,408	1,27,175	3,88,601	5,11,490
YoY Change (%)	101.1	133.3	117.0	121.0	95.1	28.8	2.7	23.6	119.7	31.6
Total Expenditure	63,319	1,11,077	1,00,632	98,498	1,23,533	1,42,937	1,03,332	1,22,394	3,73,525	4,92,195
EBITDA	2,479	4,264	3,905	4,428	4,824	5,613	4,076	4,782	15,076	19,295
YoY Change (%)	88.0	114.4	111.8	142.7	94.6	31.7	4.4	8.0	116.1	28.0
Margins (%)	3.8	3.7	3.7	4.3	3.8	3.8	3.8	3.8	3.9	3.8
Depreciation	545	660	746	859	927	963	936	919	2,810	3,745
Interest	293	379	409	463	326	384	417	541	1,544	1,667
Other Income	82	-57	65	113	17	30	108	265	202	420
PBT before EO expense	1,723	3,167	2,816	3,219	3,588	4,297	2,831	3,587	10,924	14,303
Extra-Ord expense	0	2,096	0	2,504	0	4,927	0	0	4,600	4,927
PBT	1,723	5,263	2,816	5,723	3,588	9,224	2,831	3,587	15,524	19,230
Tax	400	1,172	689	1,111	855	1,779	691	169	3,372	3,493
Rate (%)	23.2	22.3	24.5	19.4	23.8	19.3	24.4	4.7	21.7	18.2
MI & P/L of Asso. Cos.	-14	193	415	604	483	746	510	296	1,197	2,034
Reported PAT	1,337	3,899	1,712	4,008	2,250	6,700	1,631	3,123	10,955	13,703
Adj PAT	1,337	2,143	1,712	1,845	2,250	2,475	1,631	2,329	7,059	8,684
YoY Change (%)	94.3	99.7	77.5	93.9	68.3	15.5	-4.7	26.2	92.0	23.0
Margins (%)	2.0	1.9	1.6	1.8	1.8	1.7	1.5	1.8	1.8	1.7

Kaynes Technologies

Buy

CMP INR3,979 | TP: INR5,310 (+16%)
EPS CHANGE (%): FY26|FY27|FY28: -7|-7|-7

- Revenue is expected to grow 40% YoY, driven by growth across all segments.
- EBITDA margin is expected to expand 180bp YoY to 16.0%
- Commercial production from semicon is expected to start from Apr'26.

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	5,040	5,721	6,612	9,845	6,735	9,062	9,256	16,000	27,218	41,053
YoY Change (%)	69.6	58.5	29.8	54.5	33.6	58.4	40.0	62.5	50.8	50.8
Total Expenditure	4,371	4,900	5,671	8,166	5,604	7,582	7,775	13,472	23,108	34,434
EBITDA	669	821	940	1,679	1,130	1,480	1,481	2,528	4,109	6,620
Margins (%)	13.3	14.4	14.2	17.1	16.8	16.3	16.0	15.8	15.1	16.1
Depreciation	84	86	108	169	156	166	166	170	447	659
Interest	227	221	270	295	284	228	150	100	1,013	762
Other Income	283	336	246	205	271	431	350	369	1,070	1,421
PBT before EO expense	641	849	808	1,419	961	1,517	1,515	2,627	3,718	6,620
PBT	641	849	808	1,419	961	1,517	1,515	2,627	3,718	6,620
Tax	133	247	144	257	215	303	333	578	782	1,429
Rate (%)	20.8	29.1	17.8	18.1	22.3	20.0	22.0	22.0	21.0	21.6
Reported PAT	508	602	665	1,162	746	1,214	1,182	2,049	2,936	5,191
Adj PAT	508	602	665	1,162	746	1,214	1,182	2,049	2,936	5,191
YoY Change (%)	106.0	86.4	47.1	43.0	46.9	101.7	77.8	76.3	60.1	76.8
Margins (%)	10.1	10.5	10.1	11.8	11.1	13.4	12.8	12.8	10.8	12.6

Syrma SGS

Buy

CMP INR742 | TP: INR950 (+28%)

EPS CHANGE (%):FY26|FY27|FY28: -0|-1|-1

- We expect revenue to grow by 38%, largely led by growth in auto and industrials.
- We expect margins to expand by 90bp to 9.6% in 3QFY26.
- Industrials and auto are expected to drive future revenue growth.
- Elcome (defense) had contributed for 12 days in the quarter.

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	11,599	8,327	8,692	9,244	9,440	11,459	12,000	15,252	37,862	48,151
YoY Change (%)	92.9	17.0	23.0	-18.5	-18.6	37.6	38.1	65.0	20.1	27.2
Total Expenditure	11,153	7,618	7,901	8,169	8,574	10,307	10,853	13,732	34,841	43,466
EBITDA	446	710	791	1,075	866	1,152	1,147	1,520	3,021	4,685
Margins (%)	3.8	8.5	9.1	11.6	9.2	10.1	9.6	10.0	8.0	9.7
Depreciation	174	167	202	208	206	218	220	225	751	869
Interest	130	136	154	156	149	126	95	85	577	456
Other Income	153	100	223	223	160	87	200	223	699	671
PBT before EO expense	295	507	657	934	672	895	1,032	1,433	2,392	4,031
Extra-Ord expense	0	0	21	0	0	0	0	0	21	0
PBT	295	507	635	934	672	895	1,032	1,433	2,371	4,031
Tax	91	110	105	219	172	232	260	360	526	1,024
Rate (%)	31.0	21.8	16.6	23.5	25.7	25.9	25.2	25.2	22.2	25.4
MI& Profit/Loss of Asso. Cos.	10	34	42	60	2	23	59	84	147	168
Reported PAT	193	362	488	654	497	641	713	988	1,698	2,839
Adj PAT	193	362	509	654	497	641	713	988	1,719	2,839
YoY Change (%)	-32.3	22.0	228.2	87.3	157.8	76.8	40.0	51.0	58.2	65.2
Margins (%)	1.7	4.4	5.9	7.1	5.3	5.6	5.9	6.5	4.5	5.9

Financials: Banks

3QFY26 earnings estimates (INR b)

PAT	3Q FY26E	YoY (%)	QoQ (%)
Private Banks			
AUBANK	6.4	21.8	14.7
AXSB	58.7	-6.9	15.3
BANDHAN	2.7	-35.9	144.4
DCBB	1.9	25.3	3.2
EQUITAS	0.7	6.8	193.5
FB	9.7	1.5	1.6
HDFCB	187.5	12.0	0.6
ICICIBC	124.9	5.9	1.0
IDFCFB	5.0	47.7	42.3
IIB	1.3	-90.6	NA
KMB	35.5	7.3	9.0
RBK	2.7	715.7	49.1
Private Total	437.0	3.9	5.9
PSU Banks			
BOB	48.7	0.6	1.2
CBK	44.8	9.1	-6.2
INBK	30.9	8.5	2.5
PNB	47.8	5.9	-2.6
SBIN	177.6	5.1	5.9
UNBK	38.1	-17.3	-10.4
PSU Total	387.8	2.6	0.7
Banks Total	824.8	3.3	3.4
SBICARD	5.4	41.0	21.5
PAYTM	2.4	NA	11.8

Earnings nearing trough, recovery in sight

Credit growth gaining traction; margin trajectory mixed

- Credit growth shows early signs of revival; estimate 12%+ YoY growth in FY26:** As of 12th Dec'25, system credit growth improved to 11.7% YoY (7.7% YTD), recovering from the May'25 low of 8.9%. Growth momentum has strengthened over the past few months, remaining above 10% since Jul'25. The credit cycle has seen a meaningful pickup after GST cuts, with system growth tracking above 11% in Oct'25 and Nov'25, driven by a consumption-led recovery. With the full 100bp CRR cut now in place and recent supportive regulatory measures, further support to credit expansion is expected ahead. We, therefore, estimate system credit growth to remain at 12%+ YoY in FY26E and improve to ~13% in FY27E. In our coverage universe, we expect large private banks to grow at 3-4% QoQ and mid-sized banks to grow faster.
- Deposit growth stable at 9.7%, competitive intensity remains elevated:** System deposit growth was stable at 9.7% YoY in Dec'25 and has largely remained range-bound at 9-10% over the past year. We believe competitive pressure in deposits has yet to ease, with banks continuing to face challenges in mobilizing low-cost funding. However, ongoing term deposit repricing should lead to a moderation in cost of funds over 3QFY26 and 4QFY26, partially offsetting the impact of the recent 25bp repo rate cut. We expect deposit growth to remain steady at ~10% YoY in FY26E.
- NIM outcome to be divergent in 3Q; mild uptick expected in 4Q:** The 25bp rate cut is likely to have a limited impact in 3Q as the repricing impact would only be partial. Additionally, the full transmission of CRR cuts should cushion margins. System liquidity infusion is also expected to enable smoother rate transmission without materially pressuring NIMs. NIM outcome in 3Q is expected to be divergent, as **AXSB, IIB, FB, INBK and BOB** are likely to report a decline, whereas **HDFC, IDFCFB, KMB, SBI, AUBANK, RBL, Bandhan and Equitas** may report expansion and **ICICI, PNB, CBK, UNBK and DCB** would report largely flat NIMs.
- Asset quality – early signs of stress moderation in unsecured retail (MFI, PL & CC):** After a prolonged phase of high stress, early indicators suggest a gradual easing, with lenders reporting improvements in monthly collection efficiencies in the MFI segment. However, select pockets such as micro-LAP, CVs and affordable housing continue to exhibit stress, warranting close monitoring; also visible in our recent channel check. Overall, we expect private and PSU banks to report contained credit costs, while select mid-sized private banks with high exposure to unsecured/MFI portfolios should see improving credit costs as stress abates, supporting a better RoA outlook in 2HFY26 and FY27.
- Estimate 16.5% PAT CAGR over FY26-28E:** For 3QFY26E, we estimate NII for our banking coverage universe to improve 5.5% YoY/3.9% QoQ and PPOP to rise by 6.4% YoY/2.1% QoQ. We estimate private banks' PAT to grow by 3.9% YoY/5.9% QoQ and PSU banks' PAT to grow by 2.6% YoY/0.7% QoQ. For our coverage universe, we estimate PAT to grow by 3.3% YoY/3.4% QoQ. Thus, in line with our view that earnings will gain traction from 2HFY26 amid NIMs tailwind and easing stress in unsecured, we estimate positive momentum to continue, with 16.5% earnings CAGR over FY26-28E.

Private Banks: 3Q earnings to grow 3.9% YoY/5.9% QoQ (+3% YoY in FY26E)

- **For the private banks under our coverage**, we estimate PPOP to grow by 3.2% YoY/1.9% QoQ and PAT to grow by 3.9% YoY/5.9% QoQ in 3QFY26. We estimate ~21% earnings CAGR over FY26-28E for private banks.
- **Estimate NII to grow 6% YoY/4.2% QoQ in 3QFY26.** Among large private banks under our coverage, NII growth is estimated to grow by a healthy 8.7% YoY (5.6% QoQ) for HDFCB and 8.8% YoY (3% QoQ) for ICICIBC. AXISB's NII is likely to grow by 4.6% YoY/3.5% QoQ. Kotak is expected to post NII growth of 6.5% YoY/4.9% QoQ. Federal Bank may report muted NII growth of 3.5% YoY/0.9% QoQ.
- Our recent channel checks indicate that the stress in unsecured has been moderating, although it is still visible in select pockets such as micro-LAP, CVs and affordable housing. Large private banks with more diversified and secured portfolios continue to fare better.

PSU Banks: 3Q PAT to grow 2.6% YoY/0.7% QoQ (flat in FY26E)

- **We estimate PSU banks' PAT to grow by 2.6% YoY (0.7% QoQ) in 3QFY26E**, dragged down by flat trends or marginal decline in NIMs as well as modest treasury gains.
- NII is likely to grow by 5% YoY (3.6% QoQ). While opex may grow marginally amid new labor laws, we expect modest **treasury gains** as bond yields have increased marginally in 3Q. The benefit from CRR cuts and deposit repricing can provide some support to NIMs in the near term, unless there are further rate cuts.
- **Asset quality outlook stable:** We expect stable asset quality trends for PSU banks, while recoveries from w-off pool are expected to remain intact.
- **We estimate PSU banks to report earnings CAGR of 11.4% over FY26-28E.**

Small Finance Banks: NIM outcome to be positive; credit cost to ease

- **AUBANK** is expected to report healthy PAT growth of 14.7% QoQ (21.8% YoY) to INR6.4b, aided by NIM expansion (up 12bp QoQ), while credit cost should decline. NII is expected to increase by 12.7% YoY (6.3% QoQ), we expect NIMs to be at 5.62% (up 12bp QoQ/down 28bp YoY). We expect credit cost decline to continue, with FY26E credit cost at ~1.4% vs. 1.9% in FY25.
- **EQUITASB** is estimated to report improvement in PAT at INR708m in 3QFY26, led by NIM improvement (up 12bp QoQ to 6.41%), while credit cost is also expected to decline. We expect loan growth to be robust (at 10% YoY/7% QoQ), led by secured segment.

Payments/Fintech: SBI Cards – Margins to increase slightly; Paytm – Steady revenue growth and contained opex to drive 3Q profit

- **SBICARDS:** We expect provisions to remain elevated amid persistent asset quality concerns. Loan book is expected to grow by 8% YoY in 3Q. We expect card spends to be healthy, led by recovery in corporate spends. We estimate NIMs to increase slightly by 4bp QoQ. We estimate PAT to grow at 41% YoY/21.5% QoQ to INR5.4b.
- **PAYTM:** Revenue from operations is likely to grow at a healthy 17% YoY/3% QoQ to INR21.3b, while contribution profit would grow by 32% YoY/5% QoQ to INR12.7b. Contribution margin is expected to be at ~59.6% and PAT at ~INR2.4b.

Top picks – ICICIB, HDFCB and SBI

ICICIB: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	812	882	1,027
OP	673	730	850
NP	472	512	581
NIM (%)	4.5	4.3	4.4
EPS (INR)	66.8	71.8	81.5
EPS Gr (%)	14.4	7.6	13.4
ABV/Sh (INR)	373	446	518
Cons. BV/Sh (INR)	438	514	603
Ratios			
RoA (%)	2.4	2.3	2.3
RoE (%)	18.0	16.5	16.3
Valuations			
P/BV (x) (Cons)	3.1	2.6	2.2
P/ABV (x)*	2.9	2.4	2.1
P/E (x)	20.1	18.6	16.4
Adj P/E (x)*	16.4	15.2	13.4

*Adj for Investment in Subs

HDFCB: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	1,227	1,304	1,517
OP	1,001	1,208	1,298
NP	673	750	862
NIM (%)	3.5	3.4	3.5
EPS (INR)	44.0	49.0	56.3
EPS Gr. (%)	9.9	11.4	14.9
BV/Sh. (INR)	328	360	406
ABV/Sh. (INR)	314	345	390
Ratios			
RoA (%)	1.8	1.8	1.9
RoE (%)	14.5	14.2	14.7
Valuations			
P/E(X)	22.5	20.2	17.6
P/E(X)*	19.4	17.4	15.2
P/BV (X)	3.0	2.8	2.4
P/ABV (X)*	2.7	2.5	2.2

*Adj for Investment in Subs

ICICIB (BUY)

- ICICIB's credit growth recovered meaningfully in the 2Q after a soft start to the year. The bank has maintained consistency in growth with ~15% CAGR over FY23-25, thus outpacing system growth, led by retail and BB.
- NIMs remained largely stable across 1Q and 2QFY26, aided by a reduction in cost of deposits, steady loan mix and disciplined pricing across retail and corporate book. While NIM pressure persists in the near term, a phased reduction in CRR and easing liquidity should help to stabilize NIMs in 2HFY26. We expect NIMs at 4.4% in FY26E and to stabilize at 4.4-4.5% over FY27-28E.
- ICICIB continues to strengthen its liability franchisee through diversified acquisition engines, including corporate salary accounts, transaction banking, as well as physical channels. With a healthy CASA at 41% and a CD ratio of 87%, we expect deposit growth to be healthy at 15% CAGR over FY26-28E.
- The bank's robust asset quality is led by prudent underwriting and strong PCR of 75.6%, and contingent provisions of INR131b (~0.9% of loans) provide cushion. We estimate GNPA/NNPA ratios to remain steady at 1.45%/0.36% by FY27, with normalized credit costs of ~40-50bp.
- ICICIB has entered a phase where its operating variables exhibit far less volatility, with robust loan growth, solid asset quality, and leading returns, with estimated RoA/RoE of 2.3%/16.3% by FY27E. The standalone bank trades at 2.1x FY27E ABV, adjusted for subsidiaries.

HDFCB (BUY)

- HDFCB's loan growth has been recovering (10.1% YoY in 2QFY26) and is poised for steady loan growth amid broad-based growth and healthy disbursement activity. We expect loan growth to remain steady at 13% CAGR over FY26-278E.
- The bank's deposit performance through 1Q and 2Q was notably strong at mid-teens, outpacing system growth and reinforcing its franchisee strength. Liability granularity remains one of its biggest structural strengths. We thus expect 14.4% CAGR over FY26-28E and expect CD ratio to move gradually toward 91% by FY28E.
- NIMs have stabilized over the past three quarters in a narrow band of 3.35-3.47%, while we expect the trough of NIMs to be largely behind for HDFCB. We expect NIMs to improve in 3Q/4Q before gaining traction in FY27E.
- HDFCB maintains the best-in-class asset quality, with GNPA/NNPA ratios at 1.24%/0.42% and strong contingent and floating provisions (1.4% of loans). While credit costs are expected to remain contained at 50bp over the medium term, a strong provision buffer mandates a smooth transition to ECL migration.
- Despite the complexity around merger and healthy branch addition, the cost-to-income ratio has remained steady at 39.2%. Cost-to-asset ratio remains one of the best in the industry at 1.7-1.8%, highlighting the bank's disciplined cost control.
- With margin normalization, improved asset quality, and strategic rebalancing, HDFCB is well positioned to deliver RoA/RoE of 1.9%/14.7% by FY27E. It currently trades at 2.2x FY27E ABV, adjusting for subsidiaries.

SBI: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	1,670	1,757	2,022
OP	1,106	1,196	1,353
NP	709	774	834
NIM (%)	2.9	2.8	2.9
EPS (INR)	79.4	85.3	90.3
EPS Gr. (%)	16.1	7.4	5.9
ABV (INR)	437	518	591
Cons. BV (INR)	529	611	714

Ratios

RoA (%)	1.1	1.1	1.1
RoE (%)	18.6	17.0	15.6

Valuations

P/BV (x) (Cons.)	1.9	1.6	1.4
P/ABV (x)*	1.6	1.3	1.2
P/E (x)	11.3	10.3	9.4
P/E (x)*	8.7	8.1	7.7

*Adj for Investment in Subs

SBI (BUY)

- SBI is poised for industry-leading growth of 13-14% YoY, driven by growth in RAM segments, pick-up in personal loans, and selective utilization of working capital limits, even though corporate capex cycle remains muted.
- SBI's deposit growth has moderated to 9-10% YoY (in line with industry growth), while the CASA ratio has remained healthy at ~39 to 40%, accentuating SBI's strong liability positioning.
- Asset quality remains a key strength for SBI. The bank reported GNPA of ~1.73% and NNPA of ~0.42%, with a PCR of 75.8% (92.3% including AUCA and a corporate PCR of 98.68%). Credit cost in 2QFY26 was benign at ~39bp, reflecting disciplined underwriting and steady recoveries. We expect credit cost to remain low at 40-50bp over FY26-28E as well.
- NIMs improved in 2Q, aided by deposit repricing and recent CRR cuts. The bank expects NIMs to remain unchanged at >3% in 4QFY26. SBI's structural advantage, i.e., low-cost CASA, pricing discipline and diversified loan mix, provide comfort that margins can remain resilient. We estimate the calibrated improvement to be 2.9-3.0% over FY27-28.
- SBI remains poised for sustainable growth, led by healthy credit expansion and well-managed asset quality. We estimate 13% earnings CAGR over FY26-28E, with RoA/RoE expected at 1.1%/15.6% by FY27E. The standalone bank currently trades at 1.2x FY27E ABV.

Exhibit 1: Banks: Summary of 3QFY26 earnings estimates

Rating		NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
		Dec'25E	YoY (%)	QoQ (%)	Dec'25E	YoY (%)	QoQ (%)	Dec'25E	YoY (%)	QoQ (%)
Financials										
AU Small Finance	Buy	22,801	12.7	6.3	12,742	5.7	5.3	6,435	21.8	14.7
Axis Bank	Neutral	1,42,307	4.6	3.5	1,03,663	-1.6	-0.4	58,703	-6.9	15.3
Bandhan Bank	Neutral	27,519	-2.8	6.3	13,818	-31.6	5.5	2,734	-35.9	144.4
DCB Bank	Buy	6,177	13.8	3.6	3,259	20.2	7.2	1,897	25.3	3.2
Equitas Small Finance	Buy	8,211	0.3	6.1	2,718	-18.3	13.0	708	6.8	193.5
Federal Bank	Buy	25,175	3.5	0.9	16,025	2.1	-2.5	9,701	1.5	1.6
HDFC Bank	Buy	3,33,176	8.7	5.6	2,81,769	12.7	0.9	1,87,490	12.0	0.6
ICICI Bank	Buy	2,21,655	8.8	3.0	1,78,822	5.9	3.4	1,24,880	5.9	1.0
IDFC First Bank	Neutral	54,454	11.1	6.5	20,224	15.0	7.6	5,013	47.7	42.3
IndusInd Bank	Neutral	42,854	-18.0	-2.8	18,512	-48.6	-9.6	1,312	-90.6	NA
Kotak Mahindra Bank	Buy	76,660	6.5	4.9	55,766	7.6	5.9	35,451	7.3	9.0
RBL Bank	Buy	16,587	4.6	7.0	8,378	-15.9	15.0	2,662	715.7	49.1
Banks – Private		9,77,577	6.0	4.2	7,15,696	3.2	1.9	4,36,986	3.9	5.9
Bank of Baroda	Neutral	1,23,787	8.4	3.6	80,496	5.0	6.3	48,687	0.6	1.2
Canara Bank	Buy	95,561	4.5	4.5	84,949	8.4	-1.1	44,795	9.1	-6.2
Indian Bank	Buy	67,391	5.1	2.9	49,357	3.9	2.1	30,935	8.5	2.5
Punjab National Bank	Buy	1,08,381	-1.8	3.5	69,167	4.5	-4.3	47,760	5.9	-2.6
State Bank of India	Buy	4,47,979	8.1	4.2	2,89,860	23.1	6.1	1,77,568	5.1	5.9
Union Bank	Neutral	88,078	-4.7	-0.1	64,206	-14.3	-5.8	38,054	-17.3	-10.4
Banks – PSU		9,31,176	5.0	3.6	6,38,036	10.2	2.3	3,87,800	2.6	0.7
Total Banks		19,08,753	5.5	3.9	13,53,732	6.4	2.1	8,24,787	3.3	3.4
SBI Cards	Neutral	17,855	13.7	3.2	19,884	8.6	5.1	5,405	41.0	21.5
PAYTM	Neutral	21,308	16.6	3.3	2,048	NA	15.7	2,359	NA	11.8

Exhibit 2: Estimate earnings CAGR at 16.5% over FY26-28E, with private banks at 20.9% and PSU banks at 11.4%

INR b	Earnings Estimates						Growth YoY (%)		
	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Private Banks									
AXSB	215.8	248.6	263.7	244.8	308.8	368.8	-7	26	19
BANDHAN	21.9	22.4	27.5	13.7	28.4	36.8	-50	108	30
DCBB	4.7	5.4	6.2	7.6	9.6	12.0	23	27	25
HDFCB	441.1	608.1	673.5	749.9	861.7	1,019.2	11	15	18
ICICIBC	319.0	408.9	472.3	511.8	580.5	675.2	8	13	16
IDFCFB	24.4	29.6	15.2	20.8	42.2	62.3	36	103	48
IIB	74.4	89.8	25.8	5.8	34.1	51.5	-77	489	51
KMB	109.4	137.8	164.5	140.4	165.6	200.3	-15	18	21
FB	30.1	37.2	40.5	38.7	50.8	64.0	-4	31	26
RBK	8.8	11.7	7.0	9.6	27.8	41.7	38	189	50
AUBANK	14.3	14.9	21.1	26.0	35.6	47.0	24	37	32
EQUITASB	5.7	8.0	1.5	0.2	6.7	10.0	-88	3823	50
Total Pvt	1,269.6	1,622.2	1,718.6	1,769.3	2,151.9	2,588.7	3.0	21.6	20.3
YoY growth	40.3%	27.8%	5.9%	3.0%	21.6%	20.3%			
PSU Banks									
BOB	141.1	177.9	195.8	195.7	205.6	233.7	0	5	14
CBK	106.0	145.5	170.3	190.2	196.8	222.9	12	3	13
INBK	52.8	80.6	109.2	123.2	131.5	146.2	13	7	11
PNB	25.1	82.4	166.3	164.2	220.3	265.1	-1	34	20
SBIN	502.3	610.8	709.0	774.5	833.7	939.7	9	8	13
UNBK	84.3	136.5	179.9	163.8	171.7	192.7	-9	5	12
Total PSU	911.7	1,233.8	1,530.4	1,611.6	1,759.7	2,000.3	5.3	9.2	13.7
YoY growth	59.2%	35.3%	24.0%	5.3%	9.2%	13.7%			
Total Banks	2,181.2	2,856.0	3,249.0	3,380.9	3,911.5	4,589.0	4.1	15.7	17.3
YoY growth	47.6%	30.9%	13.8%	4.1%	15.7%	17.3%			
SBI Cards	22.6	24.1	19.2	22.2	32.5	39.7	16	47	22
Paytm	-17.8	-14.2	-6.7	6.7	13.0	20.1	NA	94	55

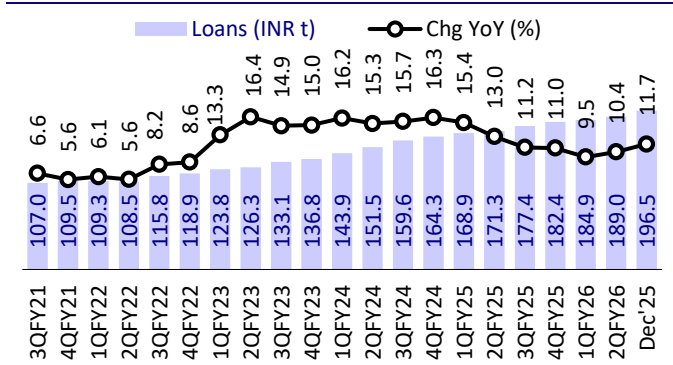
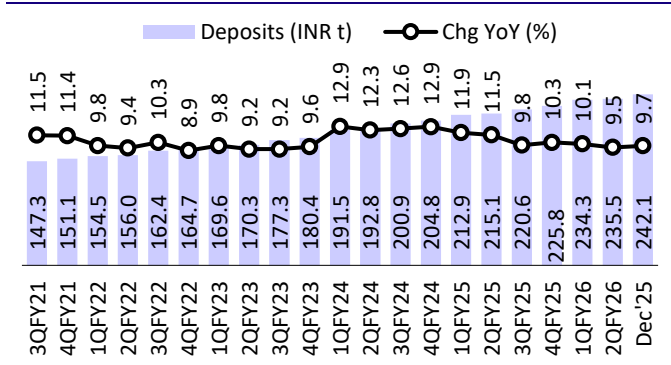
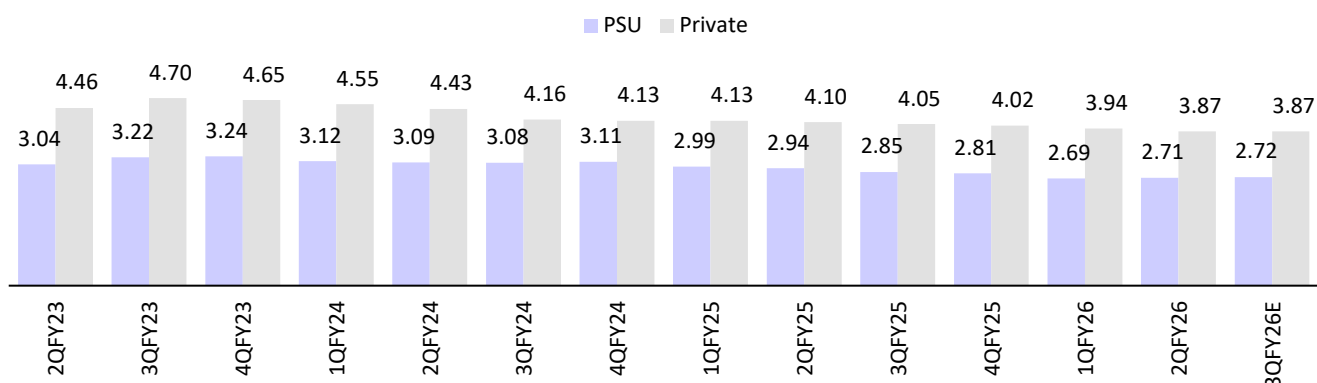
Exhibit 3: System loan growth recovered to 11.7% in Dec'25

Exhibit 4: Deposit growth stood at 9.7%


Exhibit 5: Estimate aggregate NIMs to remain steady in 3QFY26E


Source: MOFSL, Company

Exhibit 6: NIMs outcome divergent; AXSB, IIB, FB, INBK and BOB to report decline; HDFC, IDFCB, KMB, SBI, AUBANK, RBL, Bandhan and Equitas to report expansion; ICICI, PNB, CBK, UNBK and DCB to report largely flat NIMs

NIM (%)	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26E	YoY change (bp)	QoQ change (bp)
AXSB	4.01	4.06	4.05	3.99	3.93	3.97	3.80	3.73	3.64	-29.0	-9.0
HDFCB	3.40	3.44	3.47	3.46	3.43	3.54	3.35	3.27	3.33	-10.0	6.0
ICICIBC	4.43	4.40	4.36	4.27	4.25	4.41	4.34	4.30	4.33	8.0	3.0
IDFCB	6.42	6.35	6.22	6.18	6.04	5.95	5.71	5.59	5.70	-34.0	11.0
IIB	4.29	4.26	4.25	4.08	3.93	2.25	3.46	3.32	3.28	-65.0	-4.0
KMB	5.22	5.28	5.02	4.91	4.93	4.97	4.65	4.54	4.60	-33.0	6.0
FB	3.19	3.21	3.16	3.12	3.11	3.12	2.94	3.06	3.03	-8.0	-3.0
BoB	3.10	3.27	3.18	3.10	2.94	2.98	2.91	2.96	2.89	-5.0	-7.0
CBK	3.03	3.07	2.90	2.86	2.71	2.73	2.55	2.50	2.48	-23.0	-2.0
PNB	3.15	3.10	3.07	2.92	2.93	2.81	2.70	2.60	2.58	-35.0	-2.0
SBIN	3.22	3.30	3.22	3.14	3.01	3.00	2.90	2.97	3.00	-1.0	3.0
UNBK	3.08	3.09	3.05	2.90	2.91	2.87	2.76	2.67	2.65	-26.0	-2.0
INBK	3.41	3.44	3.44	3.39	3.45	3.37	3.23	3.23	3.17	-28.0	-6.0
AUBANK	5.50	5.10	6.00	6.05	5.90	5.80	5.40	5.50	5.62	-28.0	12.0
RBK	5.52	5.45	5.67	5.04	4.90	4.89	4.50	4.51	4.59	-31.0	8.0
BANDHAN	7.20	7.60	7.60	7.40	6.90	6.70	6.40	5.80	5.92	-98.0	12.0
DCBB	3.48	3.62	3.39	3.27	3.30	3.29	3.20	3.23	3.25	-5.0	2.0
EQUITAS	8.37	8.17	7.97	7.69	7.39	7.13	6.55	6.29	6.41	-98.0	12.0

Source: MOFSL, Company

Exhibit 7: SA rates offered by various banks

(%)	SA Rate
AXSB	❖ 2.50%
HDFCB	❖ 2.50%
ICICIBC	❖ 2.50%
KMB	❖ 2.50%
IIB	❖ 2.5% to 5.0% (max rate for deposits above INR10m)
RBK	❖ 3.0% to 6.0% (max rate for deposits between INR2.5m and INR30m)
IDFCB	❖ 3% to 7.0% (max rate for deposits between INR0.5m and INR100m)
BANDHAN	❖ 2.7% to 6.15% (max rate for deposits above INR50m)
AUBANK	❖ 2.75% to 6.5% (max rate for deposits between INR1m and INR100mn)
BOB	❖ 2.50% to 4.75% (max rate for deposits of INR20bn and above)
PNB	❖ 2.5% to 4.25% (max rate for deposits of INR20b and above)
SBIN	❖ 2.50%
DCBB	❖ 1.5% to 7.1% (max rate for deposits between INR5m and INR100m)

Source: MOFSL, Company

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

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

(%)	7-14 days	0-3 months	3-9 months	9-15 months	15-36 months
Large pvt banks					
HDFCB	2.75	4.25	5.5	6.25	6.45
AXSB	3	4	5.5	6.25	6.6
ICICIBC	2.75	4	4.5	6.25	6.6
KMB	2.75	3.5	5.5	6.7	6.7
IIB	3.25	4.75	6.25	7	7
Mid-size pvt banks					
RBK	3.5	4.5	6.05	7	7.2
IDFCB	3	4	5.5	6.5	7
BANDHAN	2.95	4.2	4.2	7	7.2
Federal	3	4.25	6	6.5	6.7
Small finance banks					
AUBANK	3.5	4.75	6.35	6.9	7.1
EQUITASB	3.5	4.75	6.35	7	7.3
JANASFB	5.15	5.35	7.25	7.45	7.5
UJJIVAN	3.5	4.65	6	7.25	7.45

Source: MOFSL, Company

Large banks continue to carry healthy contingency buffers

Exhibit 9: Snapshot of additional provision buffers as of 2QFY26

As on 1QFY26	Loans (INR b)	COVID/contingent provisions	Floating/additional provisions	Total provisions	As a percentage of loans (%)
AXSB	11,167	132		132	1.2
HDFCB	27,464	167	214	381	1.4
ICICIBC	14,084	131	-	131	0.9

Source: MOFSL, Company

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

Loans Mix					Others (Fixed, base rate, foreign currency-floating)
(%) - 2QFY26	MCLR	EBLR	Repo Linked		
AUBANK	30		5		65
AXSB	8	3	60		29
CBK	45		46		9
FB	8		49		43
HDFCB*	25		45		30
ICICIBC	14		55		31
INBK	48		41		11
KMB#		60			40
PNB	27	11	50		13
RBL	5		47		48
SBIN	31		46		23
BOB	36		35		29

*as on 3QFY25 Source: MOFSL, Company

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

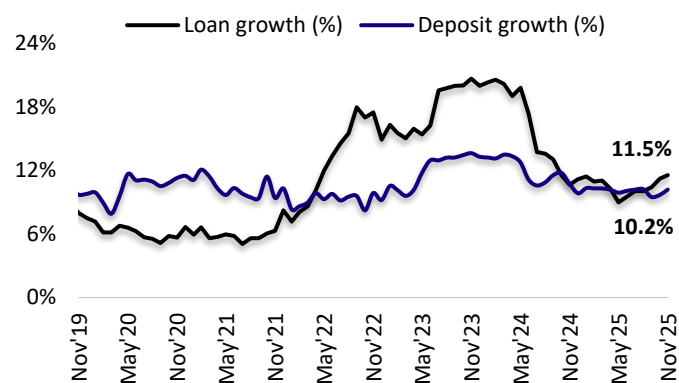
INR b	Absolute	Restructured book								
		Sep'23	Dec'23	Mar'24	Jun'24	Sep'24	Dec'24	Mar'25	Jun'25	Sep'25
AXSB	10.7	0.20	0.18	0.16	0.14	0.13	0.12	0.12	0.11	0.10
DCBB	7.4	3.40	3.00	2.62	2.34	2.07	1.81	1.60	1.51	1.39
ICICIBC	16.2	0.32	0.29	0.26	0.22	0.20	0.16	0.15	0.13	0.12
IIB	2.6	0.54	0.48	0.40	0.34	0.29	0.18	0.12	0.10	0.08
KMB	NA	0.15	0.13	0.10	0.08	0.06	0.05	0.05	NA	NA
FB	12.1	1.30	1.10	0.97	0.83	0.71	0.68	0.61	0.55	0.49
RBK	NA	0.89	0.63	0.51	0.44	0.38	0.32	0.29	0.29	NA
AUBANK	2.3	0.80	0.70	0.60	0.40	0.40	0.30	0.30	0.30	0.20
SBIN	NA	0.62	0.54	0.47	0.38	0.38	0.34	0.31	0.31	NA
INBK	43.5	2.12	1.93	1.67	1.51	1.34	1.23	0.85	0.85	0.72
UNBK	80.5	1.71	1.57	1.48	1.30	1.21	1.08	0.91	0.91	0.83

Source: MOFSL, Company

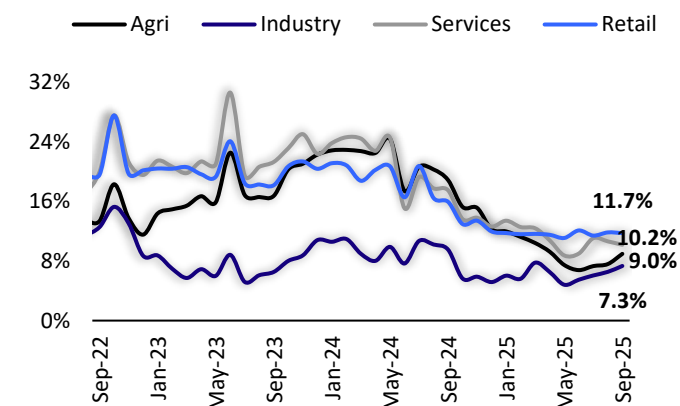
Exhibit 12: SMA mix across banks as of 2QFY26

SMA (bp of loans)	SMA 0	SMA 1	SMA 2
BOB	NA	39bp	
CBK	31bp	5bp	29bp
INBK	NA	17bp	24bp
PNB	NA	NA	17bp
SBIN	NA	4bp	5bp
UNBK	29bp	5bp	27bp
Bandhan	310bp	100bp	70bp
KMB	NA	NA	8bp

Source: MOFSL, Company

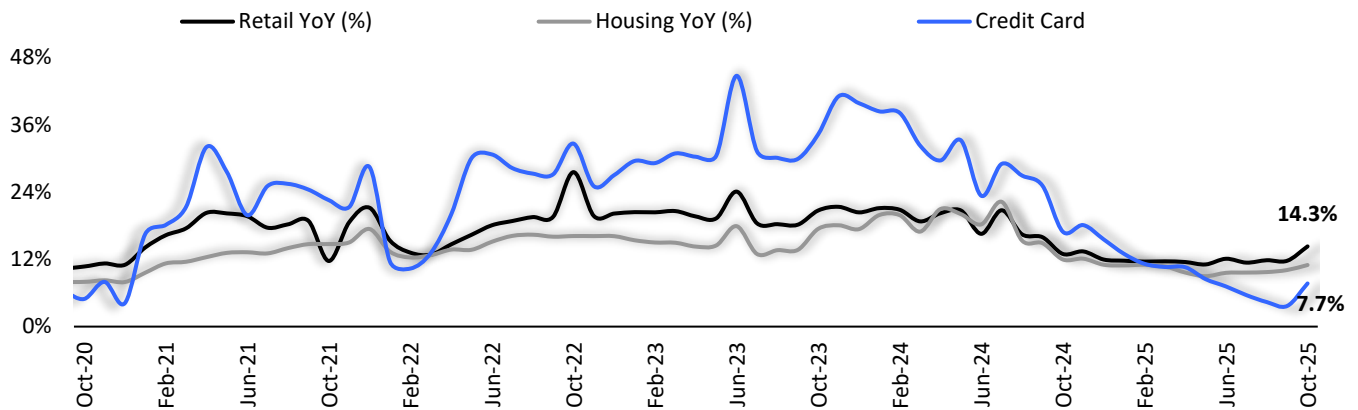
Exhibit 13: Loan growth improved slightly to ~11.5% YoY as of Nov'25 vs. ~10.6% YoY in the same period last year


Source: RBI, MOFSL

Exhibit 14: Growth across lending segments has seen minor improvements, buoyed by the recent GST cut


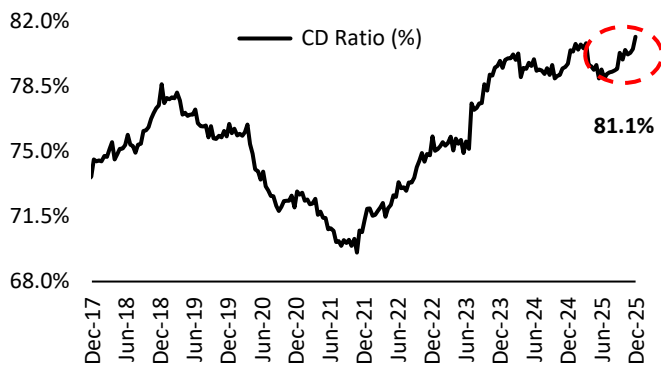
Source: RBI, MOFSL

Exhibit 15: Growth in retail sub-segments has started gaining traction in recent months



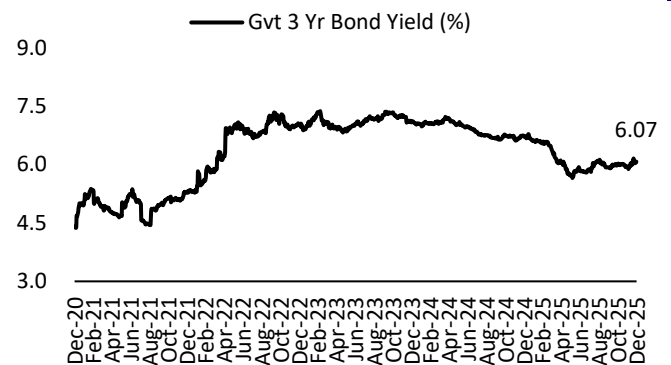
Source: Company, MOFSL

Exhibit 16: CD ratio increased to ~81.1% in Dec'25



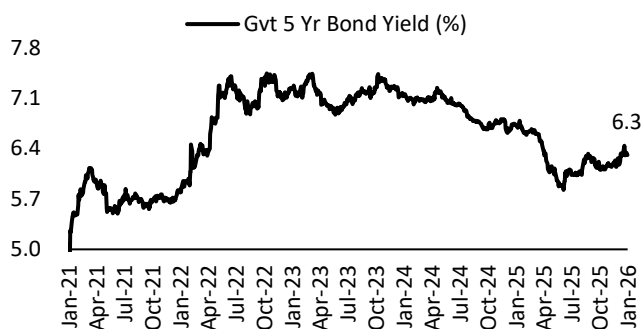
Source: MOFSL, RBI

Exhibit 17: 3-year G-Sec yield increased to 6.07% in Dec'25



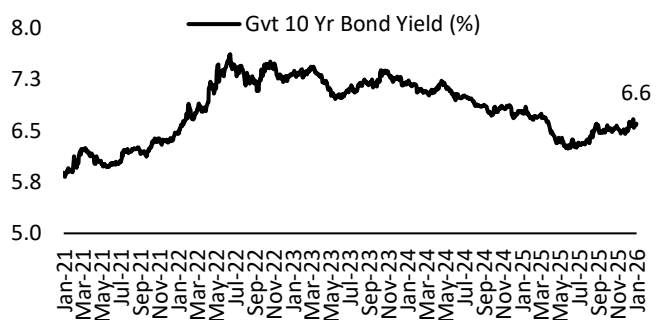
Source: MOFSL, BBG

Exhibit 18: 5-year G-Sec yield increased to 6.3% in Jan'25

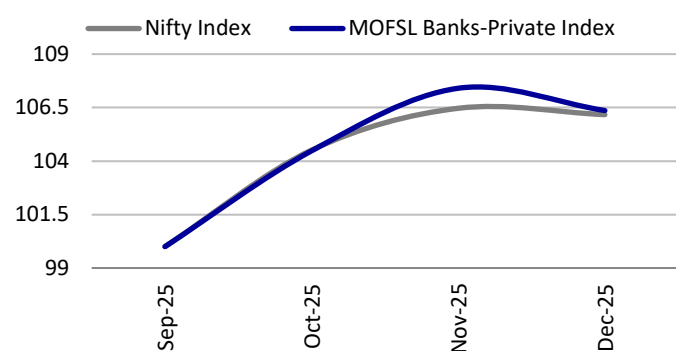


Source: MOFSL, BBG

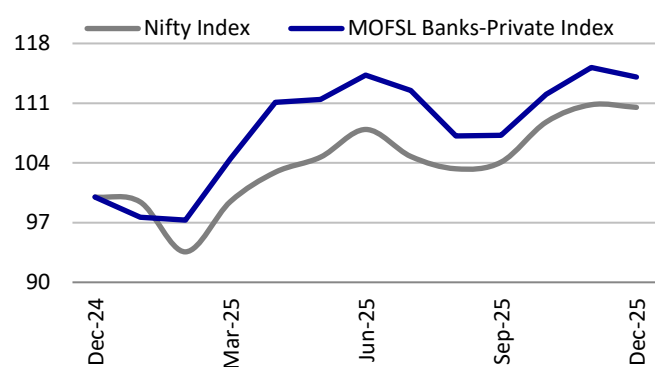
Exhibit 19: 10-year G-Sec yield increased to 6.6% in Jan'25



Source: MOFSL, BBG

Exhibit 20: Relative performance – three months (%)


Source: MOFSL, Company

Exhibit 21: One-year relative performance (%)


Source: MOFSL, Company

Exhibit 22: Valuation summary for banks; payments and fintechs

Val summary	Rating	EPS (INR)		RoA (%)		RoE (%)		P/E (x)		P/BV (x)		P/ABV (x)	
		FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Private Banks													
ICICIBC*	Buy	72.8	82.7	2.3	2.3	16.7	16.5	15.1	13.3	2.9	2.5	2.5	2.1
HDFCB*	Buy	49.1	54.7	1.8	1.8	14.3	14.3	17.4	15.6	2.8	2.4	2.5	2.2
AXSB*	Neutral	78.3	99.0	1.4	1.6	12.8	14.4	14.4	11.4	2.0	1.7	1.8	1.6
BANDHAN	Neutral	9.8	18.2	0.8	1.3	6.4	11.3	14.9	8.0	0.9	0.9	1.0	0.9
KMB*	Buy	70.7	84.1	1.9	2.0	11.7	12.6	20.1	16.9	3.5	3.1	2.4	2.1
IIB	Neutral	13.7	49.8	0.2	0.7	1.7	5.8	62.9	17.4	1.0	1.0	1.1	1.0
FB	Buy	16.4	19.9	1.1	1.2	11.4	12.1	16.3	13.4	1.8	1.5	1.9	1.6
DCBB	Buy	23.6	29.5	0.9	1.0	13.2	14.6	7.3	5.8	0.9	0.8	1.0	0.8
IDFCFB	Neutral	2.7	5.3	0.6	1.0	5.1	9.3	31.1	16.2	1.6	1.4	1.6	1.5
EQUITASB	Buy	0.2	5.7	0.0	1.0	0.4	10.5	302.4	11.1	1.2	1.1	1.3	1.2
AUBANK	Buy	35.2	47.5	1.5	1.7	14.3	16.7	28.3	20.9	3.8	3.2	3.9	3.3
RBK	Buy	16.4	15.8	0.6	1.4	6.3	8.4	19.3	20.0	1.2	1.1	1.2	1.1
PSU Banks													
SBIN*	Buy	85.3	89.7	1.1	1.1	16.9	15.5	8.7	8.3	1.8	1.6	1.4	1.3
PNB	Buy	14.4	18.9	0.9	1.0	13.2	15.4	8.6	6.5	1.0	0.9	1.0	0.9
BOB	Neutral	37.2	41.3	1.0	1.0	14.6	14.7	7.9	7.2	1.1	1.0	1.2	1.0
CBK	Buy	21.4	22.9	1.1	1.1	19.5	18.6	7.2	6.8	1.3	1.2	1.3	1.1
UNBK	Neutral	21.8	24.0	1.1	1.1	14.7	14.4	7.0	6.4	1.0	0.9	1.0	0.9
INBK	Buy	93.1	96.4	1.4	1.3	18.6	17.0	9.0	8.7	1.5	1.3	1.5	1.4
Payments & Fintech													
SBI Cards	Neutral	35.4	43.7	3.2	4.1	15.0	18.9	24.4	19.7	5.2	4.4	5.4	4.5
		EPS (INR)		PAT (INRb)		RoA (%)		RoE (%)		P/E (x)		P/Sales (x)	
One 97 Comm.	Neutral	19.0	29.2	6.7	13.0	3.8	5.1	5.8	8.3	68.2	44.4	10.1	8.8

* Adjusted for subsidiaries, Source: MOFSL, Company

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

AU Small Finance Bank

Buy

CMP: INR944 | TP: INR1,150 (16%)

EPS CHANGE (%): FY26|27|28: -0.7|0.1|0.2

- Expect NIMs to improve by double digits in 3Q
- Business growth likely to remain robust

- Cost ratios to remain sticky
- Expect improvement in credit cost ratios

Quarterly Performance

	FY25				FY26E				(INRb)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Interest Income	19.2	19.7	20.2	20.9	20.4	21.4	22.8	24.4	80.1	89.1
% Change (Y-o-Y)	54.1	58.1	52.7	56.6	6.5	8.6	12.7	16.4	55.4	11.2
Other Income	5.1	6.4	6.2	7.6	8.1	7.1	7.2	8.4	25.3	30.8
Total Income	24.3	26.1	26.4	28.5	28.6	28.6	30.0	32.8	105.4	119.9
Operating Expenses	14.8	14.8	14.4	15.6	15.4	16.5	17.3	18.6	59.6	67.7
Operating Profit	9.5	11.3	12.0	12.9	13.1	12.1	12.7	14.2	45.8	52.2
% Change (Y-o-Y)	74.3	80.0	83.4	94.6	37.9	6.9	5.7	9.9	91.7	13.9
Provisions	2.8	3.7	5.0	6.4	5.3	4.8	4.1	3.4	17.9	17.7
Profit before Tax	6.7	7.6	7.0	6.6	7.8	7.3	8.6	10.8	27.9	34.5
Tax	1.7	1.9	1.7	1.5	2.0	1.7	2.2	2.6	6.8	8.4
Net Profit	5.0	5.7	5.3	5.0	5.8	5.6	6.4	8.2	21.1	26.0
% Change (Y-o-Y)	29.9	42.1	40.8	35.9	15.6	(1.8)	21.8	62.0	41.7	23.5
Operating Parameters										
Deposit (INR b)	972.9	1,096.9	1,122.6	1,242.7	1,277.0	1,325.1	1,393.5	1,496.2	1,242.7	1,496.2
Loan (INR b)	896.5	948.4	995.6	1,070.9	1,098.3	1,157.0	1,217.3	1,295.8	1,070.9	1,295.8
Deposit Growth (%)	40.4	44.8	40.1	42.5	31.3	20.8	24.1	20.4	42.5	20.4
Loan Growth (%)	42.6	47.8	49.2	46.4	22.5	22.0	22.3	21.0	46.4	21.0
Asset Quality										
GNPA (%)	1.8	2.0	2.3	2.3	2.5	2.4	2.4	2.3	2.3	2.3
NNPA (%)	0.6	0.8	0.9	0.7	0.9	0.9	0.8	0.8	0.8	0.8
PCR (%)	65.1	62.8	61.2	68.1	64.7	64.2	65.4	66.1	66.4	66.1

E: MOFSL Estimates

Axis Bank

Neutral

CMP: INR1,269 | TP: INR1,300 (+2%)

EPS CHANGE (%): FY26|27|28: 0.9|0.6|-0.5

- Expect NIMs to decline by 9bp in 3Q
- Expect business momentum to be healthy

- Cost ratios likely to stay elevated
- Expect seasonal slippages, asset quality expected to deteriorate

Quarterly Performance

	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Interest Income	134.5	134.8	136.1	138.1	135.6	137.4	142.3	155.5	543.5	570.8
% Change (Y-o-Y)	12.5	9.5	8.6	5.5	0.8	1.9	4.6	12.6	8.9	5.0
Other Income	57.8	67.2	59.7	67.8	72.6	66.2	65.6	75.9	252.6	280.4
Total Income	192.3	202.1	195.8	205.9	208.2	203.7	207.9	231.4	796.0	851.2
Operating Expenses	91.3	94.9	90.4	98.4	93.0	99.6	104.2	107.2	375.0	404.1
Operating Profit	101.1	107.1	105.3	107.5	115.2	104.1	103.7	124.2	421.0	447.1
% Change (Y-o-Y)	14.7	24.1	15.2	2.1	13.9	-2.8	-1.6	15.5	13.4	6.2
Provisions	20.4	22.0	21.6	13.6	39.5	35.5	25.7	21.8	77.6	122.4
Profit before Tax	80.7	85.1	83.8	93.9	75.7	68.7	78.0	102.4	343.5	324.7
Tax	20.3	15.9	20.7	22.8	17.6	17.8	19.3	25.3	79.7	79.9
Net Profits	60.3	69.2	63.0	71.2	58.1	50.9	58.7	77.2	263.7	244.8
% Change (Y-o-Y)	4.1	18.0	3.8	-0.2	-3.8	-26.4	-6.9	8.4	6.1	-7.2
Operating Parameters										
Deposit (INR t)	10.6	10.9	11.0	11.7	11.6	12.0	12.3	12.8	11.7	12.8
Loan (INR t)	9.8	10.0	10.1	10.4	10.6	11.2	11.6	11.8	10.4	11.8
Deposit Growth (%)	12.8	13.7	9.1	9.8	9.3	10.7	12.6	9.5	9.8	9.5
Loan Growth (%)	14.2	11.4	8.8	7.8	8.1	11.7	14.1	13.1	7.8	13.1
Asset Quality										
Gross NPA (%)	1.5	1.4	1.5	1.3	1.6	1.5	1.6	1.6	1.4	1.6
Net NPA (%)	0.3	0.3	0.4	0.3	0.5	0.4	0.5	0.4	0.4	0.4
PCR (%)	78.1	76.6	76.2	74.6	71.5	70.5	71.0	73.1	74.5	73.1

E: MOFSL Estimates

Bandhan Bank

Neutral

CMP: INR146 | TP: INR175 (20%)

EPS CHANGE (%): FY26|27|28: -13.2|-3.2|-2.8

- Expect NIM to witness improvement after steep fall in 2Q
- Asset quality ratio to improve after sale to ARC
- Loan growth to pick up in 3Q
- Expect provisions to stay elevated in 3Q

Quarterly Performance

Y/E March	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Interest Income	30.1	29.5	28.3	27.6	27.6	25.9	27.5	29.0	114.9	110.0
% Change (YoY)	20.7	20.7	12.1	-3.9	-8.2	-12.2	-2.8	5.2	11.3	-4.3
Other Income	5.3	5.9	11.0	7.0	7.3	5.5	6.3	7.6	29.7	26.7
Total Income	35.3	35.4	39.3	34.6	34.8	31.3	33.8	36.6	144.6	136.7
Operating Expenses	15.9	16.9	19.0	18.8	18.1	18.2	20.0	20.0	70.7	76.4
Operating Profit	19.4	18.6	20.2	15.7	16.7	13.1	13.8	16.6	73.9	60.2
% Change (YoY)	24.2	17.2	22.1	-14.5	-14.0	-29.4	-31.6	5.8	11.2	-18.5
Provisions	5.2	6.1	13.8	12.6	11.5	11.5	10.3	8.9	37.7	42.2
Profit Before Tax	14.2	12.5	6.5	3.1	5.2	1.6	3.5	7.7	36.2	18.1
Tax	3.5	3.1	2.2	-0.1	1.5	0.5	0.8	1.6	8.8	4.4
Net Profit	10.6	9.4	4.3	3.2	3.7	1.1	2.7	6.1	27.5	13.7
% Change (YoY)	47.5	30.0	-41.8	482.0	-65.0	-88.1	-35.9	92.6	22.8	-50.1
Operating Parameters										
Deposits (INR b)	1,332	1,425	1,410	1,512	1,547	1,581	1,671	1,739	1,512	1,739
Loans (INR b)	1,216	1,261	1,274	1,320	1,285	1,346	1,413	1,495	1,320	1,495
Deposit Growth (%)	22.8	27.2	20.1	11.8	16.1	10.9	18.5	15.0	11.8	15.0
Loan Growth (%)	23.8	23.6	15.6	9.0	5.7	6.8	10.9	13.3	9.0	13.3
Asset Quality										
Gross NPA (%)	4.2	4.7	4.7	4.7	5.0	5.0	3.0	3.0	4.7	3.0
Net NPA (%)	1.2	1.3	1.3	1.3	1.4	1.4	1.0	0.9	1.3	0.9
PCR (%)	73.7	73.5	73.5	73.7	73.7	73.7	67.0	70.4	73.7	70.4

E: MOFSL Estimates

Bank of Baroda

Neutral

CMP: INR296 | TP: INR300 (+1%)

EPS CHANGE (%): FY26|27|28: 1.6|-3.8|-6.3

- Expect modest treasury gains & C/I ratio to see a mild decline
- Expect asset quality to see improvement
- Margins to see a 7bp QoQ moderation
- Expect steady business growth in 3Q with loan growth at 3% QoQ

Quarterly Performance

	FY25				FY26E				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Interest Income	116.0	116.2	114.2	114.9	114.3	119.5	123.8	128.3	456.6	486.0
% Change (YoY)	5.5	7.3	2.8	-2.5	-1.4	2.9	8.4	11.6	2.1	6.4
Other Income	24.9	51.8	37.7	47.4	46.7	35.1	37.4	43.9	166.5	163.1
Total Income	140.9	168.0	151.9	162.3	161.1	154.7	161.1	172.2	623.1	649.1
Operating Expenses	69.3	73.3	75.2	81.0	78.7	78.9	80.7	84.3	298.7	322.6
Operating Profit	71.6	94.8	76.6	81.3	82.4	75.8	80.5	87.9	324.3	326.5
% Change (YoY)	-8.5	18.2	9.3	0.3	15.0	-20.1	5.0	8.1	4.7	0.7
Provisions	10.1	23.4	10.8	15.5	19.7	12.3	15.4	16.8	59.8	64.2
Profit before Tax	61.5	71.4	65.8	65.8	62.7	63.4	65.1	71.1	264.5	262.3
Tax	16.9	19.0	17.4	15.3	17.3	15.3	16.4	17.6	68.7	66.6
Net Profit	44.6	52.4	48.4	50.5	45.4	48.1	48.7	53.5	195.8	195.7
% Change (YoY)	9.5	23.2	5.6	3.3	1.9	-8.2	0.6	6.0	10.1	-0.1
Operating Parameters										
Deposit (INR b)	13,156	13,726	13,925	14,720	14,356	15,000	15,326	16,163	14,720	16,163
Loan (INR b)	10,479	11,212	11,513	12,096	11,866	12,583	12,965	13,511	12,096	13,511
Deposit Growth (%)	9.6	9.8	11.8	10.9	9.1	9.3	10.1	9.8	10.3	9.8
Loan Growth (%)	8.8	12.3	12.4	13.5	13.2	12.2	12.6	11.7	13.5	11.7
Asset Quality										
Gross NPA (%)	2.9	2.5	2.4	2.3	2.3	2.2	2.1	2.0	2.3	2.0
Net NPA (%)	0.7	0.6	0.6	0.6	0.6	0.6	0.5	0.5	0.6	0.5
PCR (%)	76.6	76.3	76.0	74.9	74.0	74.1	74.5	74.7	73.1	74.7

E: MOFSL Estimates

Canara Bank

Buy

CMP: INR155 | TP: INR165 (+7%)

EPS CHANGE (%): FY26|27|28: -2.0|-5.2|-4.2

- Expect margins to be largely flat
- Advances and deposit growth likely to be modest
- Asset quality ratios to see a mild moderation
- Expect flat credit cost vs. 2Q

Quarterly Performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	91.7	93.2	91.5	94.4	90.1	91.4	95.6	99.3	370.7	376.3
% Change (Y-o-Y)	5.8	4.6	-2.9	-1.4	-1.7	-1.9	4.5	5.1	1.4	1.5
Other Income	53.2	49.8	58.0	63.5	70.6	70.5	66.8	72.7	224.5	280.7
Total Income	144.9	143.0	149.5	157.9	160.7	162.0	162.4	172.0	595.2	657.0
Operating Expenses	68.7	66.4	71.1	75.1	75.2	76.1	77.4	81.0	281.3	309.6
Operating Profit	76.2	76.5	78.4	82.8	85.5	85.9	84.9	91.0	313.9	347.3
% Change (Y-o-Y)	0.2	0.5	15.2	12.1	12.3	12.2	8.4	9.8	6.7	10.7
Other Provisions	22.8	22.5	24.0	18.3	23.5	23.5	24.9	23.8	87.6	95.8
Profit before Tax	53.3	54.0	54.4	64.5	62.0	62.3	60.0	67.2	226.3	251.6
Tax	14.3	13.9	13.3	14.5	14.5	14.6	15.3	17.0	56.0	61.4
Net Profit	39.1	40.1	41.0	50.0	47.5	47.7	44.8	50.1	170.3	190.2
% Change (Y-o-Y)	10.5	11.3	12.3	33.1	21.7	18.9	9.1	0.2	17.0	11.7
Operating Parameters										
Deposit (INR b)	13,352	13,473	13,695	14,569	14,677	15,279	15,562	15,967	14,569	15,967
Loan ((INR b)	9,464	9,840	10,237	10,492	10,736	11,301	11,541	11,803	10,492	11,803
Deposit Growth (%)	12.0	9.3	8.4	11.0	9.9	13.4	13.6	9.6	11.0	9.6
Loan Growth (%)	10.7	10.3	11.2	12.6	13.4	14.8	12.7	12.5	12.6	12.5
Asset Quality										
Gross NPA (%)	4.1	3.7	3.3	2.9	2.7	2.5	2.3	2.2	2.9	2.2
Net NPA (%)	1.2	1.0	0.9	0.7	0.6	0.6	0.5	0.5	0.7	0.5
PCR (%)	71.0	74.1	74.1	76.7	77.1	77.4	77.2	77.1	76.6	77.1

DCB Bank

Buy

CMP: INR172 | TP: INR210 (+22%)

EPS CHANGE (%): FY26|27|28: 0.2|1.5|3.5

- Expect robust business growth in 3Q
- Asset quality to improve, while credit cost to remain steady
- Expect cost ratios to decline
- Margins to witness mild improvement

Quarterly Performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	4.97	5.09	5.43	5.58	5.80	5.96	6.18	6.49	21.07	24.44
% Change (Y-o-Y)	5.49	7.03	14.53	9.95	16.89	17.10	13.78	16.39	9.27	16.00
Other Income	1.43	2.05	1.84	2.19	2.36	1.86	1.98	2.35	7.51	8.56
Total Income	6.40	7.14	7.27	7.77	8.17	7.82	8.16	8.84	28.57	32.99
Operating Expenses	4.34	4.59	4.56	4.71	4.90	4.78	4.90	5.03	18.20	19.61
Operating Profit	2.05	2.55	2.71	3.05	3.27	3.04	3.26	3.82	10.37	13.38
% Change (Y-o-Y)	(1.58)	21.19	28.18	30.66	59.17	19.13	20.22	24.95	19.96	29.06
Provisions	0.28	0.46	0.67	0.67	1.15	0.61	0.70	0.72	2.08	3.18
Profit before Tax	1.77	2.10	2.04	2.38	2.12	2.43	2.56	3.10	8.29	10.20
Tax	0.46	0.54	0.52	0.61	0.54	0.59	0.66	0.83	2.13	2.63
Net Profit	1.31	1.55	1.51	1.77	1.57	1.84	1.90	2.26	6.15	7.57
% Change (Y-o-Y)	3.5	22.6	19.6	13.8	19.7	18.3	25.3	27.8	14.8	23.05
Operating Parameters										
Deposit (INR b)	516.9	545.3	566.8	600.3	620.4	647.8	667.7	709.0	600.3	709.0
Loan (INR b)	421.8	444.7	477.8	510.5	512.2	529.7	567.4	602.4	510.5	602.4
Deposit Growth (%)	20.2	19.9	20.3	21.6	20.0	18.8	17.8	18.1	21.6	18.1
Loan Growth (%)	18.9	19.3	22.7	24.7	21.4	19.1	18.8	18.0	24.7	18.0
Asset Quality										
Gross NPA (%)	3.33	3.29	3.11	2.99	2.98	2.91	2.82	2.80	3.00	2.80
Net NPA (%)	1.18	1.17	1.18	1.12	1.22	1.21	1.16	1.15	1.12	1.15
PCR (%)	65.2	65.2	62.9	63.2	59.7	59.2	59.6	59.5	63.2	59.5

E: MOFSL Estimates

Equitas Small Finance Bank

Buy

CMP: INR63 | TP: INR75 (+19%)

EPS CHANGE (%): FY26|27|28: -28.4|2.9|-2.6

- Expect margins to improve in double digits
- Asset quality ratio to improve
- Cost ratios to remain elevated in 3QFY26E
- Business growth to be robust, after a weak 1HFY26

Quarterly Performance

INRb

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	8.0	8.0	8.2	8.3	7.9	7.7	8.2	8.8	32.5	32.6
% Change (YoY)	7.9	4.8	4.2	5.5	-2.0	-3.6	0.3	5.7	5.6	0.2
Other Income	2.1	2.4	2.4	2.3	2.9	2.3	2.4	2.6	9.1	10.2
Total Income	10.1	10.4	10.6	10.5	10.8	10.0	10.6	11.3	41.6	42.8
Operating Expenses	6.7	6.9	7.2	7.4	7.6	7.6	7.9	8.4	28.3	31.6
Operating Profit	3.4	3.5	3.3	3.1	3.1	2.4	2.7	2.9	13.3	11.2
% Change (YoY)	9.1	5.9	-7.6	-16.9	-7.5	-31.2	-18.3	-5.5	-3.1	-16.0
Provisions	3.0	3.3	2.4	2.6	6.1	2.1	1.8	1.0	10.9	11.0
Profit before Tax	0.4	0.2	0.9	0.5	-3.0	0.3	0.9	1.9	2.4	0.2
Tax	0.1	0.1	0.2	0.1	-0.7	0.1	0.2	0.4	0.9	0.0
Net Profit	0.3	0.1	0.7	0.4	-2.2	0.2	0.7	1.5	1.5	0.2
% Change (YoY)	-86.5	-93.5	-67.2	-79.7	-968.7	87.4	6.8	246.4	-81.6	-88.4
Operating Parameters										
Deposits	375	399	407	431	444	441	470	497	431	497
Loans	319	340	354	362	347	364	389	416	362	416
Deposit Growth (%)	35.4	29.2	25.8	19.3	18.3	10.6	15.5	15.2	19.3	15.2
Loan Growth (%)	16.0	18.1	21.1	16.9	8.8	7.0	10.0	15.0	16.9	15.0
Asset Quality										
Gross NPA (%)	2.73	2.95	2.97	2.89	2.92	2.92	2.83	2.70	2.91	2.70
Net NPA (%)	0.83	0.97	0.96	0.98	0.98	0.98	0.90	0.82	1.48	0.82
PCR (%)	70.3	67.7	68.3	66.8	67.0	66.9	68.8	70.3	50.0	70.3

E: MOFSL Estimates

Federal Bank

Buy

CMP: INR267 | TP: INR285 (+7%)

EPS CHANGE (%): 26|27|28: -3.6|-1.5|-3.8

- Expect flat NIMs for 3QFY26
- Asset quality ratios to remain flat
- Business growth likely to be modest and key monitorable
- Expect some increase in cost ratios

Quarterly Performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	22.9	23.7	24.3	23.8	23.4	25.0	25.2	26.4	94.7	99.9
% Change (YoY)	19.5	15.1	14.5	8.3	2.0	5.4	3.5	11.1	14.2	5.5
Other Income	9.2	9.6	9.2	10.1	11.1	10.8	11.1	11.6	38.0	44.7
Total Income	32.1	33.3	33.5	33.8	34.5	35.8	36.3	38.0	132.7	144.6
Operating Expenses	17.1	17.7	17.8	19.2	18.9	19.3	20.2	20.8	71.7	79.3
Operating Profit	15.0	15.7	15.7	14.7	15.6	16.4	16.0	17.2	61.0	65.2
% Change (YoY)	15.2	18.2	9.2	32.0	3.7	5.0	2.1	17.5	17.9	6.9
Provisions	1.4	1.6	2.9	1.4	4.0	3.6	3.1	2.8	7.3	13.5
Profit before Tax	13.6	14.1	12.8	13.3	11.6	12.8	13.0	14.4	53.7	51.7
Tax	3.5	3.5	3.2	3.0	2.9	3.3	3.3	3.5	13.2	13.0
Net Profit	10.1	10.6	9.6	10.3	8.6	9.6	9.7	10.9	40.5	38.7
% Change (YoY)	18.2	10.8	-5.1	13.7	-14.6	-9.6	1.5	5.5	8.9	-4.4
Operating Parameters										
Deposit (INR b)	2,661	2,691	2,664	2,836	2,874	2,889	2,971	3,106	2,836	3,106
Loan (INR b)	2,208	2,303	2,304	2,348	2,412	2,447	2,506	2,616	2,348	2,616
Deposit Growth (%)	19.6	15.6	11.2	12.3	8.0	7.4	11.5	9.5	12.3	9.5
Loan Growth (%)	20.3	19.4	15.7	12.1	9.2	6.2	8.8	11.4	12.1	11.4
Asset Quality										
Gross NPA (%)	2.1	2.1	2.0	1.8	1.9	1.8	1.8	1.7	1.8	1.7
Net NPA (%)	0.6	0.6	0.5	0.4	0.5	0.5	0.5	0.4	0.5	0.4
PCR (%)	71.9	72.9	75.2	76.2	75.2	74.3	74.5	74.7	73.8	74.7

E: MOFSL Estimates

HDFC Bank

Buy

CMP: INR992 | TP: INR1,175 (+18%)

EPS CHANGE (%): FY26|27|28: -0.1|2.9|2.9

- Expect ~3% QoQ growth in advances/deposits
- Cost ratios to be steady and opex growth in a low single digit
- Margins likely to improve by 6bp in 3Q
- Seasonal stress to be in KCC/Agri, while credit cost to be steady in 3Q

Quarterly Performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	298.4	301.1	306.5	320.7	314.4	315.5	333.2	340.9	1,226.7	1,304.0
% Change (Y-o-Y)	26.4	10.0	7.7	10.3	5.4	4.8	8.7	6.3	13.0	6.3
Other Income	106.7	114.8	114.5	120.3	217.3	143.5	132.7	138.5	456.3	632.0
Total Income	405.1	416.0	421.1	440.9	531.7	459.0	465.9	479.4	1,683.0	1,936.0
Operating Expenses	166.2	168.9	171.1	175.6	174.3	179.8	184.1	189.5	681.7	727.8
Operating Profit	238.8	247.1	250.0	265.4	357.3	279.2	281.8	289.9	1,001.3	1,208.2
% Change (Y-o-Y)	27.2	8.9	5.7	-9.4	49.6	13.0	12.7	9.2	6.1	20.7
Provisions	26.0	27.0	31.5	31.9	144.4	35.0	35.4	34.4	116.5	249.3
Profit before Tax	212.8	220.1	218.5	233.4	212.9	244.2	246.4	255.5	884.8	959.0
Tax	51.1	51.8	51.1	57.3	31.4	57.8	58.9	61.0	211.3	209.1
Net Profit	161.7	168.2	167.4	176.2	181.6	186.4	187.5	194.5	673.5	749.9
% Change (Y-o-Y)	35.3	5.3	2.2	6.7	12.2	10.8	12.0	10.4	10.7	11.4
Operating Parameters										
Deposit	23,791	25,001	25,638	27,147	27,641	28,018	28,948	30,921	27,147	30,921
Loan	24,635	24,951	25,182	26,196	26,284	27,464	28,357	29,078	26,196	29,078
Deposit Growth (%)	24.4	15.1	15.8	14.1	16.2	12.1	12.9	13.9	14.1	13.9
Loan Growth (%)	52.5	7.0	3.0	5.4	6.7	10.1	12.6	11.0	5.4	11.0
Asset Quality										
Gross NPA (%)	1.3	1.4	1.4	1.3	1.4	1.2	1.2	1.2	1.3	1.2
Net NPA (%)	0.4	0.4	0.5	0.4	0.5	0.4	0.4	0.4	0.4	0.4
PCR (%)	71.2	69.9	67.8	67.9	66.9	66.6	67.0	68.3	67.9	68.3

E: MOFSL Estimates

ICICI Bank

Buy

CMP: INR1,343 | TP: INR1,700 (+27%)

EPS CHANGE (%): FY26|27|28: -1.3|-1.5|-1.0

- Expect a mild 3bp QoQ improvement in NIMs
- Expect mild increase in credit cost ratios at 37bp (calc)
- Expect loans/deposits to grow by 3.5%/3.8% QoQ
- Clarity on MD&CEO extension to be key monitorable

Quarterly Performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	195.5	200.5	203.7	211.9	216.3	215.3	221.7	229.1	811.6	882.4
% Change (YoY)	7.3	9.5	9.1	11.0	10.6	7.4	8.8	8.1	9.2	8.7
Other Income	70.0	71.8	70.7	72.6	85.0	75.8	76.6	80.4	285.1	317.8
Total Income	265.5	272.2	274.4	284.5	301.4	291.1	298.3	309.5	1,096.7	1,200.2
Operating Expenses	105.3	105.0	105.5	107.9	113.9	118.1	119.4	118.9	423.7	470.4
Operating Profit	160.2	167.2	168.9	176.6	187.5	173.0	178.8	190.6	673.0	729.9
% Change (YoY)	13.3	17.5	14.7	17.5	17.0	3.4	5.9	7.9	15.8	8.4
Provisions	13.3	12.3	12.3	8.9	18.1	9.1	13.0	10.8	46.8	51.1
Profit before Tax	146.9	154.9	156.6	167.7	169.3	163.8	165.8	179.8	626.2	678.8
Tax	36.3	37.4	38.7	41.4	41.6	40.2	41.0	44.1	153.9	167.0
Net Profit	110.6	117.5	117.9	126.3	127.7	123.6	124.9	135.6	472.3	511.8
% Change (YoY)	14.6	14.5	14.8	18.0	15.5	5.2	5.9	7.4	15.5	8.4
Operating Parameters										
Deposit	14,261	14,978	15,203	16,103	16,085	16,128	16,741	17,585	16,103	17,585
Loan	12,232	12,772	13,144	13,418	13,642	14,085	14,576	15,256	13,418	15,256
Deposit Growth (%)	15.1	15.7	14.1	14.0	12.8	7.7	10.1	9.2	14.0	9.2
Loan Growth (%)	15.7	15.0	13.9	13.3	11.5	10.3	10.9	13.7	13.3	13.7
Asset Quality										
Gross NPA (%)	2.2	2.0	2.0	1.7	1.7	1.6	1.6	1.5	1.7	1.5
Net NPA (%)	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
PCR (%)	80.2	79.0	78.7	76.9	75.9	75.6	75.7	75.8	76.2	75.8

E: MOFSL Estimates

- -

IDFC First Bank

Neutral

CMP: INR86 | TP: INR85 (-1%)
EPS CHANGE (%): FY26|27|28: -4.8|-7.0|-5.8

- Robust business growth expected in 3QFY26, and CD ratio to decrease mildly
- Cost ratios to remain sticky and elevated
- Expect NIMs to expand by 11bp QoQ
- Expect credit cost to decline QoQ

Quarterly Performance

(InR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	46.9	47.9	49.0	49.1	49.3	51.1	54.5	57.5	192.9	212.4
% Change (Y-o-Y)	25.4	21.2	14.4	9.8	5.1	6.8	11.1	17.1	17.3	10.1
Other Income	16.2	17.3	17.8	19.0	22.3	18.9	19.8	21.2	70.2	82.2
Total Income	63.1	65.2	66.8	68.0	71.6	70.0	74.3	78.6	263.1	294.5
Operating Expenses	44.3	45.5	49.2	49.9	49.2	51.2	54.0	55.8	189.0	210.2
Operating Profit	18.8	19.6	17.6	18.1	22.4	18.8	20.2	22.9	74.1	84.3
% Change (Y-o-Y)	25.5	29.9	12.6	8.9	19.0	-4.2	15.0	26.3	18.9	13.7
Provisions	9.9	17.3	13.4	14.5	16.6	14.5	13.6	12.9	55.1	57.6
Profit before Tax	8.9	2.3	4.2	3.6	5.8	4.3	6.6	10.0	19.0	26.7
Tax	2.1	0.3	0.8	0.6	1.2	0.8	1.6	2.4	3.8	5.9
Net Profit	6.8	2.0	3.4	3.0	4.6	3.5	5.0	7.6	15.2	20.8
% Change (Y-o-Y)	-11.0	-73.3	-52.6	-58.0	-32.0	75.5	47.7	151.3	-48.4	36.4
Operating Parameters										
Deposit (INR b)	2,097	2,236	2,369	2,521	2,650	2,768	2,934	3,110	2,521	3,110
Deposit Growth (%)	35.8	30.6	29.8	25.7	26.4	23.8	23.8	23.4	25.7	23.4
Loan (INR b)	2,026	2,151	2,231	2,331	2,437	2,571	2,696	2,853	2,331	2,809
Loan Growth (%)	21.0	20.7	20.3	19.8	20.3	19.5	20.9	22.4	19.8	20.5
Asset Quality										
Gross NPA (%)	1.9	1.9	1.9	1.9	2.0	1.9	1.8	1.7	1.9	1.8
Net NPA (%)	0.6	0.5	0.5	0.5	0.6	0.5	0.5	0.5	0.5	0.5
PCR (%)	69.4	75.3	73.6	72.3	72.3	72.2	72.0	70.0	72.3	70.0

E: MOFSL Estimates

IndusInd Bank

Neutral

CMP: INR864 | TP: INR850 (-2%)
EPS CHANGE (%): FY26|27|28: -45.8|-12.0|-10.1

- Unwinding of corporate and MFI segment to hurt growth; thus expect bulk deposits to unwind too
- Expect NIMs to decline by 4bp QoQ
- Higher credit cost to keep PAT negligible
- Expect slippages in MFI to remain elevated

Quarterly Performance

(InR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	54.1	53.5	52.3	30.5	46.4	44.1	42.9	41.9	190.3	175.3
% Change (YoY)	11.1	5.3	-1.3	-43.3	-14.2	-17.5	-18.0	37.5	-7.7	-7.9
Other Income	24.4	21.8	23.6	7.1	21.6	16.5	17.1	17.9	76.9	73.1
Total Income	78.5	75.3	75.8	37.6	68.0	60.6	59.9	59.8	267.2	248.3
Operating Expenses	39.0	39.3	39.8	42.5	42.3	40.1	41.4	42.6	160.6	166.4
Operating Profit	39.5	36.0	36.0	-4.9	25.7	20.5	18.5	17.2	106.6	81.9
% Change (YoY)	3.1	-7.9	-10.9	-112.0	-35.0	-43.1	-48.6	-451.1	-32.8	-23.2
Provisions	10.5	18.2	17.4	25.2	17.6	26.3	16.8	13.5	71.4	74.2
Profit before Tax	29.0	17.8	18.6	-30.1	8.1	-5.8	1.8	3.8	35.3	7.7
Tax	7.3	4.5	4.5	-6.8	2.0	-1.5	0.4	0.9	9.5	1.9
Net Profit	21.7	13.3	14.0	-23.3	6.0	-4.4	1.3	2.8	25.8	5.8
% Change (YoY)	2.2	-39.5	-39.1	NA	-72.2	NA	-90.6	NA	-71.3	-77.5
Operating Parameters										
Deposit (INR b)	3,985	4,124	4,094	4,109	3,971	3,896	3,825	3,985	4,109	3,985
Loan (INR b)	3,479	3,572	3,669	3,450	3,337	3,259	3,185	3,329	3,450	3,329
Deposit Growth (%)	14.8	14.7	11.0	6.8	-0.3	-5.5	-6.6	-3.0	6.8	-3.0
Loan Growth (%)	15.5	13.2	12.2	0.5	-4.1	-8.8	-13.2	-3.5	0.5	-3.5
Asset Quality										
Gross NPA (%)	2.0	2.1	2.3	3.1	3.6	3.6	3.3	3.0	3.1	3.0
Net NPA (%)	0.6	0.6	0.7	1.0	1.1	1.0	1.0	0.9	1.0	0.9
PCR (%)	70.6	70.1	70.2	70.2	70.2	71.8	69.0	69.2	69.6	69.2

E: MOFSL Estimates

Indian Bank

Buy

CMP: INR838 | TP: INR900 (+7%)

EPS CHANGE (%): FY26|27|28: -1.8|1.2|1.2

- Expect cost ratios to be under control
- NIMs expected to decline by 6bp QoQ

- Business growth likely to be modest
- Expect steady improvement in asset quality ratios

Quarterly Performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	61.8	61.9	67.4	63.9	63.6	65.5	67.4	70.0	251.8	266.5
% Change (YoY)	8.3	7.9	15.9	6.2	2.9	5.8	0.0	9.5	8.2	5.8
Other Income	19.1	24.2	24.2	27.4	24.4	24.9	24.2	27.1	92.2	100.5
Total Income	80.8	86.2	91.6	91.3	88.0	90.4	91.6	97.0	344.0	367.0
Operating Expenses	35.8	38.9	42.3	41.1	40.3	42.0	42.3	45.9	154.0	170.4
Operating Profit	45.0	47.3	49.4	50.2	47.7	48.4	49.4	51.2	190.0	196.6
% Change (YoY)	8.9	9.9	20.5	16.6	6.0	2.3	0.0	2.0	12.8	3.5
Provisions	12.6	11.0	8.6	7.9	6.9	7.4	8.6	9.0	42.1	31.9
Profit before Tax	32.4	36.3	40.8	42.2	40.8	41.0	40.8	42.2	147.9	164.8
Tax	8.4	9.2	9.8	12.7	11.1	10.8	9.8	9.8	38.7	41.5
Net Profit	24.0	27.1	30.9	29.6	29.7	30.2	30.9	32.4	109.2	123.2
% Change (YoY)	40.6	36.2	46.0	31.6	23.7	11.5	0.0	9.6	35.4	12.9
Operating Parameters										
Deposits (INR b)	6,812	6,931	7,902	7,372	7,443	7,769	7,902	8,035	7,372	8,035
Loans (INR b)	5,208	5,329	6,190	5,711	5,841	6,052	6,190	6,310	5,711	6,310
Deposit Growth (%)	9.6	8.2	20.8	7.1	9.3	12.1	0.0	9.0	7.1	9.0
Loan Growth (%)	14.1	13.2	26.4	10.9	12.1	13.6	0.0	10.5	10.9	10.5
Asset Quality										
Gross NPA (%)	3.8	3.5	2.5	3.1	3.0	2.6	2.5	2.4	4.0	2.4
Net NPA (%)	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.4	0.2
PCR (%)	90.0	92.5	94.1	93.9	94.3	93.9	94.1	93.0	89.5	93.0

E: MOFSL Estimates

Kotak Mahindra Bank

Buy

CMP: INR2,201 | TP: INR2,500 (+14%)

EPS CHANGE (%): FY26|27|28: -0.2|-1.0|-0.9

- Expect NIMs to improve by 6bp QoQ amid CRR benefit and deposit repricing
- Retail CV stress to keep asset quality ratios flat

- Expect loan/deposits growth at 3.3% /3.2% QoQ, loan growth to be led by corp/secured retail and pickup in unsecured
- Opex growth to follow a modest growth trend

Quarterly Performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	68.4	70.2	72.0	72.8	72.6	73.1	76.7	79.6	283.4	301.9
% Change (Y-o-Y)	9.8	11.5	9.8	5.4	6.1	4.1	6.5	9.2	9.0	6.5
Other Income	29.3	26.8	26.2	31.8	30.8	25.9	27.8	32.2	149.6	116.7
Total Income	97.7	97.0	98.2	104.7	103.4	99.0	104.4	111.8	433.0	418.6
Operating Expenses	45.2	46.0	46.4	49.9	47.8	46.3	48.7	51.2	187.8	193.9
Operating Profit	52.5	51.0	51.8	54.7	55.6	52.7	55.8	60.6	245.3	224.7
% Change (Y-o-Y)	6.2	10.6	13.5	0.2	5.9	3.3	7.6	10.8	25.2	-8.4
Provisions	5.8	6.6	7.9	9.1	12.1	9.5	8.7	8.2	29.4	38.5
Profit before Tax	46.8	44.4	43.9	45.6	43.6	43.2	47.0	52.4	215.8	186.2
Tax	11.6	11.0	10.8	10.1	10.7	10.7	11.6	12.8	51.3	45.8
Net Profit	35.2	33.4	33.0	35.5	32.8	32.5	35.5	39.6	164.5	140.4
% Change (Y-o-Y)	2.0	4.8	10.0	-14.1	-6.8	-2.7	7.3	11.4	19.4	-14.7
PAT including exceptional	62.5	33.4	33.0	35.5	32.8	32.5	35.5	39.6	164.5	140.4
% Change (Y-o-Y)	2.0	4.8	10.0	-14.1	-6.8	-2.7	7.3	11.4	19.4	-14.7
Operating Parameters										
Deposits (INRb)	4,474	4,615	4,735	4,991	5,128	5,288	5,459	5,679	4,991	5,679
Loans (INRb)	3,900	3,995	4,138	4,269	4,448	4,627	4,782	4,944	4,269	4,944
Deposit growth (%)	15.8	15.1	15.9	11.2	14.6	14.6	15.3	13.8	11.2	13.8
Loan growth (%)	18.7	14.7	15.1	13.5	14.1	15.8	15.5	15.8	13.5	15.8
Asset Quality										
Gross NPA (%)	1.39	1.49	1.50	1.42	1.48	1.39	1.36	1.35	1.42	1.35
Net NPA (%)	0.35	0.43	0.41	0.31	0.34	0.32	0.32	0.31	0.31	0.31
PCR (%)	74.9	71.4	73.2	78.1	76.9	77.0	76.7	77.3	78.1	77.3

E: MOFSL Estimates

Punjab National Bank

Buy

CMP: INR124 | TP: INR135 (+9%)

EPS CHANGE (%): FY26|27|28: -0.9|1.2|4.6

- Expect largely flat NIMs in 3Q
- Asset quality ratios to witness improvement
- Expect business growth to remain healthy
- Benign credit cost to continue

Quarterly Performance

(INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	104.8	105.2	110.3	107.6	105.8	104.7	108.4	112.9	427.8	431.8
% Change (YoY)	10.2	6.0	7.2	3.8	1.0	-0.5	-1.8	5.0	6.7	0.9
Other Income	36.1	45.7	34.1	47.2	52.7	43.4	40.4	46.2	163.1	182.7
Total Income	140.9	150.9	144.4	154.7	158.5	148.1	148.7	159.1	590.9	614.5
Operating Expenses	75.0	82.4	78.2	87.0	87.6	75.8	79.6	83.1	322.6	326.2
Operating Profit	65.8	68.5	66.2	67.8	70.8	72.3	69.2	76.1	268.3	288.3
% Change (YoY)	10.3	10.2	4.6	5.6	7.6	5.5	4.5	12.2	7.6	7.5
Provisions	13.1	2.9	-2.9	3.6	3.2	6.4	6.3	7.4	16.7	23.4
Profit before Tax	52.7	65.7	69.1	64.2	67.6	65.8	62.8	68.6	251.6	264.9
Tax	20.2	22.6	24.0	18.5	50.8	16.8	15.1	17.9	85.3	100.7
Net Profit	32.5	43.0	45.1	45.7	16.8	49.0	47.8	50.7	166.3	164.2
% Change (YoY)	159.0	145.1	102.8	51.7	-48.5	13.9	5.9	11.0	101.7	-1.2
Operating Parameters										
Deposits	14,082	14,583	15,297	15,666	15,894	16,171	16,773	17,343	15,666	17,343
Loans	9,840	10,196	10,700	10,775	10,920	11,338	11,799	12,068	10,775	12,068
Deposit Growth (%)	8.5	11.3	15.6	14.4	12.9	10.9	9.6	10.7	14.4	10.7
Loan Growth (%)	13.9	14.6	16.8	15.3	11.0	11.2	10.3	12.0	15.3	12.0
Asset Quality										
Gross NPA (%)	5.0	4.5	4.1	4.0	3.8	3.5	3.2	3.0	4.0	3.0
Net NPA (%)	0.6	0.5	0.4	0.4	0.4	0.4	0.3	0.3	0.4	0.3
PCR (%)	88.4	90.2	90.2	90.3	90.3	90.0	90.5	91.7	90.3	91.7

E: MOFSL Estimates

RBL Bank

Buy

CMP: INR316 | TP: INR350 (+11%)

EPS CHANGE (%): FY26|27|28: -3.5|4.3|7.3

- Expect healthy loan growth at 4.5% QoQ, led by secured and commercial, and contained decline in MFI
- Asset quality ratios likely to be stable amid declining slippages
- NIMs are estimated to inch up by high single digits
- Credit cost to decline marginally in 3Q

Quarterly Performance

(INR b)

	FY25				FY26E				FY25	FY26E
INRb	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	17.0	16.1	15.9	15.6	14.8	15.5	16.6	17.4	64.6	64.3
% Change (Y-o-Y)	19.5	9.5	2.5	-2.3	-12.9	-4.0	4.6	11.3	7.0	-0.5
Other Income	8.1	9.3	10.7	10.0	10.7	9.3	9.9	10.4	38.1	40.3
Total Income	25.1	25.4	26.6	25.6	25.5	24.8	26.5	27.8	102.7	104.6
Operating Expenses	16.5	16.3	16.6	17.0	18.5	17.5	18.1	18.7	66.4	72.8
Operating Profit	8.6	9.1	10.0	8.6	7.0	7.3	8.4	9.1	36.3	31.8
% Change (Y-o-Y)	32.7	24.5	30.2	-2.9	-18.2	-19.9	-15.9	5.9	19.7	-12.3
Provisions	3.7	6.2	11.9	7.9	4.4	5.0	4.8	4.8	28.7	19.1
Profit before Tax	4.9	2.9	-1.9	0.8	2.6	2.3	3.6	4.3	7.6	12.8
Tax	1.2	0.7	-2.2	0.1	0.6	0.5	0.9	1.2	0.6	3.2
Net Profit	3.7	2.2	0.3	0.7	2.0	1.8	2.7	3.2	7.0	9.6
% Change (Y-o-Y)	29.0	-24.3	-86.0	-80.5	-46.1	-19.8	715.7	360.2	-40.5	38.2
Operating Parameters										
Deposit	1,013.5	1,079.6	1,067.5	1,109.4	1,127.3	1,166.7	1,208.9	1,273.6	1,109.4	1,273.6
Loan	867.0	878.8	904.1	926.2	944.3	1,005.3	1,050.1	1,090.1	926.2	1,090.1
Deposit Growth (%)	18.4	20.2	15.1	7.2	11.2	8.1	13.2	14.8	7.2	14.8
Loan Growth (%)	18.6	15.1	13.1	10.3	8.9	14.4	16.1	17.7	10.3	17.7
Asset Quality										
Gross NPA (%)	2.7	2.9	2.9	2.6	2.8	2.3	2.3	2.2	2.6	2.2
Net NPA (%)	0.7	0.8	0.5	0.3	0.5	0.6	0.6	0.6	0.3	0.6
PCR (%)	73.1	73.0	82.2	89.0	84.0	75.9	75.2	74.7	89.0	74.7

E: MOFSL Estimates

State Bank of India

Buy

CMP: INR982 | TP: INR1,100 (+12%)

EPS CHANGE (%): 26|27|28: 0.1|0.7 |1.2

- Expect mild improvement in NIMs in 3Q
- Expect healthy business growth

- Expect asset quality to witness improvement
- Credit cost to remain steady and under control

Quarterly Performance

(INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	411.3	416.2	414.5	427.7	410.7	429.8	448.0	468.2	1,669.7	1,756.8
% Change (YoY)	5.7	5.4	4.1	2.7	-0.1	3.3	8.1	9.5	4.4	5.2
Other Income	111.6	152.7	110.4	242.1	173.5	153.3	157.5	215.9	616.8	700.1
Total Income	522.9	568.9	524.9	669.8	584.2	583.1	605.5	684.1	2,286.5	2,456.9
Operating Expenses	258.4	276.0	289.4	357.0	278.7	310.0	315.6	356.5	1,180.7	1,260.8
Operating Profit	264.5	292.9	235.5	312.9	305.4	273.1	289.9	327.6	1,105.8	1,196.1
% Change (YoY)	4.6	50.9	15.8	8.8	15.5	-6.8	23.1	4.7	27.5	8.2
Provisions	34.5	45.1	9.1	64.4	47.6	54.0	53.1	56.0	153.1	210.7
Exceptional items (exp)	0.0	0.0	0.0	0.0	0.0	45.9	0.0	0.0	0.0	45.9
Profit before Tax	230.0	247.9	226.4	248.4	257.9	265.0	236.8	271.6	952.7	1,031.3
Tax Provisions	59.6	64.6	57.5	62.0	66.2	63.4	59.2	67.9	243.7	256.8
Net Profit	170.4	183.3	168.9	186.4	191.6	201.6	177.6	203.7	709.0	774.5
% Change (YoY)	0.9	27.9	84.3	-9.9	12.5	10.0	5.1	9.3	16.1	9.2
Adj. Net profit	170.4	183.3	168.9	186.4	191.6	167.7	177.6	203.7	664.6	740.6
Operating Parameters										
Deposits (INR t)	49.0	51.2	52.3	53.8	54.7	55.9	57.6	59.4	53.8	59.4
Loans (INR t)	37.5	38.6	40.0	41.6	42.0	43.6	45.2	46.9	41.6	46.9
Deposit Growth (%)	8.2	9.1	9.8	9.5	11.7	9.3	10.1	10.4	9.5	10.4
Loan Growth (%)	15.9	15.3	13.8	12.4	11.9	13.1	12.8	12.6	12.4	12.6
Asset Quality										
Gross NPA (%)	2.2	2.1	2.1	1.8	1.8	1.7	1.7	1.6	1.8	1.6
Net NPA (%)	0.6	0.5	0.5	0.5	0.5	0.4	0.4	0.4	0.5	0.4
PCR (%)	74.4	75.7	74.7	74.4	74.5	75.8	75.4	75.5	74.2	75.5

E: MOFSL Estimates

Union Bank of India

Neutral

CMP: INR154 | TP: INR155 (+1%)

EPS CHANGE (%): FY26|27|28: -1.8|-6.3|-8.1

- Expect margins to be largely flat
- Expect modest business growth in 3QFY26

- Expect credit cost to be largely stable
- Asset quality ratios likely to witness improvement

Quarterly Performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	94.1	90.5	92.4	95.1	91.1	88.1	88.1	92.2	372.1	359.5
% Change (YoY)	6.5	-0.9	0.8	0.8	-3.2	-2.6	-4.7	-3.1	1.8	-3.4
Other Income	45.1	53.3	44.2	55.6	44.9	50.0	45.6	49.7	198.1	190.2
Total Income	139.2	143.8	136.6	150.7	136.0	138.1	133.7	142.0	570.3	549.7
Operating Expenses	61.4	62.6	61.7	73.7	66.9	69.9	69.5	74.0	259.4	280.3
Operating Profit	77.9	81.1	74.9	77.0	69.1	68.1	64.2	68.0	310.9	269.4
% Change (YoY)	8.4	12.4	2.9	17.9	-11.3	-16.0	-14.3	-11.7	10.2	-13.3
Provisions	27.6	17.1	16.0	15.4	16.6	14.0	14.8	13.7	76.1	59.1
Profit before Tax	50.3	64.0	58.9	61.6	52.4	54.2	49.4	54.2	234.8	210.3
Tax	13.5	16.8	12.9	11.7	11.3	11.7	11.4	12.1	54.9	46.5
Net Profit	36.8	47.2	46.0	49.8	41.2	42.5	38.1	42.1	179.9	163.8
% Change (YoY)	13.7	34.4	28.2	50.6	11.9	-10.0	-17.3	-15.5	31.8	-8.9
Operating Parameters										
Deposit (INR b)	11,965	12,116	12,166	12,722	12,399	12,346	12,529	13,438	12,722	13,438
Loan (INR b)	8,787	8,971	9,202	9,535	9,461	9,483	9,669	10,069	9,535	10,069
Deposit Growth (%)	6.1	6.5	3.8	4.2	3.6	1.9	3.0	5.6	4.2	2.6
Loan Growth (%)	14.0	11.6	6.7	9.5	7.7	5.7	5.1	5.6	9.5	5.6
Asset Quality										
Gross NPA (%)	4.5	4.4	3.9	3.6	3.5	3.3	3.1	3.0	3.6	3.0
Net NPA (%)	0.9	1.0	0.8	0.6	0.6	0.6	0.5	0.5	0.6	0.5
PCR (%)	80.9	78.4	79.3	83.1	82.9	83.8	83.5	83.7	82.6	83.7

E: MOFSL Estimates

SBI Cards and Payment Services

Neutral

CMP: INR862 | TP: INR950 (+10%)

EPS CHANGE (%): FY26|27|28: -5.9|-3.3|-4.6

- Expect NIMs to increase slightly
- Expect credit cost to decline at a calibrated pace
- Spends growth to be led by corporate growth
- Revolver mix expected to remain sticky; cost ratios to remain elevated

Quarterly Performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Interest Income	14.8	15.0	15.7	16.2	16.8	17.3	17.9	18.1	58.9	70.0
% Change (Y-o-Y)	19.7	15.8	13.2	14.5	13.8	15.2	13.7	11.5	14.4	18.8
Other Income	22.4	22.7	23.7	24.2	25.4	26.5	27.2	27.8	95.7	106.9
Total Income	37.2	37.7	39.4	40.4	42.2	43.8	45.0	45.9	154.6	176.9
Operating Expenses	18.2	20.1	21.1	20.7	21.2	24.8	25.2	24.8	80.1	96.0
Operating Profit	19.0	17.6	18.3	19.6	21.0	18.9	19.9	21.1	74.5	80.9
% Change (Y-o-Y)	25.4	13.3	13.0	7.2	10.5	7.7	8.6	7.4	14.3	8.6
Provisions	11.0	12.1	13.1	12.5	13.5	12.9	12.6	12.0	48.7	51.1
Profit before Tax	8.0	5.5	5.2	7.2	7.5	6.0	7.3	9.1	25.8	29.8
Tax	2.0	1.4	1.3	1.8	1.9	1.6	1.9	2.3	6.6	7.7
Net Profit	5.9	4.0	3.8	5.3	5.6	4.4	5.4	6.8	19.2	22.2
% Change (Y-o-Y)	0.2	-32.9	-30.2	-19.4	-6.5	10.0	41.0	26.5	-20.4	15.7
Operating Parameters										
Loan (INRb)	508.1	536.0	528.1	539.3	546.3	578.6	569.6	594.4	539.3	594.4
Loan Growth (%)	21.5	23.0	12.0	9.9	7.5	7.9	7.9	10.2	9.9	10.2
Borrowings (INRb)	408.7	432.2	439.1	449.5	461.8	492.3	468.5	484.1	449.5	484.1
Borrowing Growth (%)	24.0	26.8	15.5	12.7	13.0	13.9	6.7	7.7	12.7	7.7
Asset Quality										
Gross NPA (%)	3.1	3.3	3.2	3.1	3.1	2.9	3.1	3.0	3.1	3.0
Net NPA (%)	1.1	1.2	1.2	1.5	1.4	1.3	1.3	1.3	1.4	1.3
PCR (%)	64.4	64.4	64.4	53.5	54.3	55.4	56.3	57.4	53.5	57.4

E: MOFSL Estimates

Paytm

Neutral

CMP: INR 1,299 | TP: INR1,250 (-4%)

EBITDA CHANGE (%): FY26|27|28: -2.7|-1.5|-1.0

- Expect steady revenue growth in 3Q
- Profitability to be maintained amid controlled opex
- Contribution margin expected to remain steady at ~60%
- Merchant addition to remain healthy

Quarterly Performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Payment Services to Consumers	0.8	0.9	0.9	1.0	1.0	1.1	1.5	2.2	3.6	5.8
Payment Services to Merchants	8.0	8.6	9.1	9.5	9.5	10.4	10.6	10.5	35.2	40.9
Financial Services and Others	2.8	3.8	5.0	5.5	5.6	6.1	6.4	6.7	17.0	24.8
Payment and Financial Services	11.6	13.2	15.1	15.9	16.1	17.6	18.4	19.4	55.8	71.4
% Change (Y-o-Y)	-39.3	-36.2	-34.2	-14.4	37.9	32.9	22.5	21.9	-31.3	28.0
Commerce and Cloud Services	3.2	3.0	2.7	2.7	2.5	2.3	2.4	2.4	11.6	9.5
Revenue from Operations	15.0	16.6	18.3	19.1	19.2	20.6	21.3	22.3	69.0	83.5
% Change (Y-o-Y)	-35.9	-34.1	-35.9	-15.7	27.7	24.2	16.6	16.9	-30.9	21.0
Direct Expenses	7.5	7.7	8.7	8.4	7.7	8.6	8.6	8.8	32.2	33.7
Contribution Profit	7.5	8.9	9.6	10.7	11.5	12.1	12.7	13.5	36.8	49.8
% Change (Y-o-Y)	-42.1	-37.3	-36.9	-16.7	52.5	35.0	32.4	25.9	-33.6	35.5
Indirect Expenses	13.0	10.8	10.0	9.9	10.5	10.3	10.6	11.4	43.7	42.8
Adjusted EBITDA	-5.5	-1.9	-0.4	0.8	1.0	1.8	2.0	2.1	-6.9	7.0
EBITDA	-7.9	-4.0	-2.2	-0.9	0.7	1.4	1.7	1.6	-15.1	5.5
Adj. PAT	-8.4	-4.2	-2.1	-0.2	1.4	2.1	2.4	2.9	-14.9	8.8
% Change (Y-o-Y)	134.7	45.5	-5.5	-96.1	-116.6	-150.7	-213.4	-1,454.0	25.1	-159.0
PAT	-8.4	9.3	-2.1	-5.4	1.2	0.2	2.4	2.9	-6.7	6.7
Profitability										
Contribution Margin (%)	50.3	53.9	52.5	56.1	60.1	58.5	59.6	60.4	53.3	59.7
Adjusted EBITDA Margin (%)	-36.4	-11.2	-2.2	4.2	5.3	8.6	9.6	9.5	-10.0	8.4
EBITDA Margin (%)	-52.8	-24.3	-12.2	-4.6	3.7	6.9	7.8	7.4	-21.9	6.6

E: MOFSL Estimates

Financials - NBFCs

Company

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

Mixed loan growth; NIM tailwinds and asset quality support earnings

Gold, vehicle finance, and unsecured segments drive momentum

- **Demand revival in select segments:** We expect ~11% YoY growth in AUM for our coverage HFCs, including both affordable and large HFCs. Vehicle financiers are projected to report ~17% YoY AUM growth. Gold lenders (including non-gold products) are likely to record ~39% YoY growth (primarily driven by ~48% YoY gold loan growth in MUTH). NBFC-MFIs are estimated to post a decline of ~15% YoY/remain flat QoQ in AUM, while diversified lenders are expected to deliver ~24% YoY growth in AUM. For our NBFC coverage universe, we estimate a loan growth of ~15% YoY/~3% QoQ as of Dec'25. Loan growth trends during the quarter remained mixed across segments, though pockets of demand revival were evident. Gold financiers are expected to deliver yet another quarter of strong loan growth. VFs reported improved disbursement momentum, supported by pent-up demand, GST rate cuts, and festive-season tailwinds. Additionally, disbursements in unsecured segments have also regained momentum during the quarter. In contrast, MFIs continued to see subdued disbursements and AUM growth due to elevated rejection rates, as lenders prioritized asset quality over growth. Disbursements for both large HFCs and AHFCs were relatively weaker (than earlier expectations), impacted by heightened competition from banks and the loss of business from festive holidays during the quarter.
- **CoF continuing to trend down; NIM expansion for VFs and AHFCs:** Borrowing costs for most NBFCs continued to trend down. NIM trends for NBFCs are expected to be mixed this quarter, varying across sub-segments. Large HFCs are likely to witness margin contraction due to heightened competitive intensity and PLR cuts, while affordable HFCs and vehicle financiers will see an NIM expansion, aided by segment-specific dynamics.
- **Asset quality broadly stable across segments; MFIs see further improvement in PAR accretion:** Asset quality remained broadly stable across all product segments. For VFs, asset quality remained stable despite the usual seasonal tailwinds that tend to drive improvement. For MFIs, credit costs are likely to moderate sequentially; however, they will approach normalization only in 4QFY26/1HFY27. HFCs, including affordable HFCs, are expected to report broadly stable asset quality, while power financiers also maintained stability with no incremental slippages or material resolutions during the quarter (except for Sinner Thermal, which might be marked as resolved in 3Q/4QFY26).
- **Earnings growth of ~26% YoY/6% QoQ for the coverage universe:** We estimate ~16%/17% YoY growth in NII/PPoP in 3QFY26 for our NBFC coverage universe. PAT is expected to grow ~26% YoY. Excluding NBFC-MFI, we estimate ~19% YoY growth in PAT for our coverage universe. Our preference is for vehicle financiers, gold financiers (primarily to play the strong momentum in gold loan growth), and diversified lenders (that have navigated the unsecured credit cycle and are now looking to grow their unsecured loan book again). Our top picks in the sector are: SHFL, PNBHF, and ABCAP.

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HFCs: Disbursements and AUM growth slightly weak; asset quality stable

- Large HFCs continued to face heightened competition as banks have turned more aggressive over the past two quarters, offering home loans at significantly lower rates. As a result, large HFCs are expected to report NIM contraction, driven by pressure on yields amid intensifying competition in the prime segment.
- Disbursement momentum for both large HFCs and AHFCs was relatively weaker (than earlier expectations), driven partly by the concentration of festive holidays during the quarter, which disrupted housing loan origination, and partly by intensifying competition from banks (as discussed earlier).
- Most affordable HFCs have still not reduced their PLR (until Dec'25). As a result, AHFCs are likely to exhibit spread and NIM expansion, supported by broadly stable yields and benefits in their borrowing costs. In contrast, larger HFCs such as BAJAJHFL and LICHF have passed on PLR cuts to borrowers and are, therefore, likely to witness some margin contraction during the quarter.
- Asset quality was broadly stable during the quarter for both large and AHFCs, with no spillover from micro-LAP into affordable housing loans. Consequently, credit costs are expected to remain benign.
- For LICHF, we expect credit costs at ~18bp (vs. ~22bp in 2QFY26). Margins are expected to contract ~3bp QoQ. We expect LICHF to report ~6% YoY growth in loans. We expect BHFL to report AUM growth of 23% YoY. We expect margins for BHFL to contract ~5bp QoQ.
- We estimate HomeFirst to report a ~12% YoY growth in disbursements, leading to an AUM growth of ~25% YoY. We expect NIM to expand ~15bp QoQ for HomeFirst. Asset quality is expected to remain stable for both HomeFirst and Aavas. We expect disbursements and loan growth of 15% YoY and 16% YoY, respectively, for Aavas.
- We estimate PNBHF to deliver a ~15% YoY growth in the total loan book as of Dec'25. For PNBHF, we expect NIM to contract ~5bp QoQ. Asset quality improvement and recoveries from the written-off pool in both Retail/Corporate could potentially result in provision write-backs (similar to prior quarters).

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

- For Five Star, loan growth and disbursements remain subdued, as the company has consciously chosen to adopt a cautious stance amid ongoing asset quality and collection trends. We expect disbursements to decline 9% QoQ, translating into ~17% YoY growth in AUM. We expect credit costs to increase to ~1.45% (compared to ~1.35% in 2QFY26).

Vehicle finance: Disbursement and AUM growth gain traction; asset quality broadly stable

- We expect MMFS to report disbursements of ~INR184b in 3QFY26 (up ~12% YoY), leading to ~13% YoY growth in business assets. We expect credit costs for MMFS to be at ~1.9% in 3QFY26 (vs. 2.4% in 2QFY26).
- For CIFIC and SHTF, we expect disbursements growth of 15%/9% YoY, which should translate into ~21%/15% YoY growth in AUM for CIFIC/SHTF as of Dec'25.
- Disbursements in the vehicle finance segment gained momentum during the quarter, supported by pent-up demand, GST rate cuts, and festive-season tailwinds. Within the segment, PVs and tractors continued to witness healthy and sustained growth; however, the GST-led buoyancy observed in 2W after the rate cut moderated in Dec'25. In the used vehicle segment, demand remained tepid, with lenders and used-vehicle sellers adopting a wait-and-watch approach amid some correction in used vehicle prices following the GST cuts.
- Asset quality remained broadly stable during the quarter for VFs. We estimate NIM expansion for vehicle financiers, driven by a decline in CoB and a fixed-rate vehicle finance book. SHFL is likely to see a healthy margin expansion, driven by both liquidity normalization and the repricing of borrowings in a declining interest rate environment.

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

- We expect gold loan financiers to deliver robust growth in 3QFY26. While we expect MGFL, on a standalone basis, to deliver strong gold loan growth, the drag from its MFI and CV business would continue during the quarter. We expect ~49% YoY gold loan growth for MUTH.
- MGFL is likely to witness margin contraction as it has been targeting higher ticket gold loans and has cut its gold loan lending rates in line with its stated strategy. We expect margins to contract ~40bp YoY for MUTH and ~1pp QoQ for MGFL.
- While credit costs for both Asirvad and Belstar peaked around two quarters ago, they are expected to remain elevated in 3QFY26, with a meaningful normalization likely only from FY27 onwards. Additionally, Asirvad Finance's MFI portfolio is expected to witness a further contraction, while Belstar's MFI book is likely to remain broadly flat on a QoQ basis.

MFIs: Disbursements remain muted; declining PAR accretion boosts confidence for FY27 growth acceleration

- Disbursements momentum and AUM growth remained subdued during the quarter due to elevated rejection rates as lenders prioritized adherence to guardrails and credit discipline. This is expected to translate into a softer AUM growth (vs a full-blown recovery) in 2HFY26. We expect the loan book to remain flat QoQ for Fusion and Spandana, while CREDAG's GLP is likely to grow ~7% YoY/3% QoQ.
- Asset quality in the MFI segment continued to improve in Dec'25. While PAR levels were broadly stable during Oct'25 and Nov'25, they showed an improvement in Dec'25. Overall, asset quality for MFI companies is holding up well, with no further signs of deterioration.

- We expect a sequential decline in credit costs for MFI companies. We estimate annualized credit costs of ~5.3%/~5.5%/8% for CREDAG/Fusion/Spandana during the quarter.
- The MFI sector is emerging from a stress cycle, with signs of normalization visible in collection efficiencies, flow rates, and PAR trends. Profitability this quarter will remain weighed down by muted AUM growth, high cost ratios, and elevated credit costs. However, we expect earnings to exhibit a recovery from FY27 onwards.

Diversified financiers: Unsecured loans regain momentum; asset quality broadly stable

- BAF is expected to report AUM growth of ~22% YoY/5% QoQ. We estimate margins to contract 5bp QoQ for BAF, with credit costs of ~198bp (vs 205bp QoQ).
- For HDBFIN, we expect disbursements to grow ~8% YoY and anticipate loan growth of 13% YoY. We expect NIM to expand ~10bp QoQ. Credit costs are likely to decline 25bp QoQ to 2.45% (compared to 2.7% in 2QFY26).
- LTFH is expected to report loan growth of ~18% YoY/5% QoQ growth in retail loans. Since the company is not growing its wholesale segments (such as real estate and infrastructure), we expect the consolidated loan book to grow ~5% QoQ in 3QFY26. We do not expect the company to utilize any additional macro-prudential provisions during the quarter and estimate credit costs to remain broadly flat QoQ to 2.5% (even without the benefit of utilization of macro provisions).
- Poonawalla is expected to report AUM growth of ~75% YoY/13% QoQ, with total AUM of INR541b. We expect credit costs to decline ~60bp QoQ to ~2.2% (vs. 2.8% in 2QFY26).
- For IIFL Finance, we expect the strong growth in gold loan AUM to sustain in 3QFY26 despite a strong gold loan growth in 1H. We expect MFI AUM to remain flat QoQ and project a consolidated AUM growth of 37% YoY. We estimate a PAT (post MI) of ~INR4.44b in 3Q (vs. INR3.8b in 2QFY26).

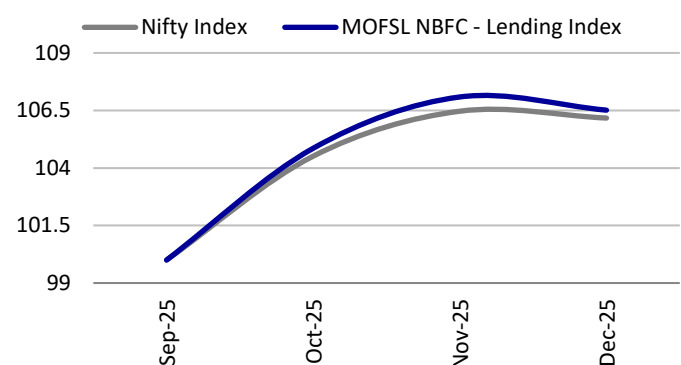
Power Financiers: Muted loan growth; expect asset quality to remain broadly stable

- Disbursements and AUM growth among power financiers were muted during the quarter. REC's disbursements are expected to decline 5% YoY, leading to muted AUM growth of 2% YoY and -1% QoQ. Asset quality is expected to remain stable/improve as there were no incremental slippages during the quarter. Additionally, the resolution of the Sinnar Thermal project in NCLT during the quarter could (potentially) result in provision write-backs for both PFC and REC in 3Q/4QFY26.
- For PFC, we expect disbursements to grow 13% YoY, leading to loan book growth of ~13% YoY/1% QoQ.

Exhibit 1: Quarterly performance

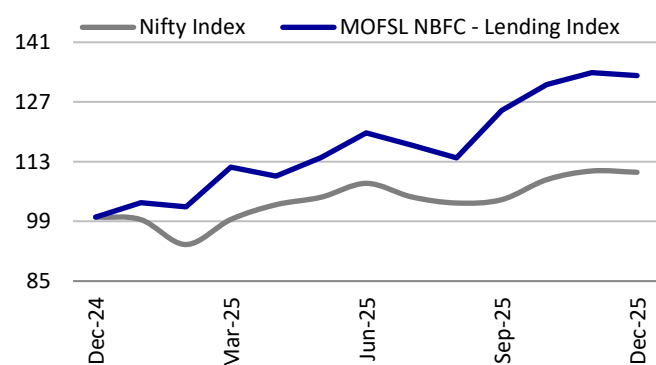
Name	CMP (INR)	Rating	NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
			Dec-25	Variance YoY (%)	Variance QoQ (%)	Dec-25	Variance YoY (%)	Variance QoQ (%)	Dec-25	Variance YoY (%)	Variance QoQ (%)
AAVAS Financiers	1,444	Neutral	3,023	19.3	4.9	2,277	17.1	3.9	1,691	15.5	3.2
Bajaj Finance	991	Neutral	1,12,681	20.1	4.5	92,811	18.9	4.6	51,732	20.1	4.6
Bajaj Housing	97	Neutral	10,005	24.1	4.6	9,285	24.0	5.2	6,767	23.5	5.3
Can Fin Homes	939	Neutral	4,186	21.4	3.5	3,451	18.5	3.1	2,662	25.5	5.9
Chola. Inv & Fin.	1,781	Buy	35,771	23.9	5.9	26,215	23.2	6.7	13,033	20.0	12.8
CreditAccess	1,288	Buy	9,860	14.3	5.5	6,965	11.8	0.2	2,608	-	107.3
Five-Star Business	532	Buy	5,962	10.4	0.5	4,304	10.8	-0.6	2,795	2.1	-2.3
Fusion Finance	162	Buy	2,379	6.0	-3.5	951	46.9	6.9	70	-	-
HDB Financial	770	Neutral	22,775	21.7	3.9	15,812	23.9	3.3	6,582	39.4	13.2
Home First Fin.	1,106	Buy	2,231	36.7	8.0	2,026	45.1	7.5	1,434	47.2	8.7
IIFL Finance	640	Buy	15,291	23.8	6.3	11,148	88.1	5.5	4,444	989.5	18.1
L&T Finance	320	Buy	24,695	10.4	2.8	16,947	14.7	3.8	7,671	22.6	4.4
LIC Housing Fin	546	Neutral	20,366	1.8	-0.1	18,532	5.9	-1.1	13,602	-5.0	0.5
M & M Financial	403	Buy	22,479	17.6	6.5	16,150	32.2	7.7	7,463	-17.0	31.1
Manappuram Finance	311	Neutral	13,603	-14.5	-1.1	6,247	-32.9	-6.9	2,437	-12.5	12.1
MAS Financial	325	Buy	1,687	13.5	2.6	1,641	18.6	4.2	944	20.8	5.2
Muthoot Finance	3,826	Neutral	38,990	43.3	-2.3	30,471	48.0	-6.7	21,599	58.5	-7.9
PFC	376	Buy	53,609	14.2	1.4	55,219	7.1	-4.5	47,330	13.9	6.1
PNB Housing	998	Buy	7,604	10.1	1.3	6,589	13.7	1.9	5,449	12.7	-6.3
Poonawalla Fincorp	481	Buy	8,995	46.5	17.7	5,131	34.5	32.7	1,891	-	-
REC	381	Buy	53,930	5.1	-1.0	54,012	7.6	-5.0	43,337	7.6	-2.1
Repco Home Fin	432	Neutral	1,924	7.9	1.8	1,483	2.7	5.2	1,105	3.7	3.3
Shriram Finance	1,009	Buy	65,348	16.9	8.4	48,469	18.7	9.1	25,681	23.4	11.4
Spandana Sphoorty	266	Neutral	1,043	-61.9	-0.4	-466	-159.5	-32.4	-875	-	-
NBFC			5,38,439	16.2	3.4	4,35,669	16.9	1.6	2,71,452	26.4	5.8

Exhibit 2: Relative performance — three months (%)



Source: Bloomberg, MOFSL

Exhibit 3: Relative performance — one year (%)



Source: Bloomberg, MOFSL

Exhibit 4: EPS estimate changes for FY26/FY27/FY28

Company	Old Estimates			New Estimates			Change (%)		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
AAVAS	83.5	99.4	119.9	83.2	99.0	118.5	-0.4	-0.5	-1.2
BAF	32.7	41.4	52.5	32.7	40.7	51.3	0.1	-1.7	-2.3
Bajaj Housing	3.2	3.8	4.7	3.2	3.9	4.8	-0.9	2.0	0.8
CANF	75.9	79.5	92.8	76.6	79.5	92.8	0.9	-	-
CIFC	59.9	78.7	98.0	60.2	78.9	99.1	0.6	0.2	1.1
CREDAG	51.7	88.4	116.3	50.5	81.3	107.2	-2.4	-8.0	-7.8
Five Star Business	39.1	45.0	53.2	37.5	42.2	49.1	-4.2	-6.1	-7.7
FUSION	-2.0	17.5	24.8	-2.1	17.9	24.8	-	2.1	0.2
HomeFirst	53.2	64.2	76.0	53.1	63.6	75.5	-0.2	-0.9	-0.7
HDB Financial	31.4	40.8	50.5	30.8	41.3	50.7	-1.9	1.2	0.5
IIFL Fin	34.7	47.0	62.2	37.0	49.2	65.2	6.6	4.8	4.9
LTFH	11.9	16.1	20.2	11.8	15.9	20.1	-1.5	-0.9	-0.3
LICHF	99.0	102.3	110.2	98.3	102.1	110.1	-0.7	-0.1	-0.1
MMFSL	20.4	24.8	29.7	20.2	24.8	29.7	-1.0	-0.0	-0.0
MASFIN	20.0	24.8	30.2	20.3	25.2	30.7	1.6	1.6	1.9
Muthoot	215.0	244.2	275.1	218.8	260.7	294.9	1.8	6.7	7.2
MGFL	11.3	19.2	24.9	10.8	20.0	27.6	-5.0	4.3	10.7
PNBHF	88.2	96.4	117.3	86.2	93.9	113.7	-2.3	-2.6	-3.1
PFC	57.9	61.4	69.2	57.6	59.6	67.7	-0.6	-2.9	-2.2
PFL	8.7	21.8	32.0	8.0	21.8	32.0	-8.4	-	-
REC	65.9	70.6	80.8	64.9	66.9	74.3	-1.5	-5.2	-8.1
REPCO	70.4	75.0	84.6	70.4	75.2	84.8	0.0	0.2	0.3
SHFL	51.7	54.2	68.0	51.9	55.5	70.1	0.4	2.5	3.1
SPANDANA	-86.6	27.3	45.8	-84.8	18.7	42.3	-2.0	-31.7	-7.7

Exhibit 5: Margin trends for MOFSL coverage universe

Company	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY (bp)	QoQ (bp)
AAVAS	6.7	6.9	6.8	7.0	7.1	34	9
BAF	9.7	9.6	9.5	9.5	9.5	-21	-3
Bajaj Housing	3.5	3.4	3.4	3.5	3.5	24	4
CANF	3.7	3.7	3.8	4.1	4.2	42	3
CIFC	6.8	6.8	6.8	6.9	7.0	17	7
Credag	13.8	13.8	13.9	14.4	15.0	119	62
Five Star	19.5	19.4	19.0	18.8	18.4	-117	-39
Fusion	9.1	12.2	14.4	14.7	15.0	589	30
HomeFirst	4.9	5.1	5.2	5.4	5.9	98	48
HDB Financial	7.5	7.6	7.7	7.9	8.0	57	8
IIFL Fin	7.1	7.0	6.4	6.6	6.5	-64	-12
LTHF	10.8	10.0	10.5	10.3	10.5	-27	16
LICHF	2.7	2.9	2.7	2.6	2.6	-11	-4
MMFSL	6.7	6.6	6.7	6.8	7.0	26	20
MGFL	14.4	13.5	12.8	12.4	11.4	-304	-99
MASFIN	7.2	7.6	7.7	7.7	7.7	48	-2
Muthoot	11.9	11.7	12.6	13.2	11.5	-37	-166
PNBHF	3.6	3.7	3.7	3.6	3.6	-7	-5
PFC	3.8	4.5	3.9	3.7	3.7	-4	-1
PFL	7.8	7.8	7.7	7.7	7.6	-21	-11
REC	3.7	4.3	3.8	3.7	3.7	5	2
REPCO	5.6	5.3	5.4	5.4	5.4	-18	3
SFL	9.0	8.6	8.6	8.7	9.1	11	39
Spandana	13.1	12.3	10.5	10.8	11.7	-133	93

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

Aavas Financiers

Neutral

CMP: INR1,444 | TP: INR1,640 (+12%)
EPS CHANGE (%): FY26|27|28: -0.4|-0.5|-1.2

- AUM/disbursements are likely to grow ~16%/15% YoY.
- We expect NIMs to expand ~15bp QoQ. Upfront assignment income is estimated at ~INR701m.
- Asset quality is expected to remain largely stable, and credit costs are likely to remain benign.
- Commentaries on loan growth and margin trajectory are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	4,797	4,906	5,121	5,353	5,489	5,636	5,834	6,136	20,177	23,095
Interest Expenses	2,352	2,489	2,587	2,647	2,713	2,755	2,811	2,932	10,075	11,211
Net Income	2,446	2,418	2,533	2,705	2,776	2,881	3,023	3,204	10,102	11,883
YoY Growth (%)	8	9	15	14	14	19	19	18	11	18
Other income	628	898	859	1,022	790	1,038	1,044	1,152	3,407	4,024
Total Income	3,074	3,316	3,392	3,728	3,566	3,919	4,067	4,355	13,509	15,908
YoY Growth (%)	10	13	16	15	16	18	20	17	13	18
Operating Expenses	1,379	1,368	1,447	1,719	1,662	1,727	1,790	1,929	5,912	7,109
YoY Growth (%)	3	5	7	20	21	26	24	12	9	20
Operating Profits	1,695	1,948	1,945	2,009	1,904	2,192	2,277	2,426	7,597	8,799
YoY Growth (%)	16	19	23	10	12	12	17	21	17.1	15.8
Provisions	86	48	61	76	113	80	97	86	271	375
Profit before Tax	1,609	1,900	1,884	1,932	1,791	2,112	2,180	2,340	7,326	8,423
Tax Provisions	348	421	420	395	399	473	488	476	1,585	1,836
Profit after tax	1,261	1,479	1,464	1,537	1,392	1,639	1,691	1,864	5,741	6,587
YoY Growth (%)	15	22	26	8	10	11	16	21	17.0	14.7

Bajaj Finance

Neutral

CMP INR991 | TP: INR1,085 (+9%)
EPS CHANGE (%): FY26|27|28: 0.1|-1.7|-2.3

- BAF is expected to deliver AUM growth of 22% YoY/5% QoQ.
- Margin is likely to contract ~5bp QoQ to ~9.5%.
- Credit costs are expected to decline ~7bp QoQ to ~2%.
- Commentaries on NIM trajectory and credit costs are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	1,40,492	1,49,870	1,57,682	1,63,591	1,71,447	1,77,960	1,85,879	1,93,854	6,11,636	7,29,139
Interest expenses	56,839	61,493	63,856	65,520	69,177	70,113	73,198	76,459	2,47,708	2,88,946
Net Interest Income	83,653	88,377	93,826	98,072	1,02,270	1,07,847	1,12,681	1,17,395	3,63,928	4,40,192
YoY Growth (%)	24.5	22.8	22.6	22.4	22.3	22.0	20.1	19.7	23.0	21.0
Other Operating Income	20,531	21,084	22,901	21,096	23,831	23,848	25,151	24,848	85,612	97,677
Net Income	1,04,185	1,09,461	1,16,727	1,19,168	1,26,101	1,31,695	1,37,832	1,42,242	4,49,540	5,37,869
YoY Growth (%)	24.1	23.8	25.5	22.7	21.0	20.3	18.1	19.4	24.0	19.6
Operating Expenses	34,709	36,390	38,670	39,493	41,230	42,959	45,021	46,872	1,49,261	1,76,082
Operating Profit	69,475	73,071	78,057	79,675	84,871	88,736	92,811	95,370	3,00,279	3,61,787
YoY Growth (%)	25.3	25.2	27.1	24.3	22.2	21.4	18.9	19.7	25.5	20.5
Provisions and Cont.	16,847	19,091	20,433	23,289	21,202	22,688	22,997	22,302	79,660	89,188
Profit before Tax	52,654	54,015	57,624	56,474	63,676	66,081	69,814	73,068	2,20,796	2,72,599
Tax Provisions	13,534	13,877	14,572	11,018	16,023	16,604	18,082	18,804	53,002	69,513
Net Profit	39,120	40,137	43,052	45,456	47,653	49,478	51,732	54,264	1,67,795	2,03,086
YoY Growth (%)	13.8	13.0	18.3	18.9	21.8	23.3	20.2	19.4	16.0	21.2

Bajaj Housing Finance

Neutral

CMP INR97 | TP: INR105 (+8%)

EPS CHANGE (%): FY26|27|28: -0.9|2.0|0.8

- Expect AUM growth of 23% YoY/ 5% QoQ.
- Margins are likely to contract ~5bp QoQ to ~3.45%.
- Credit costs are expected to remain benign at 20bp in 3QFY26.
- Commentaries on NIM trajectory and loan growth are the key monitorables.

Quarterly performance

Particulars	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	20,635	22,269	23,220	23,737	24,926	26,144	27,347	28,821	89,862	1,07,238
Interest expense	13,988	15,137	15,159	15,509	16,060	16,580	17,342	18,161	59,793	68,142
Net interest income	6,648	7,133	8,060	8,228	8,866	9,565	10,005	10,660	30,069	39,096
Growth YoY (%)	9.7	13.0	24.9	30.9	33.4	34.1	24.1	29.6	19.7	30.0
Other operating income	1,452	1,833	1,270	1,343	1,259	1,406	1,518	1,577	5,898	5,759
Net total income	8,100	8,966	9,331	9,571	10,125	10,970	11,523	12,237	35,967	44,855
Growth YoY (%)	15.3	17.9	25.1	33.4	25.0	22.4	23.5	27.9	23.0	24.7
Operating expenses	1,701	1,840	1,846	2,078	2,145	2,147	2,238	2,369	7,464	8,898
Operating profits	6,399	7,126	7,485	7,493	7,980	8,823	9,285	9,868	28,503	35,956
Growth YoY (%)	20.1	20.1	30.8	43.1	24.7	23.8	24.0	31.7	28.3	26.1
Provisions	100	50	355	296	411	497	553	570	801	2,030
Profit before tax	6,299	7,076	7,130	7,198	7,569	8,327	8,732	9,298	27,702	33,926
Tax expenses	1,473	1,620	1,650	1,331	1,736	1,897	1,965	1,798	6,073	7,396
Net profit	4,826	5,456	5,480	5,867	5,833	6,430	6,767	7,501	21,629	26,530
Growth YoY (%)	4.5	20.9	25.4	53.8	20.9	17.8	23.5	27.8	24.9	22.7

Can Fin Homes

Neutral

CMP INR939 | TP: INR1,000 (+6%)

EPS CHANGE (%): FY26|27|28: 0.9|-|-

- Estimate loan book to grow ~10% YoY.
- Spreads are expected to remain stable QoQ at ~3.5%.
- Margin is expected to remain stable QoQ at 3.8%.
- Commentaries on loan growth and the outlook for NIM in a declining rate environment are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	9,242	9,553	9,803	9,829	10,111	10,432	10,661	10,888	38,426	42,091
Interest Expenses	6,027	6,155	6,356	6,343	6,483	6,386	6,475	6,689	24,882	26,033
Net Interest Income	3,214	3,398	3,447	3,485	3,628	4,046	4,186	4,199	13,544	16,059
YoY Growth (%)	12.7	7.3	4.8	6.3	12.9	19.1	21.4	20.5	7.6	18.6
Other income	70	74	58	168	93	63	70	202	370	429
Total Income	3,284	3,472	3,506	3,653	3,721	4,109	4,256	4,402	13,915	16,487
YoY Growth (%)	12.8	7.6	4.4	6.3	13.3	18.3	21.4	20.5	7.6	18.5
Operating Expenses	488	594	593	707	682	762	805	828	2,382	3,077
YoY Growth (%)	12.3	13.3	20.0	-1.7	39.7	28.4	35.8	17.0	9.6	29.2
Operating Profits	2,796	2,878	2,913	2,946	3,039	3,346	3,451	3,574	11,532	13,410
YoY Growth (%)	12.9	6.5	1.7	8.4	8.7	16.3	18.5	21.3	7.2	16.3
Provisions	245	137	221	154	263	31	55	83	758	431
Profit before Tax	2,551	2,741	2,691	2,792	2,776	3,316	3,396	3,491	10,775	12,979
Tax Provisions	555	626	570	452	538	801	733	705	2,203	2,778
Profit after tax	1,996	2,115	2,121	2,339	2,239	2,514	2,662	2,786	8,572	10,201
YoY Growth (%)	8.8	33.8	6.0	11.9	12.1	18.9	25.5	19.1	14.2	19.0

Cholamandalam Inv. & Fin.

Buy

CMP INR1,781 | TP: INR2,040 (+15%)

EPS CHANGE (%): FY26|27|28: 0.6|0.2| 1.1

- Estimate business AUM to grow at ~21% YoY.
- Credit costs are expected to decline ~15bp QoQ to ~1.7%.
- Margin is likely to expand ~7bp QoQ to 7%.
- Guidance on margins, loan growth, and asset quality of new businesses is expected to be closely monitored.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	53,695	57,680	61,587	64,180	66,501	68,942	71,700	75,457	2,37,200	2,82,600
Interest Expenses	27,957	30,551	32,718	33,623	34,663	35,155	35,929	36,858	1,24,849	1,42,604
Net Interest Income	25,738	27,128	28,869	30,557	31,838	33,787	35,771	38,599	1,12,351	1,39,996
YoY Growth (%)	39.7	34.6	32.98	29.8	23.7	24.5	23.91	26.3	34.0	24.6
Other Income	4,595	5,248	6,537	7,027	6,807	6,959	7,611	8,983	23,348	30,360
Total Income	30,333	32,376	35,406	37,584	38,645	40,746	43,383	47,581	1,35,699	1,70,356
YoY Growth (%)	42.6	36.8	37.2	29.0	27.4	25.9	22.5	26.6	35.9	25.5
Operating Expenses	11,834	13,155	14,130	14,269	14,528	16,169	17,168	18,088	53,388	65,952
Operating Profit	18,499	19,221	21,276	23,315	24,117	24,578	26,215	29,493	82,311	1,04,403
YoY Growth (%)	38.1	35.3	40.4	43.2	30.4	27.9	23.2	26.5	39.4	26.8
Provisions & Loan Losses	5,814	6,235	6,640	6,253	8,821	8,970	8,650	8,309	24,943	34,750
Profit before Tax	12,685	12,986	14,636	17,062	15,296	15,608	17,565	21,184	57,369	69,653
Tax Provisions	3,263	3,355	3,771	4,395	3,937	4,054	4,532	5,426	14,783	17,949
Net Profit	9,422	9,631	10,865	12,667	11,359	11,553	13,033	15,758	42,585	51,704
YoY Growth (%)	29.8	26.3	24.0	19.7	20.6	20.0	20.0	24.4	24.4	21.4

CreditAccess Grameen

Buy

CMP INR1,288 | TP: INR1,620 (+26%)

EPS CHANGE (%): FY26|27|28: -2.4|-8.0|-7.8

- CRETAG is expected to report AUM growth of 7% YoY/3% QoQ in 3QFY26.
- Credit costs are projected to decline ~280bp QoQ to ~5.3%.
- Margin is likely to expand ~60bp QoQ to 15%.
- Guidance on credit costs and GLP growth to be keenly monitored.

CRETAG: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	14,372	14,177	13,376	13,543	13,881	14,141	14,694	16,131	55,468	58,847
Interest Expenses	5,103	4,846	4,749	4,778	4,822	4,795	4,834	5,067	19,476	19,517
Net Interest Income	9,268	9,331	8,628	8,765	9,060	9,346	9,860	11,064	35,992	39,331
YoY Growth (%)	28.7	22.2	7.5	-0.5	-2.3	0.2	14.3	26.2	13.6	9.3
Other Income	754	362	443	535	755	949	581	686	2,094	2,971
Total Income	10,023	9,693	9,071	9,299	9,815	10,295	10,441	11,750	38,086	42,301
YoY Growth (%)	27.5	17.7	6.2	-4.8	-2.1	6.2	15.1	26.4	10.7	11.1
Operating Expenses	2,929	2,972	2,841	2,959	3,285	3,347	3,477	3,706	11,702	13,799
Operating Profit	7,093	6,721	6,229	6,340	6,530	6,948	6,965	8,044	26,384	28,502
YoY Growth (%)	30	19	4	-7	-8	3	12	27	10	8
Provisions & Loan Losses	1,746	4,202	7,519	5,829	5,719	5,257	3,469	3,310	19,295	17,755
Profit before Tax	5,347	2,520	-1,289	511	811	1,692	3,495	4,734	7,089	10,747
Tax Provisions	1,371	659	-294	39	209	434	888	1,156	1,775	2,687
Net Profit	3,977	1,861	-995	472	602	1,258	2,608	3,578	5,314	8,061
YoY Growth (%)	14.1	-46.4	-128.2	-88.1	-84.9	-32.4	-362.0	657.8	-63.2	51.7

Five Star Business Finance

Buy

CMP INR532 | TP: INR660 (+24%)

EPS CHANGE (%): FY26|27|28: -4.2|-6.1|-7.7

- Estimate AUM growth of ~17% YoY.
- Margin is likely to contract ~40bp QoQ to 18.35%.
- Credit costs are projected to rise ~10bp QoQ to ~1.45%.
- Outlook on asset quality, guidance on loan growth, and credit costs are expected to be closely monitored.

FIVE STAR BUSINESS: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	6,411	6,793	7,112	7,347	7,647	7,731	7,809	7,918	27,663	31,105
Interest Expenses	1,582	1,631	1,714	1,753	1,873	1,800	1,847	1,861	6,680	7,380
Net Interest Income	4,829	5,161	5,399	5,594	5,774	5,931	5,962	6,057	20,983	23,724
YoY Growth (%)	31.4	29.6	28.3	21.2	19.6	14.9	10.4	8.3	27.3	13.1
Other Income	283	266	198	250	265	334	370	311	997	1,280
Total Income	5,112	5,427	5,597	5,844	6,039	6,265	6,332	6,368	21,980	25,005
YoY Growth (%)	32.0	30.3	26.8	21.4	18.1	15.4	13.1	9.0	27.3	13.8
Operating Expenses	1,565	1,627	1,713	1,880	2,012	1,936	2,029	2,083	6,785	8,059
Operating Profit	3,547	3,800	3,884	3,964	4,027	4,330	4,304	4,285	15,196	16,946
YoY Growth (%)	35.9	36.9	29.4	19.2	13.5	13.9	10.8	8.1	29.7	11.5
Provisions & Loan Losses	185	218	233	254	478	510	572	662	890	2,222
Profit before Tax	3,362	3,582	3,651	3,711	3,550	3,819	3,732	3,623	14,306	14,724
Tax Provisions	846	903	913	919	886	958	937	915	3,581	3,696
Net Profit	2,516	2,679	2,739	2,791	2,663	2,861	2,795	2,708	10,725	11,028
YoY Growth (%)	37	34	26	18	6	7	2	-3	28.3	2.8

Fusion Microfinance

Buy

CMP INR162 | TP: INR200 (+24%)

EPS CHANGE (%): FY26|27|28: -|2.1|0.2

- Estimate AUM to decline ~ 34% YoY/flat QoQ.
- Margin is likely to expand ~30bp QoQ to ~15%.
- Annualized credit costs are projected at ~5.5% in 3QFY26.
- Guidance on credit costs, margins, and disbursement trajectory is expected to be closely monitored.

Fusion: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	6,213	6,261	4,382	4,487	4,219	3,808	3,675	3,666	21,342	15,367
Interest Expenses	2,234	2,274	2,137	1,794	1,489	1,343	1,296	1,239	8,439	5,366
Net Interest Income	3,979	3,987	2,245	2,693	2,730	2,465	2,379	2,427	12,904	10,001
YoY Growth (%)	34.6	30.4	-33.7	-25.4	-31.4	-38.2	6.0	-9.9	-0.8	-22.5
Other Income	854	776	443	273	237	519	616	712	2,347	2,083
Total Income	4,833	4,764	2,688	2,966	2,967	2,984	2,995	3,138	15,250	12,084
YoY Growth (%)	30.9	25.3	-34.7	-35.6	-38.6	-37.4	11.4	5.8	-6.0	-20.8
Operating Expenses	1,855	1,925	2,041	2,065	2,101	2,094	2,043	2,006	7,886	8,245
Operating Profit	2,978	2,838	648	901	866	890	951	1,132	7,365	3,840
YoY Growth (%)	26.5	17.4	-75.1	-69.0	-70.9	-68.6	46.9	25.6	-28.4	-47.9
Provisions & Loan Losses	3,485	6,941	5,723	2,547	1,789	1,112	878	458	18,695	4,236
Profit before Tax	-507	-4,102	-5,075	-1,646	-923	-221	73	674	-11,330	-396
Tax Provisions	-151	-1,052	2,118	0	0	0	4	-63	915	-59
Net Profit	-356	-3,050	-7,193	-1,646	-923	-221	70	738	-12,245	-337
YoY Growth (%)	-130	-343	-669	-224	159	-93	-101	-145	-342	-97.2

Home First Finance Company

Buy

CMP INR1,106 | TP: INR1,370 (+24%)

EPS CHANGE (%): FY26|27|28 : -0.2|-0.9|-0.7

- Estimate AUM growth of ~25% YoY/5% QoQ.
- Margin is projected to expand ~15bp QoQ in 3QFY26.

- Cost/income ratio is expected to improve ~80bp QoQ to ~31%.
- The outlook on margins and credit costs is a key monitorable.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	3,032	3,322	3,558	3,629	3,944	4,091	4,241	4,447	13,540	16,723
Interest expenses	1,568	1,756	1,926	1,903	2,003	2,026	2,010	2,011	7,153	8,050
Net Interest Income	1,464	1,566	1,631	1,726	1,941	2,065	2,231	2,437	6,388	8,674
YoY Growth (%)	17.5	18.6	21.4	26.2	32.6	31.8	36.7	41.2	21.0	35.8
Other Income	382	421	517	533	609	699	704	711	1,852	2,723
Net Income	1,846	1,987	2,148	2,259	2,550	2,764	2,935	3,147	8,239	11,396
YoY Growth (%)	20.6	23.4	25.8	31.4	38.2	39.1	36.6	39.3	25.5	38.3
Operating Expenses	655	726	752	803	868	879	909	1,022	2,936	3,678
Operating Profit	1,191	1,261	1,396	1,456	1,682	1,885	2,026	2,126	5,304	7,719
YoY Growth (%)	21.9	20.7	27.2	28.3	41.2	49.5	45.1	46.0	24.7	45.5
Provisions and Cont.	56	57	98	77	117	152	140	105	288	514
Profit before Tax	1,135	1,204	1,298	1,379	1,565	1,732	1,886	2,021	5,016	7,205
Tax Provisions	258	281	324	332	376	414	453	486	1,195	1,729
Net Profit	878	922	974	1,047	1,189	1,318	1,434	1,535	3,821	5,476
YoY Growth (%)	27.0	24.1	23.5	25.4	35.5	43.0	47.2	46.6	25.0	43.3

HDB Financial Services Limited

Neutral

CMP INR770 | TP: INR830 (+8%)

EPS CHANGE (%): FY26|27|28 : -1.9|1.3|0.6

- Estimate AUM growth of ~13% YoY/3.7% QoQ.
- Margin is projected to expand ~10bp QoQ in 3QFY26.

- Credit costs are expected to decline ~25bp QoQ to 2.45%.
- The outlook on disbursements, loan growth, and credit costs is a key monitorable.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	32,646	34,310	35,169	36,233	38,315	38,865	39,681	41,007	1,38,358	1,57,868
Interest Expenses	14,964	15,985	16,448	16,505	17,397	16,940	16,906	17,162	63,902	68,405
Net Interest Income	17,682	18,325	18,721	19,728	20,918	21,925	22,775	23,845	74,456	89,463
YoY Growth (%)	17.8	21.2	17.1	17.3	18.3	19.6	21.7	20.9	18.3	20.2
Other Income	6,192	5,758	6,267	6,428	6,339	6,589	6,760	7,066	12,478	14,466
Total Income	23,874	24,083	24,988	26,156	27,257	28,514	29,535	30,911	86,934	1,03,929
YoY Growth (%)	3.2	2.2	6.5	14.2	14.2	18.4	18.2	18.2	18.2	19.5
Operating Expenses	11,912	11,782	12,223	12,776	13,235	13,209	13,723	14,304	37,239	42,782
Operating Profit	11,962	12,301	12,765	13,380	14,022	15,305	15,812	16,608	49,695	61,146
YoY Growth (%)	16.5	13.6	12.1	19.1	17.2	24.4	23.9	24.1	17.9	23.0
Provisions & Loan Losses	4,125	4,310	6,357	6,338	6,697	7,483	6,977	6,468	21,130	27,625
Profit before Tax	7,837	7,991	6,408	7,042	7,325	7,822	8,835	10,139	28,565	33,521
Tax Provisions	2,020	2,081	1,685	1,733	1,648	2,008	2,253	2,621	7,519	8,530
Net Profit	5,817	5,910	4,723	5,309	5,677	5,814	6,582	7,518	21,046	24,991
YoY Growth (%)	2.6	-1.6	-25.8	-19.1	-2.4	-1.6	39.4	41.6	-8.6	18.7

IIFL Finance

Buy

CMP INR640 | TP: INR710 (+11%)

EPS CHANGE (%): FY26|27|28: 6.6|4.8|4.6

- Estimate consol. AUM growth of ~37% YoY to INR981b.
- Credit costs are expected to decline ~35bp QoQ to ~3.1%.
- Cost ratios are expected to decline to ~44.8%. (PQ: ~45.2%)
- Outlook on the gold loan business, loan growth, and margins is the key monitorable.

IIFL Finance (Consolidated): Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	24,721	23,181	22,308	24,833	25,835	28,209	30,466	31,500	95,043	1,16,010
Interest Expenses	10,340	9,788	9,957	11,694	12,888	13,819	14,441	15,696	41,695	56,844
Net Interest Income	14,381	13,394	12,352	13,139	12,947	14,390	16,025	15,804	53,348	59,166
YoY Growth (%)	9.7	-6.0	-21.6	-20.2	-10.0	7.4	29.7	20.3	-10.4	10.9
Other Income	-43	2,467	1,051	810	3,758	4,882	4,895	4,549	4,202	18,084
Total Income	14,338	15,861	13,402	13,949	16,705	19,272	20,920	20,352	57,550	77,250
YoY Growth (%)	-1	-2	-21	-10	17	22	56	46	-8.5	34.2
Operating Expenses	7,461	7,329	7,478	7,367	8,017	8,702	9,038	10,000	29,634	35,757
Operating Profit	6,878	8,531	5,925	6,582	8,688	10,570	11,148	11,087	27,916	41,493
YoY Growth (%)	-14.9	-8.9	-38.2	-16.6	26.3	23.9	88.1	68.4	-19.9	48.6
Provisions & Loan Losses	2,516	4,063	4,914	3,487	5,125	5,003	4,803	3,592	14,980	18,523
Profit before Tax	4,362	4,468	1,011	3,095	3,563	5,567	6,345	7,495	7,070	22,970
Exceptional items		-5,865				0				
Tax Provisions	980	-466	193	581	821	1,388	1,472	1,986	1,289	5,667
PAT (Pre NCI)	3,382	-931	818	2,514	2,742	4,179	4,873	5,509	5,782	17,303
NCI	501	646	410	437	408	416	429	347	1,994	1,600
PAT (Post NCI)	2,881	-1,577	408	2,077	2,334	3,763	4,444	5,162	3,788	15,703
YoY Growth (%)	-32	-133	-92	-44	-19	-339	989	149	-79	315

L&T Finance

Buy

CMP INR320| TP: INR350 (+16%)

EPS CHANGE (%): FY26|27|28: -1.5|-0.9|-0.3

- Expect LTF to report retail loan growth of ~18% YoY.
- Anticipate credit costs to rise ~5bp QoQ to ~2.5% (annualized) in 3QFY26.
- NIM is expected to expand ~15bp QoQ to ~10.5%.
- Outlook on the MFI business is the key monitorable.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	34,526	36,544	38,064	37,499	39,145	40,374	41,545	43,439	1,46,633	1,64,503
Interest Expenses	13,514	14,763	15,692	15,998	16,357	16,343	16,850	17,704	59,968	67,254
Net Interest Income	21,012	21,781	22,371	21,501	22,788	24,031	24,695	25,735	86,665	97,249
Change YoY (%)	19.9	18.1	14.6	8.2	8.4	10.3	10.4	19.7	15.0	12.2
Other Operating Income	3,318	3,649	2,912	2,730	3,451	2,983	4,050	4,133	12,610	13,665
Net Operating Income	24,330	25,431	25,283	24,231	26,238	27,015	28,745	29,868	99,275	1,10,914
Change YoY (%)	30.8	34.6	16.0	3.7	7.8	6.2	13.7	23.3	21.0	11.7
Other income	2	47	76	43	0	0	49	143	167	193
Total Income	24,332	25,477	25,359	24,274	26,239	27,015	28,794	30,010	99,442	1,11,107
Change YoY (%)	20.9	18.1	13.8	3.6	7.8	6.0	13.5	23.6	14.6	11.7
Operating Expenses	9,656	9,578	10,578	10,034	10,486	10,680	11,847	12,435	39,846	45,449
Change YoY (%)	24.1	11.4	18.9	2.4	8.6	11.5	12.0	23.9	13.6	14.1
Operating Profits	14,676	15,899	14,781	14,240	15,753	16,335	16,947	17,575	59,597	65,658
Change YoY (%)	18.9	22.5	10.5	4.6	7.3	2.7	14.7	23.4	15.3	10.2
Provisions	5,453	6,504	6,542	6,185	6,320	6,446	6,854	7,292	24,684	26,913
Profit before Tax	9,223	9,396	8,239	8,055	9,432	9,889	10,093	10,283	34,913	38,745
Tax Provisions	2,370	2,429	1,983	1,697	2,424	2,540	2,422	2,029	8,478	9,415
Profit after tax	6,855	6,967	6,257	6,358	7,008	7,349	7,671	8,254	26,434	29,330
Change YoY (%)	29	17	-2	15	2	5	23	30	14	11

LIC Housing Finance

Neutral

CMP INR546 | TP: INR600 (+10%)

EPS CHANGE (%): FY26|27|28: -0.7|-0.1|-0.1

- Expect loan growth of ~6% YoY with a fairly stable mix.
- Estimate annualized credit costs of ~18bp in 3QFY26.
- Yields and margins are expected to decline on a sequential basis.
- Commentaries on mortgage demand and guidance on margins and loan growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	67,391	68,534	69,516	71,173	71,131	70,335	70,617	71,321	2,76,615	2,83,404
Interest Expenses	47,501	48,796	49,515	49,508	50,473	49,951	50,251	50,903	1,95,320	2,01,577
Net Interest Income	19,891	19,739	20,001	21,664	20,658	20,385	20,366	20,419	81,295	81,827
YoY Growth (%)	-10.0	-6.3	-4.6	-3.2	3.9	3.3	1.8	-5.8	-6.0	0.7
Fees and other income	446	784	1,057	1,661	1,201	1,362	1,480	1,349	3,948	5,392
Net Income	20,337	20,522	21,059	23,326	21,859	21,747	21,847	21,767	85,243	87,219
YoY Growth (%)	-9.7	-4.9	-1.9	2.0	7.5	6.0	3.7	-6.7	-3.6	2.3
Operating Expenses	2,621	3,105	3,564	4,536	2,938	3,018	3,315	3,675	13,826	12,946
Operating Profit	17,715	17,417	17,495	18,790	18,920	18,729	18,532	18,092	71,416	74,273
YoY Growth (%)	-11.9	-8.3	-7.2	-1.3	6.8	7.5	5.9	-3.7	-7.2	4.0
Provisions and Cont.	1,431	773	-440	1,094	1,929	1,682	1,379	773	2,858	5,762
Profit before Tax	16,285	16,644	17,934	17,696	16,992	17,047	17,153	17,319	68,558	68,511
Tax Provisions	3,282	3,355	3,615	4,016	3,392	3,508	3,551	3,936	14,268	14,387
Net Profit	13,002	13,289	14,320	13,680	13,599	13,539	13,602	13,384	54,290	54,124
YoY Growth (%)	-2	12	23	25	5	2	-5	-2	14	0

Mahindra Financial Services

Buy

CMP INR403 | TP: INR450 (+11%)

EPS CHANGE (%): FY26|27|28: -1.0|-|-

- Expect disbursements of ~INR184b, leading to AUM of ~INR1.3t (up 13% YoY/ ~2.5% QoQ).
- We expect margins to expand ~20bp QoQ to 6.7%.
- Estimate credit costs to decline to ~1.9% in 3QFY26.
- Commentaries on margins, credit costs, and loan growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest income	36,122	37,448	39,572	40,172	41,646	41,779	43,617	45,373	1,53,314	1,72,415
Interest Expenses	18,286	19,343	20,459	20,896	21,524	20,663	21,138	21,712	78,983	85,037
NII	17,836	18,106	19,113	19,276	20,122	21,116	22,479	23,661	74,331	87,378
YoY Growth (%)	12.6	14.1	12.5	6.4	12.8	16.6	17.6	22.7	11.2	17.6
Other income	1,480	1,802	1,872	2,279	2,732	3,113	3,491	3,629	7,433	12,965
Net Total Income	19,316	19,908	20,985	21,555	22,853	24,230	25,970	27,289	81,764	1,00,343
YoY Growth (%)	15.3	18.9	15.6	9.4	18.3	21.7	23.8	26.6	14.6	22.7
Operating Expenses	7,970	7,947	8,768	9,427	9,323	9,240	9,820	10,010	34,113	38,394
Operating Profit	11,345	11,961	12,217	12,128	13,530	14,989	16,150	17,279	47,651	61,949
YoY Growth (%)	13.5	26.9	15.0	3.4	19.3	25.3	32.2	42.5	14.0	30.0
Provisions	4,482	7,035	91	4,571	6,597	7,514	6,120	4,349	16,179	24,579
Profit before Tax	6,864	4,927	12,126	7,557	6,933	7,475	10,031	12,931	31,473	37,370
Tax Provisions	1,734	1,232	3,131	1,925	1,638	1,782	2,568	3,354	8,022	9,343
Net Profit	5,130	3,695	8,995	5,631	5,295	5,693	7,463	9,577	23,450	28,028
YoY Growth (%)	45.5	57.1	62.7	-9.0	3.2	54.1	-17.0	70.1	33.3	19.5

Manappuram Finance

Neutral

CMP INR311 | TP: INR345 (+11%)

EPS CHANGE (%): FY26|27|28: -5.0|4.3|10.7

- Expect strong gold loan growth, while MFI and CV AUM will continue to decline sequentially.
- Expect margin to contract ~1pp QoQ in the consolidated loan book.
- Expect credit costs to decline ~90bp QoQ to ~2.4%.
- Commentaries on gold loan growth and asset quality in the MFI and PL segments are the key monitorables.

MGFL - Quarterly Performance (Consolidated)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	23,861	25,411	25,163	23,062	22,357	22,512	22,692	24,018	97,997	91,579
Interest Expenses	8,483	9,057	9,253	8,616	8,553	8,756	9,089	9,720	35,747	36,118
Net Interest Income	15,378	16,354	15,909	14,446	13,804	13,756	13,603	14,298	62,250	55,461
YoY Growth (%)	19.4	20.8	9.54	-3.3	-10.2	-15.9	-14.49	-1.0	10.7	-10.9
Other income	1,259	961	464	230	293	341	417	356	2,752	2,764
Net Income	16,636	17,314	16,373	14,676	14,097	14,097	14,020	14,654	65,002	58,225
Operating Expenses	6,823	6,984	7,066	7,843	7,488	7,385	7,773	8,074	28,718	30,719
Operating Profits	9,814	10,331	9,307	6,833	6,609	6,712	6,247	6,580	36,285	27,506
YoY Growth (%)	22.4	19.2	-0.6	-26.8	-32.7	-35.0	-32.9	-3.7	2.6	-24.2
Provisions	2,286	2,604	5,546	9,192	5,594	3,692	2,910	2,668	19,628	14,864
PBT	7,528	7,727	3,761	-2,359	1,015	3,020	3,338	3,912	16,656	12,642
Tax Provisions	1,963	2,006	976	-327	-310	847	901	1,090	4,618	2,528
PAT	5,565	5,721	2,785	-2,032	1,325	2,173	2,437	2,822	12,039	10,114
YoY Growth (%)	12	2	-52	-136	-76	-62	-12	-239	-45	-16

MAS Financial

Buy

CMP INR325 | TP: INR395 (+21%)

EPS CHANGE (%): FY26|27|28: 1.6|1.6|1.9

- Standalone AUM is likely to grow ~5% QoQ/~17% YoY.
- We expect credit costs to remain largely stable QoQ at ~1.15%.
- Margin is expected to remain stable QoQ at ~7.75%.
- Commentary on branch expansions and an increase in the direct business are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Revenue from Operations	3,465	3,670	3,901	4,169	4,438	4,586	4,816	5,199	15,205	19,039
Interest Income	2,952	3,078	3,332	3,535	3,687	3,760	3,930	4,150	12,896	15,527
Gain on assignments	304	375	356	396	430	534	587	638	1,431	2,189
Other operating Income	210	217	213	239	320	292	299	412	877	1,323
Interest expenses	1,714	1,754	1,845	1,910	2,062	2,116	2,243	2,469	7,224	8,889
Total income	1,751	1,916	2,056	2,259	2,376	2,471	2,573	2,730	7,981	10,150
Growth Y-o-Y (%)	27	26	31	34	36	29	25	21	31	27
Operating Expenses	567	632	673	744	827	897	933	971	2,615	3,628
Operating Profits	1,183	1,284	1,383	1,516	1,549	1,574	1,641	1,759	5,366	6,522
Growth Y-o-Y (%)	25	24	25	35	31	23	19	16	27	22
Provisions	239	263	332	427	424	371	383	412	1,261	1,591
Profit before tax	944	1,021	1,051	1,089	1,124	1,202	1,258	1,347	4,104	4,931
Growth Y-o-Y (%)	25	28	24	20	19	18	20	24	24	20
Tax Provisions	240	255	270	281	285	305	315	338	1,045	1,243
Net Profit	704	766	781	808	839	897	944	1,009	3,059	3,689
Growth Y-o-Y (%)	23	28	25	19	19	17	21	25	23	21

Muthoot Finance

Neutral

CMP INR 3,826 | TP: INR4,200 (+10%)

EPS CHANGE (%): FY26|27|28: 1.8|6.7|7.2

- Estimate gold AUM growth of ~49% YoY.
- Margin is likely to contract QoQ to ~11.5%.
- We expect credit costs of ~40bp in 3QFY26.
- Commentaries on gold loan growth and margin guidance are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	36,560	40,685	43,690	47,836	55,923	63,044	64,244	70,897	1,68,770	2,54,108
Other operating income	478	489	545	708	1,110	1,279	654	67	2,221	3,109
Total Operating income	37,038	41,174	44,235	48,544	57,033	64,322	64,898	70,964	1,70,991	2,57,217
YoY Growth (%)	23.5	34.6	39.6	42.4	54.0	56.2	46.7	46.2	35.3	50.4
Other income	63	88	77	341	167	286	272	-64	569	660
Total Income	37,101	41,262	44,312	48,885	57,200	64,608	65,169	70,900	1,71,560	2,57,877
YoY Growth (%)	22.6	34.2	39.5	43.0	54.2	56.6	47.1	45.0	35.1	50.3
Interest Expenses	13,511	15,505	16,476	18,797	21,191	23,126	25,254	27,918	64,288	97,490
Net Income	23,590	25,758	27,836	30,088	36,009	41,482	39,915	42,981	1,07,271	1,60,387
Operating Expenses	6,437	6,608	7,243	8,610	8,121	8,827	9,445	10,049	28,898	36,442
Operating Profit	17,153	19,150	20,593	21,478	27,887	32,655	30,471	32,932	78,373	1,23,945
YoY Growth (%)	22.5	42.7	47.7	42.3	62.6	70.5	48.0	53.3	38.8	58.1
Provisions	2,236	2,070	2,088	1,274	433	1,141	1,400	2,252	7,667	5,226
Profit before Tax	14,917	17,080	18,505	20,204	27,455	31,514	29,071	30,680	70,706	1,18,720
Tax Provisions	4,130	4,568	4,874	5,126	6,992	8,063	7,471	8,341	18,698	30,867
Net Profit	10,787	12,511	13,631	15,078	20,463	23,452	21,599	22,338	52,008	87,853
YoY Growth (%)	10.6	26.3	32.7	42.7	89.7	87.4	58.5	48.1	28.4	68.9

PNB Housing Finance

Buy

CMP INR998 | TP: INR1,250 (+25%)

EPS CHANGE (%): FY26|27|28: -2.3|-2.6|-3.1

- Loan growth is expected to be ~15% YoY.
- Expect provision write-backs from recoveries in both Retail and Corporate written-off pools.
- NIM is expected to contract ~5bp QoQ.
- Commentaries on the asset quality of the retail loan book, NIM, and credit costs are the key monitorables.

Quarterly performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	17,391	17,803	18,484	19,059	19,804	20,175	20,578	21,378	72,737	81,934
Interest Expenses	10,969	11,185	11,579	11,781	12,344	12,670	12,974	13,538	45,514	51,525
Net Interest Income	6,421	6,618	6,905	7,279	7,460	7,505	7,604	7,840	27,223	30,409
YoY Growth (%)	3.7	2.5	16.47	16.8	16.2	13.4	10.12	7.7	9.7	11.7
Other income	930	994	947	1,309	1,015	1,132	1,222	1,429	4,179	4,798
Total Income	7,352	7,612	7,852	8,587	8,475	8,636	8,826	9,269	31,402	35,207
YoY Growth (%)	11.3	5.4	17.3	15.4	15.3	13.5	12.4	7.9	12.3	12.1
Operating Expenses	1,929	2,020	2,057	2,124	2,158	2,172	2,237	2,517	8,130	9,084
YoY Growth (%)	26.1	18.7	21.0	19.4	11.9	7.5	8.8	18.5	21.2	11.7
Operating Profits	5,422	5,591	5,795	6,464	6,317	6,465	6,589	6,752	23,272	26,123
YoY Growth (%)	6.9	1.3	16.0	14.1	16.5	15.6	13.7	4.5	9.5	12.2
Provisions	-120	-456	-361	-648	-562	-1,132	-396	-498	-1,585	-2,588
Profit before Tax	5,542	6,047	6,157	7,112	6,879	7,596	6,986	7,250	24,858	28,711
Tax Provisions	1,214	1,351	1,324	1,608	1,544	1,781	1,537	1,455	5,496	6,317
Profit after tax	4,328	4,697	4,833	5,504	5,335	5,816	5,449	5,795	19,361	22,395
YoY Growth (%)	24.6	22.6	42.8	25.3	23.3	23.8	12.7	5.3	28.4	15.7

Power Finance Corporation

Buy

CMP INR376 | TP: INR445 (+18%)

EPS CHANGE (%): FY26|27|28: -0.6|-2.9|-2.2

- Expect AUM/disbursement growth of ~13% each YoY.
- Expect credit costs to remain benign.
- Expect margins to remain stable QoQ in 3QFY26.
- Commentaries on growth in the loan book, margins, and asset quality/credit costs are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
Particulars	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	1,18,270	1,19,090	1,24,172	1,37,215	1,37,389	1,34,728	1,36,345	1,38,906	4,98,747	5,47,367
Interest Expenses	74,990	75,007	77,231	78,109	82,697	81,835	82,735	84,382	3,05,380	3,31,649
Net Interest Income	43,280	44,083	46,942	59,106	54,692	52,893	53,609	54,524	1,93,367	2,15,718
YoY Gr %	23.5	18.2	12.9	39.5	26.4	20.0	14.2	-7.8	23.7	11.6
Other Income	3,160	14,655	5,971	11,309	2,016	11,829	5,880	10,213	35,096	29,939
Net Operational Income	46,440	58,738	52,913	70,415	56,708	64,722	59,490	64,737	2,28,463	2,45,657
YoY Gr %	41.1	19.4	11.5	42.1	22.1	10.2	12.4	-8.1	27.6	7.5
Exchange gain/(loss)	589	-3,100	457	-2,614	-6,546	-4,972	-2,200	-1,282	-4,668	-15,000
Total Net Income	47,029	55,639	53,370	67,801	50,162	59,750	57,290	63,455	2,23,795	2,30,657
YoY Gr %	24.6	15.9	18.0	34.9	6.7	7.4	7.3	-6.4	23.5	3.1
Operating Expenses	1,016	2,355	1,832	2,341	1,848	1,932	2,071	2,390	7,500	8,241
Operating Profit	46,013	53,284	51,538	65,460	48,313	57,819	55,219	61,065	2,16,295	2,22,416
YoY Gr %	25.3	13.7	16.8	39.8	5.0	8.5	7.1	-6.7	23.9	2.8
Provisions	620	-1,241	745	4,447	-6,818	2,420	-2,500	-2,903	4,571	-9,801
PBT	45,393	54,525	50,793	61,013	55,132	55,399	57,719	63,968	2,11,724	2,32,217
Tax	8,214	10,821	9,244	9,924	10,117	10,780	10,389	10,978	38,202	42,264
Tax Rate %	18.1	19.8	18.2	16.3	18.3	19.5	18.0	17.2	18.0	18.2
PAT	37,179	43,704	41,549	51,090	45,015	44,619	47,330	52,990	1,73,522	1,89,954
YoY Gr %	23.6	13.6	23.0	23.5	21.1	2.1	13.9	3.7	20.6	9.5

Poonawalla Fincorp

Buy

CMP INR481 | TP: INR610 (+27%)

EPS CHANGE (%): FY26|27|28: -8.4|-|-

- PFL is expected to report AUM growth of ~75% YoY/13% QoQ.
- Expect the cost-to-income ratio to decline QoQ to 50.8% in 3QFY26 (PQ: ~57.3% and PY: ~43.3%).
- Expect credit costs to decline ~60bp QoQ to 2.2%.
- Commentaries on growth in personal loans, margin, and asset quality/credit costs are the key monitorables.

Quarterly Performance (Standalone)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	8,962	9,107	9,991	10,685	11,853	14,022	16,266	18,349	38,745	60,491
Interest Expenses	3,201	3,516	3,850	4,584	5,461	6,378	7,271	8,208	15,151	27,318
Net Interest Income	5,761	5,592	6,141	6,101	6,393	7,644	8,995	10,141	23,594	33,173
YoY Growth (%)	36.8	17.8	25.1	8.5	11.0	36.7	46.5	66.2	21.1	40.6
Other Income	997	858	581	1,048	1,287	1,405	1,434	1,717	3,346	5,843
Total Income	6,758	6,449	6,722	7,149	7,679	9,050	10,429	11,858	26,940	39,016
YoY Growth (%)	35.1	22.0	22.2	11.6	33.9	40.3	55.2	65.9	22.6	44.8
Operating Expenses	2,436	3,610	2,908	3,821	4,434	5,184	5,298	5,256	13,713	20,172
Operating Profit	4,321	2,839	3,814	3,328	3,245	3,866	5,131	6,602	13,228	18,844
YoY Growth (%)	46.9	-15.4	8.89	-18.7	-24.9	36.1	34.54	98.4	-4.8	42.5
Provisions & Loan Losses	425	9,144	3,562	2,526	2,411	2,877	2,589	2,402	14,582	10,279
Profit before Tax	3,897	-6,305	252	802	834	989	2,542	4,200	-1,354	8,565
Exceptional items	0	0	0	0	0	0	0	0	0	0
Tax Provisions	980	-1,594	65	179	208	247	651	1,035	-371	2,141
PAT (excl. exceptional)	2,916	-4,710	187	623	626	742	1,891	3,165	-983	6,424
PAT (incl. exceptional)	2,916	-4,710	187	623	626	742	1,891	3,165	-983	6,424
YoY Growth (%)	46	-	-93	-81	-79	-116	910	408	-112	-753

Rural Electrification Corporation

Buy

CMP INR381 | TP: INR440 (16%)

EPS CHANGE (%): FY26|27|28: -1.5|-5.2|-8.1

- Disbursements/AUM expected to grow ~-5%/2% YoY.
- Expect credit costs to remain benign.
- Expect asset quality to remain largely stable in 3QFY26.
- Commentaries around margins and guidance on disbursements/AUM growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	1,26,904	1,34,744	1,39,704	1,49,350	1,45,022	1,45,771	1,43,876	1,44,084	5,50,701	5,78,753
Interest Expenses	80,212	85,065	88,373	87,699	89,351	91,316	89,946	89,527	3,41,350	3,60,140
Net Interest Income	46,692	49,678	51,331	61,651	55,671	54,455	53,930	54,557	2,09,351	2,18,613
YoY Gr (%)	28.3	22.9	19.6	37.4	19.2	9.6	5.1	-11.5	27	4
Other Operational Income	469	483	757	2,228	1,442	4,738	2,500	0	8,410	(2,944)
Net Operational Income	47,161	50,161	52,088	63,879	57,113	59,192	56,430	54,557	2,15,680	2,13,669
YoY Gr (%)	28.9	22.4	19.9	39.5	21.1	18.0	8.3	-14.6	27	(1)
Other Income	2,998	731	1,266	163	-4,891	-149	-100	2,950	685	754
Total Net Income	50,159	50,892	53,354	64,042	52,222	59,043	56,330	57,507	2,16,365	2,14,423
YoY Gr (%)	28.1	20.0	22.7	34.9	4.1	16.0	5.6	-10.2	27	(1)
Operating Expenses	2,175	1,936	3,147	2,396	1,919	2,169	2,317	3,025	7,436	7,429
YoY Gr (%)	50.6	-0.1	78.2	-23.1	-11.8	12.0	-26.4	26.2	13	(0)
% to Income	4.3	3.8	5.9	3.7	3.7	3.7	4.1	5.3	3	3
Operating Profit	47,984	48,955	50,206	61,646	50,303	56,875	54,012	54,482	2,08,929	2,06,993
YoY Gr %	27.3	21.0	20.4	39.0	4.8	16.2	7.6	-11.6	27	(1)
Provisions	4,726	-1,441	-890	7,800	-6,166	1,347	-500	-4,389	10,194	(9,708)
PBT	43,258	50,396	51,097	53,847	56,469	55,528	54,512	58,872	1,98,734	2,16,702
YoY Gr (%)	16.5	4.8	24.2	4.6	30.5	10.2	6.7	9.3	12	9
Tax	8,834	10,342	10,806	11,485	11,959	11,269	11,175	11,321	41,466	45,724
Tax Rate (%)	20.4	20.5	21.1	21.3	21.2	20.3	20.5	19.2	21	21
PAT	34,425	40,055	40,291	42,362	44,510	44,259	43,337	47,551	1,57,269	1,70,978
YoY Gr (%)	16.3	6.2	23.2	5.5	29.3	10.5	7.6	12.2	12.2	8.7

Repco Home Finance

Neutral

CMP INR432 | TP: INR465 (+8%)

EPS CHANGE (%): FY26|27|28: -|0.2|0.3

- Disbursements/AUM expected to grow ~42%/9% YoY.
- Expect further improvement in asset quality, resulting in benign credit costs.
- Margins are likely to remain stable QoQ at ~5.45%.
- Commentaries around asset quality and guidance on disbursements/AUM growth are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	4,007	4,051	4,258	4,166	4,257	4,334	4,434	4,548	16,482	17,573
Interest Expenses	2,330	2,396	2,475	2,458	2,441	2,444	2,510	2,586	9,659	9,981
Net Income	1,677	1,656	1,783	1,708	1,816	1,890	1,924	1,962	6,823	7,592
YoY Growth (%)	8.5	-2.3	9.0	4.9	8.3	14.2	7.9	14.9	4.9	11.3
Other income	155	229	196	184	150	123	150	173	764	596
Total Income	1,833	1,884	1,978	1,892	1,966	2,013	2,074	2,135	7,587	8,188
YoY Growth (%)	11.8	6.8	11.2	6.9	7.3	6.8	4.9	12.8	9.1	7.9
Operating Expenses	452	517	535	584	530	603	591	656	2,088	2,380
YoY Growth (%)	15.4	21.2	30.5	21.0	17.2	16.7	10.6	12.4	22.1	14.0
Operating Profits	1,380	1,367	1,443	1,308	1,436	1,410	1,483	1,478	5,499	5,808
YoY Growth (%)	10.7	2.2	5.4	1.6	4.1	3.1	2.7	13.0	4.9	5.6
Provisions	14	-160	3	-233	-27	-15	-10	-27	-376	-79
Profit before Tax	1,366	1,528	1,440	1,541	1,463	1,424	1,493	1,506	5,875	5,886
Tax Provisions	312	403	375	392	384	355	388	356	1,481	1,483
Profit after tax	1,054	1,125	1,066	1,149	1,080	1,069	1,105	1,149	4,394	4,403
YoY Growth (%)	18.4	14.7	7.2	6.4	2.4	-5.0	3.7	0.0	11.3	0.2

Shriram Finance

Buy

CMP INR1,009 | TP: INR1,180 (+17%)

EPS CHANGE (%): FY26|27|28: 0.4|2.5|3.1

- Estimate disbursements of ~INR477b, leading to AUM of ~INR2.94t (up 15% YoY/ ~4% QoQ).
- Margin is expected to expand ~40bp QoQ to 9.1%.
- Credit cost is likely increase ~5bp QoQ to 2%.
- Commentaries on loan growth in CV and asset quality in the 2W and PL segments are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	93,628	98,145	1,03,408	1,07,895	1,11,732	1,15,506	1,19,491	1,24,364	4,03,076	4,71,092
Interest Expenses	41,289	43,504	47,513	52,240	54,008	55,248	54,143	55,541	1,84,546	2,18,940
Net Interest Income	52,339	54,641	55,896	55,655	57,725	60,258	65,348	68,822	2,18,531	2,52,152
YoY Growth (%)	24.6	18.9	13.8	9.4	10.3	10.3	16.9	23.7	16.3	15.4
Other Income	2,343	2,805	3,646	6,707	3,685	3,643	4,150	4,862	15,518	16,341
Total Income	54,682	57,446	59,542	62,363	61,410	63,901	69,498	73,684	2,34,049	2,68,493
YoY Growth (%)	21.1	16.2	14.1	13.2	12.3	11.2	16.7	18.2	15.9	14.7
Operating Expenses	16,140	17,597	18,692	19,010	19,486	19,486	21,029	21,817	71,440	81,817
Operating Profit	38,541	39,848	40,850	43,353	41,924	44,415	48,469	51,868	1,62,609	1,86,676
YoY Growth (%)	23.3	14.5	10.7	11.0	8.8	11.5	18.7	19.6	14.5	14.8
Provisions & Loan Losses	11,876	12,350	13,258	15,633	12,857	13,333	14,228	15,879	53,117	56,297
Profit before Tax	26,666	27,498	27,592	27,720	29,067	31,082	34,241	35,989	1,09,493	1,30,379
Tax Provisions	6,860	6,803	6,788	6,326	7,510	8,028	8,560	8,757	26,776	32,855
Net Profit	19,806	20,696	20,804	21,394	21,557	23,053	25,681	27,232	82,716	97,523
YoY Growth (%)	18.2	18.2	14.4	9.9	8.8	11.4	23.4	27.3	15.0	17.9
Exceptional gain (Post tax)			14,894						14,894	0
PAT (including exceptional gains/loss)			35,698						97,610	97,523

Spandana Sphoorty

Neutral

CMP INR266 | TP: INR290 (+9%)

EPS CHANGE (%): FY26|27|28: -|-31.7|-7.7

- Estimate disbursements of ~INR12b, leading to AUM of ~INR41b (AUM declined ~55% YoY/flat QoQ).
- Margin is likely to expand ~90bp QoQ to ~11.7%, primarily due to a decline in interest income reversals.
- Annualized credit costs are likely to decline to 7.9% (PQ: 26.7%).
- Guidance on credit costs, margins, and AUM growth is expected to be closely monitored.

SPANDANA: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Interest Income	6,935	6,071	5,029	3,907	2,837	2,246	2,134	2,371	21,943	9,588
Interest Expenses	2,594	2,584	2,290	1,855	1,538	1,199	1,091	1,144	9,323	4,971
Net Interest Income	4,342	3,487	2,739	2,052	1,300	1,048	1,043	1,227	12,621	4,617
YoY Growth (%)	48.0	10.4	-13.4	-46.8	-70.1	-70.0	-61.9	-40.2	-3.8	-63.4
Other Income	435	994	697	282	204	149	391	685	2,298	1,428
Total Income	4,776	4,481	3,436	2,335	1,504	1,196	1,434	1,911	14,918	6,046
YoY Growth (%)	45.7	8.6	-15.5	-49.3	-68.5	-73.3	-58.3	-18.1	-5.8	-59.5
Operating Expenses	1,908	2,203	2,651	2,083	2,091	1,886	1,901	1,856	8,843	7,733
Operating Profit	2,869	2,278	784	251	-587	-690	-466	56	6,075	-1,688
YoY Growth (%)	51.7	-11.6	-67.4	-90.5	-120.5	-130.3	-159.5	-77.9	-34.7	-127.8
Provisions & Loan Losses	2,118	5,164	6,661	6,028	4,222	2,582	700	-131	19,863	7,372
Profit before Tax	751	-2,886	-5,876	-5,776	-4,809	-3,271	-1,166	187	-13,788	-9,060
Tax Provisions	193	-723	-1,474	-1,433	-1,207	-780	-292	4	-3,436	-2,274
Net Profit	557	-2,163	-4,402	-4,343	-3,602	-2,492	-875	183	-10,352	-6,786
YoY Growth (%)	-53	-273	-446	-438	-747	15	-80	-104	-307	-34

Financials: Non-Lending

Company

ABSL AMC
HDFC AMC
Nippon AMC
UTI AMC
360ONE WAM
Anand Rathi Wealth
Nuvama Wealth
Prudent Corporate Advisory
Angel One
BSE
MCX
CDSL
NSDL
CAMS
KFin Tech
HDFC Life
ICICI Prudential Life
Max Financial
SBI Life
LIC
ICICI Lombard
Star Health
Niva Bupa
PB Fintech

Broad-based YoY growth, mixed sequential trends

- In 3QFY26, we estimate 18%/19% YoY growth in aggregate revenue/PAT of non-lending financial companies under our coverage. On a sequential basis, revenue is expected to decline 2%, whereas PAT is expected to grow 24%. Capital market segment is expected to post revenue/PAT growth of 22%/29% YoY. Life insurance companies are projected to deliver premium/PAT growth of 14%/17% YoY. General insurance players are expected to deliver premium of 19% YoY while PAT is expected to decline 5% YoY.
- Exchanges and brokers are expected to post a strong 43%/98% YoY growth in revenue/PAT, largely driven by strong recovery in derivative volumes and a continued surge in commodity activity. While Angel One's revenue/PAT are expected to decline 1%/9% YoY, owing to regulatory changes implemented from Nov'24. MCX and BSE are likely to deliver strong revenue/PAT growth of 130%/163% and 61%/187% YoY, respectively, backed by continued momentum in premium turnover.
- For AMCs, EBITDA would rise 1% YoY, largely hurt by one-time VRS cost in UTI AMC. Excl. UTI AMC, EBITDA growth is likely at 9%, impacted by a change in yields due to the telescopic structure of TERs, partially offset by stable AUM growth. However, positive market sentiment is expected to drive healthy growth in other income, which would result in 10% YoY growth in PAT. SIP flows continued to grow by over INR294b in Nov'25.
- Intermediaries are likely to post revenue/PAT growth of 9%/5% YoY, as stable cash volumes and continued IPO momentum drove performance for depositories but lower yields impacted RTA businesses.
- Wealth managers are expected to maintain the growth momentum, with revenue/PAT growth of 21%/16% YoY, driven by consistent AUM expansion from inflows and improving profitability through scale benefits. That said, Nuvama is expected to report revenue/PAT growth of 11%/7% YoY owing to weakness in asset services segment due to regulatory action on one of their top clients. However, we note that sequentially the asset services segment is likely to recover almost two-thirds of the lost business.
- Among life insurers, APE growth is likely to be strong, with tailwinds from GST driving protection and lower interest rates driving non-par segment. VNB margins would be impacted by the end of input tax credit (ITC) after GST cuts. Some impact will be offset by a favorable product mix, a cut in commissions and vendor renegotiations.
- General insurers witnessed a slight recovery in the motor segment, while growth in the health segment was strong owing to GST exemption. Stable claims ratio and improving expense ratio owing to operational efficiency should result in improvement in combined ratios.
- Our top picks in the capital markets space are ABSL AMC, Angel One and Nuvama Wealth. Within insurance, MAX Financial is our preferred play in life, while Niva Bupa stands out in general insurance.

Cash activity largely stable; Sequential recovery in F&O activity

- Cash ADTO was largely stable in the range of INR1-1.1t across the three months of 3QFY26. Positive market sentiment in Nov'25 owing to favorable GST changes led to slight growth in 3QFY26 cash volumes compared to 2QFY26 levels.
- Notional F&O ADTO grew 16% in Oct'25 and then declined but remained above 2QFY26 levels. Option premium ADTO grew 19% MoM in Oct'25 and then declined 4%/8% MoM but still witnessed QoQ growth.

- BSE's market share in the options segment continued to scale up in terms of notional/premium. Across three months, its market share rose to 42%+ in terms of notional turnover and 26%+ in terms of premium turnover.
- Incremental demat account additions rose to 3m/2.7m in Oct'25/Nov'25 from average of 2.6m per month in 2Q. NSE active client count continued to decline.
- Rising prices of precious metals and increasing activity in base metals and natural gas further boosted MCX volumes in 3Q. Futures ADTO crossed INR900b in Dec'25 (INR417b in 2Q). On the other hand, options notional ADTO was in the range of INR6-6.8t across the three months of the quarter (INR3.7t in 2Q).
- We expect ANGELONE to report revenue growth of 6% QoQ and its daily order run rate to improve by 9% QoQ, led by continued recovery in F&O activity and a surge in commodities activity, while cash activity was stable. Sequential growth in premium turnover is expected to result in double-digit QoQ revenue growth for BSE. For MCX, a surge in volumes will lead to 80%+ sequential growth in revenue. Slow demat additions, largely stable cash volumes and lower corporate actions will lead to weak sequential performance for depositories.

Mutual Funds: Regulatory impact on revenue growth

- Mutual fund AUM crossed the INR80t mark, with equity AUM at an all-time high of INR35t+. On a sequential basis, net equity flows (incl. hybrid) declined to INR388b in Oct'25 (from high of INR636b in Jul'25) and then grew slightly to INR432b in Nov'25. SIP inflows scaled new heights to INR295b in Oct'25 but saw a marginal dip in Nov'25 to INR294b.
- (Put equity + hybrid) Equity AUM's share in overall AUM dipped slightly to 43.6% in Oct/Nov'25 from 43.9% in Sep'25. Market share of HDFC AMC/Nippon AMC/ABSL AMC/UTI AMC was largely stable at 11.4%/8.6%/5.5%/4.9%.
- Among AMCs, we expect moderate QoQ revenue growth of 3%/5%/2%/2% for HDFC/Nippon/ABSL/UTI, impacted by a decline in yields due to the telescopic structure of TER, which is likely to be offset by flows and MTM gains sustaining AUM growth. Other income is likely to increase slightly, backed by positive market movements during the quarter.
- CAMS/KFin are expected to post MF revenue growth of 4% QoQ due to yield pressure, which is likely to be offset by healthy AUM growth.
- Wealth managers are expected to generate steady inflows and recurring revenue, with transaction-led income also adding meaningfully on the back of strong investor participation in unlisted equities and IPOs.

Life Insurance: GST cuts to boost growth with some impact on VNB margins

- Private life insurers saw 15%/28% YoY growth in individual APE in Oct'25/ Nov'25, backed by strong demand after GST exemption. This was offset by a fall in group APE, leading to total APE growth of 13%/5% for private insurers in Oct'25/Nov'25. We expect double-digit YoY growth in APE for our coverage universe in 3Q.
- We expect VNB margins to be impacted by the loss of ITC, which should be offset by a tilt toward non-linked products, rising demand of term products and higher attachment rates. Across our coverage, YoY VNB margin changes are expected in the range of -210bp to +230bp, with all players, except HDFC Life and LIC, expected to see margin expansion.

General Insurance: GST exemption drives health segment growth; combined ratio improvement driven by operational efficiency

- The general insurance segment recorded flat YoY performance in Oct'25 and then strong 24% YoY growth in Nov'25. The health segment reported 3%/52% YoY growth in Oct'25/Nov'25, with GST exemption boosting retail health growth. The motor segment reported 12%/8% YoY growth in GWP in Oct'25/Nov'25.
- For ICICI, premium grew 16%/7% YoY in Oct'25/Nov'25. While the motor segment saw a slight recovery in growth, retail health witnessed strong ~2x growth YoY. Group health segment also posted double-digit growth.
- For Oct'25/Nov'25, STARHEAL reported premium growth of 19% YoY, with retail growth of 22% offset by group health decline of 30%/20% YoY.
- Niva Bupa recorded strong GWP growth of 67%/48% YoY in Oct'25/Nov'25, with retail health growing 56%/55% and group health growing at 95%/38% YoY.
- While claims are expected to be largely stable YoY, operational efficiencies will drive the YoY improvement in combined ratio across the industry.
- The strong growth in health insurance premiums and stable motor insurance premiums should boost PB Fintech's core online and new business premiums, resulting in 45% YoY revenue growth. However, the lower contribution margin of fresh health insurance business will impact profitability.

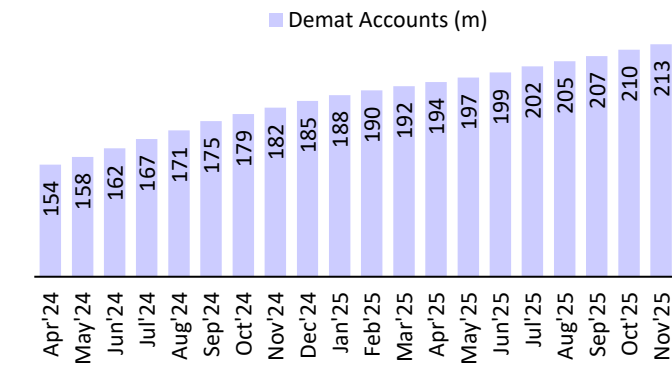
Exhibit 1: Summary of our 3QFY26 estimates

Sector	CMP (INR)	Rating	Dec'25	Variance YoY (%)	Variance QoQ (%)	Dec'25	Variance YoY (%)	Variance QoQ (%)	Dec'25	Variance YoY (%)	Variance QoQ (%)
AMC			Operating Revenue (INR m)			EBITDA (INR m)			Net Profit (INR m)		
HDFC AMC	2,657	BUY	10,538	13	3	8,313	9	4	7,072	10	-2
ABSL AMC	833	BUY	4,715	6	2	2,849	4	1	2,567	14	6
Nippon AMC	893	BUY	6,919	18	5	4,415	14	3	3,841	30	12
UTI AMC	1,129	BUY	4,040	8	4	672	-65	-55	1,178	-32	-11
Exchanges and Broking											
Angel One	2,388	BUY	8,827	-1	6	3,506	-9	19	2,560	-9	21
BSE	2,667	Neutral	12,338	61	15	8,125	87	18	6,279	187	13
MCX	2,215	Neutral	6,943	130	86	5,328	176	119	4,210	163	113
Intermediaries											
CAMS	756	BUY	3,922	6	4	1,780	3	6	1,221	-2	7
KFIN Tech	1,082	Neutral	3,223	11	4	1,417	9	4	990	10	6
CDSL	1,467	Neutral	3,133	13	-2	1,706	6	-4	1,349	4	-4
NSDL	1,075	Neutral	3,910	8	-2	1,052	16	-18	951	11	-14
Wealth Management			Operating Revenue (INR m)			PBT (INR m)			Net Profit (INR m)		
360 One	1,201	BUY	8,023	33	5	3,799	33	5	3,273	19	4
Nuvama	1,467	BUY	8,037	11	4	3,548	6	6	2,681	7	6
Anand Rath	3,079	Neutral	3,038	28	2	1,419	33	3	1,029	33	3
Prudent	2,593	Neutral	3,369	18	5	751	14	4	578	20	8
Life Insurance			APE (INR m)			VNB (INR m)			Net Profit (INR m)		
HDFC Life	755	BUY	40,411	13	-4	9,699	4	-4	4,378	6	-2
IPRU Life	679	BUY	25,972	7	7	6,104	18	3	3,190	-2	7
SBI Life	2,067	BUY	81,152	17	36	22,317	19	34	5,237	-5	6
Max Financial	1,672	BUY	24,543	16	-2	5,890	20	-8	0	NA	NA
LIC	861	BUY	1,12,747	13	-31	21,196	10	-33	1,32,778	20	32
General Insurance			Gross Premium (INR m)			Underwriting Profit (INR m)			Net Profit (INR m)		
Star Health	460	BUY	45,163	19	2	-1,549	NA	NA	1,280	-40	133
Niva Bupa	75	BUY	21,515	49	17	-2,275	NA	NA	-749	NA	112
ICICI Lombard	1,974	BUY	73,161	13	4	-960	NA	NA	8,522	18	4
PB Fintech	1,783	Neutral	18,703	45	16	1,181	322	20	1,526	112	12
Non-Lending			5,34,342	18	-2	1,10,284	17	0	1,95,942	19	24

Exhibit 2: Changes to our EPS estimates (*For life insurance companies – absolute VNB in INR b)

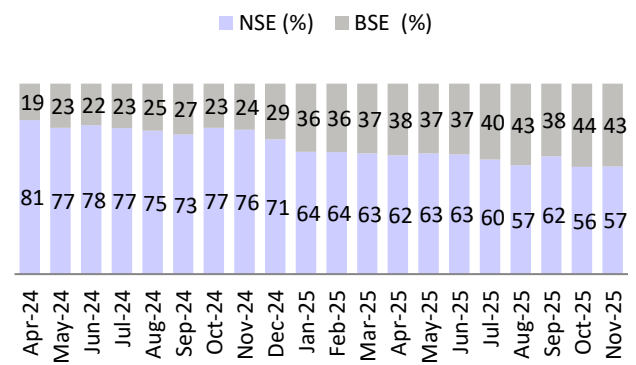
Company	New Estimates (INR)			Old Estimates (INR)			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
HDFC AMC	67.7	76.0	87.6	67.2	76.5	88.4	0.7%	-0.6%	-0.9%
ABSL AMC	36.3	41.6	46.7	37.1	42.3	48.1	-2.2%	-1.6%	-2.9%
Nippon AMC	24.2	28.1	31.8	23.9	27.9	32.0	1.6%	0.5%	-0.6%
UTI AMC	57.2	71.6	81.4	54.7	78.1	90.4	4.6%	-8.4%	-9.9%
Angel One	95.4	123.5	157.3	91.1	136.0	187.2	4.7%	-9.2%	-16.0%
BSE	59.1	68.0	79.2	57.9	64.4	75.1	2.1%	5.7%	5.5%
MCX	43.6	54.5	58.6	41.2	51.5	55.4	5.9%	5.8%	5.9%
CAMS	19.4	22.9	26.7	19.0	22.4	26.4	2.3%	2.3%	1.3%
KFIN Tech	21.8	26.4	31.6	21.8	26.4	31.6	0.0%	0.0%	0.0%
CDSL	25.2	29.4	34.4	24.3	28.8	33.7	3.8%	2.1%	2.0%
NSDL	20.0	23.8	28.2	19.5	23.6	28.2	2.4%	1.1%	-0.1%
360 One	31.4	36.6	43.5	31.1	35.7	42.3	0.9%	2.4%	2.9%
Nuvama	60.3	72.4	86.4	61.4	72.5	86.0	-1.7%	-0.2%	0.5%
Anand Rathi	48.5	61.6	74.7	46.8	59.8	73.5	3.8%	3.0%	1.7%
Prudent Corp	54.2	68.9	85.5	54.0	69.4	90.1	0.4%	-0.6%	-5.1%
HDFC Life*	43.2	53.1	63.1	43.0	53.7	63.9	0.3%	-1.3%	-1.3%
ICICI Pru*	26.5	30.8	35.0	26.8	31.1	35.3	-0.9%	-0.9%	-0.9%
SBI Life*	67.7	78.5	91.8	66.0	76.6	89.5	2.5%	2.5%	2.5%
Max Fin*	25.6	31.6	38.4	25.6	31.6	38.4	0.0%	0.0%	0.0%
LIC*	111.5	123.5	138.0	109.2	120.8	135.1	2.2%	2.2%	2.2%
Star Health	9.6	15.4	19.7	11.4	16.3	21.7	-15.5%	-5.5%	-9.4%
Niva Bupa	0.1	1.2	3.0	0.4	1.5	3.0	-75.3%	-16.0%	-1.2%
ICICI Lombard	63.6	73.2	83.8	62.5	72.6	82.9	1.8%	0.9%	1.0%
PB Fintech	13.4	21.3	28.7	14.2	21.6	29.1	-5.7%	-1.6%	-1.4%

Exhibit 3: Total demat accounts stood at 213m



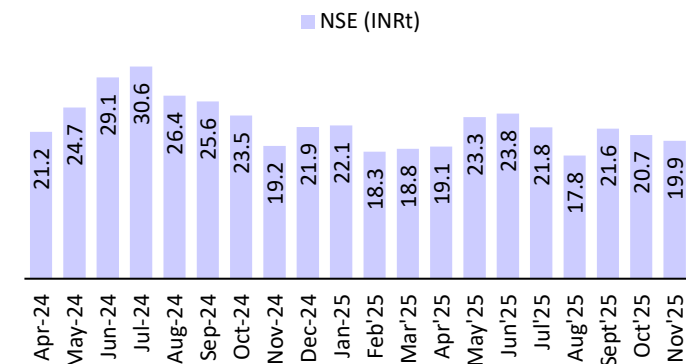
Source: NSDL, CDSL MOFSL

Exhibit 4: BSE's market share in notional turnover is at ~43%



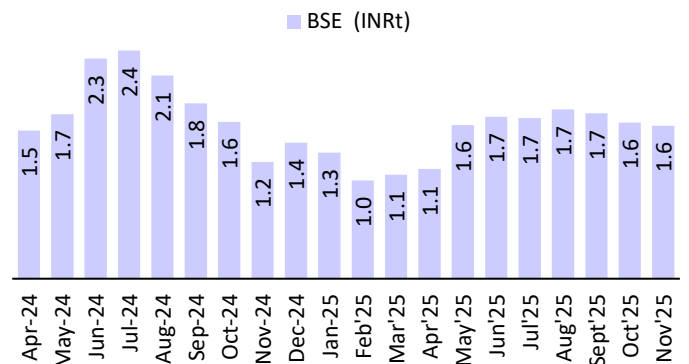
Source: NSE, BSE, MOFSL

Exhibit 5: NSE's cash volume trends



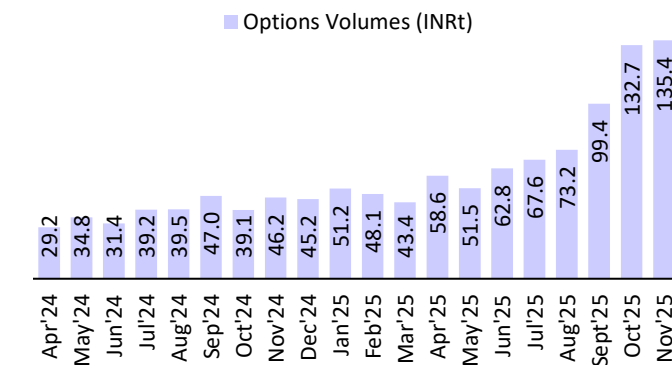
Source: NSE, MOFSL

Exhibit 6: BSE's cash volume trends



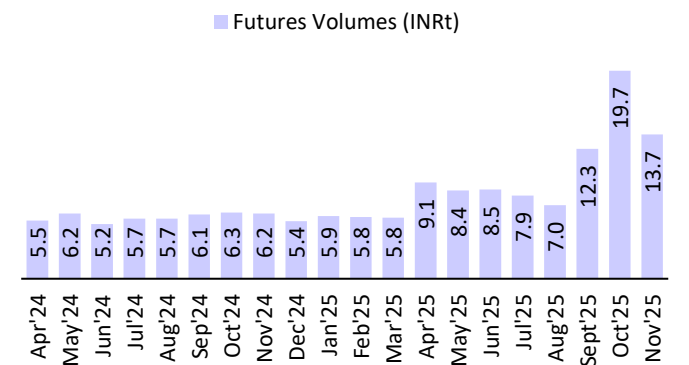
Source: BSE, MOFSL

Exhibit 7: MCX option volumes increase



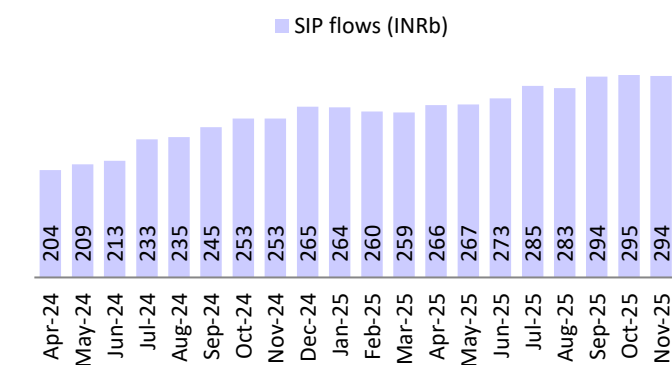
Source: MCX, MOFSL

Exhibit 8: MCX futures volumes trends



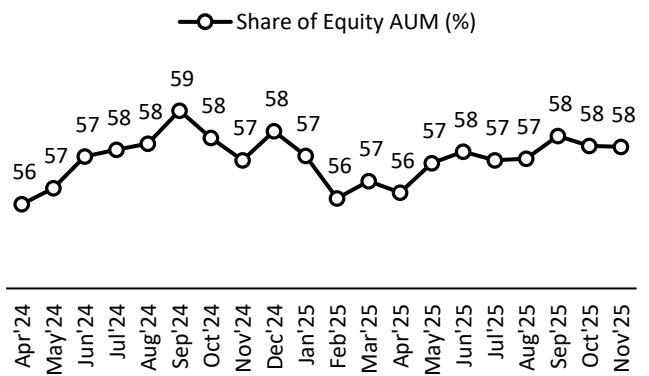
Source: MCX, MOFSL

Exhibit 9: SIP flows declined slightly on MoM basis in Nov'25



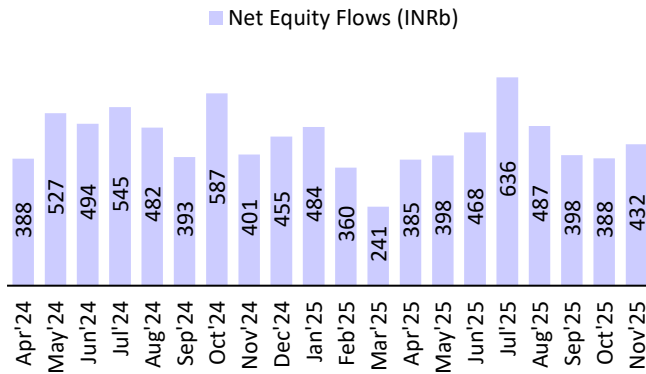
Source: AMFI, MOFSL

Exhibit 10: Share of equity AUM remain stable MoM



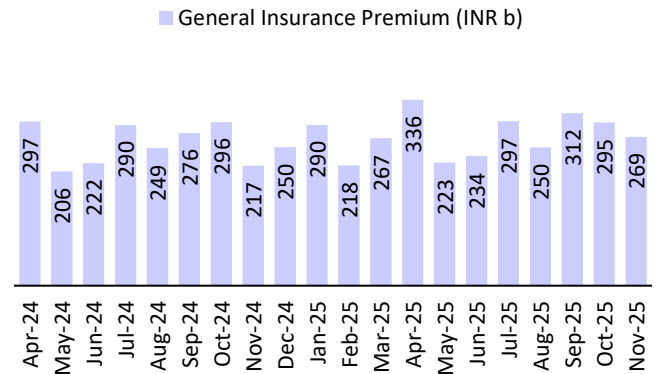
Source: AMFI, MOFSL

Exhibit 11: Net equity flows rose MoM in Nov'25



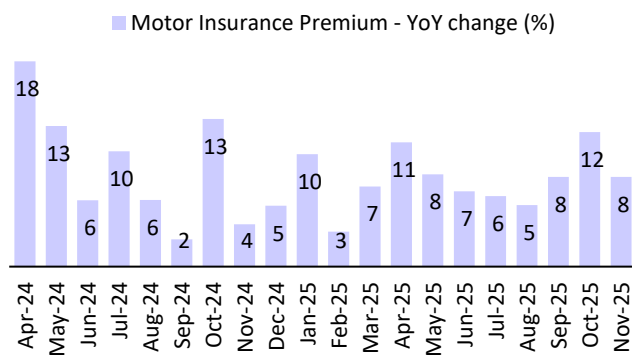
Source: AMFI, MOFSL

Exhibit 12: GI premium driven by GST cuts



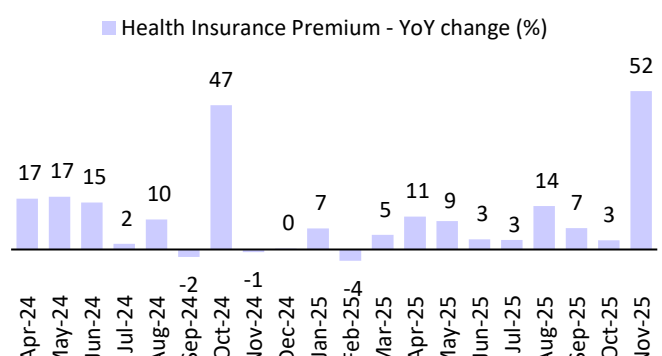
Source: GIC, MOFSL

Exhibit 13: Motor premium growth trend



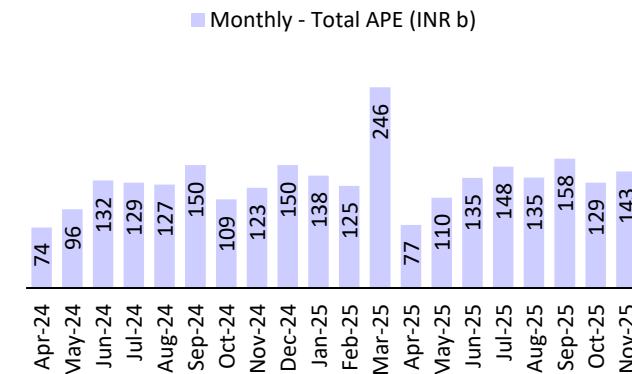
Source: GIC, MOFSL

Exhibit 14: Health segment growth trend



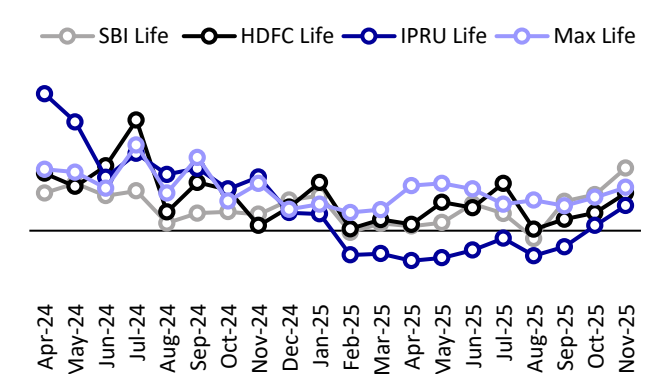
Source: GIC, MOFSL

Exhibit 15: Monthly APE for the life insurance industry



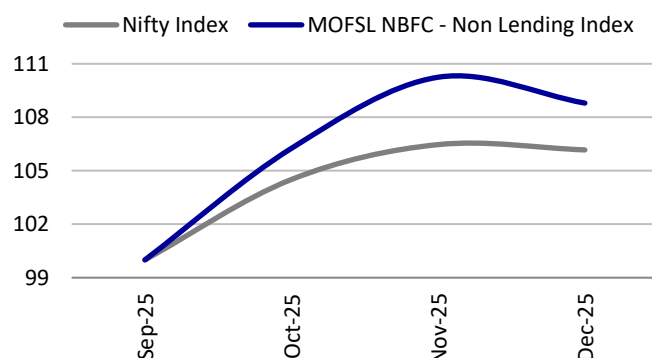
Source: Life Insurance Council, MOFSL

Exhibit 16: Individual APE growth YoY for Pvt. listed players



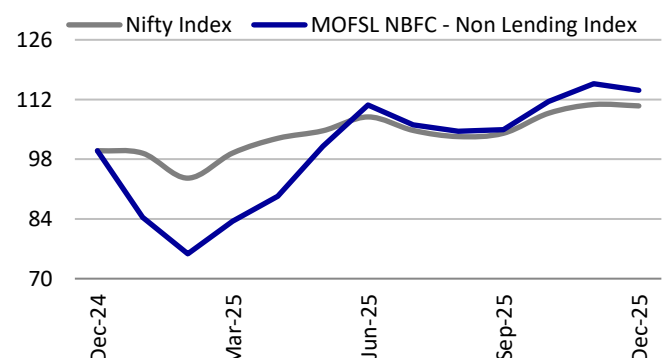
Source: Life Insurance Council, MOFSL

Exhibit 17: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 18: One-year relative performance (%)



Source: MOFSL, Company

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

ABSL AMC

Buy

CMP INR833 | TP: INR1,070 (+28%)

EPS CHANGE (%): FY26|27|28: -2.2|-1.6|-2.9

- Healthy QAAUM growth is expected, led by strong equity flows.
- Expenses are expected to increase due to the impact of new labour regulations, driving higher employee costs.
- Yields are projected to decline due to telescopic pricing.
- Favorable market performance is expected to drive healthy other income

Quarterly Performance

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Revenue from Operations	3,866	4,242	4,451	4,288	4,474	4,613	4,715	4,907	16,848	18,709
Change YoY (%)	24.3	26.6	30.4	17.3	15.7	8.7	5.9	14.4	24.5	11.0
Employee Expenses	892	894	877	988	926	951	983	1,011	3,652	3,871
Total Operating Expenses	1,664	1,738	1,708	1,849	1,814	1,788	1,867	1,940	6,958	7,408
Change YoY (%)	18	21	16	15	9	3	9	5	17.5	6.5
EBITDA	2,203	2,504	2,743	2,439	2,660	2,826	2,849	2,967	9,890	11,301
EBITDA margin (%)	57.0	59.0	61.6	56.9	59.5	61.3	60.4	60.5	58.7	60.4
Other Income	948	958	384	720	1,179	452	700	758	3,010	3,088
PBT	3,045	3,351	2,999	3,050	3,723	3,156	3,423	3,594	12,445	13,896
Tax Provisions	688	928	754	770	952	743	856	896	3,139	3,446
Net Profit	2,357	2,423	2,245	2,281	2,771	2,413	2,567	2,698	9,306	10,450
Change YoY (%)	27.7	36.1	7.2	9.5	17.6	-0.4	14.4	18.3	19.2	12.3
Core PAT	1,623	1,730	1,957	1,743	1,894	2,068	2,042	2,129	7,055	8,127
Change YoY (%)	30.0	27.0	33.9	15.9	16.7	19.5	4.3	22.2	26.5	15.2

HDFC AMC

Buy

CMP INR2,657 | TP: INR3,100 (+17%)

EPS CHANGE (%): FY26|27|28: 0.7|-0.6|-0.9

- Equity AUM to maintain growth momentum, backed by consistent fund performance.
- EBITDA margins are expected to improve sequentially in 3QFY26, led by operational efficiency.
- Yields are projected to decline due to telescopic pricing impact.
- Expect higher other income, led by favorable market performance.

Quarterly Performance

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Revenue from Operations	7,752	8,872	9,346	9,014	9,682	10,274	10,538	10,740	34,984	41,234
Change YoY (%)	34.9	38.0	39.2	29.6	24.9	15.8	12.8	19.2	35.4	17.9
Employee Expenses	1,011	959	953	969	1,092	1,238	1,250	1,258	3,894	4,839
Total Operating Expenses	1,809	1,838	1,708	1,712	1,951	2,266	2,226	2,357	7,066	8,800
Change YoY (%)	23.9	14.3	6.8	9.6	7.9	23.3	30.4	37.7	13.4	24.6
EBITDA	5,944	7,034	7,639	7,302	7,730	8,008	8,313	8,383	27,919	32,433
EBITDA Margin (%)	76.7	79.3	81.7	81.0	79.8	77.9	78.9	78.1	79.8	78.7
Other Income	1,735	1,710	931	1,241	2,330	962	1,200	1,291	5,617	5,783
PBT	7,523	8,584	8,399	8,351	9,857	8,760	9,305	9,463	32,856	37,384
Tax Provisions	1,485	2,818	1,985	1,966	2,381	1,575	2,233	2,259	8,254	8,449
Net Profit	6,038	5,766	6,414	6,385	7,476	7,184	7,072	7,204	24,602	28,935
Change YoY (%)	26.4	31.8	31.0	18.0	23.8	24.6	10.3	12.8	26.4	17.6
Core PAT	4,645	4,618	5,703	5,436	5,708	6,395	6,160	6,221	20,396	24,459
Change YoY (%)	34.5	33.1	49.9	30.3	22.9	38.5	8.0	14.5	36.7	19.9

Nippon Life India AMC

Buy

CMP INR893 | TP: INR1,060 (+19%)

EPS CHANGE (%): FY26|27|28: 1.6| 0.5|-0.6

- AUM growth is expected to remain healthy, while yields are expected to decline due to telescopic pricing impact.
- EBITDA margins are expected to decline due to elevated costs.
- Expenses are projected to increase due to the impact of new labor laws, driving higher employee costs.
- Favorable market performance will lead to higher other income

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	5,050	5,713	5,879	5,665	6,066	6,581	6,919	7,086	22,307	26,652
Change YoY (%)	42.6	43.7	38.9	21.0	20.1	15.2	17.7	25.1	35.8	19.5
Employee Expenses	1,051	1,069	1,065	1,105	1,226	1,233	1,331	1,366	4,290	5,156
Total Operating Expenses	1,886	1,969	2,022	2,014	2,185	2,286	2,503	2,594	7,891	9,568
Change YoY (%)	24	26	23	13	16	16	24	29	21.5	21.3
EBITDA	3,164	3,744	3,857	3,652	3,881	4,295	4,415	4,491	14,416	17,084
EBITDA Margin	62.7	65.5	65.6	64.5	64.0	65.3	63.8	63.4	64.6	64.1
Other Income	1,308	1,208	154	230	1,460	366	775	946	2,900	3,547
PBT	4,388	4,861	3,917	3,778	5,239	4,555	5,082	5,327	16,943	20,203
Tax Provisions	1,066	1,261	965	795	1,282	1,113	1,241	1,293	4,086	4,930
Net Profit	3,322	3,600	2,953	2,983	3,957	3,443	3,841	4,033	12,857	15,274
Change YoY (%)	41.1	47.4	4.0	-12.9	19.1	-4.4	30.1	35.2	16.2	18.8
Core PAT	2,331	2,705	2,836	2,801	2,854	3,166	3,255	3,317	10,674	12,592
Change YoY (%)	59.0	47.9	42.5	8.5	22.4	17.0	14.8	18.4	36	18

UTI AMC

Buy

CMP INR1,129 | TP: INR1,400 (+24%)

EPS CHANGE (%): FY26|27|28: 4.6|-8.4|-9.9

- AUM is expected to rise in 3QFY26, driven by healthy equity flows.
- EBITDA margins are expected to decline sharply owing to higher employee costs, led by one-time VRS costs.
- Yields are expected to decline, led by telescopic pricing impact.
- Favorable market performance is expected to drive healthy other income.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	3,368	3,730	3,754	3,602	3,793	3,900	4,040	4,179	14,453	15,912
Change YoY (%)	19.1	27.9	29.4	13.4	12.6	4.6	7.6	16.0	22.3	10.1
Employee Expenses	1,137	1,153	1,128	1,162	1,292	1,588	2,500	1,352	4,580	6,732
Total Operating Expenses	1,781	1,901	1,848	2,068	2,069	2,413	3,368	2,099	7,598	9,949
Change YoY (%)	6.0	10.2	4.9	10.2	16.2	26.9	82.3	1.5	7.9	30.9
EBITDA	1,587	1,829	1,906	1,534	1,724	1,487	672	2,080	6,856	5,963
EBITDA margin (%)	47.1	49.0	50.8	42.6	45.4	38.1	16.6	49.8	47.4	37.5
Other Income	1,970	1,671	451	158	1,693	314	1,000	1,012	4,249	4,020
PBT	3,413	3,357	2,212	1,540	3,260	1,641	1,511	2,925	10,522	9,338
Tax Provisions	670	726	476	520	722	319	332	681	2,392	2,054
Net Profit	2,743	2,631	1,736	1,020	2,539	1,322	1,178	2,244	8,130	7,283
Change YoY (%)	17.0	43.9	-14.6	-43.8	-7.5	-49.7	-32.1	120.0	1.4	-10.4
Core PAT	1,160	1,321	1,382	916	1,220	1,069	398	1,468	4,779	4,155
Change YoY (%)	39.1	50.1	76.3	-4.6	5.2	-19.1	-71.2	60.3	38.2	-13.1

360ONE WAM

Buy

CMP INR1,201 | | TP: INR1,400 (+17%)

EPS CHANGE (%): FY26|27|28: 0.9|2.4|2.9

- The ARR and TBR incomes are expected to increase in 3QFY26.
- On a sequential basis, ARR yields are expected to rise, led by increase in wealth management segment.
- Cost-to-income ratio expected to rise sequentially, driven by higher costs in the asset management segment.
- Performance and costs of new business ventures and entry into new geographies will be closely monitored.

Quarterly performance

Y/E March	FY25				FY26				INR m	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Revenues	6,002	5,886	6,050	6,518	6,622	7,628	8,023	8,485	24,456	30,757
YoY Change (%)	48.0	37.7	37.7	13.7	10.3	29.6	32.6	30.2	32.5	25.8
ARR Assets Income	3,756	3,973	4,262	5,022	5,105	5,537	5,796	6,129	17,011	22,568
TBR Assets Income	2,247	1,913	1,788	1,497	1,517	2,091	2,226	2,356	7,445	8,189
Operating Expenses	2,649	2,992	3,193	3,341	3,513	4,001	4,223	4,446	12,175	16,183
YoY Change (%)	25.9	39.5	37.9	11.3	32.7	33.7	32.3	33.1	27.3	32.9
Cost to Income Ratio (%)	44.1	50.8	52.8	51.3	53.1	52.4	52.6	52.4	49.8	52.6
Operating Profits	3,354	2,893	2,856	3,177	3,109	3,627	3,799	4,039	12,281	14,574
YoY Change (%)	71.8	35.8	37.4	16.4	-7.3	25.4	33.0	27.1	38.1	18.7
Other Income	969	298	732	65	630	506	536	552	2,063	2,224
Profit Before Tax	4,323	3,191	3,588	3,243	3,739	4,134	4,335	4,590	14,344	16,797
YoY Change (%)	93.1	40.7	52.7	0.4	-13.5	29.5	20.8	41.6	42.2	17.1
PBT (after exceptional item)	4,323	3,191	3,588	3,243	3,739	4,134	4,335	4,590	14,344	16,797
Tax	1,889	719	839	744	867	977	1,062	1,125	4,191	4,115
Tax Rate (%)	43.7	22.5	23.4	23.0	23.2	23.6	24.5	24.5	29.2	24.5
PAT	2,434	2,472	2,749	2,498	2,872	3,156	3,273	3,466	10,154	12,682
YoY Change (%)	34.2	33.4	41.7	3.6	18.0	27.7	19.0	38.7	26.6	24.9
PAT Margins (%)	40.5	42.0	45.4	38.3	43.4	41.4	40.8	40.8	41.5	41.2

Anand Rathi Wealth

Neutral

CMP INR3,079 | TP: INR2,900 (-6%)

EPS CHANGE (%): FY26|27|28: 3.8|3.0|1.7

- Consistent AUM growth to be driven by equity and Non-PP SP products.
- MF yields are projected to witness sequential decline.
- Cost-to-income ratio is expected to improve in 3QFY26.
- RM addition and productivity improvement will be the key growth drivers.

Quarterly Performance

Y/E March	FY25				FY26				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
MF – Equity & Debt	890	1,057	1,087	1,030	1,131	1,230	1,284	1,381	4,064	5,026
Distribution of Financial Products	1,471	1,352	1,267	1,174	1,593	1,728	1,737	1,791	5,264	6,849
Other Operating revenue	15	15	16	16	16	16	17	18	62	68
Revenue from Operations	2,376	2,424	2,370	2,220	2,740	2,974	3,038	3,190	9,390	11,942
Change YoY (%)	35.8	32.7	29.9	20.4	15.3	22.7	28.2	43.7	29.6	27.2
Operating Expenses	1,394	1,384	1,300	1,311	1,462	1,599	1,619	1,744	5,388	6,425
Change YoY (%)	37.2	31.6	26.7	18.0	4.9	15.6	24.5	33.0	28	19
EBIDTA	982	1,040	1,070	908	1,278	1,375	1,419	1,446	4,001	5,518
Depreciation	57	61	65	71	77	83	85	86	255	331
Finance Cost	14	30	35	37	40	48	48	49	115	185
Other Income	78	72	72	194	102	98	104	115	416	420
PBT	990	1,021	1,041	995	1,263	1,341	1,391	1,426	4,047	5,422
Change YoY (%)	39.6	31.3	33.5	25.9	27.6	31.4	33.5	43.4	32	34
Tax Provisions	256	259	269	257	324	343	362	371	1,040	1,399
Net Profit	734	762	773	737	939	999	1,029	1,056	3,007	4,023
Change YoY (%)	37.9	32.0	33.2	29.6	27.9	31.0	33.2	43.2	33	34

Nuvama Wealth

Buy

CMP INR1,467 | | TP: INR1,800 (+23%)

EPS CHANGE (%): FY26|27|28: -1.7|-0.2|0.5

- Sequential revenue growth expected to improve, driven by broad-based growth across segments.
- Cost-to-income ratio to improve in 3QFY26, mainly driven by the asset management segment.
- Yields are expected to decline sequentially for the wealth segment but remain stable for other segments.
- Expansion strategy and further investment areas to be the key monitorable for future growth.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	6,675	7,397	7,229	7,712	7,701	7,718	8,037	8,653	29,013	32,097
Change YoY (%)	60.2	50.2	29.5	29.5	15.4	4.3	11.2	12.2	40.7	10.6
Employee expenses	2,793	2,983	2,946	3,082	3,156	3,220	3,142	3,186	11,804	12,704
Total Operating Expenses	3,741	3,920	3,894	4,349	4,209	4,372	4,489	4,823	15,904	17,893
Change YoY (%)	27.9	30.0	18.8	21.6	12.5	11.5	15.3	10.9	24.3	12.5
PBT before share of profit from associates	2,934	3,477	3,335	3,363	3,492	3,346	3,548	3,830	13,109	14,204
Change YoY (%)	136.2	82.2	44.7	41.3	19.0	-3.8	6.4	13.9	67.3	8.3
Tax Provisions	760	902	824	848	868	853	887	943	3,334	3,551
PAT before share of profit from associates	2,174	2,575	2,511	2,515	2,623	2,494	2,661	2,887	9,776	10,653
Change YoY (%)	135.0	78.3	42.8	38.5	20.7	-3.2	6.0	14.8	64.4	9.0
Share of profit of associates (net of taxes)	37	0	6	37	15	46	20	9	80	90
Net Profit	2,210	2,575	2,517	2,553	2,639	2,540	2,681	2,896	9,855	10,743
Change YoY (%)	133.5	77.6	42.9	41.3	19.4	-1.4	6.5	13.4	65.2	9.0

Prudent Corporate Advisory

Neutral

CMP INR2,593 | | TP: INR2,700 (4%)

EPS CHANGE (%): FY26|27|28: 0.4|-0.6|-5.1

- Healthy growth in AUM driven by stable flows and favorable markets conditions.
- EBITDA margins are expected to decline sequentially, led by higher projected costs.
- Revenue growth driven by stable growth momentum in AUM; yields are projected to remain stable sequentially.
- Growth in SIP and market share accretion will be the key growth drivers.

Quarterly performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Commission and Fees Income	2,477	2,845	2,827	2,809	2,910	3,168	3,341	3,615	10,960	13,033
Other Operating revenue	17	15	23	20	28	30	28	29	76	114
Revenue from Operations	2,494	2,861	2,850	2,829	2,938	3,198	3,369	3,644	11,036	13,147
Change YoY (%)	50.8	50.5	35.8	18.0	17.8	11.8	18.2	28.8	37.1	19.1
Operating Expenses	1,904	2,174	2,191	2,143	2,265	2,476	2,618	2,849	8,412	10,207
Change YoY (%)	50.8	48.0	37.0	19.8	18.9	13.9	19.5	32.9	37.5	21.3
EBIDTA	590	687	659	686	673	722	751	795	2,624	2,940
Depreciation	62.9	67.2	73.7	74.8	72.5	76.8	77.0	77.3	279	304
Finance Cost	4.9	5.7	6.4	6.7	6.9	7.3	7.0	7.2	24	28
Other Income	70	78	66	85	103	82	110	116	299	411
PBT	592	693	645	690	696	719	777	827	2,621	3,018
Change YoY (%)	57.9	70.6	34.7	15.4	17.5	3.8	20.5	20.0	41.1	15.2
Tax Provisions	149.9	177.9	163.1	173.5	178.1	184.0	198.9	211.7	664	773
Net Profit	442	515	482	516	518	535	578	616	1,957	2,246
Change YoY (%)	58.3	69.2	35.0	15.9	17.1	4.0	20.0	19.3	41.0	14.8

Angel One

Buy

CMP INR2,388 | TP: INR3,100 (+30%)

EPS CHANGE (%): FY26|27|28: 4.7|-9.2|-16.0

- Per-day order run rate is expected to improve QoQ in 3Q, driven by easing impact of F&O regulations.
- Average MTF book continues to grow, expected to scale record levels.
- The distribution income for the quarter is projected to improve.
- Cost-to-income ratio is expected to improve sequentially due to lower projected CAC.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	9,150	9,774	8,895	7,439	7,952	8,353	8,827	9,406	35,258	34,538
Other Income	1,983	2,210	963	869	961	1,056	1,153	1,193	6,025	4,363
Total Income	11,133	11,984	9,858	8,308	8,913	9,409	9,979	10,599	41,283	38,901
Change YoY (%)	77.1	46.9	19.1	-21.7	-19.9	-21.5	1.2	27.6	23.9	-5.8
Operating Expenses	6,940	6,007	5,717	5,665	6,969	6,163	6,157	6,500	24,329	25,790
Change YoY (%)	114.8	51.2	23.3	-3.3	0.4	2.6	7.7	14.7	37.5	6.0
Depreciation	226	256	267	285	299	307	317	327	1,034	1,249
PBT	3,968	5,721	3,874	2,357	1,644	2,939	3,506	3,772	15,921	11,862
Change YoY (%)	33.7	40.5	10.4	-48.6	-58.6	-48.6	-9.5	60.0	5.2	-25.5
Tax Provisions	1,041	1,487	1,059	612	500	823	947	981	4,199	3,250
Net Profit	2,927	4,234	2,816	1,745	1,145	2,117	2,560	2,792	11,722	8,612
Change YoY (%)	32.5	39.1	8.2	-48.7	-60.9	-50.0	-9.1	59.9	4.1	-26.5

BSE

Neutral

CMP INR2,667 | TP: INR2,950 (+11%)

EPS CHANGE (%) FY26|27|28: 2.1|5.7|5.5

- BSE's market share in 3Q stood above 42% in F&O notional turnover and above 25% in options premium turnover.
- Derivative volumes ramp up sequentially in 3QFY26, leading to increase in transaction charges.
- Continued momentum with respect to new listings to boost revenue from service to corporates.
- EBITDA margins improve sequentially, led by strong growth in revenue.

Cons. Quarterly perf.

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from operations	6,077	7,407	7,681	8,467	9,580	10,684	12,338	13,322	29,632	45,924
YoY Change (%)	181.9	135.5	108.0	74.9	57.6	44.2	60.6	57.3	114.2	55.0
Total Expenditure	3,238	3,524	3,334	3,624	3,325	3,775	4,213	4,483	13,720	15,796
EBITDA	2,840	3,883	4,347	4,843	6,255	6,909	8,125	8,839	15,912	30,128
Margins (%)	46.7	52.4	56.6	57.2	65.3	64.7	65.9	66.4	53.7	65.6
Depreciation	240	291	302	298	269	325	338	350	1,131	1,281
Interest	0	0	0	0	0	0	0	0	0	0
Investment income	666	719	613	797	865	711	733	758	2,795	3,068
PBT before EO expense	3,266	4,311	4,658	5,342	6,851	7,296	8,520	9,248	17,577	31,915
SGF	0	0	1,992	-1,094	0	106	418	456	898	980
Exceptional items	0	13	15	6	120	0	0	0	34	120
PBT	3,266	4,324	2,681	6,442	6,971	7,189	8,102	8,792	16,712	31,055
Tax	851	1,108	694	1,661	1,752	1,819	2,026	2,262	4,314	7,859
Rate (%)	26	26	26	26	25	25	25	26	26	25
P/L of Asso. Cos.	227	244	199	156	163	200	202	219	826	785
Reported PAT	2,643	3,459	2,185	4,937	5,382	5,570	6,279	6,749	13,224	23,980
Adj PAT	2,643	3,449	2,174	4,933	5,292	5,570	6,279	6,749	13,199	23,891
YoY Change (%)	-40	192	113	372	104	61	187	37	73	81
Margins (%)	43.5	46.6	28.3	58.3	55.2	52.1	50.9	50.7	44.6	52.2

MCX

Neutral

CMP INR2,215 | TP: INR 2,400 (+8%)
EPS CHANGE (%): FY26|27|28: 5.9|5.8|5.9

- Growth momentum intact in volumes, driven by high volatility in precious metal prices.
- EBITDA margin is expected to expand sharply in 3QFY26, led by robust growth in revenue.
- Futures ADTO/Options ADTO increased to INR886b/INR7t in 3QFY26.
- Product innovations and new market participations – key growth drivers.

Quarterly Performance

	FY25				FY26				INRm	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Sales	2,344	2,856	3,014	2,913	3,732	3,742	6,943	5,223	11,127	19,641
YoY Gr. (%)	60.8	73.0	57.4	60.9	59.2	31.0	130.4	79.3	62.8	76.5
Staff Costs	321	327	332	463	448	448	465	485	1,443	1,846
Other expenses	697	735	750	849	867	858	1,150	1,068	3,031	3,943
EBITDA	1,326	1,794	1,931	1,602	2,417	2,436	5,328	3,671	6,653	13,852
Margins (%)	56.6	62.8	64.1	55.0	64.8	65.1	76.7	70.3	59.8	70.5
Depreciation	134	140	146	217	173	198	203	209	638	783
EBIT	1,191	1,654	1,785	1,385	2,244	2,239	5,125	3,462	6,016	13,069
Interest Costs	1	1	2	1	1	1	1	2	5	5
Other Income	188	252	230	292	326	266	274	282	962	1,147
PBT bef. Exceptional items	1,379	1,906	2,013	1,675	2,569	2,504	5,397	3,742	6,973	14,212
Tax	273	374	418	328	532	514	1,187	850	1,394	3,084
Rate (%)	19.8	19.6	20.8	19.6	20.7	20.5	22.0	22.7	20.0	21.7
Profit from associate	4	4	5	8	-5	-15	0	20	21	0
PAT	1,109	1,536	1,600	1,355	2,032	1,975	4,210	2,911	5,600	11,128

CDSL

Neutral

CMP INR1,467 | TP: INR1,550 (+6%)
EPS CHANGE (%): FY26|27|28: 3.8|2.1|2.0

- Transaction revenue expected to decline, led by lower cash market activity.
- IPO-linked revenue expected to be strong, driven by a pickup in the IPO activity.
- EBITDA margins are expected to decline sequentially due to muted revenue growth.
- Favorable market conditions will lead to higher other income in 3QFY26.

Quarterly Performance

	FY25				FY26				(INR m)	
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Revenue from Operations	2,574	3,223	2,781	2,244	2,588	3,189	3,133	3,120	10,822	12,030
Change YoY (%)	72.0	55.4	29.7	-6.8	0.6	-1.0	12.7	39.0	33.2	11.2
Employee expenses	267	314	323	315	390	414	422	432	1,219	1,658
Other Expenses	762	910	852	836	894	999	1,004	1,026	3,360	3,923
Total Operating Expenses	1,029	1,225	1,175	1,151	1,284	1,413	1,427	1,458	4,580	5,581
Change YoY (%)	49	57	41	24	25	15	21	27	42	22
EBITDA	1,544	1,998	1,606	1,094	1,305	1,776	1,706	1,662	6,242	6,449
Other Income	295	362	200	313	364	225	315	313	1,171	1,216
Depreciation	98	119	130	143	152	161	164	165	490	642
PBT	1,741	2,241	1,676	1,264	1,516	1,840	1,857	1,811	6,923	7,024
Change YoY (%)	76	54	15	-24	-13	-18	11	43	24	1
Tax Provisions	405	627	386	268	488	427	508	331	1,686	1,754
P&L from associate	5	6	7	8	-4	-13	0	0	26	-17
Net Profit	1,342	1,620	1,298	1,004	1,025	1,400	1,349	1,480	5,264	5,253
Change YoY (%)	82	49	21	-22	-24	-14	4	47	25	0

NSDL

Neutral

CMP INR1,075 | TP: INR1,200 (12%)

EPS CHANGE (%): FY26|27|28: 2.4|1.1|-0.1

- Revenue growth projected to soften sequentially, led by decline in depository income.
- EBITDA margins are expected to decline sequentially.
- Other income projected to improve QoQ.
- Increase in share of incremental demat accounts and tie-ups with new fintech players remain key monitorables.

Quarterly Performance

(INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	3,373	3,567	3,626	3,636	3,120	4,000	3,910	4,141	14,201	15,172
Change YoY (%)	13.5	10.4	15.6	8.8	-7.5	12.2	7.8	13.9	12.0	6.8
Employee expenses	318	354	343	369	383	446	482	498	1,385	1,810
Other Expenses	2,250	2,084	2,373	2,355	1,785	2,275	2,376	2,535	9,061	8,970
Total Operating Expenses	2,567	2,438	2,716	2,724	2,168	2,721	2,858	3,033	10,446	10,780
Change YoY (%)	5	0	10	10	-16	12	5	11	6.2	3.2
EBITDA	806	1,129	909	912	952	1,279	1,052	1,109	3,755	4,392
Other Income	276	286	287	302	348	322	350	381	1150	1400
Depreciation	78	81	93	102	96	111	120	116	354	443
Interest	7	8	13	12	16	15	13	14	41	58
PBT	996	1,326	1,090	1,100	1,188	1,475	1,269	1,359	4,510	5,292
Change YoY (%)	37	33	32	9	19	11	17	24	25.9	17.3
Tax Provisions	222	369	238	275	287	358	308	341	1,103	1,294
Net Profit	779	962	858	833	896	1,104	951	1,006	3,431	3,957
Change YoY (%)	33	31	28	7	15	15	11	21	23.0	15.3

CAMS

Buy

CMP INR756 | TP: INR900 (+19%)

EPS CHANGE (%): FY26|27|28: 2.3|2.3|1.3

- AUM growth to remain healthy, led by steady net flows.
- Non-MF business revenue traction to remain robust led by growth in Payments, alternatives and KRA businesses.
- Cost to income ratio to improve sequentially.
- Outlook on non-MF business growth and yields on MF business would be vital.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	3,314	3,652	3,697	3,562	3,542	3,767	3,922	4,132	14,225	15,362
Change YoY (%)	26.8	32.7	27.6	14.7	6.9	3.2	6.1	16.0	25.2	8.0
Employee expenses	1,130	1,186	1,197	1,178	1,224	1,248	1,273	1,321	4,691	5,066
Total Operating Expenses	1,816	1,950	1,969	1,968	1,999	2,091	2,142	2,220	7,703	8,452
Change YoY (%)	20.1	27.5	22.8	17.8	10.1	7.3	8.8	12.8	21.9	9.7
EBITDA	1,498	1,702	1,728	1,594	1,543	1,676	1,780	1,911	6,522	6,910
Other Income	117	126	149	134	131	122	130	141	526	525
Depreciation	170	184	195	228	208	246	253	257	777	964
Finance Cost	21	22	21	20	19	18	18	21	85	77
PBT	1,424	1,622	1,661	1,479	1,444	1,534	1,639	1,775	6,187	6,394
Change YoY (%)	40.7	44.4	39.9	9.9	1.4	-5.5	-1.3	20.0	32.5	3.4
Tax Provisions	354	414	420	351	363	394	418	455	1,540	1,631
Net Profit	1,070	1,208	1,241	1,128	1,080	1,139	1,221	1,320	4,647	4,764
Change YoY (%)	41.3	44.2	40.2	9.5	1.0	-5.7	-1.6	17.0	32.4	2.5

KFIN Tech

Neutral

CMP INR1,082 | TP: INR1,210 (12%)
EPS CHANGE (%): FY26|27|28: 0.0|0.0|0.0

- MF revenues are expected to trend upwards; however, yields are expected to decline.
- Contribution from non-MF businesses, especially international business, to further boost revenue growth.
- Inclusion of Ascent from this quarter is expected to result in near-term margin dilution; however, consolidated earnings are likely to remain largely unaffected.
- EBITDA margins to improve slightly on sequential basis.

Quarterly Performance

Y/E March

(INR m)

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	2,376	2,805	2,900	2,827	2,741	3,092	3,223	3,304	10,908	12,360
Change YoY (%)	30.9	34.2	32.6	23.8	15.4	10.3	11.1	16.9	30.2	13.3
Employee expenses	958	1,018	1,040	1,017	1,117	1,140	1,196	1,225	4,033	4,678
Operating expenses										
Other Expenses	421	522	555	588	485	595	610	624	2,085	2,314
Total Operating Expenses	1,379	1,539	1,595	1,604	1,602	1,735	1,806	1,849	6,118	6,992
Change YoY (%)	24.1	33.5	32.0	29.7	16.2	12.7	13.3	15.2		
EBITDA	997	1,265	1,306	1,223	1,139	1,357	1,417	1,456	4,790	5,368
Other Income	81	105	91	100	100	108	115	122	377	445
Depreciation	148	165	164	167	176	184	186	188	645	735
Finance Cost	12	11	11	13	11	11	13	14	47	45
PBT	918	1,195	1,221	1,142	1,052	1,270	1,333	1,376	4,476	5,034
Change YoY (%)	52.1	41.9	36.0	19.6	14.5	6.3	9.2	20.5	35.7	12.5
Tax Provisions	237	301	319	292	276	336	343	353	1,150	1,309
Net Profit	681	893	902	851	773	933	990	1,022	3,326	3,725
Change YoY (%)	56.9	45.5	34.9	14.2	13.5	4.5	9.8	20.2	35.2	12.0

HDFC Life

Buy

CMP: INR755 | TP: INR910 (21%)
VNB CHANGE (%): FY26|27|28: 0.3|-1.3|-1.3

- APE growth to remain strong, driven by favorable base from surrender charges and GST-led acceleration in protection products.
- Product mix likely to tilt toward traditional products over ULIPs.
- PAT is expected to be impacted due to losses on GST input tax credit on policies.
- VNB margin is projected to decline due to losses on GST input tax credit; the extent of impact will hinge on product mix and the ability to pass this cost through to distributors.

Policy holder's A/c (INR b)

(INRm)

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
First year premium	23.6	32.5	29.7	44.0	25.5	35.8	33.7	51.5	129.8	146.4
Growth (%)	27.4%	26.8%	10.8%	9.5%	8.2%	10.0%	13.4%	17.0%	16.8%	12.8%
Renewal premium	64.1	88.3	93.8	130.6	76.0	103.4	110.3	151.4	376.8	441.1
Growth (%)	10.5%	12.7%	11.7%	14.5%	18.6%	17.1%	17.6%	15.9%	12.7%	17.1%
Single premium	40.4	48.4	49.3	65.7	47.2	53.7	55.6	75.0	203.9	231.5
Growth (%)	0.6%	6.8%	10.8%	19.1%	16.8%	10.9%	12.7%	14.1%	10.1%	13.5%
Gross premium inc.	128.1	169.3	172.8	240.3	148.8	192.9	199.5	277.9	710.4	819.0
Growth (%)	9.7%	13.3%	11.3%	14.8%	16.1%	13.9%	15.5%	15.6%	12.6%	15.3%
Surplus/(Deficit)	5.6	5.1	-1.9	1.6	0.8	-1.7	5.1	6.0	10.4	10.3
Growth (%)	165.7%	122.6%	-415.7%	-40.1%	-85.2%	-133.7%	-365.2%	268.5%	35%	-1.6%
PAT	4.8	4.3	4.1	4.8	5.5	4.5	4.4	5.6	18.0	19.9
Growth (%)	15.0%	14.9%	13.7%	15.9%	14.4%	3.3%	5.5%	17.2%	14.9%	10.4%
Key metrics (INRb)										
New business APE	28.7	38.6	35.7	51.9	32.3	41.9	40.4	60.3	154.8	174.8
Growth (%)	23.1	26.7	11.8	9.7	12.5	8.6	13.2	16.2	16.5%	12.9%
VNB	7.2	9.4	9.3	13.8	8.1	10.1	9.7	15.3	39.6	43.2
Growth (%)	17.7	17.1	8.6	11.5	12.7	7.8	4.3	11.1	13.2%	9.0%
AUM (INR b)	3,102	3,249	3,287	3,363	3,559	3,600	3,816	4,062	3,363	4,062
Growth (%)	22.5	22.7	17.5	15.1	14.7	10.8	16.1	20.8	15.1%	20.8%
Key Ratios (%)										
VNB Margins (%)	25.0	24.3	26.1	26.5	25.1	24.1	24.0	25.4	25.6	24.7

ICICI Prudential Life

Buy

CMP: INR679 | TP: INR800 (18%)

VNB CHANGE (%): FY26|27|28: 0.0|-0.9|-0.9

- APE growth is expected to be in single digits on YoY basis in 3Q.
- VNB growth is projected to remain strong, while margins are expected to dip sequentially owing to loss on GST credit.
- Growth in the Non-Linked business is expected to remain healthy and recovery is expected in the Protection business.
- Future product mix trends and guidance on growth will be vital.

Policy holder's A/c (INR b)

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
First year premium	15.2	20.6	18.2	27.1	14.5	19.8	20.2	33.3	81.1	87.6
Growth (%)	48.8%	34.6%	19.0%	-8.1%	-5.0%	-4.1%	10.5%	22.8%	15.4%	8.0%
Renewal premium	43.3	69.9	60.9	92.1	49.4	68.5	68.8	106.1	266.2	292.8
Growth (%)	4.3%	18.6%	0.2%	9.3%	14.0%	-1.9%	13.0%	15.2%	8.4%	10.0%
Single premium	24.3	30.3	47.5	49.1	25.7	34.7	51.5	54.4	151.2	166.3
Growth (%)	10.6%	0.9%	77.6%	30.1%	5.8%	14.5%	8.6%	10.6%	29.8%	10.0%
Gross premium income	82.8	120.8	126.6	168.3	89.5	123.0	140.5	193.7	498.5	546.8
Growth (%)	12.3%	15.8%	23.1%	11.1%	8.1%	1.8%	11.0%	15.1%	15.3%	9.7%
PAT	2.3	2.5	3.2	3.9	3.0	3.0	3.2	4.1	11.9	13.3
Growth (%)	8.9%	3.1%	42.8%	121.7%	34.0%	18.9%	-1.8%	6.1%	39.3%	11.9%
Key metrics (INRb)										
New Business APE	19.6	25.0	24.4	35.0	18.6	24.2	26.0	41.7	104.1	110.5
Growth (%)	34.4%	21.4%	27.8%	-3.2%	-5.0%	-3.3%	6.5%	19.0%	15.0%	6.2%
VNB	4.7	5.9	5.2	8.0	4.6	5.9	6.1	9.9	23.7	26.5
Growth (%)	7.8%	1.6%	18.6%	2.4%	-3.2%	1.0%	18.1%	24.9%	6.4%	11.9%
AUM	3,089	3,205	3,104	3,094	3,245	3,210	3,306	3,532	3,094	3,532
Growth (%)	15.9%	17.9%	8.3%	5.2%	5.1%	0.2%	6.5%	14.2%	5.2%	14.2%
Key Ratios (%)										
VNB Margins (%)	24.0	23.4	21.2	22.7	24.5	24.4	23.5	23.8	22.8	24.0

Max Financial

Buy

CMP: INR1,672 | TP: INR2,100 (+26%)

VNB CHANGE (%): FY26|27|28: 0.0|0.0|0.0

- New business APE growth to remain strongest among the listed names under our coverage, led by agency and banca channel.
- VNB margins may dip QoQ owing to loss on GST credit.
- Product mix shift towards non-linked products, which typically carry higher margins, remains a key monitorable for margin improvement.
- Outlook on reverse merger with Max Fin will be watched.

Policy holder's A/c (INR b)

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
First year premium	12.6	20.5	20.4	29.8	15.5	23.4	23.5	35.4	82.0	97.8
Growth (%)	27.1%	33.6%	16.1%	17.3%	23.3%	14.1%	14.8%	18.9%	19.0%	19.2%
Renewal premium	33.2	47.2	52.2	77.8	38.7	56.3	59.8	89.2	210.5	244.0
Growth (%)	10.3%	12.4%	13.3%	16.4%	16.6%	19.2%	14.4%	14.6%	13.7%	15.9%
Single premium	8.2	9.7	9.6	11.1	9.7	11.3	10.8	13.3	39.7	45.1
Growth (%)	-5.7%	8.4%	3.0%	-27.0%	19.0%	16.5%	13.1%	20.4%	-3.9%	13.5%
Gross premium income	54.0	77.4	82.2	118.6	64.0	90.9	94.1	137.9	332.2	386.8
Growth (%)	10.8%	16.8%	12.7%	10.5%	18.5%	17.5%	14.4%	16.2%	12.5%	16.4%
PAT	1.6	1.4	0.7	0.4	0.9	0.1	0.0	1.2	4.1	2.1
Growth (%)	51.4%	-11.2%	-53.8%	-174.5%	-44.9%	-95.7%	-100.0%	210.9%	13.0%	-48.3%
Key metrics (INRb)										
New Business APE	14.5	21.7	21.1	30.4	16.7	25.1	24.5	36.0	87.7	102.3
Growth (%)	30.5%	31.3%	17.4%	5.8%	14.8%	15.5%	16.4%	18.4%	20.9%	16.6%
VNB	2.5	5.1	4.9	8.5	3.4	6.4	5.9	9.9	21.1	25.6
Growth (%)	2.8%	23.1%	0.0%	3.8%	31.9%	24.8%	20.5%	16.6%	6.8%	21.3%
AUM	1,611.5	1,701.4	1,717.1	1,750.0	1,832.1	1,853.4	1,909.0	1,967.8	1,750.7	1,967.8
Growth (%)	24.8%	26.8%	20.4%	16.0%	13.7%	8.9%	11.2%	12.4%	16.1%	12.4%
Key Ratios (%)										
VNB Margin (%)	17.5	23.6	23.2	28.0	20.1	25.5	24.0	27.6	24.0	25.0

SBI Life

Buy

CMP: INR2,067 | TP: INR2,470 (+20%)
VNB CHANGE (%): FY26|27|28: 2.5|2.5|2.5

- We project strongest new business APE growth in 3Q among our coverage names, led by banca and agency channels
- VNB growth is projected to remain strong, while margins are expected to dip sequentially owing to loss on GST credit.
- Banca channel continues to dominate the APE mix, followed by Agency channel.
- Outlook on growth in banca channel, particularly SBI, will be critical.

Quarterly Performance

Policy holder's A/c (INRb)	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
First year premium	31.5	49.2	64.5	48.6	35.4	52.9	74.8	57.0	193.7	220.1
Growth (%)	19%	6%	14%	7%	12%	8%	16%	17%	11%	14%
Renewal premium	85.4	117.2	144.7	146.8	105.5	140.0	169.0	168.4	494.1	582.9
Growth (%)	16%	16%	14%	13%	24%	19%	17%	15%	14%	18%
Single premium	38.9	37.8	40.8	44.6	37.3	57.9	47.2	50.2	162.1	192.6
Growth (%)	9%	-30%	0%	-42%	-4%	53%	16%	13%	-22%	19%
Gross premium income	155.7	204.1	250.0	240.0	178.1	250.8	291.1	275.6	849.8	995.6
Growth (%)	15%	1%	11%	-5%	14%	23%	16%	15%	4%	17%
PAT	5.2	5.3	5.5	8.1	5.9	4.9	5.2	7.7	24.1	22.9
Growth (%)	36%	39%	71%	0%	14%	-7%	-5%	-5%	27%	-5%
Key metrics (INRb)										
New Business APE	36.4	53.9	69.4	54.5	39.7	59.5	81.2	63.9	214.2	244.3
Growth (%)	20%	3%	13%	2%	9%	10%	17%	17%	8%	14%
VNB	9.7	14.5	18.7	16.6	10.9	16.6	22.3	17.8	59.5	67.7
Growth (%)	11%	-3%	11%	10%	12%	14%	19%	7%	7%	14%
AUM	4,148	4,390	4,417	4,480	4,758	4,815	5,007	5,378	4,480	5,378
Growth (%)	26%	27%	19%	15%	15%	10%	13%	20%	15%	20%
Key Ratios (%)										
VNB margin (%)	26.8	26.9	26.9	30.5	27.4	27.9	27.5	27.9	27.8	27.7

LIC

Buy

CMP: INR861 | TP: INR1,080 (+25%)
VNB CHANGE (%): FY26|27|28: 2.2|2.2|2.2

- New business growth on a YoY basis is projected to be in double digits.
- Strong agency leadership with rising emphasis on banca channel.
- VNB margins to decline due to loss of input tax credit on policies, while absolute VNB to grow in double digits.
- Growth outlook and acquisition of a health insurance company key watch areas.

Policy holder's A/c (INRb)	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
First year premium	75	112	73	111	75	108	89	132	370	405
Growth (%)	10%	12%	-14%	-20%	1%	-3%	22%	19%	-5%	9%
Renewal premium	564	619	646	791	599	650	674	829	2,621	2,752
Growth (%)	5%	4%	3%	2%	6%	5%	4%	5%	4%	5%
Single premium	500	469	351	577	519	508	410	612	1,898	2,049
Growth (%)	31%	24%	-24%	-6%	4%	8%	17%	6%	3%	8%
Net premium income	1,138	1,199	1,069	1,476	1,192	1,265	1,143	1,597	4,881	5,197
Growth (%)	16%	12%	-9%	-3%	5%	5%	7%	8%	3%	6%
PAT	105	76	111	190	110	101	133	210	482	553
Growth (%)	10%	-4%	17%	38%	5%	32%	20%	10%	19%	15%
Key metrics (INRb)										
New business APE	116	165	100	189	127	164	113	206	568	609
Growth (%)	21%	26%	-24%	-11%	9%	-1%	13%	9%	0%	7%
VNB	16	29	19	35	19	32	21	39	100	112
Growth (%)	23%	47%	-27%	-3%	21%	8%	10%	11%	4%	11%
AUM (INRt)	54	55	55	55	57	57	59	61	55	61
Growth (%)	16%	17%	10%	6%	6%	3%	8%	12%	6%	12%
Key Ratios (%)										
VNB Margins (%)	13.9	17.9	19.4	18.7	15.4	19.3	18.8	19.0	17.6	18.3

ICICI Lombard

Buy

CMP INR1,974 | TP: INR2,400 (+22%)

EPS CHANGE (%) FY26|27|28: 1.8|0.9|1.0

- NEP expected to benefit from a recovery in auto sales and health segment, supported by recent GST-related factors.
- Combined ratio is expected to improve in 3Q, driven by a moderation in the claims ratio.
- Claims and expense ratios are expected to moderate; commission ratio to inch up sequentially.
- GST exemption implications and TP motor premium hikes are key monitorables.

Quarterly Performance

(INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net earned premium	45.0	50.3	50.5	52.3	51.4	56.5	60.0	56.7	198.0	224.6
Total Income	53.5	58.5	58.8	58.5	60.8	65.8	69.0	66.1	229.3	261.8
Change YoY (%)	17.9	15.9	17.6	13.4	13.7	12.5	17.4	12.9	16.1	14.2
Incurred claims	33.3	35.9	33.2	37.4	37.5	40.7	40.4	38.4	139.9	157.1
Net commission	8.0	8.4	11.6	10.3	9.4	10.1	12.6	12.6	38.4	44.7
Total Operating Expenses	48.5	51.9	52.0	54.4	54.3	58.3	61.0	59.2	206.7	232.7
Change YoY (%)	15.3	16.5	13.3	18.2	11.9	12.4	17.3	8.9	15.8	12.6
Underwriting profit	-3.5	-1.6	-1.5	-2.1	-2.9	-1.8	-1.0	-2.5	-8.7	-8.1
Rep Net Profit	5.8	6.9	7.2	5.1	7.5	8.2	8.5	7.2	25.1	31.3
Key Parameters (%)										
Claims ratio	74.0	71.4	65.8	71.6	73.0	72.1	67.4	67.7	70.6	69.9
Commission ratio	15.0	17.5	22.9	18.7	16.8	19.1	21.0	20.4	18.5	19.4
Expense ratio	13.3	15.6	14.0	12.1	13.2	14.0	13.2	13.3	13.7	13.4
Combined ratio	102.3	104.5	102.7	102.5	102.9	105.1	101.6	101.5	102.8	102.7
Solvency	2.56	2.65	2.36	2.69	2.70	2.73	0.00	0.00	3.0	3.1

Star Health

Buy

CMP INR460 | TP: INR560 (+22%)

EPS CHANGE (%): FY26|27|28: -15.5|-5.5|-9.4

- Both GWP and NEP are expected to see strong growth, driven by healthy momentum in the health segment following GST implications.
- Combined ratio is projected to improve, supported by better loss and expense ratios while commission ratio remains elevated.
- Investments yields are expected to remain largely stable.
- Impact of recent GST exemptions – key monitorable.

Quarterly Performance

(INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net earned premium	35.2	37.0	38.0	38.0	39.4	40.8	41.5	45.8	148.2	167.5
Investment Income	1.7	2.1	2.0	1.9	1.8	1.8	2.1	2.1	7.7	7.8
Total Income	36.9	39.1	40.0	39.9	41.2	42.7	43.6	47.9	155.9	175.3
Change YoY (%)	15.7	16.6	15.8	11.5	11.5	9.0	9.0	20.1	14.8	12.4
Incurred claims	23.8	27.0	27.1	26.3	27.4	29.2	29.3	31.1	104.2	116.9
Net commission	4.3	5.5	5.0	7.6	5.1	6.9	7.1	9.6	22.4	28.6
Total Operating Expenses	33.8	39.0	38.5	40.7	38.7	42.8	43.1	47.5	152.0	172.1
Change YoY (%)	16.6	18.7	21.1	16.8	14.4	9.9	11.9	16.7	18.3	13.2
Underwriting profit	1.4	-1.9	-0.5	-2.8	0.7	-2.0	-1.5	-1.7	-3.8	-4.6
Net Profit	3.2	1.1	2.2	0.0	2.6	0.5	1.3	1.2	6.5	5.7
Change YoY (%)	10.8	-11.2	-25.7	-99.6	-17.7	-50.7	-40.5	NA	-24%	-12%
Key Parameters (%)										
Claims ratio	67.6	72.8	71.4	69.2	69.5	71.5	70.5	67.9	70.3	69.8
Commission ratio	13.5	13.8	14.1	15.8	14.7	16.3	16.3	16.3	14.4	16.0
Expense ratio	18.1	16.4	17.7	14.2	17.9	16.0	15.6	11.7	16.4	14.9
Combined ratio	99.2	103.0	103.3	99.2	102.2	103.8	102.4	95.9	101.1	100.7

Niva Bupa

Buy

CMP INR75 | TP: INR91 (+21%)

EPS CHANGE (%): FY26|27|28: -75.3|-16.0|-1.2

- GWP and NEP to register strong double-digit growth, led by growth in health segment following recent GST implications.
- Loss ratio is expected to remain largely stable sequentially in 3QFY26.
- Combined ratio is expected to improve on sequential basis, largely led by reduced expense ratio.
- Future guidance on growth and combined ratio will be critical.

Quarterly Performance

Y/E March	FY25				FY26				INRm	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net earned premium	10,180	12,132	11,358	15,274	12,200	14,221	14,223	20,261	48,945	60,904
Investment Income	575	682	679	938	868	981	994	1,051	2,874	3,895
Total Income	11,593	13,597	12,405	15,647	13,084	15,381	15,464	21,725	53,243	65,653
Change YoY (%)	36.2	37.1	20.1	18.7	12.9	13.1	24.7	38.8	26.9	23.3
Incurred claims	6,518	7,419	7,398	8,616	9,499	10,126	10,098	11,082	29,950	40,806
Net commission	2,280	2,803	2,608	2,955	2,598	2,798	3,268	4,509	10,646	13,173
Total operating expenses	4,843	5,594	4,973	6,082	5,037	5,875	6,400	8,380	21,492	25,692
Change YoY (%)	28.2	37.3	14.2	13.5	4.0	5.0	28.7	37.8	7.5	15.4
Underwriting profit	-1,180	-880	-1,013	576	-2,336	-1,780	-2,275	798	-2,497	-5,594
Net Profit	-188	130	132	2,061	-914	-353	-749	2,184	2,135	168
Change YoY (%)	NA	NA	NA	31.2	NA	NA	-665.4	6.0	160.9	-92.1
Key Parameters (%)										
Claims ratio	64.0	61.1	65.1	56.4	77.9	71.2	71.0	54.7	61.2	67.0
Commission ratio	19.8	20.1	22.6	17.7	20.2	19.3	19.3	19.3	19.8	19.5
Expense ratio	22.3	20.0	20.5	18.7	18.9	21.2	18.5	16.6	20.2	18.5
Combined ratio	106.1	101.3	108.3	92.8	117.0	111.7	108.8	90.6	101.2	105.0

PB Fintech

Neutral

CMP INR1,783 | TP: INR2,000 (+12%)

EPS CHANGE (%): FY26|27|28: -5.7|-1.6|-1.4

- 40%+ YoY growth in online premiums, backed by boost in health insurance owing to GST exemption.
- New initiatives' growth trajectory to remain strong, with losses reducing as businesses scale.
- Contribution margin of core online to decline due to higher share of fresh health insurance in the mix.
- Impact of reduction in commission structure after GST exemption to be key monitorable.

Quarterly Performance

Y/E March	FY25				FY26				(INRm)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Revenue	10,030	11,676	12,910	15,080	13,480	16,130	18,703	21,816	49,770	70,128
Change YoY (%)	50.6	43.8	48.2	38.6	34.4	38.1	44.9	44.7	44.8	40.9
Core Online Business	6,570	7,676	7,700	8,770	8,340	9,580	10,412	11,940	30,730	40,272
New initiatives	3,460	4,000	5,210	6,310	5,140	6,550	8,291	9,875	19,040	29,856
Direct costs	7,190	8,486	9,610	10,750	9,770	11,490	13,945	15,495	36,110	50,700
Core Online Business	3,710	4,506	4,550	4,710	4,900	5,300	6,052	6,365	17,470	22,616
New initiatives	3,480	3,980	5,060	6,040	4,870	6,190	7,894	9,130	18,640	28,084
Contribution profit	2,840	3,190	3,300	4,330	3,710	4,640	4,757	6,321	13,660	19,428
Change YoY (%)	29.7	29.1	27.4	43.4	30.6	45.5	44.2	46.0	33.0	42.2
Core Online Business	2,860	3,170	3,150	4,060	3,440	4,280	4,360	5,576	13,260	17,656
New initiatives	-20	20	150	270	270	360	397	745	400	1,772
Adjusted EBITDA	490	560	790	1,500	890	1,560	1,761	2,988	3,340	7,198
Core Online Business	920	1,030	1,140	1,900	1,200	1,830	1,988	3,112	5,020	8,130
New initiatives	-430	-470	-350	-400	-310	-270	-228	-124	-1,680	-932
EBITDA	-393	-74	280	1,140	340	980	1,181	2,398	1,190	4,898
Other Income	1,003	1,060	1,004	1,011	988	850	1,000	976	4,077	3,814
PBT	708	606	854	1,724	920	1,428	1,734	2,917	3,876	6,971
Tax	108	93	136	8	77	70	208	482	345	837
PAT	600	513	719	1,716	843	1,358	1,526	2,436	3,532	6,135

Healthcare

Company

Alembic Pharma.

Ajanta Pharma

Alkem Lab.

Apollo Hospitals

Aurobindo Pharma

Biocon

Cipla

Dr. Agarwal's Healthcare

Divi's Lab.

Dr. Reddy's Lab.

Eris Lifesciences

Gland Pharma

Glenmark Pharma.

Global Health

Granules India

GSK Pharma

IPCA Lab.

Laurus Labs

Lupin

Mankind Pharma

Max Healthcare

Piramal Pharma

Rubicon Research

Sun Pharma

Torrent Pharma

Zydus Lifesciences

EBITDA growth trails revenue growth for third straight quarter

Chronic-led DF growth and capacity expansion to shape sectoral trends

We expect pharma companies to deliver steady growth in aggregate revenue in 3QFY26, supported by improving domestic formulations (DF) momentum. However, increased competition in select products for US market and slower pace of potential launches should keep EBITDA growth trend in check. Aggregate DF sales are projected to grow 8.7% YoY to INR256b, led by continued outperformance of chronic therapies, while acute therapies remain subdued. US generics sales are expected to decline due to competition in select products, namely g-Revlimid. The hospital sector is expected to post 9% YoY revenue growth, even as occupancy declines due to aggressive capacity additions. Average revenue per occupied bed (ARPOB) should improve moderately on a higher chronic specialty mix. Having said this, the front-loading of opex related to newer hospitals/bed additions would keep margins under pressure.

DF: Expect recovery post GST disruption/steady thrust in chronic therapies

Coverage companies to see sequential improvement in growth

For companies under our coverage, we expect aggregate DF segment sales to increase by 8.7% YoY to INR256b in 3QFY26. Sequential improvement in DF is attributed to higher sales after GST transition. However, growth is likely to remain below the double-digit levels seen in earlier quarters due to weak seasonality. That said, our coverage companies are expected to track industry growth, supported by continued product launches and an increasing focus on chronic therapy portfolios.

Chronic therapies to outperform as acute growth remains subdued

In the first two months of 3QFY26 (Oct/Nov'25), chronic therapies recorded strong growth of 15.5% YoY, significantly outperforming the 11.0%/11.3% YoY growth seen in 1Q/2QFY26. In contrast, acute therapies continued to see muted performance, with growth of 7.0% YoY vs. 7.7%/5.0% YoY in 1Q/2QFY26. Robust traction in cardiac and anti-diabetic therapies supported outperformance vs. IPM during the quarter. However, overall IPM growth was partially constrained by weaker trends in anti-infective, gastro, and pain segments.

AJP/SUNP to record strong YoY DF sales in 3QFY26

We expect AJP/SUNP to report sales growth of 16.2%/13.2% YoY, driven by price increases, new product launches, and improved productivity from the medical representative (MR) force. AJP is expected to deliver double-digit growth across dermatology, ophthalmology, and pain therapies, based on IQVIA data for the three months ending Nov'25. IPCA is likely to record broad-based growth across therapies, although the anti-infective segment is expected to remain subdued. We expect ERIS to report growth of 15% YoY driven by growth in both branded DF and exports.

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US sales: 3Q to reflect minimal contribution from g-revlimid

US sales expected to decline YoY in 3QFY26; excl. DRRD, sales likely to rise

For our coverage universe, US revenue is expected to decline 1.3% YoY to USD2.3b in 3QFY26, driven largely by a sharp 21.5% YoY decline in DRRD's sales to USD310m. Excluding DRRD, US revenue is expected to grow 2.8% YoY. Cipla/ARBP are expected to post 15%/7% YoY decline in US sales due to lower sales of g-Revlimid. **Notably, 3Q would showcase base business performance for DRRD and Cipla in US segment.**

LPC/TRP to be outperformers for the quarter

The overall decline would be mitigated by robust growth in LPC/TRP. LPC is likely to deliver strong US growth of 27.6% YoY on account of steady traction in g-Tolvaptan/g-Spiriva/Mirabegron, offset by price erosion in base portfolio and competition in g-Albuterol. Delayed competitor approval of g-Tolvaptan would extend the low-competition window, supporting continued growth.

TRP/ALKEM/ALPM/ZYDUS are expected to grow 25%/8.5%/5%/3.5% YoY in 3QFY26, driven by contributions from new product launches. GNP is likely to report stable US revenue as pricing pressure in base portfolio may constrain growth.

Pace of approvals for our coverage companies has slowed down

During the quarter, 12 facilities belonging to our coverage companies were inspected by the USFDA. **At the industry level, final approvals stood at 154 in 3QFY26 (vs. 144 approvals in 2QFY26).** For companies under our coverage, there were 32 final approvals during 3QFY26. The approval trend turned meaningfully weaker after 4QFY25, with approvals declining for three consecutive quarters, indicating consistent moderation in regulatory clearances.

Hospitals: Capacity-led growth with temporary pressure on operating metrics

For the hospitals under our coverage, revenue is expected to grow 9% YoY to INR95b in 3QFY26, driven by consistent operational execution, strong expansion of bed capacities, along with the development of new facilities, which together have enhanced operating metrics and profitability. For 3Q, we expect EBITDA margins of our coverage companies to be ~19% and aggregate EBITDA to grow 10% YoY.

Overall occupancy is expected to decline by ~480bp YoY, while ARPOB is projected to see a moderate increase, supported by a greater focus on chronic specialties. Hospitals will continue to undertake aggressive capacity expansion through new bed additions and doctor hiring to scale patient volumes and improve occupancy levels. Sector growth has been impacted by the rollout of GST 2.0 and seasonal factors. Near-term margins are expected to stay subdued owing to higher operating costs linked to capacity ramp-up, although profitability and returns should normalize and improve over the medium term as utilization improves.

MAXHEALTH plans to add ~800 beds in FY26 at Nanavati Max, the Saket Complex, and Gomti Nagar through brownfield expansion. APHS plans to operationalize 1,687 beds during 2HFY26-FY27. It has recently commissioned a 250-bed facility in Swargate, Pune. Medanta fully commercialized its 550-bed super-specialty hospital in 3QFY26 and plans to add ~400 beds in Lucknow and Patna by the end of FY27.

We expect APHS to post 11%/20%/23% YoY growth in sales/EBITDA/PAT for 3QFY26. MEDANTA is expected to deliver sales/PAT growth of 13%/7% YoY, while EBITDA may decline 1% YoY. Profitability is likely to remain subdued as operating expenses from the recently commissioned Noida hospital continue to weigh on margins. MAXHEALTH is also likely to deliver subdued performance, with sales/EBITDA posting 4%/2% YoY growth and PAT declining 1% YoY.

GNP/LPC/LAURUS to outperform within the healthcare pack

- In 3QFY26, we expect GNP/LPC/LAURUS to deliver 41%/38%/36% YoY growth in EBITDA. For GNP, income from ISB2001 deal and progress on scale-up of DF business after GST-led inventory corrections to drive financial performance.
- Steady approval in US and focus on chronic therapies in DF to support superior show for LPC in 3QFY26. Improvement in product mix and better operational efficiency should drive EBITDA growth for LAURUS in 3QFY26.
- DRRD/CIPLA/PIRPHARM are expected to report a YoY decline of 21%/20%/11% in EBITDA for the quarter. Increased competition, leading to heightened pricing pressure on products including g-Revlimid, along with operational inefficiencies, may weigh on EBITDA performance.
- We have reduced our estimates for PIRPHARM by 13%/9% for FY27/FY28, reflecting our expectation of only a gradual recovery across its segments over the mid-term and the need for greater visibility on order inflows going forward.
- **Our top ideas:** Laurus Labs (CDMO differentiation), Biocon (biosimilar frontrunner), and Rubicon (differentiated US play).

Exhibit 1: Summary of quarterly performance

Sector	CMP		SALES (INR m)			EBITDA (INR M)			NET PROFIT (INR m)		
	(INR)	Reco	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Ajanta Pharma	2937	Buy	13,155	14.8	-2.8	3,644	13.6	-1.2	2,594	18.1	-0.7
Alembic Pharma	836	Neutral	18,509	9.3	-3.1	3,035	16.7	-3.8	1,796	29.7	4.7
Alkem Lab	5588	Neutral	36,750	8.9	-8.1	7,093	-6.6	-23.0	5,776	-7.7	-27.9
Apollo Hospitals	7129	Buy	61,260	10.8	-2.8	9,128	19.9	-3.0	4,563	22.6	-4.4
Aurobindo Pharma	1215	Buy	80,651	1.1	-2.7	16,937	4.0	0.9	9,315	5.7	10.2
Biocon	393	Buy	45,447	18.9	5.8	8,953	13.9	7.2	1,580	259.6	73.6
Blue Jet Healthcare	531	Buy	3,284	3.5	98.5	1,168	-5.1	112.6	932	-4.9	78.7
Cipla	1511	Neutral	72,820	3.0	-4.1	15,875	-20.2	-16.2	11,270	-17.4	-16.6
Divis Labs	6390	Neutral	26,788	15.5	-1.3	8,438	13.6	-5.0	6,148	5.8	-4.1
Dr Agarwals Health.	502	Buy	5,169	20.0	3.6	1,339	22.1	-1.7	313	67.3	5.4
Dr Reddy's Labs	1255	Neutral	80,851	-1.8	-8.2	17,221	-20.7	-19.0	11,473	-13.0	-25.6
Eris Lifescience	1531	Neutral	8,366	15.0	5.6	3,045	21.7	5.7	1,268	51.6	5.7
Gland Pharma	1714	Buy	16,065	16.1	8.0	3,807	5.8	21.3	2,347	14.7	27.8
Glenmark Pharma	2066	Buy	37,704	11.3	58.6	8,483	41.3	LP	5,281	51.8	LP
Global Health	1217	Buy	10,684	13.2	-2.8	2,393	-0.8	3.6	1,522	6.5	4.4
Granules India	615	Buy	12,611	10.9	-2.8	2,775	20.5	-0.3	1,403	19.3	7.4
GSK Pharma	2483	Neutral	10,529	10.9	7.4	3,643	28.8	8.5	2,752	24.6	8.0
IPCA Labs.	1404	Buy	24,081	7.2	-5.8	4,840	4.5	-11.2	2,779	12.0	-14.4
Laurus Labs	1107	Buy	16,611	17.4	0.5	3,887	36.3	-3.6	1,618	75.3	-16.6
Laxmi Dental	271	Buy	678	10.0	-6.1	105	9.4	-4.6	75	57.1	-11.6
Lupin	2106	Neutral	67,614	18.8	-4.1	18,999	38.0	-11.1	11,992	40.2	-9.6
Mankind Pharma	2203	Buy	35,711	11.6	-3.4	8,928	9.4	-3.1	5,040	34.9	-0.6
Max Healthcare	1063	Buy	23,658	4.3	-8.0	6,293	2.0	-8.4	3,949	-0.7	-7.2
Piramal Pharma	179	Buy	22,961	4.2	12.3	3,008	-10.9	89.5	315	757.2	LP
Rubicon Research	662	Buy	4,580	NA	11.2	1,008	NA	6.9	627	NA	16.4
Sun Pharma	1729	Buy	1,46,486	12.2	1.7	39,991	11.9	-0.6	30,123	9.0	7.8
Torrent Pharma	3885	Neutral	31,944	13.7	-3.3	10,318	12.9	-4.7	5,865	16.6	-2.4
Zydus Lifesciences	917	Neutral	63,704	20.9	4.0	15,799	21.5	-1.4	9,675	1.9	-4.7
Healthcare			9,78,672	10.4	0.0	2,30,153	8.0	2.7	1,42,392	9.8	6.5

Source: Company, MOFSL

Exhibit 2: Relative performance – three months (%)

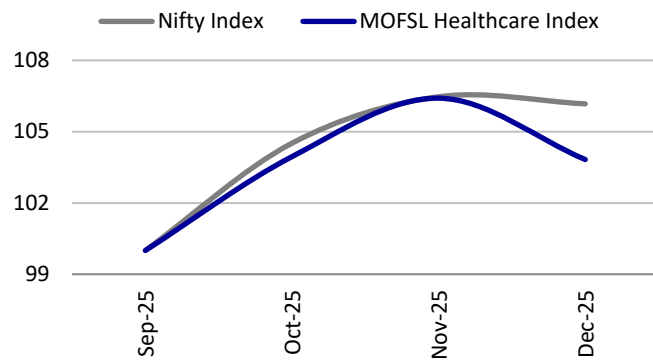
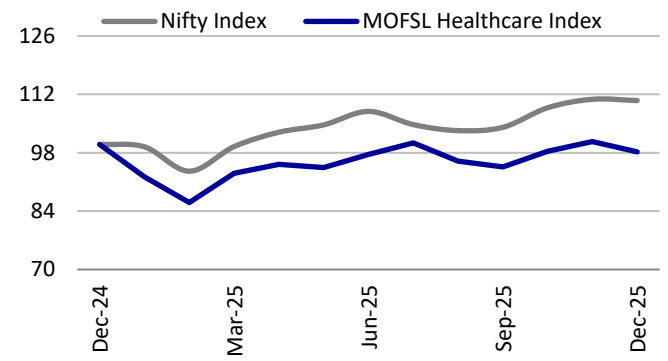
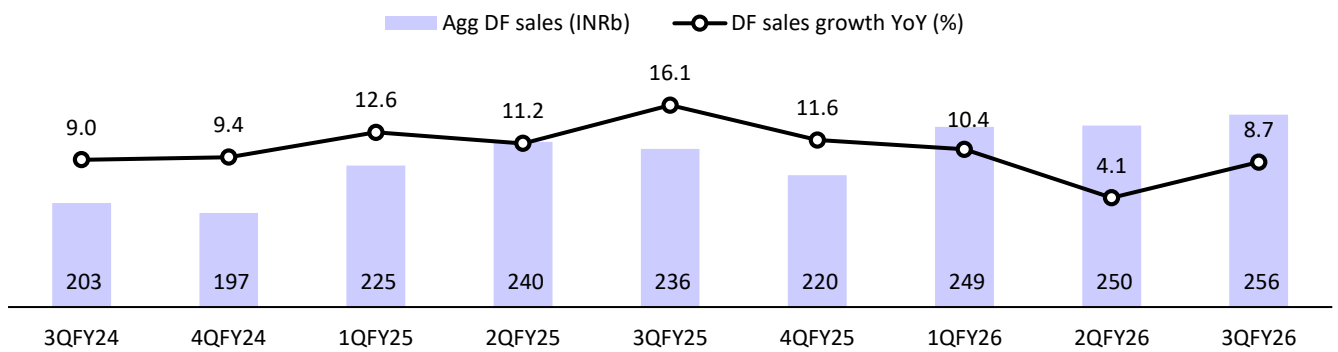


Exhibit 3: Relative performance – one year (%)



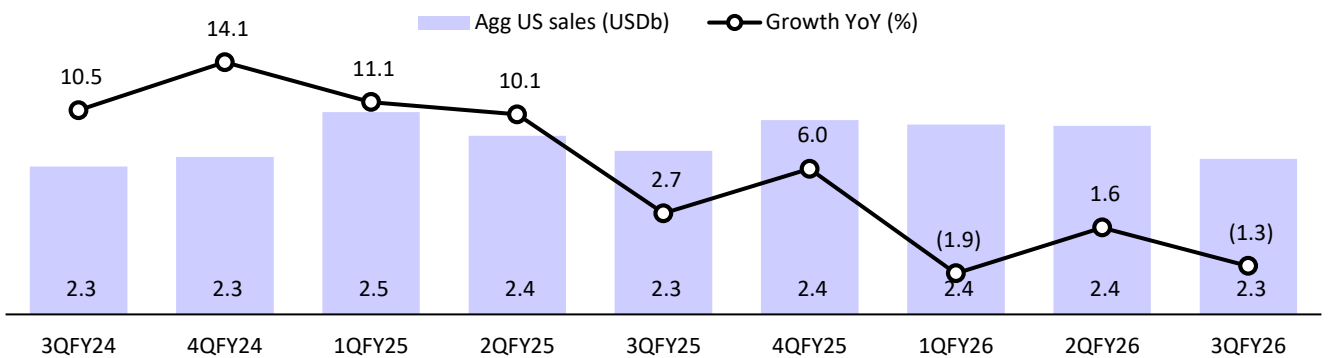
Source: Bloomberg, MOFSL

Exhibit 4: DF sales to grow 8.7% YoY in 3QFY26



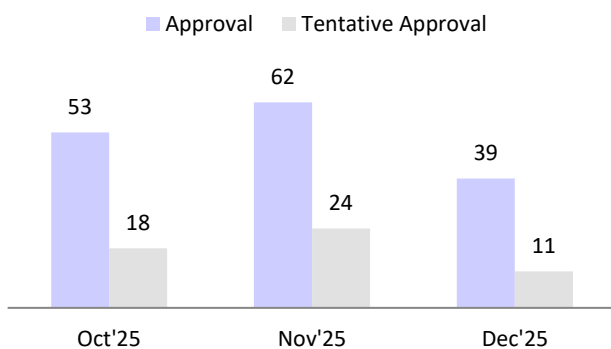
Note: Growth is ex-Mankind, Source: MOFSL, Company

Exhibit 5: US sales to decline 1.3% YoY in 3QFY26



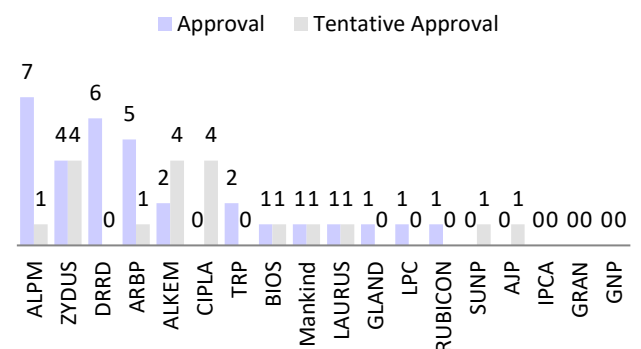
Source: MOFSL, Company

Exhibit 6: 154 approvals in 3Q on an industry-wide basis



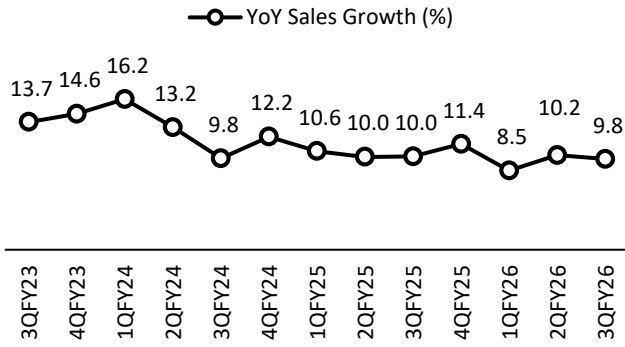
Source: MOFSL, Company

Exhibit 7: 32 ANDAs approved on an aggregate basis for our coverage universe in 3QFY26



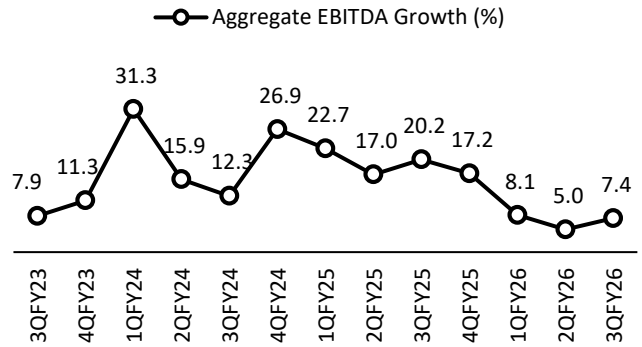
Source: MOFSL, Company

Exhibit 8: Expect sales to grow 10% YoY in 3QFY26



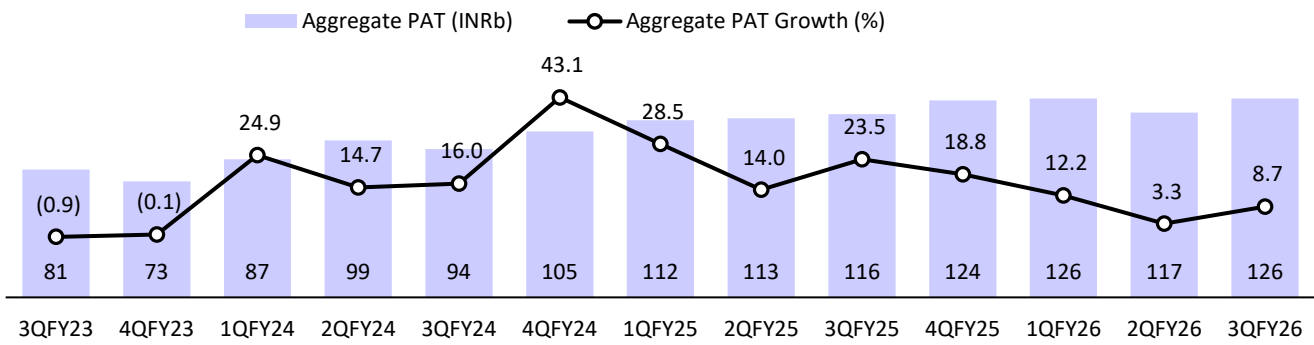
Source: MOFSL, Company

Exhibit 9: EBITDA to grow 7% YoY



Source: MOFSL, Company

Exhibit 10: PAT to grow 8.7% YoY



Source: MOFSL, Company

Exhibit 11: The USFDA inspection history of our coverage companies for the quarter

Company	Inspection Date	Inspection Facility	Outcome	Observations
Biocon	Oct-25	Cranbury, New Jersey	EIR	VAI
	Nov-25	API Facility (Site 6), Visakhapatnam	Form 483	2
Aurobindo Pharma	Dec-25	Unit V, Apitoria, Sangareddy	Form 483	3
	Dec-25	Unit IV, APL Healthcare, SPSR Nellore	Form 483	5
Dr Reddy	Nov-25	API Facility, Srikakulam	Form 483	0
	Dec-25	Formulations Facility, Srikakulam	Form 483	5
Lupin	Nov-25	Nagpur Unit-1	Form 483	0
	Nov-25	Bioresearch Centre, Pune	Form 483	0
Zydus	Nov-25	Goa	Form 483	7
	Nov-25	SEZ I, Ahmedabad	Form 483	2
IPCA	Dec-25	Tarapur, Palghar	Form 483	3
Glenmark Pharma	Nov-25	Formulations Facility, Chhatrapati Sambhajanagar	Form 483	0

Source: MOFSL, Company

Exhibit 12: Comparative valuation

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Healthcare						35.9	30.7	26.8	4.9	4.3	3.8	13.7	14.1	14.2
Ajanta Pharma	2,937	Buy	83.0	99.7	111.7	35.4	29.5	26.3	8.0	6.7	5.6	24.9	24.8	23.2
Alembic Pharma	836	Neutral	36.2	44.9	53.7	23.1	18.6	15.6	2.8	2.5	2.2	12.8	14.2	14.9
Alkem Lab	5,588	Neutral	197.0	185.8	207.3	28.4	30.1	27.0	4.9	4.4	4.0	18.4	15.5	15.6
Apollo Hospitals	7,129	Buy	130.8	155.6	193.1	54.5	45.8	36.9	9.9	8.2	6.7	20.6	20.2	20.5
Aurobindo Pharma	1,215	Buy	61.9	77.7	90.6	19.6	15.6	13.4	2.0	1.8	1.6	10.5	11.8	12.3
Biocon	393	Buy	3.0	7.1	9.4	132.8	55.5	41.9	2.1	2.0	1.9	2.2	5.1	6.4
Blue Jet Healthcare	531	Buy	19.7	23.3	28.5	26.9	22.8	18.6	6.3	5.0	4.0	26.5	24.6	24.0
Cipla	1,511	Neutral	61.2	61.7	68.6	24.7	24.5	22.0	3.4	3.0	2.7	13.8	12.4	12.2
Divis Labs	6,390	Neutral	91.1	114.9	137.0	70.1	55.6	46.6	10.1	9.0	7.9	15.3	17.2	18.1
Dr Agarwals Health.	502	Buy	4.0	5.2	7.9	125.8	96.0	63.8	7.9	7.3	6.6	6.5	7.9	10.8
Dr Reddy's Labs	1,255	Neutral	65.7	62.6	67.3	19.1	20.1	18.7	2.7	2.4	2.1	15.1	12.7	12.2
Eris Lifescience	1,531	Neutral	36.0	50.8	61.1	42.6	30.1	25.1	6.4	5.4	4.5	16.1	19.5	19.6
Gland Pharma	1,714	Buy	54.2	68.0	80.4	31.6	25.2	21.3	2.8	2.5	2.3	9.3	10.6	11.2
Glenmark Pharma	2,066	Buy	19.1	77.5	87.4	108.1	26.7	23.6	6.3	5.1	4.3	5.9	21.2	19.7
Global Health	1,217	Buy	22.3	29.5	35.4	54.7	41.3	34.3	8.4	7.2	6.1	16.4	18.8	19.3
Granules India	615	Buy	23.5	31.2	38.1	26.2	19.7	16.2	3.5	3.0	2.5	14.3	16.4	17.1
GSK Pharma	2,483	Neutral	61.3	70.6	79.8	40.5	35.2	31.1	16.7	12.9	10.2	41.2	36.8	32.7
IPCA Labs.	1,404	Buy	42.8	52.0	61.6	32.8	27.0	22.8	4.5	4.0	3.5	14.7	15.7	16.2
Laurus Labs	1,107	Buy	13.4	16.8	19.6	82.4	65.9	56.4	11.4	10.0	8.7	14.7	16.2	16.5
Laxmi Dental	271	Buy	7.5	10.9	13.2	35.9	24.8	20.6	6.0	4.8	3.9	18.1	21.4	20.9
Lupin	2,106	Neutral	102.9	100.1	102.6	20.5	21.0	20.5	4.2	3.5	3.0	23.4	18.3	15.9
Mankind Pharma	2,203	Buy	45.6	59.3	72.1	48.3	37.1	30.6	5.8	5.1	4.5	12.5	14.6	15.8
Max Healthcare	1,063	Buy	16.9	23.4	25.5	63.0	45.4	41.6	8.5	7.3	6.2	14.5	17.3	16.1
Piramal Pharma	179	Buy	-0.5	1.3	3.2	-330.6	142.3	55.3	2.6	2.6	2.5	-0.9	2.0	5.1
Rubicon Research	662	Buy	13.6	18.3	24.6	48.6	36.1	27.0	9.0	7.4	5.9	25.6	22.5	24.4
Sun Pharma	1,729	Buy	49.2	57.5	64.7	35.1	30.1	26.7	5.1	4.5	4.0	15.4	16.0	15.8
Torrent Pharma	3,885	Neutral	69.4	83.8	103.2	55.9	46.3	37.6	7.2	6.0	5.0	28.2	28.4	29.1
Zydus Lifesciences	917	Neutral	44.6	44.7	48.9	20.5	20.5	18.8	3.2	2.8	2.5	17.1	14.8	14.2

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

Ajanta Pharma

Buy

CMP: INR2,937 | TP: INR3,400 (16%)
EPS CHANGE (%): FY26|27|28: 0|0|0

- Expect DF sales to grow 14% YoY to INR4b, due to superior show in derma/anti-diabetic/ophthal.
- US growth momentum to sustain in 3QFY26, with 26% YoY growth driven by new launches and market share gains.
- Postponement of supplies across Asian geographies is projected to revive growth in 3QFY26 to some extent.
- Growth momentum in Africa to sustain with 18.6% YoY growth led by superior execution and partly on low base.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	11,449	11,866	11,461	11,704	13,027	13,537	13,155	13,012	46,481	52,731
YoY Change (%)	12.1	15.4	3.7	11.0	13.8	14.1	14.8	11.2	10.4	13.4
Total Expenditure	7,846	8,498	8,253	8,733	9,262	9,850	9,511	9,434	33,330	38,056
EBITDA	3,604	3,368	3,208	2,972	3,765	3,688	3,644	3,578	13,152	14,675
YoY Change (%)	28.1	15.9	-0.3	6.8	4.5	9.5	13.6	20.4	12.2	11.6
Margins (%)	31.5	28.4	28.0	25.4	28.9	27.2	27.7	27.5	28.3	27.8
Depreciation	340	344	360	398	413	430	375	371	1,441	1,588
EBIT	3,264	3,024	2,849	2,574	3,352	3,258	3,269	3,208	11,710	13,087
YoY Change (%)	31.5	17.7	-0.9	5.4	2.7	7.7	14.8	24.6	13.0	11.8
Interest	7	60	79	61	53	34	66	66	207	218
Other Income	182	195	129	111	170	197	165	175	616	706
PBT before EO expense	3,439	3,159	2,898	2,624	3,469	3,421	3,368	3,316	12,119	13,575
Extra-Ord expense	-217	-257	176	71	-158	-13	0	0	-227	-171
PBT	3,221	2,902	3,074	2,694	3,311	3,408	3,368	3,316	11,892	13,404
Tax	764	738	745	442	758	806	775	789	2,688	3,128
Effective Rate (%)	23.7	25.4	24.2	16.4	22.9	23.7	23.0	23.8	22.6	23.3
Reported PAT	2,458	2,165	2,329	2,253	2,553	2,602	2,594	2,527	9,204	10,276
Adj PAT	2,624	2,356	2,196	2,194	2,675	2,612	2,594	2,527	9,369	10,407
YoY Change (%)	30.8	26.5	3.3	16.4	2.0	10.9	18.1	15.2	18.9	11.1
Margins (%)	22.6	19.5	18.9	18.6	20.3	19.0	19.5	19.2	19.9	19.5

Alembic Pharma

Neutral

CMP: INR848 | TP: INR882 (6%)
EPS CHANGE (%): FY26|27|28: 2|1.9|3

- New launches to drive 9% YoY growth in US sales, reaching USD66m during the quarter.
- EBITDA margins expected to improve to 16.4% driven by better operating leverage.
- Expect DF sales to grow modestly by 4.3% YoY in 3Q, impacted by muted show in anti-infective, respiratory and gastro therapies.
- Expect 12% YoY growth in the API business, led by lower base and improved demand.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	15,617	16,480	16,927	17,696	17,107	19,102	18,509	18,870	66,721	73,588
YoY Change (%)	5.1	3.3	3.8	16.7	9.5	15.9	9.3	6.6	7.1	10.3
Total Expenditure	13,249	14,087	14,325	14,977	14,294	15,945	15,474	15,757	56,639	61,469
EBITDA	2,368	2,393	2,602	2,719	2,813	3,157	3,035	3,114	10,082	12,119
YoY Change (%)	19.2	14.9	-2.4	4.6	18.8	31.9	16.7	14.5	8.1	20.2
Margins (%)	15.2	14.5	15.4	15.4	16.4	16.5	16.4	16.5	15.1	16.5
Depreciation	690	705	700	690	738	761	798	813	2,786	3,109
EBIT	1,678	1,688	1,902	2,029	2,075	2,396	2,238	2,300	7,297	9,010
YoY Change (%)	26.6	19.9	-3.6	6.5	23.7	42.0	17.7	13.3	10.5	23.5
Interest	132	188	223	245	235	242	205	159	788	841
Other Income	21	167	95	142	65	69	171	375	425	680
PBT	1,567	1,796	1,774	1,926	1,905	2,223	2,204	2,516	7,063	8,848
Rate (%)	14.4	15.2	22.6	18.3	19.1	23.9	18.1	18.0	17.7	19.8
MI & P/L of Asso. Cos.	-5	-11	-11	4	-3	-24	9	11	-23	-7
Reported PAT	1,347	1,534	1,384	1,569	1,544	1,715	1,796	2,052	5,834	7,107
Adj PAT	1,347	1,425	1,384	1,569	1,544	1,715	1,796	2,052	5,725	7,107
YoY Change (%)	11.6	3.6	-23.5	-12.3	14.6	20.4	29.7	30.8	-7.2	24.1
Margins (%)	8.6	8.6	8.2	8.9	9.0	9.0	9.7	10.9	8.6	9.7

Alkem Labs

Neutral

CMP: INR5,588 | TP: INR5,500 (-2%)

EPS CHANGE (%): FY26|27|28: (6.7)|(1)|(1)

- Expect DF sales to grow 8% YoY, impacted by weakness in Anti-infectives.
- Expect US sales to grow by 14% YoY to INR7.2b, backed by new product launches.
- Expect opex related to Enzene US plant/med tech to affect profitability for 3Q.
- Ex-US sales to grow at 22% YoY on the back of superior execution in Australia and other European markets.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenues	30,318	34,147	33,743	31,438	33,711	40,010	36,750	34,116	129,645	144,127
YoY Change (%)	2.2	-0.7	1.5	7.1	11.2	17.2	8.9	8.5	2.3	11.2
Total Expenditure	24,232	26,618	26,149	27,525	26,321	30,802	29,658	29,340	104,524	73,705
EBITDA	6,086	7,528	7,594	3,913	7,391	9,208	7,093	4,776	25,121	28,007
YoY Change (%)	56.4	0.8	7.3	-2.7	21.4	22.3	-6.6	22.1	11.9	11.5
Margins (%)	20.1	22.0	22.5	12.4	21.9	23.0	19.3	14.0	19.4	19.4
Depreciation	805	789	853	1,125	877	936	955	928	3,572	3,696
EBIT	5,282	6,739	6,741	2,788	6,514	8,272	6,138	3,848	21,550	24,311
YoY Change (%)	66.7	0.2	5.7	-12.5	23.3	22.7	-8.9	38.0	57.4	24.9
Margins (%)	17.4	19.7	20.0	8.9	19.3	20.7	16.7	11.3	16.6	16.9
Interest	291	281	360	284	298	350	310	320	1,217	1,278
Other Income	1,203	1,345	930	1,460	1,365	1,400	1,150	1,050	4,937	4,965
PBT after EO Exp	6,194	7,803	7,311	3,963	7,710	9,321	6,978	4,578	25,270	28,127
Tax	691	783	903	733	1,027	1,162	1,012	687	3,110	3,888
Rate (%)	11.2	10.0	12.3	18.5	13.3	12.5	14.5	15.0	12.3	13.9
PAT (pre Minority Interest)	5,502	7,020	6,408	3,230	6,683	8,159	5,966	3,891	22,160	24,240
Minority Interest	51	133	150	172	41	145	190	195	505	571
Reported PAT	5,452	6,886	6,258	3,059	6,643	8,014	5,776	3,696	21,655	23,669
Adj Net Profit	5,452	6,886	6,258	3,059	6,531	8,014	5,776	3,696	21,655	24,017
YoY Change (%)	90.1	2.0	-2.6	0.6	19.8	16.4	-7.7	20.8	13.5	10.9

Apollo Hospitals

Buy

CMP: INR7,129 | TP: INR9,015 (26%)

EPS CHANGE (%): FY26|27|28: 0.5|0|0

- Sales/EBITDA are likely to grow 11%/16% YoY to INR61b/INR8.8b, supported by steady growth across segments.
- Progress on comprehensive franchise build-up of healthco comprising online/offline pharmacy and back-end integration
- Progress on new projects in hospital segment.
- Outlook on GMV growth to drive the profitability of the online pharmacy business.

Consolidated - Quarterly Earning Model

Y/E March (INRm)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	50,856	55,893	55,269	55,922	58,421	63,035	61,260	63,839	217,940	2,46,555
YoY Change (%)	15.1	15.3	13.9	13.1	14.9	12.8	10.8	14.2	14.3	13.1
Total Expenditure	44,105	47,738	47,654	48,225	49,902	53,624	52,132	54,582	187,722	2,10,240
EBITDA	6,751	8,155	7,615	7,697	8,519	9,411	9,128	9,257	30,218	36,314
YoY Change (%)	32.6	30.0	24.1	20.2	26.2	15.4	19.9	20.3	26.4	20.2
Margins (%)	13.3	14.6	13.8	13.8	14.6	14.9	14.9	14.5	13.9	14.7
Depreciation	1,774	1,845	1,846	2,110	2,147	2,178	2,161	2,252	7,575	8,738
Interest	1,164	1,175	1,098	1,148	1,083	1,096	1,120	1,167	4,585	4,466
Other Income	372	382	638	611	402	547	560	758	2,003	2,267
PBT	4,185	5,517	5,309	5,050	5,691	6,684	6,407	6,595	20,061	25,377
Rate (%)	27.4	29.3	29.5	20.0	24.9	27.0	27.5	27.8	26.6	25.4
Minority Interest & Profit/Loss of Asso. Cos.	-12	112	18	144	-54	105	82	71	262	204
Reported PAT	3,052	3,788	3,723	3,896	4,328	4,772	4,563	4,690	14,459	18,714
Adj PAT	3,052	3,788	3,723	3,896	4,328	4,772	4,563	4,690	14,459	18,800
YoY Change (%)	83.2	63.5	51.8	53.5	41.8	26.0	22.6	20.4	61.1	30.0
Margins (%)	6.0	6.8	6.7	7.0	7.4	7.6	7.4	7.3	6.6	7.6

Aurobindo Pharma

Buy

CMP: INR1,215 | TP: INR1,430 (18%)

EPS CHANGE (%): FY26|27|28: (0.8)|(0.8)|(0.7)

- Expect a 7% YoY decline in the US sales to USD405m during the quarter, partly due to reduced g-Revlimid
- Expect breakeven of China OSD facility; enhancing supply reliability and cost efficiency for European markets.
- Expect EU sales to grow 12.3% YoY to INR23b, driven by expanded offerings and increasing reach.
- Progress on capacity utilization of the PENG plant with govt in final stages to approve minimum import price for PEN-G.

Consolidated - Quarterly Earning Model

(INRM)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	75,670	77,961	79,785	83,821	78,681	82,857	80,651	84,286	317,237	326,475
YoY Change (%)	10.5	8.0	8.5	10.6	4.0	6.3	1.1	0.6	9.4	2.9
Total Expenditure	58,724	62,299	63,507	65,202	62,647	66,076	63,714	64,479	249,732	256,916
EBITDA	16,947	15,661	16,278	18,619	16,034	16,781	16,937	19,807	67,505	69,559
YoY Change (%)	47.2	11.6	1.7	10.4	-5.4	7.1	4.0	6.4	15.5	3.0
Margins (%)	22.4	20.1	20.4	22.2	20.4	20.3	21.0	23.5	21.3	21.3
Depreciation	4,042	3,823	4,185	4,444	4,057	4,292	4,471	4,672	16,494	17,492
Interest	1,110	1,127	1,185	1,150	978	952	942	906	4,572	3,778
Other Income	1,199	1,360	1,573	1,232	1,053	1,156	1,380	1,400	5,364	4,989
Forex loss/(gain)	-10	0	498	-116	4	-50	0	0	372	-46
Exceptional (expenses)/income	249	0	0	(700)	0	0	0	0	-451	0
PBT	13,254	12,072	11,983	13,673	12,049	12,743	12,904	15,628	50,981	53,324
Tax	4,057	3,905	3,543	4,323	3,826	4,278	3,484	5,575	15,827	17,163
Rate (%)	30.6	32.3	29.6	31.6	31.8	33.6	27.0	35.7	31.0	32.2
Minority Interest	4	-7	-18	315	-25	-20	105	111	294	172
Reported PAT	9,193	8,174	8,458	9,035	8,248	8,485	9,315	9,942	34,860	35,989
Adj PAT	9,013	8,174	8,809	9,434	8,250	8,451	9,315	9,939	35,430	35,956
YoY Change (%)	51.9	5.1	-2.4	-6.6	-8.5	3.4	5.7	5.4	7.9	1.5
Margins (%)	11.9	10.5	11.0	11.3	10.5	10.2	11.5	11.8	11.2	11.0

Biocon

Buy

CMP: INR393|TP: INR460 (17%)

EPS CHANGE (%): FY26|27|28: 0|0|0

- Expect biologics sales to grow 22% YoY to INR27.8b, supported by new launches and better traction in existing products
- Expect Syngene sales to grow 8% YoY to INR10.2b.
- Outlook on GLP1 filings in other emerging markets.
- Increased competition in the generics segment is expected to keep generics sales at INR8.1b.
- Expect scale-up in biologics sales from the launch of Insulin Aspart in the US.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	34,329	35,904	38,214	44,170	39,420	42,960	45,447	47,054	152,617	174,880
YoY Change (%)	0.3	3.7	6.0	12.8	14.8	19.7	18.9	6.5	5.9	14.6
Total Expenditure	28,120	29,040	30,357	33,390	31,770	34,610	36,494	37,596	120,907	140,470
EBITDA	6,209	6,864	7,857	10,780	7,650	8,350	8,953	9,458	31,710	34,411
YoY Change (%)	-12.9	-7.4	36.2	17.7	23.2	21.6	13.9	-12.3	7.6	8.5
Margins (%)	18.1	19.1	20.6	24.4	19.4	19.4	19.7	20.1	20.8	19.7
Depreciation	4,050	4,200	4,250	4,360	4,550	4,730	4,825	4,995	16,860	19,100
Interest	2,360	2,260	2,230	2,120	2,770	2,720	2,350	2,100	8,970	9,940
Other Income	767	330	350	370	800	930	960	980	1,817	3,670
Extraordinary Income	10,893	260	-163	210	-170	-120	0	0	11,200	-290
PBT	11,459	994	1,564	4,880	960	1,710	2,738	3,343	18,897	8,751
Tax Rate (%)	24.8	71.4	47.9	5.7	8.3	22.8	21.5	21.0	24.2	20.1
Minority Interest	2,030	430	560	1,150	580	480	570	590	4,170	2,220
PAT	6,589	-146	254	3,450	300	840	1,580	2,051	10,147	4,770
Adj PAT	-1,604	365	439	3,252	300	910	1,580	2,051	2,452	4,840
YoY Change (%)	-260.4	-74.7	-125.8	128.4	-118.7	149.2	259.6	-36.9	13.2	97.4
Margins (%)	19.2	-0.4	0.7	7.8	0.8	2.0	3.5	4.4	6.6	2.7

Cipla

Neutral

CMP: INR1,511 | TP: INR1,500 (-1%)

EPS CHANGE (%): FY26|27|28: (0.8)|(0.3)|(0.5)

- US sales to decline 15% YoY to USD192m for 3QFY26, driven by higher competition in g-Revlimid.
- Expect DF sales to witness single-digit growth of 7% YoY, hurt by a decline in Gastro and muted growth in AI.
- Progress on the deal with Eli Lilly to distribute and promote Terzapatide in India.
- Expanding into the Orthopaedics to broaden therapy coverage in India, supported by product launches in recent quarter.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenues	66,939	70,510	70,730	67,297	69,575	75,894	72,820	70,259	275,476	288,548
YoY Change (%)	5.8	5.6	7.1	9.2	3.9	7.6	3.0	4.4	6.9	4.7
Total Expenditure	49,781	51,654	50,841	51,921	51,793	56,947	56,945	54,099	204,197	219,784
EBITDA	17,158	18,856	19,889	15,376	17,781	18,948	15,875	16,159	71,279	68,763
YoY Change (%)	14.9	8.8	13.8	16.9	3.6	0.5	-20.2	5.1	13.3	-3.5
Margins (%)	25.6	26.7	28.1	22.8	25.6	25.0	21.8	23.0	25.9	23.8
Depreciation	2,467	2,717	2,798	3,087	2,527	2,970	3,118	3,009	11,070	11,624
Interest	180	154	146	140	141	132	110	100	620	482
Other Income	1,602	1,906	1,546	2,895	2,586	2,690	2,300	2,400	7,949	9,975
Profit before Tax	16,114	17,891	18,491	15,043	17,699	18,535	14,946	15,451	67,538	66,632
One-time (expense)/income	0	0	670	0	0	0	0	0	670	0
Tax	4,351	4,830	3,324	2,793	4,779	5,005	3,737	3,940	15,298	17,460
Rate (%)	27.0	27.0	18.0	18.6	27.0	27.0	25.0	25.5	22.7	26.2
Minority Interest	-13.5	34.9	132.1	31.8	-55.7	19.0	-60.0	-140.0	185.3	-236.7
Reported PAT	11,776	13,025	15,705	12,218	12,976	13,512	11,270	11,651	52,725	49,409
Adj PAT	11,776	13,025	13,644	12,218	12,976	13,512	11,270	11,651	50,664	49,409
YoY Change (%)	18.3	10.9	14.0	40.6	10.2	3.7	-17.4	-4.6	19.6	-2.5

Dr Agarwal's Healthcare

Buy

CMP: INR502 | TP: INR600 (20%)

EPS CHANGE (%): FY26|27|28: 0|0|0

- Expect sales growth of 20%, largely led by the number of patients being treated.
- Watch out for the performance of newly launched facilities opened in Hassan/Palakkad.
- Progress on addition of facilities in 3Q as well as in upcoming quarters.
- Progress on the merger of Dr. Agarwal's Eye Hospital with Dr. Agarwal's Healthcare.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	4,035	4,166	4,307	4,602	4,874	4,987	5,169	5,445	17,110	20,475
YoY Change (%)			29.5	31.9	20.8	19.7	20.0	18.3	28.4	19.7
Total Expenditure	2,998	3,096	3,211	3,272	3,596	3,626	3,830	4,059	12,578	15,111
EBITDA	1,037	1,070	1,096	1,330	1,279	1,361	1,339	1,386	4,532	5,364
YoY Change (%)			23.2	24.2	23.3	27.3	22.1	4.2	25.1	18.4
Margins (%)	25.7	25.7	25.4	28.9	26.2	27.3	25.9	25.4	26.5	26.2
Depreciation	555	572	582	604	630	679	690	705	2,313	2,703
Interest	270	284	284	250	247	226	230	270	1,088	972
Other Income	60	119	127	154	134	79	131	147	460	491
Extra-Ord expense	0	0	-52	45	0	0	0	0	7	0
PBT	272	333	409	585	536	537	550	558	1,599	2,180
Tax	89	119	128	160	155	172	162	144	495	632
Rate (%)	32.6	35.9	31.2	27.3	29.0	32.0	29.4	25.7	31.0	29.0
MI & P/L of Asso. Cos.	62	48	59	100	80	68	75	73	269	296
Reported PAT	121	165	223	326	301	297	313	342	835	1,252
Adj PAT	121	165	187	358	301	297	313	342	832	1,252
YoY Change (%)			-5.6	-7.4	148.3	79.5	67.3	-4.6	0.2	50.5
Margins (%)	3.0	4.0	4.3	7.8	6.2	6.0	6.1	6.3	4.9	6.1
EPS	0.4	0.5	0.6	1.1	1.0	0.9	1.0	1.1	2.7	4.0

Divis Labs

Neutral

CMP: INR6,390 | TP: INR6,930 (8%)
EPS CHANGE (%): FY26 | 27 | 28: (1.6) | 0.2 | (0.1)

- DIVI is expected to deliver 15.5% YoY growth in sales on account of growth across segments.
- Expect 20%/5% YoY growth in CS/Generics sales for the quarter.
- Continue to add newer API molecules to sustain competitiveness while navigating weak pricing cycles.
- Progress on iodine-based/ gadolinium-based contrast media-related projects.

Consolidated - Quarterly Earning Model

Y/E March (INRm)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	21,180	23,380	23,190	25,850	24,100	27,150	26,788	27,935	93,600	105,973
YoY Change (%)	19.1	22.5	25.0	12.2	13.8	16.1	15.5	8.1	19.3	13.2
Total Expenditure	14,960	16,220	15,760	16,990	16,810	18,270	18,350	18,940	63,930	72,370
EBITDA	6,220	7,160	7,430	8,860	7,290	8,880	8,438	8,995	29,670	33,603
YoY Change (%)	23.4	43.5	51.9	21.2	17.2	24.0	13.6	1.5	33.5	13.3
Margins (%)	29.4	30.6	32.0	34.3	30.2	32.7	31.5	32.2	31.7	31.7
Depreciation	970	990	990	1,070	1,120	1,130	1,128	1,165	4,020	4,543
Interest	0	0	0	10	30	80	0	0	10	110
Other Income	780	770	720	760	800	820	833	795	3,030	3,249
PBT before EO Income	6,030	6,940	7,160	8,540	6,940	8,490	8,143	8,625	28,670	32,199
Forex gain /(Loss)	10	290	100	100	390	630	0	0	500	1,020
PBT	6,040	7,230	7,260	8,640	7,330	9,120	8,143	8,625	29,170	33,219
Tax	1,740	2,120	1,370	2,020	1,880	2,230	1,995	2,156	7,250	8,261
Rate (%)	28.8	29.3	18.9	23.4	25.6	24.5	24.5	25.0	24.9	24.9
PAT	4,300	5,110	5,890	6,620	5,450	6,890	6,148	6,469	21,920	24,957
Adj. PAT	4,293	4,905	5,809	6,543	5,160	6,414	6,148	6,469	21,550	24,191
YoY Change (%)	20.3	38.3	68.5	22.0	20.2	30.8	5.8	-1.1	35.3	12.3
Margins (%)	20.3	21.9	25.4	25.6	22.6	25.4	23.0	23.2	23.4	23.6
Adj. EPS	16.2	18.5	21.9	24.7	19.4	24.2	23.2	24.4	81.2	91.1

Dr Reddy's Labs

Neutral

CMP: INR1,255 | TP: INR1,249 (-1%)
EPS CHANGE (%): FY26 | 27 | 28: (4.7) | (0.1) | (0.1)

- Expect NA sales to decline 21.6% YoY to USD310m, led by increased pricing pressure on g-Revlimid.
- Progress on semaglutide approval for the Canadian market. Progress on traction of differentiated products/categories in India market.
- Expect India business to grow 11% YoY, led by robust traction in the vaccine/cardiac/pain segment.
- Progress on filing Abatacept with the USFDA. Exploring a US CMO partnership to mitigate potential tariff related risks.

Consolidated - Quarterly Earning Model (IFRS)

(INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	76,727	80,162	82,320	85,060	85,452	88,051	80,851	84,714	324,269	339,068
YoY Change (%)	13.9	16.5	14.1	20.1	11.4	9.8	-1.8	-0.4	16.2	4.6
Total Expenditure	55,452	58,134	60,590	64,555	63,951	66,798	63,630	63,959	238,731	258,338
EBITDA	21,275	22,028	21,730	20,505	21,501	21,253	17,221	20,755	85,538	80,730
YoY Change (%)	4.0	10.3	7.1	16.1	1.1	-3.5	-20.7	1.2	9.1	-5.6
Margins (%)	27.7	27.5	26.4	24.1	25.2	24.1	21.3	24.5	26.4	23.8
Amortization	3,815	3,975	4,719	4,555	4,765	5,051	4,400	4,820	17,064	19,036
Other Income	1,366	2,600	461	3,374	2,311	3,510	2,350	2,200	7,801	10,371
PBT before EO expenses	18,826	20,653	17,472	19,324	19,047	19,712	15,171	18,135	76,275	72,065
One-off income/(expense)	-5	-1,486	1,270	730	0	-1,362	0	0	509	-1,362
Profit before Tax	18,821	19,167	18,742	20,054	19,047	18,350	15,171	18,135	76,784	70,703
Rate (%)	26.0	30.0	25.1	20.8	26.0	22.2	25.0	25.5	25.4	24.7
Minority Interest	0	862	-95	-66	-82	-104	-95	-110	701	-391
Reported Profit	13,920	12,553	14,133	15,939	14,178	14,372	11,473	13,621	56,545	53,644
Adjusted PAT	13,924	13,593	13,182	15,361	14,178	15,431	11,473	13,621	56,060	54,703
YoY Change (%)	2.0	2.4	-4.3	26.7	1.8	13.5	-13.0	-11.3	6.1	-2.4
Margins (%)	18.1	17.0	16.0	18.1	16.6	17.5	14.2	16.1	17.3	16.1

Eris Lifesciences

Neutral

CMP: INR1,531 | TP: INR1,530 (0%)

EPS CHANGE (%): FY26|27|28: 0.0|0.0|0.0

- Eris is expected to deliver 15% YoY growth in sales.
- DF growth is likely to be witness healthy growth, led by superior show in Cardiac/Derma
- Watch out ANVISA's approval for oral liquid line at AMD unit with oral solid and injectables inspection scheduled
- Watch out upside from RHI Cartridges opportunity.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	7,197	7,412	7,275	7,053	7,730	7,924	8,366	8,605	28,936	32,624
YoY Change (%)	54.2	46.7	49.6	28.0	7.4	6.9	15.0	22.0	44.0	12.7
Total Expenditure	4,697	4,767	4,771	4,529	4,963	5,042	5,321	5,473	18,764	20,798
EBITDA	2,500	2,645	2,503	2,524	2,767	2,882	3,045	3,132	10,172	11,826
Margins (%)	34.7	35.7	34.4	35.8	35.8	36.4	36.4	36.4	35.2	36.2
Depreciation	759	805	812	773	705	691	772	794	3,149	2,962
Interest	604	595	572	543	487	496	521	508	2,313	2,011
Other Income	16	46	42	80	27	28	33	34	184	123
PBT before EO expense	1,153	1,291	1,162	1,288	1,602	1,724	1,785	1,865	4,894	6,975
Extra-Ord expense	0	0	0	-1	-9	-3	0	0	-1	-12
PBT	1,153	1,291	1,162	1,289	1,611	1,727	1,785	1,865	4,895	6,987
Tax	259	328	292	265	360	382	407	431	1,144	1,580
Rate (%)	22.5	25.4	25.2	20.6	22.3	22.1	22.8	23.1	23.4	22.6
Minority Interest & Profit/Loss of Asso. Cos.	62	48	33	85	71	143	110	129	228	452
Reported PAT	832	916	836	938	1,180	1,202	1,268	1,305	3,522	4,955
Adj PAT	832	916	836	938	1,173	1,200	1,268	1,305	3,522	4,946
YoY Change (%)	-12.3	-25.8	-18.6	15.0	41.0	31.0	51.6	39.2	-12.4	40.4
Margins (%)	11.6	12.4	11.5	13.3	15.2	15.1	15.2	15.2	12.2	15.2

GSK Pharma

Neutral

CMP: INR,2,483 | TP: INR2,560 (3%)

EPS CHANGE (%): FY26|27|28: 2.5|1.8|1.7

- Expect sales growth of 11% YoY for the quarter, led by scale-up of products launched in recent past and healthy traction in legacy brands.
- Outlook on the launch and scale-up of Oncology products in the DF segment is a key monitorable.
- Progress on building the adult immunization category with Shingrix via digital screening and ongoing clinic initiatives
- Watch out for pipeline from parent to be launched in India.

Consolidated - Quarterly Earning Model

(INRM)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4Q		
Net Sales	8,147	10,107	9,494	9,743	8,052	9,799	10,529	10,615	37,491	38,996
YoY Change (%)	7.0	5.6	17.9	4.8	-1.2	-3.0	10.9	8.9	8.6	4.0
Total Expenditure	5,841	6,891	6,665	6,412	5,541	6,442	6,886	6,857	25,809	25,727
EBITDA	2,305	3,216	2,829	3,332	2,511	3,357	3,643	3,758	11,682	13,269
YoY Change (%)	60.2	11.1	29.7	29.5	8.9	4.4	28.8	12.8	28.6	13.6
Margins (%)	28.3	31.8	29.8	34.2	31.2	34.3	34.6	35.4	31.2	34.0
Depreciation	164	169	188	147	155	174	197	203	668	728
Interest	4	3	1	6	4	5	2	1	13	12
Other Income	356	345	351	407	437	336	300	550	1,459	1,623
PBT before EO Expense	2,494	3,391	2,991	3,585	2,789	3,514	3,745	4,104	12,461	14,151
Tax	671	913	782	957	740	965	992	1,067	3,323	3,764
Rate (%)	26.9	26.9	26.2	26.7	26.5	27.5	26.5	26.0	26.7	26.6
Adjusted PAT	1,823	2,477	2,209	2,628	2,049	2,549	2,752	3,037	9,138	10,387
YoY Change (%)	58.6	13.9	5.7	36.8	12.4	2.9	24.6	15.6	24.6	13.7
Margins (%)	22.4	24.5	23.3	27.0	25.5	26.0	26.1	28.6	24.4	26.6
One-off Expense/(Income)	0	-47	-90	0	0	-26	0	0	-137	-26
Reported PAT	1,823	2,524	2,299	2,628	2,049	2,575	2,752	3,037	9,275	10,414
Reported PAT incl disc operations	1,823	2,477	2,209	2,628	2,049	2,575	2,752	3,037	9,138	10,414

Gland Pharma

Buy

CMP: INR1,714 | TP: INR2,090 (22%)

EPS CHANGE (%): FY26|27|28: (2.6)|(0.6)|(0.9)

- Expect sales growth of 16% in 3QFY26, led by improvement in core market and Cenexi performance.
- Progress on increasing capacity utilization of GLP-1 pens/cartridge for non-regulated market.
- Watch out facility upgrade/modification and addition of lyophilizers line at Cenexi facility.
- Status of approval for limited competition products in pipeline for next 9-12M.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	14,017	14,058	13,841	14,249	15,056	14,869	16,065	17,055	56,165	63,045
YoY Change (%)	16.0	2.4	-10.4	-7.3	7.4	5.8	16.1	19.7	-0.9	12.3
Total Expenditure	11,373	11,088	10,241	10,774	11,378	11,730	12,258	12,910	43,476	48,276
EBITDA	2,644	2,970	3,600	3,475	3,678	3,139	3,807	4,144	12,689	14,769
YoY Change (%)	-10.1	-8.3	-3.8	-3.1	39.1	5.7	5.8	19.3	-6.1	16.4
Margins (%)	18.9	21.1	26.0	24.4	24.4	21.1	23.7	24.3	22.6	23.4
Depreciation	920	938	963	958	1,011	1,063	1,009	1,072	3,779	4,155
Interest	56	61	228	75	115	78	68	59	420	320
Other Income	514	597	585	440	575	842	623	647	2,136	2,687
PBT before EO expense	2,182	2,567	2,993	2,883	3,128	2,839	3,353	3,661	10,626	12,981
One-off income/(expense)	0	0	0	0	0	0	0	0	0	0
PBT	2,182	2,567	2,993	2,883	3,128	2,839	3,353	3,661	10,626	12,981
Tax	745	932	946	1,018	973	1,002	1,006	1,073	3,641	4,054
Rate (%)	34.1	36.3	31.6	35.3	31.1	35.3	30.0	29.3	34.3	31.2
Reported PAT	1,438	1,635	2,047	1,865	2,155	1,837	2,347	2,588	6,985	8,928
Adj PAT	1,438	1,635	2,047	1,865	2,155	1,837	2,347	2,588	6,985	8,928
YoY Change (%)	-25.9	-15.8	0.4	-2.7	49.9	12.3	14.7	38.8	-10.9	27.8
Margins (%)	10.3	11.6	14.8	13.1	14.3	12.4	14.6	15.2	12.4	14.2
EPS	8.7	9.9	12.4	11.3	13.1	11.2	14.3	15.7	42.4	54.2

Glenmark Pharma

Buy

CMP: INR2,066 | TP: INR2,380 (15%)

EPS CHANGE (%): FY26|27|28: (8.7)|4|0.3

- DF is expected to grow 8.5% YoY. The growth will be driven by healthy uptake in Tevimbra/Brukinsa/Jabra offset by discontinuation of low margin brands.
- Progress on scale-up of DF business post GST led inventory corrections.
- US sales expected to deliver 4.1% YoY, on price erosion in the base portfolio. EU sales expected to deliver 15% YoY growth supported by Ryaltris/Winlevi.
- Cardiac/respiratory/anti-infective to drive growth in 3Q based on IQVIA data for 3M ending Nov'25.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenues (Core)	32,442	34,338	33,876	32,562	32,644	23,769	37,704	38,320	133,217	132,437
YoY Change (%)	6.9	7.1	35.1	6.3	0.6	-30.8	11.3	17.7	12.8	-0.6
EBITDA	6,102	6,019	6,002	5,610	5,805	-8,704	8,483	9,005	23,734	14,589
YoY Change (%)	39.5	19.1	-515.5	11.2	-4.9	-244.6	41.3	60.5	82.2	-38.5
Margins (%)	18.8	17.5	17.7	17.2	17.8	-36.6	22.5	23.5	17.8	11.0
Depreciation	1,178	1,203	1,227	1,252	1,299	1,412	1,328	1,379	4,860	5,418
Interest	396	485	523	667	582	665	250	55	2,071	1,551
Other Income	315	324	311	117	264	2,006	135	140	1,067	2,546
One-off loss/(gain)	220	-70	0	3,728	3,232	-18,449	0	0	3,878	-15,217
PBT after EO Exp.	4,623	4,726	4,563	80	956	9,674	7,041	7,711	13,992	25,382
Rate (%)	26.4	25.0	23.7	45.0	50.9	36.9	25.0	25.5	25.2	30.7
Rep. PAT	3,402	3,545	3,480	44	470	6,104	5,281	5,745	10,471	17,600
Minority Interest	0	3	1	-3	1	1	0	-2	0	0
Rep. PAT after Minority Int.	3,403	3,542	3,480	47	469	6,104	5,281	5,747	10,471	17,600
Adj PAT	3,565	3,490	3,480	2,932	3,140	-8,776	5,281	5,747	13,466	5,392
YoY Change (%)	220.9	149.8	-199.8	74.6	-11.9	NA	51.8	96.0	1,821.0	-60.0
Margins (%)	11.0	10.2	10.3	9.0	9.6	-36.9	14.0	15.0	10.1	4.1
Overall Adj. PAT	3,565	3,490	3,480	2,932	3,140	(8,776)	5,281	5,747	13,466	5,392

Global Health

Buy

CMP: INR1,217 | TP: INR1,480 (22%)
EPS CHANGE (%): FY26|27|28: 0|0|0

- ARPOB is expected to grow 11% YoY in mature hospitals, while developing hospitals may see modest 4% YoY growth.
- International patient volumes should remain strong and continue to support revenue growth.
- Occupancy at mature hospitals is expected to remain stable, while developing hospitals' occupancy is projected to rise
- Noida ramp-up is likely to pressure margins in the near term due to operating cost absorption but would start contributing meaningfully to revenue in the upcoming quarters.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	8,611	9,566	9,434	9,312	10,308	10,992	10,684	9,748	36,923	41,733
YoY Change (%)	11.4	13.3	12.8	15.2	19.7	14.9	13.2	4.7	12.7	13.0
Total Expenditure	6,699	7,222	7,023	7,066	8,038	8,683	8,291	7,350	28,008	32,362
EBITDA	1,912	2,344	2,412	2,247	2,270	2,309	2,393	2,398	8,915	9,371
YoY Change (%)	3.7	7.3	8.9	17.6	18.7	-1.5	-0.8	6.7	7.6	5.1
Margins (%)	22.2	24.5	25.6	24.1	22.0	21.0	22.4	24.6	24.1	22.5
Depreciation	515	555	519	493	451	497	559	510	2,082	2,017
Interest	180	160	163	150	138	171	160	165	653	634
Other Income	219	182	160	229	205	197	252	264	791	918
PBT before EO expense	1,437	1,811	1,891	1,833	1,886	1,838	1,926	1,987	6,972	7,637
Extra-Ord expense/(Income)	0	0	0	-499	196	160	0	0	-499	356
PBT	1,437	1,811	1,891	1,334	2,081	1,998	1,926	1,987	6,473	7,993
Tax	374	503	462	321	492	414	405	427	1,659	1,737
Rate (%)	26.0	27.8	24.4	24.0	23.6	20.7	21.0	21.5	25.6	21.7
Minority Interest & Asso. Cos. P/L	0	0	0	0	0	0	0	0	0	0
Reported PAT	1,063	1,308	1,429	1,014	1,590	1,584	1,522	1,560	4,813	6,255
Adj PAT	1,063	1,308	1,429	1,393	1,440	1,458	1,522	1,560	5,193	5,977
YoY Change (%)	4.2	4.5	15.6	9.4	35.6	11.4	6.5	12.0	8.6	15.1
Margins (%)	12.3	13.7	15.1	15.0	14.0	13.3	14.2	16.0	14.1	14.3

Granules India

Buy

CMP: INR615 | TP: INR710 (15%)
EPS CHANGE (%): FY26|27|28: (3.3)|(0.4)|1.2

- Growth is expected to be driven by capacity expansion, portfolio diversification, and stronger compliance.
- Progress on CDMO scale-up as well as integration of the peptides R&D platform with India manufacturing.
- Progress on re-inspection at Gagillapur facility.
- USFDA approval for GLS's Hyderabad facility in Nov'25 should further contribute the finished-dosage business.

Consolidated - Quarterly Earning Model

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

Ipca Laboratories

Buy

CMP: INR1,404 | TP: INR1,645 (17%)

EPS CHANGE (%): FY26|27|28: (1.1)|(1.1)|(1.1)

- Overall sales are expected to grow 7.2% YoY, driven by domestic growth across Formulations and APIs.
- Weakness in Unichem performance to affect overall YoY growth for the quarter.
- DF is expected to grow 12.5% YoY, led by strong execution in antineoplastics, pain, and cardiac therapies, partially offset by stable growth in anti-infectives.
- Growth across both chronic and acute therapies should continue to support DF performance.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenues (Core)	20,926	23,549	22,454	22,467	23,089	25,565	24,081	23,804	89,396	96,538
YoY Change (%)	31.8	15.8	9.4	10.5	10.3	8.6	7.2	5.9	16.0	8.0
EBITDA	3,927	4,425	4,631	4,289	4,164	5,449	4,840	4,427	17,271	18,881
YoY Change (%)	33.5	22.7	39.9	33.2	6.0	23.2	4.5	3.2	32.1	9.3
Margins (%)	18.8	18.8	20.6	19.1	18.0	21.3	20.1	18.6	19.3	19.6
Depreciation	989	1,004	985	1,001	1,001	1,033	1,026	1,014	3,978	4,073
EBIT	2,938	3,421	3,646	3,287	3,164	4,416	3,815	3,414	13,293	14,808
YoY Change (%)	30.7	26.6	57.5	46.9	7.7	29.1	4.6	3.8	39.9	11.4
Margins (%)	14.0	14.5	16.2	14.6	13.7	17.3	15.8	14.3	14.9	15.3
Interest	241	226	168	215	185	196	184	171	849	736
Other Income	206	263	201	258	327	279	290	310	928	1,205
PBT before EO Expense	2,904	3,458	3,679	3,331	3,305	4,498	3,921	3,553	13,372	15,277
One-off (gain)/ Expense	0	0	0	2,051	0	583	0	0	2,051	583
PBT after EO Expense	2,904	3,458	3,679	1,280	3,305	3,916	3,921	3,553	11,321	14,694
Tax	914	994	906	622	961	1,081	1,161	1,066	3,436	4,268
Rate (%)	31.5	28.7	24.6	48.6	29.1	27.6	29.6	30.0	25.7	27.9
Reported PAT	1,990	2,464	2,773	658	2,344	2,835	2,760	2,487	7,885	10,426
Minority Interest & Asso. Cos. P/L	-67	-160	-292	20	-12	-9	19	20	-499	18
Adj PAT after Minority Int	1,922	2,305	2,481	2,418	2,332	3,247	2,779	2,507	9,127	10,866
YoY Change (%)	24.9	36.4	122.5	23.4	21.3	40.9	12.0	3.7	44.8	19.1
Margins (%)	9.2	9.8	11.1	10.8	10.1	12.7	11.5	10.5	10.2	11.3

Laurus Labs

Buy

CMP: INR1,107 | TP: INR1,280 (16%)

EPS CHANGE (%): FY26|27|28: 0.0|0.0|0.0

- Expect 17.4% YoY growth in revenue with quarterly run-rate crossing previous highs.
- EBITDA margins are projected to expand by 420 bps versus 3QFY25, driven by an improved CDMO mix and cost optimization initiatives.
- The FDF and API businesses are expected to sustain momentum, delivering ~15% YoY growth in 3Q.
- Phase I of the Vizag fermentation facility is expected to become operational by 4QFY26, providing an additional growth driver for the bio business.

Consolidated- Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	11,949	12,237	14,151	17,203	15,696	16,535	16,611	17,968	55,540	66,809
YoY Change (%)	1.1	-0.1	18.4	19.5	31.4	35.1	17.4	4.4	10.2	20.3
EBITDA	1,712	1,783	2,852	4,206	3,821	4,033	3,887	4,600	10,553	16,340
YoY Change (%)	2.7	-5.1	57.2	74.2	123.2	126.1	36.3	9.4	35.7	54.8
Margins (%)	14.3	14.6	20.2	24.4	24.3	24.4	23.4	25.6	19.0	24.5
Depreciation	1,061	1,075	1,061	1,104	1,168	1,205	1,232	1,306	4,301	4,911
EBIT	651	708	1,791	3,102	2,653	2,828	2,655	3,293	6,252	11,429
YoY Change (%)	-14.5	-25.1	115.7	122.8	307.3	299.3	48.3	6.2	59.1	82.8
Margins (%)	5.5	5.8	12.7	18.0	16.9	17.1	16.0	18.3	11.3	17.1
Interest	492	526	578	564	515	400	443	459	2,160	1,817
Other Income	25	46	94	-3	104	270	56	52	163	482
PBT before EO expense	185	228	1,307	2,535	2,242	2,697	2,268	2,887	4,254	10,095
PBT	185	228	1,307	3,123	2,242	2,697	2,268	2,887	4,843	10,095
Tax	63	51	401	785	631	760	635	794	1,299	2,820
Rate (%)	33.9	22.3	30.7	25.1	28.2	28.2	28.0	27.5	26.8	27.9
Minority Interest & Asso. Cos. P/L	-5	-21	-17	20	7	-3	15	16	13	36
Reported PAT	127	198	923	2,319	1,603	1,940	1,618	2,077	3,531	7,239
Adj PAT	127	198	923	1,878	1,603	1,940	1,618	2,077	3,126	7,239
YoY Change (%)	-52.7	-46.3	298.9	148.4	1,164.5	877.9	75.3	10.6	92.4	131.5
Margins (%)	1.1	1.6	6.5	10.9	10.2	11.7	9.7	11.6	5.6	10.8

Laxmi Dental

Buy

CMP: INR271 | TP: INR340 (26%)

EPS CHANGE (%): FY26|27|28: (10.7)|(3.8)|(3.7)

- Revenue is expected to grow at a low double-digit rate, impacted by global policy-related headwinds and a temporary slowdown in the Bizdent business.
- EBITDA margins are expected to remain broadly stable, due to lower operating leverage.
- Change in geo-political scenario will be a key monitorable.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	597	571	617	607	656	723	678	784	2,391	2,841
YoY Change (%)	N/A	N/A	29.0	10.2	9.9	26.5	10.0	29.2	23.5	18.8
Total Expenditure	457	484	520	511	537	612	573	613	1,972	2,335
EBITDA	140	87	96	95	119	110	105	171	419	506
YoY Change (%)	N/A	N/A	144.7	-18.5	-15.0	26.3	9.4	79.8	76.1	20.8
Margins (%)	23.5	15.3	15.6	15.7	18.2	15.3	15.5	21.8	17.5	17.8
Depreciation	34	34	40	43	36	37	39	44	150	156
EBIT	106	53	57	52	83	73	66	127	269	349
YoY Change (%)	N/A	N/A	728.8	-38.0	-21.7	36.6	16.8	143.1	126.7	30.0
Interest	14	12	15	13	5	2	2	1	54	10
Other Income	4	7	6	16	17	24	22	15	33	78
PBT before EO expense	96	49	47	56	96	94	86	141	248	417
Extra-Ord expense	-59	0	0	-4	0	0	0	0	-70	0
PBT	155	49	47	60	96	94	86	141	318	417
Tax	18	11	11	25	23	19	20	24	65	86
Rate (%)	11.4	23.3	22.7	41.2	23.8	19.8	23.5	17.2	20.3	20.6
MI & P/L of Asso. Cos.	-20	-22	-12	-8	10	10	10	53	64	83
Reported PAT	157	59	48	43	83	85	75	170	318	414
Adj PAT	105	59	48	40	83	85	75	170	262	414
YoY Change (%)	N/A	N/A	133.2	-51.0	-21.3	44.8	57.1	319.5	4.9	58.3
Margins (%)	17.6	10.3	7.8	6.7	12.6	11.8	11.1	21.6	10.9	14.6

Lupin

Neutral

CMP: INR2,106 | TP: INR2,125 (1%)

EPS CHANGE (%): FY26|27|28: 1.5|1.2|1.2

- US growth is expected to remain strong, supported by Tolvaptan exclusivity and continued traction in Mirabegron and g-Spiriva, offsetting mild price erosion.
- Increased focus on chronic therapies should result in relatively better growth for domestic formulations in 3Q, majorly driven by cardiac/respiratory therapies.
- Emerging markets, including Brazil and South Africa, are expected to drive growth.
- EBITDA margins may moderate sequentially due to higher R&D spend and lower PLI income.

Consolidated- Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	56,003	55,427	56,927	56,671	62,684	70,475	67,614	62,860	2,25,028	2,63,632
YoY Change (%)	21.5	10.0	9.5	14.2	11.9	27.1	18.8	10.9	13.6	17.2
Total Expenditure	42,389	43,059	43,162	43,750	46,269	49,099	48,614	46,265	1,72,361	1,90,247
EBITDA	13,614	12,368	13,765	12,921	16,415	21,376	18,999	16,595	52,668	73,386
YoY Change (%)	109.0	34.0	34.7	29.6	20.6	72.8	38.0	28.4	46.6	39.3
Margins (%)	24.3	22.3	24.2	22.8	26.2	30.3	28.1	26.4	23.4	27.8
Depreciation	2,477	2,569	2,715	3,932	2,990	3,168	3,434	3,192	11,693	12,783
EBIT	11,137	9,799	11,050	8,989	13,425	18,208	15,566	13,403	40,975	60,603
YoY Change (%)	167.3	45.1	44.5	21.3	20.5	85.8	40.9	49.1	57.7	47.9
Margins (%)	19.9	17.7	19.4	15.9	21.4	25.8	23.0	21.3	18.2	23.0
Interest	680	709	669	891	918	1,076	820	554	2,949	3,367
Other Income	678	423	537	570	790	900	620	140	2,207	2,450
EO Exp/(Inc)	1,204	-1,036	956	-291	-859	-2,037	0	0	834	-2,896
PBT	9,930	10,549	9,963	8,958	14,156	20,070	15,366	12,989	39,401	62,582
Tax	1,875	1,954	2,124	1,135	1,941	5,221	3,304	2,884	7,087	13,349
Rate (%)	18.9	18.5	21.3	12.7	13.7	26.0	21.5	22.2	18.0	21.3
Minority Interest & Asso. Cos. P/L	-42	-69	-37	-99	-24	-69	-70	-72	-246	-235
Reported PAT	8,013	8,526	7,802	7,726	12,191	14,779	11,992	10,034	32,067	48,996
Adj PAT	8,990	7,682	8,554	7,472	11,450	13,272	11,992	10,034	32,698	46,748
YoY Change (%)	214.9	55.5	42.6	47.0	27.4	72.8	40.2	34.3	73.2	43.0
Margins (%)	16.1	13.9	15.0	13.2	18.3	18.8	17.7	16.0	14.5	17.7

Mankind Pharma

Buy

CMP: INR2,203 | TP: INR2,625 (19%)

EPS CHANGE (%): FY26|27|28: (0.3)|(3.5)|(2.4)

- Full quarter impact of BSV and gradual revival in DF sales is expect to drive 11.6% YoY growth in sales.
- Expect OTC business to show growth uptick post GST led disruption in earlier quarter.
- Progress on results post corrective measures taken in Rx segment.
- Secondary sales for Mankind are expected to remain in the single digits, based on IQVIA data for the 3M ending Nov'25.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
(INR m)	1Q	2Q	3Q	4Q	1QE	2Q	3QE	4QE		
Gross Sales	28,934	30,765	31,988	30,794	35,704	36,972	35,711	33,982	1,22,481	1,42,369
YoY Change (%)	12.2	13.6	22.7	26.1	23.4	20.2	11.6	10.4	18.5	16.2
Total Expenditure	21,697	22,265	23,828	23,712	27,236	27,758	26,784	25,894	91,698	1,07,672
EBITDA	7,238	8,500	8,160	7,082	8,468	9,213	8,928	8,088	30,783	34,696
YoY growth %	10.5	24.5	34.5	19.8	17.0	8.4	9.4	14.2	21.4	12.7
Margins (%)	25.0	27.6	25.5	23.0	23.7	24.9	25.0	23.8	25.1	24.4
Depreciation	1,077	1,056	1,872	2,309	2,187	2,218	2,197	2,299	6,212	8,901
Interest	109	71	2,209	1,905	1,707	1,697	1,447	1,240	4,294	6,090
Other Income	1,006	1,094	770	1,013	799	919	839	856	5,368	3,412
PBT before EO expense	7,057	8,468	4,849	3,881	5,373	6,217	6,124	5,404	25,645	23,118
Extra-Ord expense	420	0	0	-1,250	0	0	0	0	-830	0
PBT	6,637	8,468	4,849	5,131	5,373	6,217	6,124	5,404	26,475	23,118
Tax	1,246	1,904	1,105	864	958	1,038	1,053	962	5,097	4,012
Rate (%)	18.8	22.5	22.8	16.8	17.8	16.7	17.2	17.8	19.3	17.4
Minority Interest & Asso. Cos. P/L	26.7	28.4	8.5	15.6	94.7	109.9	30.0	46.6	79.2	281.2
Reported PAT	5,365	6,535	3,736	4,251	4,320	5,069	5,040	4,396	21,298	18,825
Adj PAT	5,706	6,535	3,736	3,212	4,320	5,069	5,040	4,396	20,635	18,825
YoY Change (%)	17.2	30.4	-17.7	-31.8	-24.3	-22.4	34.9	36.9	7.9	-8.8
Margins (%)	19.7	21.2	11.7	10.4	12.1	13.7	14.1	12.9	16.8	13.2

Max Healthcare

Buy

CMP: INR1,063 | TP: INR1,345 (27%)

EPS CHANGE (%): FY26|27|28: (6.7)|(1.3)|(1.4)

- ARPOB is expected to remain stable at INR 77.4k, impacted by the addition of institutional and insurance patients.
- Sales growth in 3Q is expected to be in the low single digits at ~4% YoY, impacted by GST-related issues as well as seasonality and normalization of JP related higher base of past year.
- 25% YoY growth in test volumes and 10% YoY improvement in realizations to drive a 37% YoY growth in Maxlab revenue.
- Insurance cashless disruptions is expected to impact 3Q performance.
- Maxhome is expected to deliver consistent 20% YoY growth

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	19,310	21,190	22,690	23,020	24,510	25,720	23,658	26,462	86,210	1,00,350
YoY Change (%)	19.1	23.3	34.9	28.5	26.9	21.4	4.3	15.0	26.5	16.4
Total Expenditure	14,370	15,520	16,520	16,950	18,340	18,850	17,365	19,396	63,360	73,952
EBITDA	4,940	5,670	6,170	6,070	6,170	6,870	6,293	7,065	22,850	26,398
Margins (%)	25.6	26.8	27.2	26.4	25.2	26.7	26.6	26.7	26.5	26.3
Depreciation	900	970	1,060	1,140	1,170	1,220	1,141	1,276	4,070	4,807
Interest	80	50	350	360	340	410	427	443	840	1,620
Other Income	40	60	110	240	80	80	120	130	450	410
PBT before EO expense	4,000	4,710	4,870	4,810	4,740	5,320	4,845	5,477	18,390	20,382
Extra-Ord expense	190	270	1,000	180	330	180	0	0	1,640	510
PBT	3,810	4,440	3,870	4,630	4,410	5,140	4,845	5,477	16,750	19,872
Tax	870	950	710	870	960	-410	896	1,024	3,400	2,470
Rate (%)	22.8	21.4	18.3	18.8	21.8	-8.0	18.5	18.7	20.3	12.4
Minority Interest & Asso. Cos. P/L	0	0	0	0	0	0	0	0	0	0
Reported PAT	2,940	3,490	3,160	3,760	3,450	5,550	3,949	4,453	13,350	17,401
Adj PAT	3,087	3,702	3,977	3,906	3,708	4,254	3,949	4,453	14,672	16,364
YoY Change (%)	1.0	4.9	16.5	17.7	20.1	14.9	-0.7	14.0	10.2	11.5
Margins (%)	16.0	17.5	17.5	17.0	15.1	16.5	16.7	16.8	17.0	16.3

Piramal Pharma

Buy

CMP: INR179 | TP: INR210 (18%)

EPS CHANGE (%): FY26|27|28: (NA)|(12.5)|(8.7)

- Expect sales to increase 4% YoY to INR 22.9b, driven by YoY growth across all three segments: CDMO, CHG, and ICP.
- CHG sales are expected to grow 5% YoY following two stable quarters, supported by improved visibility on the resolution of supply-chain issues.
- EBITDA margins are expected to improve in 3Q, supported by better operating leverage.
- Scale-up of the CDMO business following the passage of the Biosecure Act will be a key monitorable.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenues	19,511	22,418	22,042	27,541	19,337	20,437	22,961	27,921	91,511	90,656
growth YoY(%)	11.6	17.3	12.5	7.9	-0.9	-8.8	4.2	1.4	12.0	-0.9
CDMO	10,570	13,240	12,780	17,880	9,970	10,440	13,036	17,344	54,470	50,789
CHG	6,310	6,430	6,540	7,050	6,370	6,440	6,867	7,508	26,330	27,185
ICH	2,640	2,770	2,780	2,740	3,020	3,190	3,058	3,069	10,930	12,337
EBITDA*	2,044	3,416	3,377	5,610	1,067	1,587	3,008	4,579	14,447	10,241
margin (%)	10.5	15.2	15.3	20.4	5.5	7.8	13.1	16.4	15.8	11.3
growth YoY(%)	54.5	28.6	25.8	5.9	-47.8	-53.5	-10.9	-18.4	20.8	-29.1
Depreciation	1,846	1,922	1,968	2,428	1,973	2,028	2,089	2,100	8,163	8,190
EBIT	198	1,494	1,409	3,182	-906	-441	919	2,479	6,284	2,051
Other income	195	611	121	420	584	656	555	590	1,348	2,385
Interest expense	1,070	1,076	1,033	1,037	862	824	860	855	4,216	3,401
Minority Interest & Asso. Cos. P/L	224	173	171	162	186	148	195	210	729	739
PBT	-452	1,201	668	2,728	-998	-462	809	2,424	4,145	1,773
Taxes	436	975	631	1,193	27	530	493	1,430	3,235	2,481
Tax Rate (%)	-96.4	81.2	94.5	43.7	-3.4	-114.9	61.0	59.0	78.0	125.2
Reported PAT	-888	226	37	1,535	-817	-992	315	994	910	-500
Adj. PAT	-888	226	37	1,535	-1,031	-992	315	994	910	-714
Change (%)	NA	348.2	-89.5	34.0	NA	NA	757.2	-35.3	62.5	-178.5

Rubicon Research

Buy

CMP: INR662 | TP: INR780 (18%)

EPS CHANGE (%): FY26|27|28: 0|0|0

- Revenue is expected to grow 11% QoQ, supported by the scale-up of recently launched products and the commercialization of already approved assets.
- Expect quarterly revenue to cross previous highs.
- We expect gross margin to be on slight down trend due to higher outsourcing. R&D spend to remains elevated at 11% of sales to build potential product pipeline.
- Progress on traction in nasal spray products and branded products for US market.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26
INRm	1Q	2Q	1Q	2Q	3QE	4QE				
Gross Sales	3,167	2,960	3,525	4,120	4,580	5,045	12,843	17,270		
YoY Change (%)	NA	NA	11.3	39.2	NA	NA	50.4	34.5		
Total Expenditure	2,565	2,343	2,734	3,177	3,572	4,022	10,200	13,505		
EBITDA	602	617	791	943	1,008	1,023	2,643	3,765		
YoY Change (%)			31.4	52.9	NA	NA				
Margins (%)	19.0	20.8	22.4	22.9	22.0	20.3	20.6	21.8		
Depreciation	94	81	96	119	135	146	366	495		
EBIT	509	535	695	824	873	877	2,277	3,270		
YoY Change (%)			36.7	54.0	NA	NA	NA	NA		
Margins (%)	16.1	18.1	19.7	20.0	19.1	17.4	18	19		
Interest	101	70	106	114	10	3	368	234		
Other Income	4	27	6	7	8	13	36	35		
PBT before EO expense	412	492	596	717	871	887	1,945	3,070		
Extra-Ord expense	0	0	0	0	0	0	0	0		
PBT	412	492	596	717	871	887	1,945	3,070		
Tax	156	147	163	179	244	244	602	829		
Rate (%)	37.9	29.9	27.3	24.9	28.0	27.5	30.9	27.0		
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0		
Reported PAT	256	345	433	539	627	643	1,344	2,241		
Adj PAT	256	345	433	539	627	643	1,344	2,241		
YoY Change (%)	NA	NA	69.4	56.2	NA	NA	47.6	66.8		
Margins (%)	8.1	11.6	12.3	13.1	13.7	12.7	10.5	13.0		

Sun Pharma

Buy

CMP: INR1,729 | TP: INR1,990 (15%)

EPS CHANGE (%): FY26|27|28: 0|0|0

- Growth of 12% YoY in 3Q is expected, driven by strong performance in domestic and emerging markets, along with incremental growth in the US market.
- Unloxcyt is expected to be launched in 3Q, providing additional support to growth in the US market.
- Expect to sustain outperformance versus the industry, with DF sales growing 13% YoY during the quarter, led by new product launches, including Ilumya.
- EM/RoW are expected to deliver healthy growth of 18%/14% YoY, driven by the addition of branded generics/innovative products.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	1,25,245	1,32,642	1,30,569	1,28,156	1,37,861	1,44,052	1,46,486	1,46,256	5,16,612	5,74,655
YoY Change (%)	6.3	10.5	7.4	8.5	10.1	8.6	12.2	14.1	8.2	11.2
EBITDA	35,298	37,837	35,738	32,816	40,073	40,235	39,991	39,343	1,41,689	1,59,641
Margins (%)	28.2	28.5	27.4	25.6	29.1	27.9	27.3	26.9	27.4	27.8
Depreciation	6,551	6,259	6,306	6,638	7,006	7,295	6,703	6,692	25,754	27,695
EBIT	28,747	31,578	29,433	26,178	33,067	32,940	33,288	32,651	1,15,936	1,31,946
Interest	615	692	515	491	748	999	439	439	2,314	2,624
Other Income	6,608	3,811	7,041	7,561	5,298	5,430	7,487	7,765	25,022	25,980
PBT before EO expense	34,740	34,697	35,959	33,248	37,617	37,371	40,337	39,977	1,38,644	1,55,303
Extra-Ord expense	505	-1,281	1,195	705	5,890	-4,305	0	0	1,123	1,585
PBT	34,235	35,978	34,764	32,543	31,728	41,676	40,337	39,977	1,37,520	1,53,718
Tax	5,523	5,672	5,589	10,937	8,702	10,305	10,084	9,794	27,720	38,885
Rate (%)	16.1	15.8	16.1	33.6	27.4	24.7	25.0	24.5	20.2	25.3
Minority Interest & Asso. Cos. P/L	356	-95	142	108	240	191	130	133	511	694
Reported PAT	28,356	30,401	29,034	21,498	22,786	31,180	30,122	30,050	1,09,289	1,14,138
Adj PAT	27,494	29,052	27,637	28,891	29,961	27,939	30,123	30,050	1,13,075	1,18,073
YoY Change (%)	20.4	20.8	11.6	3.0	9.0	-3.8	3.7	8.7	13.4	4.4
Margins (%)	22.0	21.9	21.2	22.5	21.7	19.4	20.6	20.5	21.9	20.5

Torrent Pharmaceuticals

Neutral

CMP: INR3,885 | TP: INR3,930 (1%)

EPS CHANGE (%): FY26|27|28: (0.6)|(0.8)|(0.9)

- DF is expected to sustain healthy YoY growth of ~10%, driven by continued focus on chronic therapies, field-force expansion, and the addition of new therapy areas.
- Progress on completion of JB chemical acquisition process. Progress on preparations for launching potential molecules like Semaglutide.
- US sales are expected to deliver healthy YoY growth of ~22.5%, supported by improved offtake under existing contracts and additional product launches.
- Brazil business is expected to maintain steady growth in the coming quarter, supported by a strong product portfolio and brand identity.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenues	28,590	28,890	28,090	29,590	31,780	33,020	31,944	32,659	1,15,160	1,29,404
YoY Change (%)	10.3	8.6	2.8	7.8	11.2	14.3	13.7	10.4	7.3	12.4
EBITDA	9,240	9,390	9,140	9,810	10,470	10,830	10,318	10,647	37,580	42,265
YoY Change (%)	16.8	13.8	5.2	11.1	13.3	15.3	12.9	8.5	11.6	12.5
Margins (%)	32.3	32.5	32.5	33.2	32.9	32.8	32.3	32.6	32.6	32.7
EBIT	7,270	7,410	7,150	7,800	8,460	8,790	8,232	8,514	29,630	33,996
YoY Change (%)	21.2	18.8	9.0	14.7	16.4	18.6	15.1	9.2	15.7	14.7
Margins (%)	25.4	25.6	25.5	26.4	26.6	26.6	25.8	26.1	25.7	26.3
Interest	750	640	570	560	560	480	520	510	2,520	2,070
Other Income	240	-160	330	-180	-370	-270	182	171	230	-287
PBT before EO Expense	6,760	6,610	6,910	7,060	7,530	8,040	7,894	8,175	27,340	31,639
One-off expenses	200	0	0	410	150	130	0	0	610	280
PBT after EO Expense	6,560	6,610	6,910	6,650	7,380	7,910	7,894	8,175	26,730	31,359
Tax	1,990	2,080	1,880	1,670	1,900	2,000	2,029	2,134	7,620	8,062
Rate (%)	29.4	31.5	27.2	23.7	25.2	24.9	25.7	26.1	27.9	25.5
Reported PAT	4,570	4,530	5,030	4,980	5,480	5,910	5,865	6,041	19,110	23,296
Adj PAT	4,709	4,530	5,030	5,287	5,591	6,007	5,865	6,041	19,556	23,505
YoY Change (%)	24.6	17.4	31.9	17.8	18.7	32.6	16.6	14.3	22.7	20.2
Margins (%)	16.5	15.7	17.9	17.9	17.6	18.2	18.4	18.5	17.0	18.2

Zydu Lifesciences

Neutral

CMP: INR915 | TP: INR975 (6%)

EPS CHANGE (%): FY26|27|28: (0.6)|0.4|0.6

- Expect revenue to grow 20.9% YoY, driven by healthy performance in base business and full quarter impact of acquisitions
- US to deliver low single-digit growth of ~5.9% YoY, supported by new product launches.
- DF growth of ~11% YoY is expected, primarily driven by chronic therapies, including cardiac and respiratory therapies.
- Expansion of the Comfort Click franchise into additional markets will be a key monitorable.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenues	62,075	52,370	52,691	65,279	65,737	61,232	63,704	70,367	2,32,415	2,61,041
YoY Change (%)	20.8	19.9	17.0	18.0	5.9	16.9	20.9	7.8	18.9	12.3
Total Expenditure	40,983	38,210	39,691	43,630	45,423	45,215	47,906	52,705	1,62,514	1,91,249
EBITDA	21,092	14,160	13,000	21,649	20,314	16,017	15,799	17,662	69,901	69,792
YoY Change (%)	37.6	33.1	20.2	33.2	-3.7	13.1	21.5	-18.4	31.8	-0.2
Margins (%)	34.0	27.0	24.7	33.2	30.9	26.2	24.8	25.1	30.1	26.7
EBIT	18,939	11,824	10,710	19,270	17,933	12,998	12,668	14,271	60,743	57,871
YoY Change (%)	40.0	34.4	20.7	35.7	-5.3	9.9	18.3	-25.9	33.8	-4.7
Margins (%)	30.5	22.6	20.3	29.5	27.3	21.2	19.9	20.3	26.1	22.2
Interest	322	251	320	766	847	1,013	830	790	1,659	3,480
Other Income	632	682	575	806	1,549	1,090	1,440	1,480	2,695	5,559
PBT before EO Income	19,249	12,255	10,965	19,310	18,635	13,075	13,278	14,961	61,779	59,950
EO Exp/(Inc)	252	-454	-876	2,590	-571	-4,141	0	0	1,512	-4,712
PBT after EO Income	18,997	12,709	11,841	16,720	19,206	17,216	13,278	14,961	60,267	64,662
Tax	4,361	3,731	1,795	4,232	4,340	4,540	3,253	3,695	14,119	15,829
Rate (%)	23.0	29.4	15.2	25.3	22.6	26.4	24.5	24.7	23.4	24.5
Minority Interest & Asso. Cos. P/L	-437	131	192	-779	-198	252	-350	-400	-893	-696
Reported PAT	14,199	9,109	10,238	11,709	14,668	12,928	9,675	10,866	45,255	48,137
Adj PAT	14,393	8,788	9,495	13,643	14,226	10,150	9,675	10,866	46,320	44,917
YoY Change (%)	28.2	19.1	26.3	16.1	-1.2	15.5	1.9	-20.4	22.3	-3.0
Margins (%)	23.2	16.8	18.0	20.9	21.6	16.6	15.2	15.4	19.9	17.2

Infrastructure

Company

G R Infraprojects

IRB Infrastructure Developers

KNR Constructions

Weakness persists in execution and awarding; tender pipeline remains robust

Project awarding remains muted in 3Q

- As of 3QFY26, project awarding by NHAI remained subdued at ~711km, while construction stood at ~2,865km (project awarding by NHAI totaled 4,080km, while construction reached ~5,600km in FY25). NHAI has set a target of ~6,376km to be awarded in FY26. Awarding is expected to improve in 4QFY26. The order pipeline is robust, which mostly comprises HAM projects followed by BOT and EPC. Execution is expected to remain weak until the awarding activity by MoRTH/NHAI picks up.
- Road segment has been experiencing fierce competition from small players, which has affected order inflows for large established players. These small players not only compress industry margins but also reduce the quality of project execution, often leading to delays. In view of the above issue, NHAI, through a press release dated 17th Sep'25, has tightened RFP provisions to ensure that projects are awarded only to contractors with proven technical and financial competence. This is expected to boost order inflows for larger players.
- Budgetary outlay for roads in the Union budget of 2025 was marginally increased by 2.4% YoY. The government's thrust on infrastructure development and improved credit availability from banks are highly encouraging factors.
- In line with the Budget FY25-26, MoRTH has identified a PPP project pipeline of 13,400km with a cost of INR8.3t to be developed over the next three years.

FASTag toll collections improve YoY; asset monetization in focus

- FASTag toll collections (in volume terms) improved ~17% YoY during Oct-Nov'25, while collections in value terms increased ~12.7% YoY. Higher toll collections play a crucial role in expediting the monetization of road assets by the Ministry. Additionally, it benefits companies seeking to monetize their existing toll assets.
- NHAI's primary focus is on asset monetization as a means to generate funds beyond budgetary allocations.

Execution to be muted for our coverage universe on a YoY basis

- For our coverage universe (excl. IRB), we expect revenue to be flat YoY (+24% QoQ). In line with execution amid a weak order book, we expect operating profit for our coverage (excl. IRB) to decrease 4% YoY (+50% QoQ).
- IRB is expected to report ~14%/6% decline YoY in revenue/EBITDA on weak execution and EPC order book.

Softening input prices to support margins

- Steel and aluminum prices have decreased ~40% and ~13%, respectively, since Apr'22. Cement prices have increased ~3% from their lows in Sep'24.
- Lower commodity prices to support the margins of EPC companies amid weak order book and execution.

Players with strong order book, balance sheet, and diversified operations are well placed

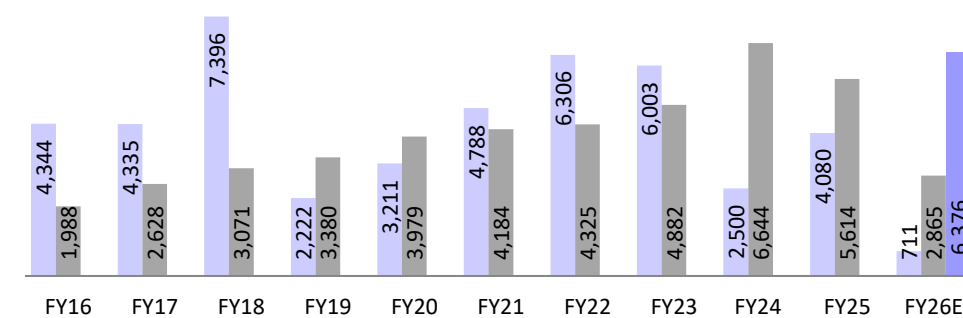
- Project awarding remained muted with execution also expected to stay subdued in 3QFY26, following weak execution in 2QFY26 due to extended monsoon. However, there is a robust pipeline of tenders in place. Entities having substantial order backlogs, strong financial standings, and engagement across various sectors are well positioned to capitalize on NHAI's proactive approach to project allocation.
- Companies under our coverage (excl G R Infrastructure) lack strong EPC order book, which may affect future revenue.

Exhibit 1: Summary of quarterly performance estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
G R Infraproject	1009	Buy	16,341	11.7	32.5	1,961	26.8	62.8	1,771	35.3	35.3
IRB Infra	43	Buy	17,485	-13.7	-0.1	9,267	-5.8	0.2	2,112	-4.8	50.0
KNR Constructions	161	Neutral	5,153	-27.2	4.5	644	-45.1	20.2	400	-55.7	43.2
Infrastructure			38,979	-7.1	12.1	11,872	-5.5	8.1	4,282	-3.4	42.9

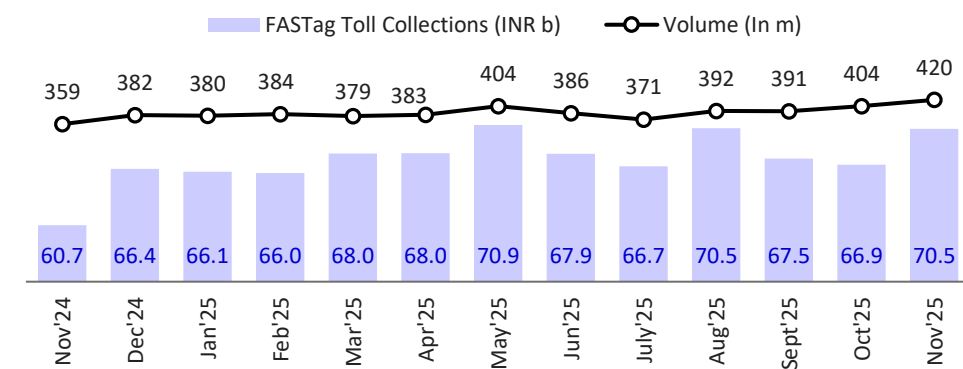
Exhibit 2: Trends in NHAI awarding and construction

■ Tenders awarded by NHAI (in km) ■ Road construction by NHAI (in km) ■ Awarding target for FY26

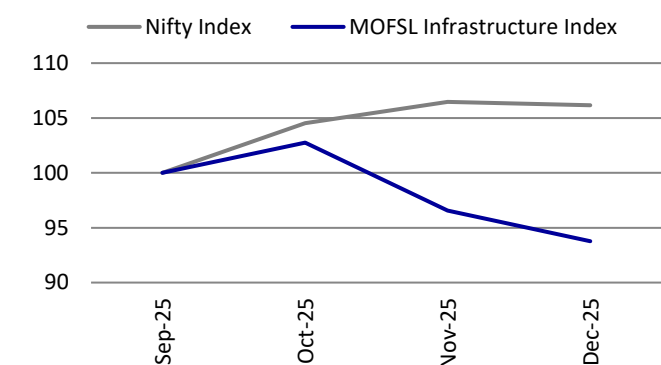


Source: NHAI, MOFSL

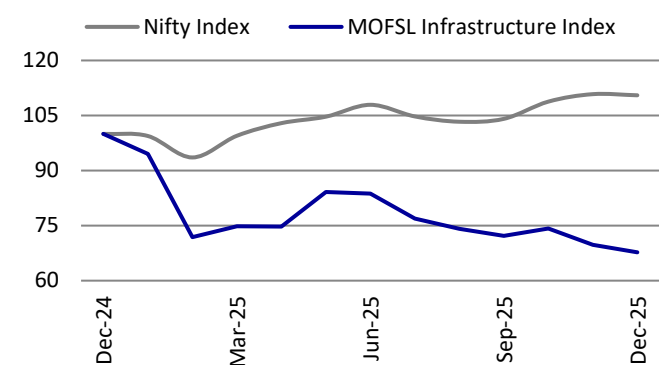
Exhibit 3: FASTag toll collections



Source: NPCI, MOFSL

Exhibit 4: Relative performance – three-month (%)


Source: Bloomberg, MOFSL

Exhibit 5: Relative performance – one-year (%)


Source: Bloomberg, MOFSL

Exhibit 6: Comparative valuations

Exhibit 8: Comparative valuations														
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Infrastructure						23.0	15.0	10.4	1.2	1.1	1.0	5.3	7.5	9.8
G R Infraproject	1,009	Buy	77.6	104.1	116.0	13.0	9.7	8.7	1.1	1.0	0.9	9.1	11.0	11.0
IRB Infra	43	Buy	1.4	2.2	3.8	31.0	19.1	11.3	1.3	1.2	1.1	4.1	6.5	10.1
KNR Constructions	161	Neutral	5.7	11.4	15.3	28.1	14.1	10.5	1.1	1.0	0.9	4.0	7.6	9.3

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

G R Infraprojects

Buy

CMP: INR1,009 | TP: INR1,360 (+35%)

EPS CHANGE (%): FY26|27: 1.5|1.6

- Expect revenue to rise ~12% YoY to INR16.3b in 3QFY26 due to better execution.
- Adjusted PAT to rise by ~35% YoY to INR1.77b. PAT to increase after weak execution in 2Q.
- Expect EBITDA to be at ~INR1.96b and EBITDA margin at 12%. Better execution to improve EBITDA margin.
- Commentaries on execution, order inflows and monetization of assets through the InvIT route are the key monitorables.

Quarterly snapshot (INR m)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	18,965	11,281	14,628	19,429	18,261	12,337	16,341	21,149	64,304	68,089
YoY Change (%)	(11.9)	(28.3)	(19.0)	(9.9)	(3.7)	9.4	11.7	8.9	(16.4)	5.9
EBITDA	2,466	1,171	1,546	3,009	2,311	1,204	1,961	2,831	8,193	8,307
Margins (%)	13.0	10.4	10.6	15.5	12.7	9.8	12.0	13.4	12.7	12.2
Depreciation	632	631	612	572	524	510	550	579	2,448	2,164
Interest	281	214	207	155	119	113	130	164	857	526
Other Income	1,081	1,311	1,222	1,389	1,163	1,184	1,080	941	5,003	4,367
PBT before EO expense	2,634	1,637	1,949	3,671	2,830	1,764	2,361	3,028	9,892	9,984
Extra-Ord expense	(494)	356	377	849	-	-	-	-	1,088	-
PBT	2,140	1,993	2,326	4,520	2,830	1,764	2,361	3,028	10,980	9,984
Tax	621	845	640	807	672	456	590	756	2,913	2,474
Rate (%)	29.0	42.4	27.5	17.9	23.7	25.8	25.0	25.0	26.5	24.8
Reported PAT	1,520	1,148	1,686	3,712	2,158	1,308	1,771	2,273	8,066	7,510
Adj PAT	1,890	1,161	1,309	2,864	2,158	1,308	1,771	2,273	7,224	7,510
YoY Change (%)	(9.1)	(5.8)	(12.2)	27.3	14.2	12.7	35.3	(20.6)	2.4	4.0
Margins (%)	10.0	10.3	8.9	14.7	11.8	10.6	10.8	10.7	11.2	11.0

IRB Infrastructure Developers

Buy

CMP: INR43 | TP: INR52 (20%)

EPS CHANGE (%): FY26|27: -36.1|-18.6

- Expect ~14% YoY decline in revenue.
- Adjusted PAT to be ~INR2.1b (-5% YoY).
- Expect operating margin at 53%.
- IRB to be cautious in bidding due to aggressive bidding in NHAI projects.
- New order wins in the EPC segment a key monitorable.

Quarterly snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	18,529	15,858	20,254	21,492	20,990	17,510	17,485	19,913	76,135	75,898
YoY Change (%)	13.4	(9.1)	2.9	4.3	13.3	10.4	(13.7)	(7.3)	2.8	(0.3)
EBITDA	8,570	7,667	9,842	9,979	9,520	9,246	9,267	10,653	36,059	38,686
Margins (%)	46.3	48.3	48.6	46.4	45.4	52.8	53.0	53.5	47.4	51.0
Depreciation	2,550	2,312	2,651	2,863	2,692	2,621	2,750	2,862	10,376	10,925
Interest	4,387	4,342	4,614	4,576	4,620	4,510	4,500	4,426	17,919	18,056
Other Income	1,187	1,658	649	686	656	493	1,000	778	4,181	2,927
PBT before EO expense	2,820	2,671	3,227	3,225	2,864	2,608	3,017	4,143	11,944	12,632
Extra-Ord expense	-	-	58,041	-	-	-	-	-	58,041	-
PBT	2,820	2,671	61,268	3,225	2,864	2,608	3,017	4,143	69,985	12,632
Tax	887	835	1,008	1,078	839	1,200	905	1,351	3,808	4,295
Rate (%)	31.4	31.3	1.6	33.4	29.3	46.0	30.0	32.6	5.4	34.0
Share of profit in Associates	(534)	(837)	-	-	-	-	-	-	(1,371)	-
Reported PAT	1,400	999	60,261	2,147	2,025	1,408	2,112	2,792	64,806	8,337
Adj PAT	1,400	999	2,219	2,147	2,025	1,408	2,112	2,792	6,765	8,337
YoY Change (%)	4.6	4.3	18.4	13.7	44.6	41.0	(4.8)	30.0	11.7	23.2
Margins (%)	7.6	6.3	11.0	10.0	9.6	8.0	12.1	14.0	8.9	11.0

KNR Constructions

Neutral

CMP: INR161 | TP: INR180 (+12%)

EPS CHANGE (%): FY26|27: -12.4|+1.8

- Expect revenue of INR5.15b (-27% YoY) during the quarter.
- Expect adjusted PAT of INR400m (-55.7% YoY).
- We expect EBITDA of INR644m and anticipate operating margin to increase by 160bp YoY on better execution post weak 2Q execution.
- New order wins and updates on irrigation receivables are the key monitorable.

Quarterly snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	8,193	8,561	7,079	8,512	4,792	4,930	5,153	5,332	32,344	20,207
YoY Change (%)	-11.9	-9.1	-21.8	-27.8	-41.5	-42.4	-27.2	-37.4	-18.2	-37.5
EBITDA	1,356	1,380	1,173	1,175	617	536	644	728	5,084	2,526
Margins (%)	16.6	16.1	16.6	13.8	12.9	10.9	12.5	13.7	15.7	12.5
Depreciation	225	226	229	223	150	147	200	248	903	745
Interest	41	20	31	38	34	46	30	11	129	121
Other Income	51	575	130	185	150	39	120	197	941	505
PBT before EO expense	1,141	1,709	1,044	1,099	583	382	534	666	4,993	2,165
Extra-Ord expense	531	1,867	919	0	80	0	0	0	3,317	80
Tax	334	344	253	348	150	103	134	165	1,279	552
Rate (%)	29.2	20.1	24.3	31.6	25.7	26.9	25.2	24.8	25.6	25.5
Reported PAT	1,339	3,344	1,822	752	513	279	400	501	7,257	1,692
Adj PAT	807	1,477	903	752	433	279	400	501	3,939	1,613
YoY Change (%)	-26.8	47.9	5.6	-43.4	-46.4	-81.1	-55.7	-33.4	-8.1	-59.1
Margins (%)	9.9	17.3	12.8	8.8	9.0	5.7	7.8	9.4	12.2	8.0

Logistics

Company

Adani Ports

Blue Dart Express

Concor

Delhivery

JSW Infra

Mahindra Logistics

TCI Express

Transport Corp.

VRL Logistics

Logistics volumes expected to be healthy in 3QFY26

Volume growth to be robust for road logistics players; major port volumes to see strong growth

- Logistics activity remained strong during Oct-Dec'25, supported by healthy macro indicators such as e-way bill generation, GST collections, and FASTag toll data. Volumes are expected to witness strong growth after the festive season, aided by spillover demand in 3Q and incremental consumption following recent GST rate cuts.
- Indian Railways recorded a modest ~3% YoY increase in freight volumes during Apr-Nov'25, reaching 1070MT. Strong growth of ~16% YoY was observed in finished steel, whereas container traffic rose ~7% YoY.
- Major ports' saw strong volume growth of 13.3% YoY to 153.8MT in Oct-Nov'25.
- Daily average e-way bill generation was strong and rose ~18% YoY during Oct-Nov'25. Fleet utilization stood at 80-85%. Daily average FASTag toll collections rose ~13% YoY during Oct-Nov'25.
- Volume growth is expected to improve further after the recent GST rate cuts across products.

Freight rates stable amid high cost of operations

- Due to consistently high operational expenses and increased retail fuel costs, freight rates have remained elevated. Fleet operators face rising costs from diesel, truck expenses, and compliance such as GST and e-way bills.
- With an increase in volumes and no major change in diesel prices, organized players are likely to experience stable margins.

Road logistics and ports activity to be healthy in 3Q

- We expect our coverage universe (excluding APSEZ and JSWINFRA) to report sales growth of 10% YoY (5% QoQ), EBITDA growth of 17% YoY (8% QoQ), and PAT growth of 12% YoY (21% QoQ) in 3QFY26.
- We expect TRPC to report revenue growth of ~5%/12%/8% YoY in freight/supply chain/seaways business. For VRL, we expect a volume decline of ~5% YoY and revenue growth of ~2% YoY. VRL continues to focus on high-margin business, which has impacted volumes but improved realizations.
- Container Corporation of India Ltd (CONCOR) is expected to report ~11% volume growth, driven by 15% YoY growth in domestic volumes, while EXIM volumes are expected to increase 10% YoY.
- In 3QFY26, we expect APSEZ to report volume growth of ~10% YoY and JSWINFRA to post volume growth of 7% YoY.

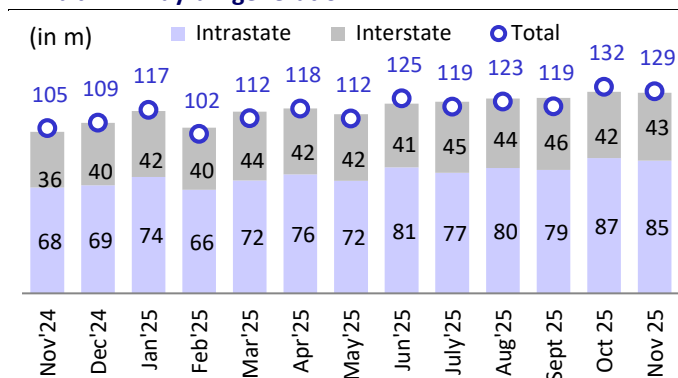
Organized and integrated service providers likely to gain market share

- The industry trend is shifting toward integrated supply-chain services and sophisticated solutions (such as inventory optimization and data analytics) from standalone offerings like transportation and warehousing.
- The logistics sector remains robust, propelled by government-driven reforms, changing industry preferences, and the rise of new business sectors such as e-commerce and network services.

Exhibit 1: Summary of quarterly performance estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Adani Ports	1489	Buy	93,050	16.8	1.5	55,783	16.2	0.5	32,541	21.7	-4.8
Blue Dart Express	5600	Buy	16,326	8.0	5.4	1,633	11.7	3.9	892	12.8	12.2
Concor	532	Buy	23,752	7.9	1.0	5,415	18.2	-4.8	3,520	2.5	-6.6
Delhivery	404	Buy	27,155	14.2	6.1	1,579	54.2	131.7	615	146.3	LP
JSW Infra	285	Buy	13,293	12.5	5.0	6,248	6.6	2.5	3,723	-15.5	1.9
Mahindra Logistics	316	Neutral	17,363	8.9	3.0	851	15.5	0.0	-10	Loss	Loss
TCI Express	590	Neutral	3,115	5.1	1.0	349	20.7	-1.5	246	28.2	-2.1
Transport Corp.	1085	Buy	12,659	10.4	5.1	1,367	15.4	7.9	1,157	14.7	2.7
VRL Logistics	269	Buy	8,448	2.4	6.0	1,597	-4.1	5.6	579	-2.6	16.0
Logistics			2,15,161	12.6	3.0	74,822	15.4	1.8	43,264	15.9	-0.9

Exhibit 2: E-way bill generation



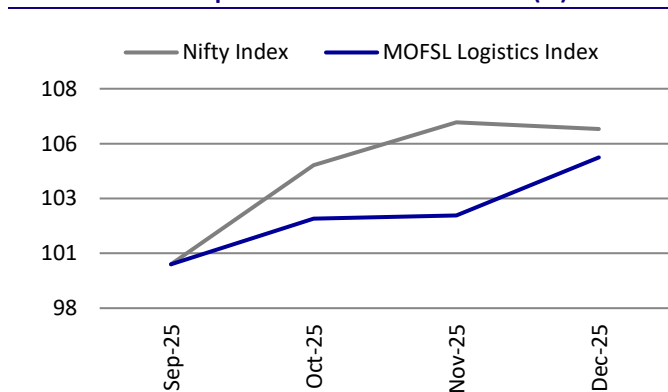
Source: GSTN, MOFSL

Exhibit 3: Movement in freight rates vs. diesel prices



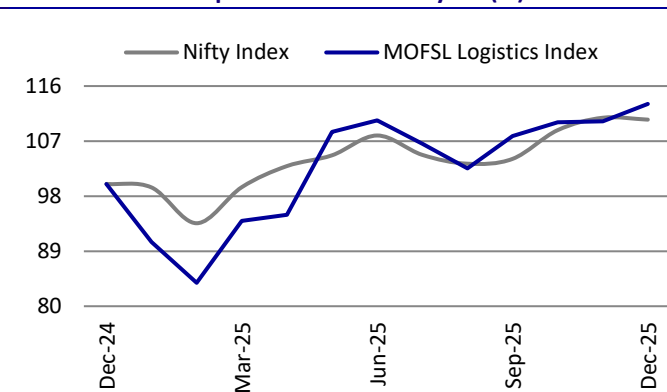
Source: IFTRT, MOFSL

Exhibit 4: Relative performance – three-month (%)



Source: Bloomberg, MOFSL

Exhibit 5: Relative performance – one-year (%)



Source: Bloomberg, MOFSL

Exhibit 6: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Logistics						28.4	23.6	20.4	4.4	3.8	3.3	15.5	16.1	16.2
Adani Ports	1,489	Buy	59.0	69.3	78.0	25.3	21.5	19.1	4.7	3.9	3.4	20.0	19.9	19.0
Blue Dart Express	5,600	Buy	137.3	194.3	204.9	40.8	28.8	27.3	7.0	5.8	4.9	18.5	22.1	19.4
Concor	532	Buy	17.8	22.2	25.8	29.8	23.9	20.6	3.1	2.9	2.7	10.6	12.4	13.4
Delhivery	404	Buy	3.3	5.9	7.9	121.0	69.0	51.3	3.1	3.0	2.8	2.6	4.4	5.6
JSW Infra	285	Buy	7.2	8.8	12.5	39.4	32.5	22.8	5.5	4.8	4.0	14.8	15.7	19.0
Mahindra Logistics	316	Neutral	-0.7	16.7	19.9	NA	18.9	15.9	2.7	2.4	2.1	-0.5	13.3	14.1
TCI Express	590	Neutral	25.3	30.5	33.2	23.3	19.4	17.8	2.7	2.5	2.2	12.2	13.4	13.2
Transport Corp.	1,085	Buy	59.1	64.3	76.6	18.3	16.9	14.2	3.3	2.8	2.4	19.1	17.7	18.0
VRL Logistics	269	Buy	12.5	14.8	16.5	21.5	18.1	16.3	3.9	3.6	3.4	19.0	20.6	21.5

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

Adani Ports & SEZ

Buy

CMP: INR1,489 | TP: INR1,800 (+21%)
EPS CHANGE (%): FY26|27: -5.9|-5.5

- Expect revenue to jump ~17% YoY to INR93b, driven by 10% YoY growth in port volumes.
- Expect adjusted PAT to be at INR32.5b (+22% YoY).
- Expect EBITDA at INR55.7b; EBITDA margin to remain at 60%.
- Improvement in utilization at the existing and recently acquired ports and growth in the logistics business remain the key monitorable.

Quarterly snapshot

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	69,563	70,670	79,636	84,884	91,261	91,675	93,050	95,712	3,04,753	3,71,698
YoY Change (%)	11.3	6.3	15.1	23.1	31.2	29.7	16.8	12.8	14.1	22.0
EBITDA	42,445	43,689	48,021	50,060	54,953	55,503	55,783	58,162	1,84,214	2,24,402
Margins (%)	61.0	61.8	60.3	59.0	60.2	60.5	60.0	60.8	60.4	60.4
Depreciation	10,119	10,766	11,058	11,847	12,549	12,635	12,500	12,007	43,789	49,691
Interest	6,554	6,886	7,587	6,754	7,827	8,379	7,500	7,459	27,780	31,164
Other Income	4,946	3,054	2,234	2,812	2,960	8,366	2,500	2,480	13,045	16,306
PBT before EO expense	30,718	29,091	31,610	34,271	37,538	42,855	38,283	41,176	1,25,689	1,59,852
Extra-Ord expense	-5,980	225	1,925	640	635	3,850	0	0	-3,191	4,485
PBT	36,698	28,866	29,685	33,631	36,903	39,005	38,283	41,176	1,28,881	1,55,367
Tax	4,854	4,726	5,015	5,088	5,370	5,701	5,800	6,434	19,684	23,305
Rate (%)	13.2	16.4	16.9	15.1	14.6	14.6	15.2	15.6	15.3	15.0
MI and Associates	716	-310	-532	-1,600	-1,613	2,213	-58	-730	-1,726	-188
Reported PAT	31,128	24,450	25,203	30,142	33,146	31,091	32,541	35,472	1,10,923	1,32,250
Adj PAT	26,344	24,629	26,742	30,654	33,654	34,170	32,541	35,472	1,08,370	1,35,838
YoY Change (%)	28.7	10.9	13.6	33.7	27.7	38.7	21.7	15.7	21.6	25.3

Blue Dart Express

Buy

CMP: INR5,600 | TP: INR7,900 (+41%)
EPS CHANGE (%): FY26|27: -1.6|-1.4

- Expect revenue to increase 8% YoY to INR16.3b in 3QFY26.
- Expect adjusted PAT to grow ~13% YoY to INR892.
- Expect EBITDA to be at INR1.6b. EBITDA margin to increase 30bp YoY, with pickup in volumes and better realization.
- Volume growth in the air and surface express segments and movement in ATF prices are the key monitorables.

Quarterly snapshot - Standalone

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	13,427	14,485	15,117	14,173	14,419	15,493	16,326	16,775	57,202	63,014
YoY Change (%)	8.5	9.4	9.3	7.1	7.4	7.0	8.0	18.4	8.6	10.2
EBITDA	1,094	1,219	1,462	1,181	1,002	1,572	1,633	1,753	4,956	5,959
Margins (%)	8.1	8.4	9.7	8.3	6.9	10.1	10.0	10.5	8.7	9.5
YoY Change (%)	-3.4	-6.6	8.9	-15.3	-8.5	29.0	11.7	48.5	-4.2	20.2
Depreciation	523	519	522	529	505	594	550	484	2,092	2,132
Interest	70	70	73	75	72	105	105	46	288	328
Other Income	191	190	196	206	207	194	215	246	783	861
PBT before EO expense	693	819	1,064	782	632	1,066	1,193	1,470	3,359	4,360
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	693	819	1,064	782	632	1,066	1,193	1,470	3,359	4,360
Tax	178	212	273	250	163	271	301	368	912	1,102
Rate (%)	25.7	25.9	25.6	32.0	25.7	25.4	25.2	25.0	27.2	25.3
Reported PAT	515	608	791	532	469	795	892	1,102	2,446	3,258
Adj PAT	515	608	791	532	469	795	892	1,102	2,446	3,258
YoY Change (%)	-13.8	-14.8	-3.0	-30.0	-8.9	30.8	12.8	107.0	-15.2	33.2
Margins (%)	3.8	4.2	5.2	3.8	3.3	5.1	5.5	6.6	4.3	5.2

Container Corp. of India (CONCOR)

Buy

CMP: INR532 | TP: INR670 (+26%)

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

- Expect volumes to rise ~11% YoY.
- EBITDA margin is expected to be ~23%.
- Expect EXIM/domestic volumes to grow ~10%/15% YoY.
- Growth in EXIM trade, progress on commissioning of the DFC by Mar'26, and divestment of stake by the government are the key monitorables.

Standalone quarterly

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
YoY Change (%)	20,971	22,830	22,019	22,814	21,495	23,514	23,752	25,310	88,634	94,071
EBITDA	9.3	4.2	-0.1	-1.6	2.5	3.0	7.9	10.9	2.7	6.1
Margins (%)	4,319	5,750	4,583	4,335	4,265	5,688	5,415	5,550	18,986	20,918
YoY Change (%)	20.6	25.2	20.8	19.0	19.8	24.2	22.8	21.9	21.4	22.2
Depreciation	10.3	7.0	-10.4	-11.4	-1.3	-1.1	18.2	28.0	-1.6	10.2
Interest	1,649	1,617	810	1,552	1,570	1,427	1,595	1,756	5,628	6,348
Other Income	181	177	171	166	164	177	168	90	695	600
PBT before EO expense	924	1,301	995	1,432	935	959	1,050	1,242	4,652	4,186
Extra-Ord expense	3,413	5,257	4,596	4,049	3,465	5,043	4,702	4,945	17,314	18,156
PBT	0	333	0	0	0	0	0	0	-333	0
Tax	3,413	4,923	4,596	4,049	3,465	5,043	4,702	4,945	16,981	18,156
Rate (%)	859	1,213	1,162	1,027	888	1,275	1,183	1,229	4,261	4,575
Reported PAT	25.2	24.6	25.3	25.4	25.6	25.3	25.2	24.8	25.1	25.2
Adj PAT	2,554	3,711	3,434	3,021	2,577	3,768	3,520	3,717	12,720	13,581
YoY Change (%)	2,554	3,960	3,434	3,021	2,577	3,768	3,520	3,717	12,970	13,581
Margins (%)	12.2	17.3	15.6	13.2	12.0	16.0	14.8	14.7	14.6	14.4

Delhivery

Buy

CMP: INR404 | TP: INR570 (+42%)

EPS CHANGE (%): FY26|27: -2.3|-6.4

- Expect revenue to increase ~14% YoY to INR27.1b, driven by consolidation of Ecom Express and demand spill over into 3Q due to GST rate cut.
- Expect adjusted PAT to be at ~INR615m.
- Expect EBITDA at INR1.6b; EBITDA margin is expected at 5.8% on improving service EBITDA across express and PTL segment.
- Integration cost of Ecom Express, growth in volume and realization will be key monitorables.

Quarterly snapshot

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	21,723	21,897	23,783	21,916	22,940	25,593	27,155	29,524	89,319	1,05,213
YoY Change (%)	12.6	12.8	8.4	5.6	5.6	16.9	14.2	34.7	9.7	17.8
EBITDA	971	573	1,024	1,191	1,488	682	1,579	2,485	3,758	6,234
Margins (%)	4.5	2.6	4.3	5.4	6.5	2.7	5.8	8.4	4.2	5.9
YoY Change (%)	LP	LP	-6.3	159.5	53.3	19.0	54.2	108.7	196.9	65.9
Depreciation	1,194	1,313	1,417	1,425	1,475	1,781	1,700	1,711	5,349	6,667
Interest	282	305	333	337	340	389	380	378	1,258	1,487
Other Income	1,099	1,196	987	1,119	1,299	922	1,200	1,314	4,401	4,735
PBT before EO expense	593	151	260	548	973	-566	699	1,709	1,552	2,815
Extra-Ord expense	51	0	0	0	0	0	0	0	-51	0
PBT	542	151	260	548	973	-566	699	1,709	1,501	2,815
Tax	-14	-16	-12	-8	-14	-27	84	239	-50	282
Rate (%)	-2.6	-10.5	-4.5	-1.5	-1.4	4.8	12.0	14.0	-3.3	10.0
Reported PAT	543	102	250	726	911	-504	615	1,471	1,621	2,493
Adj PAT	595	102	250	726	911	-504	615	1,471	1,672	2,493
YoY Change (%)	LP	LP	5.8	LP	53.1	-593.9	146.3	102.7	LP	49.1
Margins (%)	2.7	0.5	1.1	3.3	4.0	-2.0	2.3	5.0	1.9	2.4

JSW Infrastructure

Buy

CMP: INR285 | TP: INR360 (+26%)

EPS CHANGE (%): FY26|27: -3.3|-1.2

- Expect revenue to increase 12.5% YoY to INR13.3b post consolidation of Navkar business.
- Expect adjusted PAT to be at ~INR3.7b.
- Expect EBITDA at INR6.24b; EBITDA margin to remain subdued due to Navkar consolidation and soft port volumes.
- Improvement in Navkar margins and utilization at the existing and the recently acquired ports remain the key monitorables.

Quarterly snapshot

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	10,098	10,014	11,818	12,832	12,239	12,656	13,293	14,662	44,761	52,849
YoY Change (%)	15.0	18.0	25.7	17.0	21.2	26.4	12.5	14.3	19.0	18.1
EBITDA	5,146	5,205	5,861	6,409	5,812	6,097	6,248	7,141	22,622	25,297
Margins (%)	51.0	52.0	49.6	49.9	47.5	48.2	47.0	48.7	50.5	47.9
YoY Change (%)	14.0	15.1	22.1	10.3	12.9	17.1	6.6	11.4	15.1	11.8
Depreciation	1,346	1,339	1,376	1,405	1,435	1,485	1,480	1,462	5,466	5,862
Interest	740	747	974	940	913	993	940	862	3,401	3,707
Other Income	939	868	835	887	899	1,067	870	729	3,530	3,565
PBT before EO expense	3,999	3,988	4,346	4,952	4,363	4,686	4,698	5,547	17,285	19,293
Extra-Ord expense	83	-1,551	1,586	-862	-363	53	0	0	-744	-310
PBT	3,916	5,539	2,759	5,814	4,726	4,633	4,698	5,547	18,028	19,603
Tax	951	1,802	-597	658	830	945	940	1,108	2,814	3,823
Rate (%)	24.3	32.5	-21.6	11.3	17.6	20.4	20.0	20.0	15.6	19.5
Minority Interest	-41.1	-22.2	-58.6	-62.1	-48.9	-75.7	-35.0	-24.4	-184.0	-184.0
Profit/Loss of Asso. Cos	0	0	0	0	0	0	0	0	0	0
Reported PAT	2,924	3,715	3,298	5,094	3,847	3,612	3,723	4,414	15,031	15,596
Adj PAT	2,987	2,629	4,408	4,447	3,575	3,652	3,723	4,414	14,471	15,364
YoY Change (%)	16.9	4.7	43.2	18.9	19.7	38.9	-15.5	-0.7	21.8	6.2
Margins (%)	29.6	26.3	37.3	34.7	29.2	28.9	28.0	30.1	32.3	29.1

Mahindra Logistics

Neutral

CMP: INR316 | TP: INR330 (4%)

EPS CHANGE (%): FY26|27: -|-3

- Expect revenue to rise ~9% YoY to INR17.3b.
- Expect Adj. loss of INR10m in 3Q.
- Expect EBITDA to be at INR851m (+5% YoY) and project a margin improvement of 30bp YoY.
- Operating profitability in Rivigo business, and outlook on MM's auto segment sales to be the key monitorables.

Quarterly snapshot

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	14,200	15,211	15,942	15,695	16,246	16,853	17,363	18,475	61,048	68,937
YoY Change (%)	9.8	11.5	14.1	8.2	14.4	10.8	8.9	17.7	10.9	12.9
EBITDA	663	664	737	777	763	851	851	921	2,841	3,385
Margins (%)	4.7	4.4	4.6	5.0	4.7	5.0	4.9	5.0	4.7	4.9
YoY Change (%)	-0.5	23.9	41.1	37.3	15.0	28.2	15.5	18.6	24.0	19.2
Depreciation	550	540	590	584	646	717	700	738	2,263	2,800
Interest	195	191	221	206	225	217	205	230	812	877
Other Income	57	17	63	22	51	29	40	212	158	332
PBT before EO Items	-25	-50	-11	9	-58	-54	-14	166	-77	41
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	-25	-50	-11	9	-58	-54	-14	166	-77	41
Tax	53	46	61	62	36	30	-3	38	223	101
Rate (%)	NA	NA	NA	NA	NA	-54.9	18.0	23.1	NA	250.0
PAT before MI, Associates	-78	-96	-72	-53	-94	-83	-12	128	-300	-61
Share of associates/ Minority Interest	-15	-11	-18	-14	-14	-20	2	24	-59	-9
Reported PAT	-93	-107	-90	-68	-108	-104	-10	152	-359	-69
Adj PAT	-93	-107	-90	-68	-108	-104	-10	152	-359	-69
YoY Change (%)	NA	NA	NA	NA	NA	NA	NA	LP	NA	NA
Margins (%)	-0.7	-0.7	-0.6	-0.4	-0.7	-0.6	-0.1	0.8	-0.6	-0.1

Transport Corporation of India

Buy

CMP: INR1,085 | TP: INR1,500 (+38%)

EPS CHANGE (%): FY26|27: -3.8|-3.9

- Expect revenue to increase ~10% YoY to INR12.6b, driven by growth in the supply chain and seaways.
- Expect adjusted PAT to be at INR1.1b in 3QFY26.
- Expect EBITDA at INR1.3b (+15% YoY) and EBITDA margin at 10.8% (+50bp YoY)
- Volume growth in the freight business and margin in the seaways business are the key monitorables.

Quarterly snapshot

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	10,451	11,208	11,471	11,788	11,393	12,049	12,659	13,680	44,918	49,781
YoY Change (%)	10.0	12.8	14.5	9.3	9.0	7.5	10.4	16.0	11.6	10.8
EBITDA	1,038	1,171	1,185	1,217	1,210	1,267	1,367	1,500	4,611	5,344
Margins (%)	9.9	10.4	10.3	10.3	10.6	10.5	10.8	11.0	10.3	10.7
YoY Change (%)	3.0	16.6	18.6	11.2	16.6	8.2	15.4	23.3	12.3	15.9
Depreciation	290	291	305	292	288	305	320	350	1,178	1,263
Interest	42	46	59	55	54	59	44	26	202	183
Other Income	109	106	68	184	113	125	130	146	467	514
PBT before EO expense	815	940	889	1,054	981	1,028	1,133	1,269	3,698	4,411
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	815	940	889	1,054	981	1,028	1,133	1,269	3,698	4,411
Tax	110	109	93	121	106	125	159	198	433	588
Rate (%)	13.5	11.6	10.5	11.5	10.8	12.2	14.0	15.6	11.7	13.3
Minority Interest	-6.0	-9.0	-12.0	-9.0	-7.0	-9.0	-7.6	-6.4	-36.0	-30.0
Profit/Loss of Asso. Cos	211	242	225	218	197	232	190	146	896	765
Reported PAT	910	1,064	1,009	1,142	1,065	1,126	1,157	1,211	4,125	4,559
Adj PAT	910	1,064	1,009	1,142	1,065	1,126	1,157	1,211	4,125	4,559
YoY Change (%)	10.6	22.3	27.1	9.3	17.0	5.8	14.7	6.0	16.8	10.5
Margins (%)	8.7	9.5	8.8	9.7	9.3	9.3	9.1	8.9	9.2	9.2

TCI Express

Neutral

CMP: INR590 | TP: INR660 (12%)

EPS CHANGE (%): FY26|27: -3|-8.3

- Expect revenue to rise marginally ~5% YoY to ~INR3.1b.
- Expect Adj. PAT to increase to INR246m (+28% YoY) primarily due to better volumes and cost optimization.
- Expect EBITDA at INR349m; margin to improve 140bp YoY due to better volume growth.
- Outlook on the B2B express segment and competitive scenario are the key monitorables.

Quarterly snapshot

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	2,930	3,115	2,965	3,073	2,868	3,085	3,115	3,318	12,083	12,386
YoY Change (%)	-3.9	-2.6	-4.9	-3.1	-2.1	-1.0	5.1	8.0	-3.6	2.5
EBITDA	327	368	289	263	281	354	349	383	1,247	1,366
Margins (%)	11.2	11.8	9.8	8.5	9.8	11.5	11.2	11.5	10.3	11.0
YoY Change (%)	-29.4	-27.1	-36.6	-41.4	-14.3	-3.7	20.7	45.7	-33.4	9.6
Depreciation	51	53	53	59	53	53	51	48	216	205
Interest	3	3	3	5	3	3	2	0	13	7
Other Income	23	25	26	61	38	35	34	39	134	145
PBT before EO expense	297	336	259	260	263	332	330	374	1,152	1,299
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	297	336	259	260	263	332	330	374	1,152	1,299
Tax	74	87	67	66	68	80	84	96	294	329
Rate (%)	24.8	25.8	26.0	25.5	25.9	24.2	25.5	25.8	25.5	25.4
Reported PAT	223	249	192	194	195	252	246	277	858	970
Adj PAT	223	249	192	194	195	252	246	277	858	970
YoY Change (%)	-31.0	-29.9	-40.4	-38.7	-12.7	0.9	28.2	43.2	-34.8	13.0
Margins (%)	7.6	8.0	6.5	6.3	6.8	8.2	7.9	8.4	7.1	7.8

VRL Logistics

Buy

CMP: INR269 | TP: INR350 (+30%)

EPS CHANGE (%): FY26|27: -0.8|-

- Expect revenue to increase 2% YoY to INR8.4b on account of better realizations offsetting volume decline.
- Expect adjusted PAT to be at INR579m (-2.6% YoY).
- Expect EBITDA to be at ~INR1.6b; EBITDA margin to stay high at 18.9% due to better realizations and cost optimization.
- Volume stabilization is the key monitorable.

Quarterly snapshot

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	7,272	7,995	8,252	8,090	7,443	7,970	8,448	8,697	31,609	32,558
YoY Change (%)	7.9	12.7	12.0	5.3	2.4	-0.3	2.4	7.5	9.4	3.0
EBITDA	869	1,331	1,664	1,866	1,516	1,511	1,597	1,588	5,730	6,212
Margins (%)	11.9	16.6	20.2	23.1	20.4	19.0	18.9	18.3	18.1	19.1
YoY Change (%)	-14.7	44.9	76.3	77.1	74.5	13.6	-4.1	-14.9	45.6	8.4
Depreciation	615	638	646	638	647	648	675	703	2,536	2,672
Interest	226	224	241	258	262	242	220	164	948	888
Other Income	148	25	57	25	65	70	72	94	255	300
PBT before EO expense	176	493	835	996	672	691	774	815	2,500	2,953
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	176	493	835	996	672	691	774	815	2,500	2,953
Tax	42	135	240	253	172	192	195	206	670	765
Rate (%)	23.6	27.3	28.8	25.4	25.6	27.8	25.2	25.2	26.8	25.9
Reported PAT	134	358	594	743	500	499	579	610	1,829	2,188
Adj PAT	134	358	594	743	500	499	579	610	1,829	2,188
YoY Change (%)	-60.4	84.4	333.9	244.6	272.4	39.2	-2.6	-17.9	106.5	19.6
Margins (%)	1.8	4.5	7.2	9.2	6.7	6.3	6.9	7.0	5.8	6.7

Metals

Company

Coal India

Hindalco Industries

Hindustan Zinc

Jindal Stainless

Jindal Steel & Power

JSW Steel

Midwest Ltd

NMDC

National Aluminum Co.

Steel Authority of India

Tata Steel

Vedanta

Weak steel prices dampen ferrous earnings; strong LME tailwinds boost non-ferrous profitability

- Domestic HRC prices declined INR2,200/t QoQ to INR47,200/t in 3QFY26, primarily driven by the lapse of provisional safeguard duty, leading to elevated imports. Average primary rebar prices broadly remained flat QoQ at INR47,200/t in 3QFY26. As a result, we expect ferrous companies to witness a QoQ decline of INR1,500-2,000/t in realization during 3QFY26. Owing to post-monsoon demand recovery, volumes for ferrous companies across the board are expected to improve QoQ, which will partially offset the impact of muted realizations.
 - On the cost front, ferrous companies across the board have guided for a marginal increase in coking coal costs by USD3-5/t in 3QFY26. Premium HCC spot prices have also surged recently to USD230/t, with the 3QFY26 average at USD210/t. We expect the recent increase in coking coal prices to impact 4Q. In 3Q, NMDC saw an average price cut of INR300/t QoQ, while OMC prices rose sequentially. We expect the net margin impact will vary for steel companies depending on their procurement mix.
 - Global steel prices experienced some uptick, with European prices improving 7% QoQ to USD600/t. This increase was supported by trade barriers such as CBAM and a reduction in import quotas. China's steel export (FOB) prices dipped 2% QoQ to USD465/t in 3QFY26. Going forward, the implementation of a three-year safeguard duty in India will support domestic prices (spot HRC prices rebounded by INR3,000/t in late Dec'25).
 - On the non-ferrous side, commodities saw a QoQ price surge in 3Q. The average price rose by 13% QoQ for Copper/Zinc and 8% QoQ for Aluminum, while Nickel/Lead and Alumina prices remained largely flat QoQ. As a result, we expect non-ferrous companies to witness strong earnings during the quarter, primarily fueled by healthy realization and better volumes.
- We have a BUY rating on TATA, JSTL, JSL, JSP, and HNDL.**
- **Ferrous:** We expect ferrous companies to report volume growth of ~4% QoQ (+10% YoY), offsetting the NSR decline of 3% QoQ and 1% YoY in 3Q. We expect companies to report a flat to marginal QoQ increase in revenue (+10% YoY). The rise in coking coal costs (USD3-5/t), coupled with weak NSR, is likely to impact EBITDA/t by INR1,000-1,500/t QoQ in 3Q. However, positive operating leverage from higher volumes could help limit the impact. We expect EBITDA to dip 9% QoQ (+13% YoY) for our coverage steel companies, led by muted NSR.
 - **Non-ferrous:** Non-ferrous companies under our coverage are expected to post an aggregate revenue/EBITDA/PAT growth of 5%/12%/18% QoQ in 3Q. This growth was led by healthy NSR and better volumes. HNDL is likely to report muted earnings in 3Q, due to weak earnings from the Novelis business.
 - **Mining:** The companies are likely to witness strong earnings in 3Q, driven by volume recovery. Coal India posted volumes of 186mt (+12% QoQ and -4% YoY), while NMDC volumes grew 19% QoQ (+6% YoY) to 12.7mt. However, NMDC's avg. 3Q prices fell by INR300/t QoQ could limit the earnings upside. We expect MIDWESTL's revenue and EBITDA to grow 20% QoQ and PAT by 36% QoQ in 3Q.

Alok Deora – Research analyst (Alok.Deora@MotilalOswal.com)

Sonu Upadhyay – Research analyst (Sonu.Upadhyay@MotilalOswal.com)

Exhibit 1: Relative performance – three months (%)

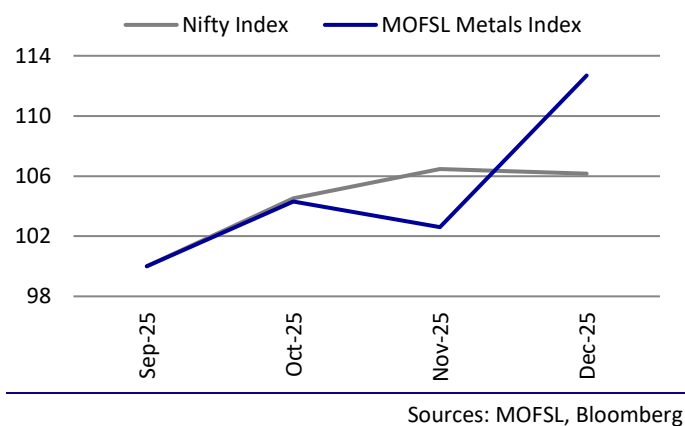


Exhibit 2: Relative performance – one year (%)

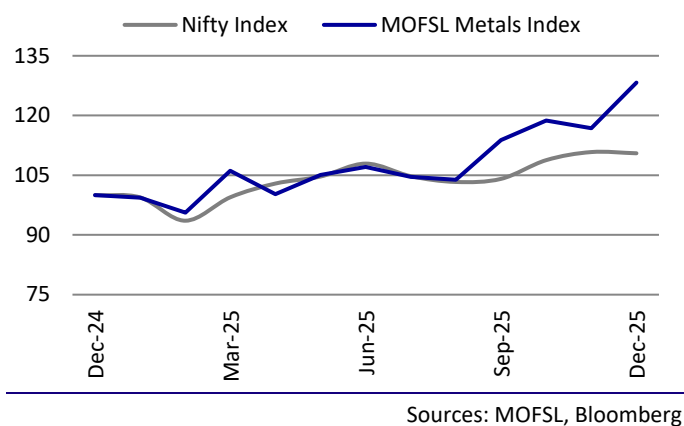


Exhibit 3: Domestic HRC prices declined QoQ to INR47,200/t

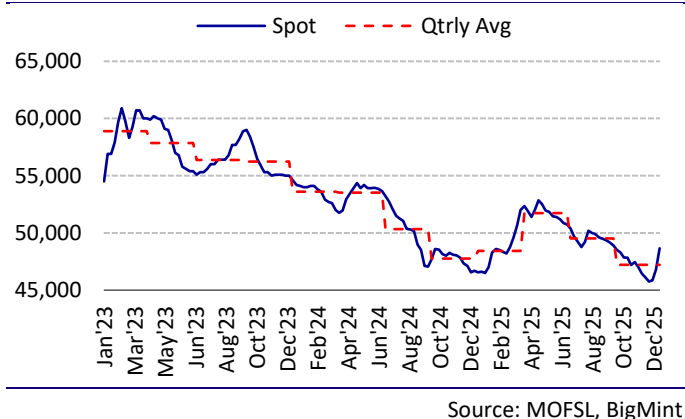


Exhibit 4: Rebar prices remained flat QoQ at INR47,200/t

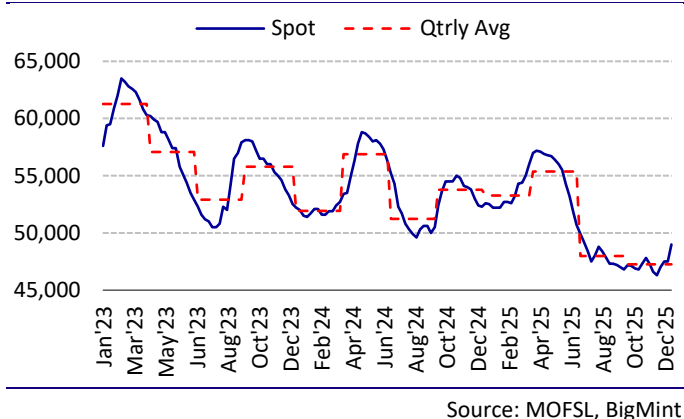


Exhibit 5: Coking coal prices rose to USD210/t

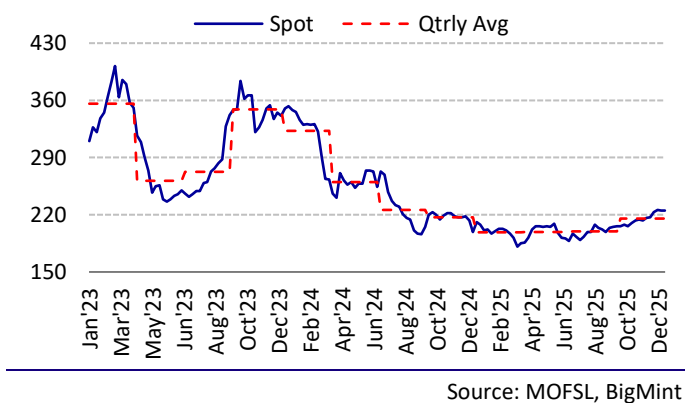


Exhibit 6: NMDC's iron ore prices declined QoQ

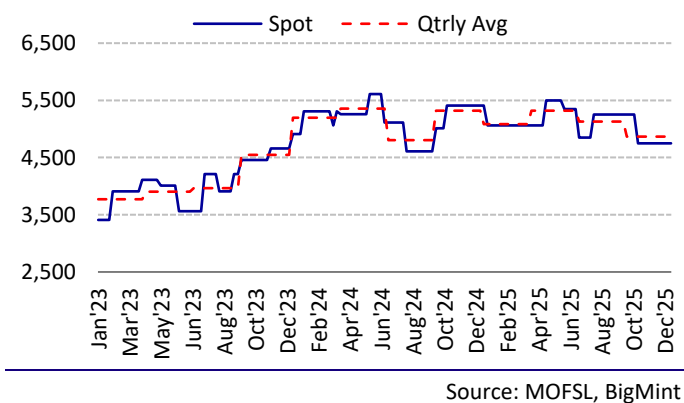


Exhibit 7: Key assumptions (all amounts in INR b except for volumes and per ton numbers)

JSW Steel	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	%YoY	%QoQ
Sales - mt	6.7	6.1	6.1	6.7	7.5	6.7	7.3	7.5	12.2	2.5
Realization/t	68,750	70,168	64,737	61,666	59,838	64,495	61,515	58,989	(4.3)	(4.1)
EBITDA/t	9,100	9,003	9,207	8,314	8,515	11,788	10,693	9,050	8.8	(15.4)
Consol Revenue	463	429	397	414	448	431	452	444	7.3	(1.7)
Consol EBITDA	61	55	56	56	64	79	78	68	22.1	(13.2)
Consol PAT	13	8	8	8	15	24	21	18	137.3	(10.4)
Tata Steel	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Standalone										
Sales - mt	5.4	4.9	5.1	5.3	5.6	4.8	5.6	6.0	13.8	8.4
Realization/t	67,420	66,716	63,404	61,929	61,427	65,293	62,486	60,820	(1.8)	(2.7)
EBITDA/t	14,907	13,716	12,935	14,179	12,463	14,988	14,681	13,112	(7.5)	(10.7)
Revenue	365	330	324	328	344	310	347	366	11.7	5.6
EBITDA	81	68	66	75	70	71	81	79	5.2	(3.1)
PAT	47	36	36	40	37	37	45	39	(2.3)	(11.8)
Consolidated										
Sales - mt	8.0	7.4	7.5	7.7	8.3	7.1	7.9	8.2	6.1	3.5
Realization/t	73,543	74,116	71,682	69,493	67,489	74,688	74,196	71,767	3.3	(3.3)
EBITDA/t	8,271	9,059	7,343	9,268	7,874	10,432	11,247	9,862	6.4	(12.3)
Consol Revenue	587	548	539	536	562	532	587	588	9.5	0.1
Consol EBITDA	66	67	55	72	66	74	89	81	12.9	(9.2)
Consol PAT	12	13	5	7	17	21	33	24	225.5	(26.3)
TSE										
Sales - mt	2.1	2.2	2.1	2.1	2.4	2.1	2.1	2.0	(6.2)	(6.6)
Revenue	207	210	206	195	208	207	216	202	3.2	(6.9)
EBITDA	-7	-5	-13	-7	-8	1	2	-2	NA	NA
EBITDA/t (USD)	-39	-28	-75	-42	-36	8	8	-11	NA	NA
SAIL	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Sales - mt	4.6	4.0	4.1	4.4	5.3	4.6	4.9	5.0	12.1	1.1
Realization/t	57,554	59,845	56,191	55,282	55,002	56,590	54,387	53,587	(3.1)	(1.5)
EBITDA/t	3,879	5,536	3,111	4,582	6,536	5,704	5,149	4,473	(2.4)	(13.1)
Consol Revenue	262	240	230	245	293	257	267	266	8.6	(0.4)
Consol EBITDA	18	22	13	20	35	26	25	22	9.4	(12.2)
Consol PAT	2	3	-4	1	13	6	7	5	299.1	(32.7)
JSP	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Sales (mt)	2.0	2.1	1.9	1.9	2.1	1.9	1.9	2.2	16.2	18.1
Realization/t	67,099	65,157	60,612	61,846	61,893	64,708	62,491	61,091	(1.2)	(2.2)
EBITDA/t	12,162	13,585	11,780	11,226	11,647	15,419	10,027	8,628	(23.1)	(14.0)
Consol Revenue	135	136	112	118	132	123	117	135	14.8	15.4
Consol EBITDA	24	28	22	21	25	29	19	19	(10.7)	1.6
Consol PAT	9	13	8	9	11	14	4	6	(32.3)	35.5
JSL	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Sales - mt	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	11.0	0.7
Realization/t	1,65,860	1,63,145	1,73,041	1,68,491	1,58,605	1,62,988	1,68,085	1,73,085	2.7	3.0
EBITDA/t	18,161	20,964	21,000	20,536	16,499	20,915	21,416	21,549	4.9	0.6
Revenue	95	94	98	99	102	102	109	113	14.0	3.7
EBITDA	10	12	12	12	11	13	14	14	16.4	1.3
PAT	5	6	6	7	6	7	8	8	21.5	0.8

NMDC	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Sales - mt	12.5	10.1	9.7	11.9	12.7	11.5	10.7	12.7	6.4	18.5
Realization/t	5,174	5,375	5,057	5,503	5,529	5,851	5,952	5,602	1.8	(5.9)
EBITDA/t	1,676	2,322	1,425	1,987	1,619	2,152	1,860	1,766	(11.1)	(5.1)
Revenue	65	54	49	66	70	67	64	71	8.3	11.5
EBITDA	21	23	14	24	21	25	20	22	(5.5)	12.5
PAT	14	20	12	19	15	20	17	17	(7.3)	2.6
HNDL	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Aluminum sales - kt	337	329	328	338	332	325	341	340	0.6	(0.3)
Copper sales - kt	135	119	117	120	135	124	113	123	2.5	8.8
Novelis vol- kt	951	951	945	904	957	963	941	841	(7.0)	(10.6)
Novelis adj EBITDA (USD m)	514	500	462	367	473	416	422	320	(12.9)	(24.3)
Consol Revenue	560	570	582	584	649	642	661	664	13.8	0.6
Consol EBITDA	67	75	79	76	88	79	90	79	4.8	(11.4)
Consol PAT	32	33	43	38	53	40	49	38	1.4	(21.6)
HZL	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Zinc vol (India) - kt	221	211	198	201	218	201	202	210	4.5	3.9
Lead vol (India) - kt	53	51	63	55	56	48	45	47	(15.4)	3.4
Silver vol- t	179	167	184	160	177	145	147	157	(1.7)	6.9
Consol Revenue	75	81	83	86	91	78	85	100	15.8	16.7
Consol EBITDA	36	39	41	45	48	39	44	54	20.8	22.3
Consol PAT	20	23	23	27	30	22	26	34	25.7	27.0
VED	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Consol Revenue	355	358	376	391	405	378	399	435	11.1	9.0
Consol EBITDA	88	99	98	111	115	99	114	143	28.9	25.6
Consol PAT	16	36	30	35	35	32	33	57	59.8	69.4
NACL	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Consol Revenue	36	29	40	47	53	38	43	48	2.6	11.5
Consol EBITDA	11	9	15	23	28	15	19	23	(0.1)	20.7
Consol PAT	7	6	10	16	21	10	14	17	6.0	16.1
COAL	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
Sales - mt	202	199	168	194	201	191	166	186	(4.2)	12.1
NSR - FSA INR/t	1,536	1,524	1,462	1,514	1,547	1,550	1,478	1,528	1.0	3.4
E-auction premium	66	58	69	76	69	50	55	60	(21.5)	9.0
EBITDA/t	528	581	426	592	558	582	352	492	(16.8)	39.8
Consol Revenue	382	365	307	369	378	358	302	345	(6.4)	14.3
Consol Adj EBITDA	106	115	72	115	112	111	58	92	(20.3)	56.6
Consol PAT	86	110	63	85	96	87	44	65	(23.9)	48.6

Exhibit 8: Ferrous companies to witness a decent volume growth

Sales Volume	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
JSW Steel	6.7	6.1	6.1	6.7	7.5	6.7	7.3	7.5	12.2	2.5
Tata Steel	8.0	7.4	7.5	7.7	8.3	7.1	7.9	8.2	6.1	3.5
SAIL	4.6	4.0	4.1	4.4	5.3	4.6	4.9	5.0	12.1	1.1
JSPL	2.0	2.1	1.9	1.9	2.1	1.9	1.9	2.2	16.2	18.1

Sources: MOFSL, Company

Exhibit 9: ASP to decline QoQ in 3Q

ASP	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
JSW Steel	68,750	70,168	64,737	61,666	59,838	64,495	61,515	58,989	(4.3)	(4.1)
Tata Steel	73,543	74,116	71,682	69,493	67,489	74,688	74,196	71,767	3.3	(3.3)
SAIL	57,554	59,845	56,191	55,282	55,002	56,590	54,387	53,587	(3.1)	(1.5)
JSPL	67,099	65,157	60,612	61,846	61,893	64,708	62,491	61,091	(1.2)	(2.2)

Sources: MOFSL, Company

Exhibit 10: EBITDA/t to decline QoQ, led by weak pricing and rise in input costs

EBITDA/t	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY	QoQ
JSW Steel	9,100	9,003	9,207	8,314	8,515	11,788	10,693	9,050	8.8	(15.4)
Tata Steel	8,271	9,059	7,343	9,268	7,874	10,432	11,247	9,862	6.4	(12.3)
SAIL	3,879	5,536	3,111	4,582	6,536	5,704	5,149	4,473	(2.4)	(13.1)
JSPL	12,162	13,585	11,780	11,226	11,647	15,419	10,027	8,628	(23.1)	(14.0)

Sources: MOFSL, Company

Exhibit 11: Key commodity prices – Quarterly movement

Non-ferrous Metal Price	UoM	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	%YoY	%QoQ
Copper-LME	USD/t	9,745	9,209	9,239	9,330	9,510	9,794	11,103	20.2	13.4
Aluminum-LME	USD/t	2,517	2,385	2,579	2,626	2,443	2,617	2,828	9.6	8.0
Zinc-LME	USD/t	2,830	2,780	3,054	2,840	2,637	2,824	3,162	3.5	12.0
Nickel-LME	USD/t	18,454	16,256	16,087	15,571	15,134	15,030	14,874	(7.5)	(1.0)
Lead-LME	USD/t	2,164	2,045	2,011	1,969	1,946	1,966	1,969	(2.1)	0.2
Alumina-Spot	USD/t	431	508	685	524	359	362	318	(53.6)	(12.4)
Brent	USD/bbl	85	80	75	76	68	69	64	(14.6)	(7.4)
China Steel Prices										
China TMT	RMB/t	3,828	3,532	3,654	3,527	3,370	3,326	3,180	(13.0)	(4.4)
China HRC	RMB/t	3,793	3,373	3,558	3,419	3,272	3,406	3,314	(6.8)	(2.7)
China Wire Rod	RMB/t	4,101	3,786	3,911	3,746	3,617	3,649	3,612	(7.6)	(1.0)
India Domestic Prices										
HRC India FoB	USD/t	561	560	543	511	495	502	485	(10.6)	(3.3)
HRC Dom Mum	INR/t	53,630	50,331	47,765	48,431	51,731	49,525	47,212	(1.2)	(4.7)
Billet Raigarh	INR/t	42,896	38,363	39,099	39,158	39,235	36,696	35,222	(9.9)	(4.0)
Wire Rod - Dom	INR/t	54,453	54,070	55,220	54,640	53,679	50,389	49,824	(9.8)	(1.1)
TMT Primary Mum	INR/t	56,957	51,238	53,762	53,277	55,362	47,977	47,254	(12.1)	(1.5)
TMT Secondary Mum	INR/t	5,828	5,352	6,222	5,157	8,018	3,608	4,431	(28.8)	22.8
Pig Iron SG Durgapur	INR/t	40,760	37,035	36,055	34,082	33,464	32,514	31,991	(11.3)	(1.6)
CRC Mum	INR/t	60,869	57,796	54,927	54,881	58,535	56,510	54,936	0.0	(2.8)
Galvanized Plain	INR/t	64,550	61,208	57,592	58,846	64,838	62,462	60,382	4.8	(3.3)
Color Coated	INR/t	73,829	69,862	66,723	67,546	74,000	73,131	69,155	3.6	(5.4)
Coking Coal/Coke										
HCC Prem Australia FOB	USD/t	243	211	203	186	184	183	196	(3.3)	7.0
HCC Prem India CNF	USD/t	260	227	217	199	199	200	213	(1.8)	6.9
HCC Mid Vols India CNF	USD/t	225	203	182	160	159	166	186	2.4	12.0
PCI Coal CNF India	USD/t	181	191	171	155	152	159	156	(8.7)	(1.9)
Iron Ore										
62% CNF China - Aus	USD/t	112	100	103	104	98	102	106	2.3	3.5
Odisha Fines - 62%	INR/t	5,023	4,392	5,315	5,031	5,119	5,335	5,492	3.3	3.0
K'taka Fines Fe 60%	INR/t	3,917	3,333	3,633	3,400	3,533	3,767	3,350	(7.8)	(11.1)
NMDC 64 %Fines (C'garh)	INR/t	5,327	4,710	5,277	5,060	5,303	5,117	4,750	(10.0)	(7.2)
NMDC 65%-Lumps	INR/t	5,596	5,283	6,053	6,000	6,153	5,967	5,575	(7.9)	(6.6)
Domestic Pellet	INR/t	8,504	7,248	8,177	8,229	8,194	8,481	8,593	5.1	1.3
Sponge Iron- Raigarh	INR/t	27,868	24,576	25,327	24,451	23,610	23,410	23,713	(6.4)	1.3
Chrome Ore										
China Chrome Ore (40-42%)	USD/t	309	308	253	235	288	307	283	11.8	(8.0)
Odisha Chrome Ore (E-Auction)	INR/t	28,948	32,831	29,816	23,212	24,801	24,419	30,160	6.8	(1.5)
Global Mn Ore 38%	USD/dmtu	5.65	4.37	3.96	4.44	3.98	4.14	4.24	7.2	2.5
Mn Ore India Mn 44% Fe 5%	USD/dmtu	6.93	7.26	4.19	4.78	4.59	4.38	4.59	9.6	4.7
Balaghat Mn 37.5%, Fe 7%	INR/t	18,157	16,170	13,578	15,686	15,311	14,921	16,106	18.6	7.9
Silico manganese	INR/t	82,190	68,780	67,044	71,893	71,590	71,155	70,886	5.7	(0.4)
Ferro Manganese	INR/t	85,507	75,242	68,514	74,904	73,081	70,945	71,938	5.0	1.4

Sources: MOFSL, Bloomberg, BigMint

Exhibit 12: Currency movement

Currency	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	% YoY	% QoQ
EUR/USD	1.08	1.10	1.07	1.05	1.13	1.17	1.16	8.8	(0.4)
USD/CNY	7.24	7.17	7.18	7.27	7.23	7.16	7.09	(1.2)	(1.0)
USD/GBP	0.79	0.77	0.78	0.79	0.75	0.74	0.75	(3.3)	1.6
USD/INR	83	84	84	87	86	87	89	5.6	2.0
GBP/INR	105	109	108	109	114	118	118	9.1	0.4
EUR/INR	90	92	90	91	97	102	104	14.9	1.6

Sources: MOFSL

Exhibit 13: Summary of expected quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Coal India	428	Buy	3,45,097	-6.4	14.3	91,547	-20.3	56.6	64,721	-23.9	48.6
Hindalco	926	Buy	6,64,246	13.8	0.6	79,453	4.8	-11.4	38,147	1.4	-21.6
Hindustan Zinc	629	Neutral	99,747	15.8	16.7	54,348	20.8	22.3	33,653	25.7	27.0
Jindal Stainless	856	Buy	1,12,938	14.0	3.7	14,060	16.4	1.3	7,955	21.5	0.8
Jindal Steel	1080	Buy	1,34,890	14.8	15.4	19,050	-10.7	1.6	6,087	-32.3	35.5
JSW Steel	1180	Buy	4,43,958	7.3	-1.7	68,111	22.1	-13.2	18,483	137.3	-10.4
Midwest	1711	Buy	1,894	NA	19.3	545	NA	17.2	377	NA	35.6
Nalco	330	Neutral	47,842	2.6	11.5	23,249	-0.1	20.7	16,600	6.0	16.1
NMDC	85	Buy	71,145	8.3	11.5	22,425	-5.5	12.5	17,435	-7.3	2.6
SAIL	147	Neutral	2,66,045	8.6	-0.4	22,205	9.4	-12.2	4,524	299.1	-32.7
Tata Steel	183	Buy	5,87,675	9.5	0.1	80,756	12.9	-9.2	24,088	225.5	-26.3
Vedanta	617	Neutral	4,34,631	11.1	9.0	1,43,164	28.9	25.6	56,678	59.8	69.4
Metals			32,10,107	8.7	4.0	6,18,914	7.7	8.3	2,88,746	14.9	12.7

Exhibit 14: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Metals						15.8	12.1	10.9	2.7	2.3	2.0	17.0	19.1	18.3
Coal India	428	Buy	44.8	57.1	58.5	9.5	7.5	7.3	2.3	2.0	1.8	24.6	27.1	24.5
Hindalco	926	Buy	76.7	74.5	78.6	12.1	12.4	11.8	1.8	1.6	1.4	16.3	13.8	12.9
Hindustan Zinc	629	Neutral	27.8	36.3	42.9	22.6	17.3	14.7	13.3	8.8	6.1	70.5	61.0	49.2
Jindal Stainless	856	Buy	38.1	44.5	50.3	22.4	19.2	17.0	3.6	3.1	2.6	16.1	16.0	15.5
Jindal Steel	1,080	Buy	38.3	86.3	97.3	28.2	12.5	11.1	2.2	1.9	1.6	8.0	16.1	15.8
JSW Steel	1,180	Buy	38.3	73.0	91.2	30.8	16.2	12.9	3.3	2.8	2.3	11.2	18.6	19.3
Midwest	1,711	Buy	47.0	70.3	101.7	36.4	24.3	16.8	6.0	4.8	3.8	16.4	19.7	22.1
Nalco	330	Neutral	32.8	24.8	25.1	10.1	13.3	13.2	2.6	2.2	2.0	29.4	18.1	15.9
NMDC	85	Buy	8.3	9.8	10.5	10.2	8.7	8.1	2.2	1.8	1.6	22.8	22.9	20.9
SAIL	147	Neutral	6.6	13.2	14.2	22.5	11.2	10.4	1.0	0.9	0.9	4.5	8.6	8.7
Tata Steel	183	Buy	9.1	13.8	15.4	20.1	13.3	11.9	2.3	2.0	1.7	11.9	16.1	15.6
Vedanta	617	Neutral	47.2	54.3	62.6	13.1	11.4	9.8	4.8	3.9	3.1	40.6	37.8	34.7

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

Coal India

Buy

CMP: INR 428 | TP: INR 500 (+17%)

- Coal production/offtake rebounded strongly QoQ in 3Q
- EBITDA to improve QoQ over better operating leverage
- E-auction premium to remain muted at ~60% on account of muted offtake

Quarterly Performance

Y/E March	FY25				FY26				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	364.6	306.7	368.6	378.2	358.4	301.9	345.1	413.9	1,433.7	1,419.3
Change YoY (%)	1.3	(6.4)	1.9	(1.0)	(1.7)	(1.6)	(6.4)	9.4	(1.0)	(1.0)
Change QoQ (%)	(4.6)	(15.9)	20.2	2.6	(5.2)	(15.8)	14.3	19.9		
Adj. EBITDA	115.4	71.5	114.8	112.3	111.3	58.5	91.5	113.0	429.6	374.3
Change YoY (%)	3.4	(19.6)	(3.8)	5.5	(3.6)	(18.3)	(20.3)	0.6	(3.0)	(12.9)
Change QoQ (%)	8.4	(38.0)	60.5	(2.2)	(0.9)	(47.5)	56.6	23.5		
EBITDA per tonne	581.5	425.6	591.5	557.6	582.4	352.1	492.2	536.3	563.7	496.9
Depreciation	19.5	19.0	25.1	27.8	23.1	26.6	27.5	28.0	91.5	105.2
OBR	(28.0)	(14.6)	(8.3)	(5.6)	(14.0)	(8.7)	(9.1)	(10.1)	(41.1)	(41.8)
Interest	2.1	2.1	2.3	2.4	2.7	2.9	3.2	3.5	8.8	12.3
Other Income	18.8	15.1	21.4	39.4	16.2	21.4	15.0	17.4	94.7	70.0
EO Inc/(Exp)	-	-	-	-	-	-	-	-	-	-
PBT after EO	140.6	80.2	117.2	127.0	115.6	59.1	85.0	109.0	465.0	368.6
Tax	32.0	18.8	33.0	32.8	29.7	18.5	21.2	27.4	116.6	97.0
Tax Rate (%)	22.8	23.4	28.2	25.8	25.7	31.4	25.0	25.2	25.1	26.3
PAT before MI & Asso.	108.6	61.4	84.2	94.2	85.9	40.5	63.7	81.5	348.4	271.7
Adjusted PAT	109.6	62.9	85.1	96.0	87.4	43.5	64.7	80.7	353.6	276.4
Change YoY (%)	4.1	(21.9)	(17.0)	12.0	(20.2)	(30.8)	(23.9)	(16.0)	(5.5)	(21.8)
Change QoQ (%)	27.8	(42.6)	35.2	12.9	(9.0)	(50.2)	48.6	24.7		

Hindalco

Buy

CMP: INR 926 | TP: INR 1,070 (+16%)

- Strong India operations to support overall revenue, led by healthy volumes and favorable LME prices
- Weak Novelis' earnings, led by the Oswego fire incident
- Novelis to witness an EBITDA impact of USD100m QoQ in 3Q
- Key monitorables - Update on Novelis' Oswego plant restart and the overall impact

Consolidated performance

Y/E March	FY25				FY26				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	570.1	582.0	583.9	648.9	642.3	660.6	664.2	722.5	2,385.0	2,689.7
Change (YoY %)	7.6	7.4	10.6	15.9	12.7	13.5	13.8	11.3	10.4	12.8
Change (QoQ %)	1.8	2.1	0.3	11.1	(1.0)	2.8	0.6	8.8	-	-
EBITDA	75.0	78.8	75.8	88.4	79.1	89.7	79.5	88.9	318.1	337.1
Change (YoY %)	31.3	40.5	29.3	32.3	5.4	13.7	4.8	0.7	33.2	6.0
Change (QoQ %)	12.3	5.1	(3.8)	16.5	(10.5)	13.4	(11.4)	11.9	-	-
As % of Net Sales	13.2	13.5	13.0	13.6	12.3	13.6	12.0	12.3	13.3	12.5
Interest	8.6	8.7	8.2	8.7	7.5	8.0	10.7	11.1	34.2	37.3
Depreciation	18.9	19.3	19.4	21.2	20.8	21.6	21.7	22.7	78.8	86.7
Other Income	4.2	10.8	5.1	7.0	6.0	7.1	7.1	7.2	27.1	27.5
PBT (before EO item)	51.8	61.6	53.4	65.4	56.7	67.2	54.3	62.4	232.1	240.6
Extra-ordinary Income	(3.3)	(5.1)	(0.4)	0.1	-	(1.8)	-	-	(8.8)	(1.8)
PBT (after EO item)	48.5	56.4	53.0	65.5	56.7	65.4	54.3	62.4	223.3	238.8
Total Tax	17.7	17.3	15.6	12.7	16.7	18.0	16.1	19.1	63.4	69.9
% Tax	36.6	30.7	29.5	19.3	29.5	27.5	29.7	30.6	28.4	29.3
PAT before MI and Associate	30.7	39.1	37.3	52.8	40.0	47.4	38.1	43.3	160.0	168.9
Adjusted PAT	33.1	42.7	37.6	52.8	40.0	48.7	38.1	43.3	166.2	170.2
Change (YoY %)	34.0	97.3	61.5	66.3	21.1	14.0	1.4	(18.0)	63.9	2.4
Change (QoQ %)	4.1	29.2	(11.8)	40.2	(24.1)	21.6	(21.6)	13.5		

Hindustan Zinc

Neutral

CMP: INR 629 | TP: INR 670 (+7%)

- Strong LME and silver prices to drive earnings in 3Q, while weak volumes could limit earnings growth
- Strong prices to support margins in 3Q
- Guidance on CoP, volumes, and realizations will be critical
- Any further updates on changes to the corporate structure and the demerger process

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Mine prodn. (kt)	263	256	265	311	265	258	276	284	1,095	1,083
Sales										
Zinc refined (kt)	211	198	201	218	201	202	210	211	827	824
Lead refined (kt)	51	63	55	56	48	45	47	60	225	199
Silver (tonnes)	167	184	160	177	145	147	157	167	687	616
Net Sales	81.3	82.5	86.1	90.9	77.7	85.5	99.7	105.7	340.8	368.6
Change (YoY %)	11.6	21.5	17.8	20.4	(4.4)	3.6	15.8	16.3	17.8	8.2
Change (QoQ %)	7.7	1.5	4.4	5.5	(14.5)	10.0	16.7	6.0		
EBITDA	39.5	41.2	45.0	48.2	38.6	44.5	54.3	56.4	173.9	193.7
Change (YoY %)	17.9	31.3	27.8	32.1	(2.2)	7.8	20.8	16.9	27.3	11.4
Change (QoQ %)	8.1	4.5	9.1	7.1	(19.9)	15.2	22.3	3.7		
Finance cost	2.6	3.0	2.9	2.5	2.4	2.6	2.7	3.0	11.0	10.7
DD&A	8.4	8.8	9.1	10.1	9.1	8.8	9.6	9.8	36.4	37.3
Other Income	2.7	2.7	2.2	2.3	2.8	2.4	2.6	2.6	9.8	10.3
PBT	31.1	31.3	35.3	37.8	29.9	35.4	44.7	46.1	135.5	156.1
Total Tax	7.7	8.0	8.5	7.8	7.5	8.9	11.0	11.1	32.0	38.5
% Tax	24.7	25.7	24.1	20.6	25.2	25.2	24.7	24.0	23.6	24.7
Reported PAT	23.5	23.3	26.8	30.0	22.3	26.5	33.7	35.0	103.5	117.5
Adjusted PAT	23.5	24.1	26.8	30.0	22.3	26.5	33.7	35.0	104.4	117.5
Change (YoY %)	19.4	39.4	32.1	47.4	(4.7)	9.9	25.7	16.7	33.4	13.5
Change (QoQ %)	15.1	(0.8)	15.1	12.1	(25.6)	18.6	27.0	4.1		

Jindal Stainless

Buy

CMP: INR 856 | TP: INR 985 (+15%)

- Strong SS prices with muted costs to sustain EBITDA/t of INR21,500/t in 3Q
- Volumes to remain largely flat QoQ
- Guidance on CoP, volumes, and NSR will be critical, along with updates on any government policy changes related to QCO

Consolidated Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales (kt)	578	565	588	643	626	648	653	668	2,374	2,595
Change (YoY %)	5.3	3.9	14.8	12.8	8.3	14.7	11.0	3.9	9.1	9.3
Change (QoQ %)	1.4	(2.2)	4.1	9.4	(2.6)	3.5	0.7	2.4		
Net Realization/t	1,63,145	1,73,041	1,68,491	1,58,605	1,62,988	1,68,085	1,73,085	1,78,566	1,65,595	1,70,811
Net Sales	94.3	97.8	99.1	102.0	102.1	108.9	112.9	119.3	393.1	443.3
Change (YoY %)	(7.4)	(0.2)	8.5	7.9	8.2	11.4	14.0	17.0	1.9	12.8
Change (QoQ %)	(0.3)	3.7	1.3	2.9	0.1	6.7	3.7	5.6		
EBITDA	12.1	11.9	12.1	10.6	13.1	13.9	14.1	14.9	46.7	55.9
Change (YoY %)	1.6	(3.6)	(3.1)	2.5	8.1	17.0	16.4	40.4	(0.8)	19.8
Change (QoQ %)	17.1	(2.1)	1.8	(12.1)	23.5	6.0	1.3	5.9		
EBITDA (INR per ton)	20,964	21,000	20,536	16,499	20,915	21,416	21,549	22,283	19,657	21,552
Interest	1.4	1.6	1.6	1.5	1.4	1.4	1.5	1.6	6.1	6.0
Depreciation	2.3	2.4	2.4	2.4	2.5	2.6	2.6	2.6	9.6	10.4
Other Income	0.5	0.5	1.0	0.9	0.7	0.9	0.8	0.8	2.9	3.1
PBT (after EO Item)	8.9	8.3	9.0	7.6	9.8	10.9	10.7	11.4	33.8	42.9
Total Tax	2.4	2.2	2.4	1.4	2.5	2.7	2.8	3.0	8.4	11.0
% Tax	27.1	27.0	26.5	19.0	26.3	25.1	25.8	26.1	25.1	25.8
PAT before MI and Asso.	6.5	6.1	6.7	6.2	7.3	8.2	8.0	8.4	25.4	31.9
Adj. PAT (after MI & Asso)	6.5	6.1	6.5	6.0	7.1	7.9	8.0	8.4	25.1	31.4
Change (YoY %)	(13.1)	(9.2)	(5.4)	19.0	10.2	29.2	21.5	40.8	(3.9)	25.0
Change (QoQ %)	29.0	(5.7)	7.1	(8.7)	19.4	10.6	0.8	5.8		

Jindal Steel

Buy

CMP: INR 1080 | TP: INR 1250 (+16%)

- Strong volumes in 3Q, driven by the newly added Angul capacity
- Weak NSR to impact earnings; adjusted EBITDA to decline by INR1,500/t over muted NSR and higher costs in 3Q
- Guidance on pricing and domestic demand to be critical
- Commentary on capex timelines to be key

Quarterly Performance

Y/E March	FY25				FY26				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Sales (kt)	2,090	1,850	1,900	2,130	1,900	1,870	2,208	2,563	7,970	8,541
Change (YoY %)	13.6	(8.0)	5.0	6.0	(9.1)	1.1	16.2	20.3	3.9	7.2
ASP	65,157	60,612	61,846	61,893	64,708	62,491	61,091	64,616	62,440	63,260
Net Sales	136.2	112.1	117.5	131.8	122.9	116.9	134.9	165.6	497.6	540.3
Change (YoY %)	8.2	(8.5)	0.4	(2.3)	(9.7)	4.2	14.8	25.6	(0.5)	8.6
Change (QoQ %)	1.0	(17.7)	4.8	12.2	(6.7)	(5.0)	15.4	22.8		
EBITDA	28.4	21.8	21.3	24.8	29.3	18.8	19.1	30.1	97.1	97.2
Change (YoY %)	8.0	(4.7)	(25.0)	1.5	3.2	(14.0)	(10.7)	21.3	(4.9)	0.1
Change (QoQ %)	16.2	(23.2)	(2.1)	16.3	18.1	(36.0)	1.6	57.9		
EBITDA/t	13,585	11,780	11,226	11,647	15,419	10,027	8,628	11,736	12,177	11,378
Interest	3.3	3.3	3.1	3.4	3.0	3.7	3.7	3.8	13.1	14.1
Depreciation	6.8	7.0	7.0	6.9	7.2	7.5	7.6	7.9	27.7	30.2
Other Income	0.3	0.3	0.3	0.7	0.3	0.2	0.5	0.5	1.7	1.5
PBT (before EO item)	18.6	11.9	11.5	15.2	19.4	7.8	8.2	18.9	57.9	54.3
PBT (after EO item)	18.6	12.1	12.0	0.8	20.2	10.0	8.2	18.9	44.3	57.3
Total Tax	5.2	3.5	2.5	3.8	5.2	3.3	2.1	4.3	15.0	14.9
% Tax	28.0	29.1	20.7	463.7	25.9	33.0	26.0	22.6	33.8	26.1
PAT (after MI and Sh. of Asso.)	13.4	8.6	9.5	(3.4)	14.9	6.7	6.1	14.6	28.9	42.4
Adjusted PAT	13.4	8.4	9.0	11.0	14.2	4.5	6.1	14.6	42.5	39.4
Change (YoY %)	(20.6)	(39.5)	(53.4)	17.6	5.8	(46.5)	(32.3)	32.8	(28.4)	(7.4)
Change (QoQ %)	43.3	(37.3)	7.1	22.3	28.9	(68.3)	35.5	140.1		

JSW Steel

Buy

CMP: INR 1,180 | TP: INR 1,360 (+15%)

- Muted NSR to drive a QoQ revenue decline in 3Q, partially offset by healthy volumes
- Margins to contract QoQ over muted NSR, as costs are likely to remain largely flat
- Guidance on capex status and demand/pricing outlook
- Update on BPSL stake sale

Consolidated Performance

Y/E March	FY25				FY26				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	429.4	396.8	413.8	448.2	431.5	451.5	444.0	482.2	1,688.2	1,809.2
Change (YoY %)	1.7	(11.0)	(1.3)	(3.1)	0.5	13.8	7.3	7.6	(3.5)	7.2
Change (QoQ %)	(7.2)	(7.6)	4.3	8.3	(3.7)	4.6	(1.7)	8.6		
EBITDA	55.1	56.4	55.8	63.8	78.9	78.5	68.1	86.8	231.1	312.2
Change (YoY %)	(21.8)	(28.4)	(22.3)	4.1	43.1	39.1	22.1	36.0	(18.2)	35.1
Change (QoQ %)	(10.0)	2.4	(1.2)	14.3	23.6	(0.5)	(13.2)	27.4		
EBITDA (INR per ton)	9,003	9,207	8,314	8,515	11,788	10,693	9,050	11,287	8,738	10,677
Interest	20.7	21.3	21.2	20.9	22.2	24.1	21.4	22.2	84.1	90.0
Depreciation	22.1	22.7	23.4	25.0	25.4	25.5	23.6	24.5	93.1	99.0
Other Income	1.6	1.5	1.5	2.3	3.5	2.8	2.7	2.7	6.9	11.8
PBT (before EO Item)	13.9	14.0	12.8	20.2	34.8	31.7	25.9	42.7	60.8	135.0
Share of P/(L) of Ass.	(0.1)	(0.6)	0.1	(2.4)	(1.0)	(0.9)	-	-	(3.1)	(1.9)
EO Items	-	5.5	1.0	0.4	3.1	7.3	-	-	7.0	10.4
PBT (after EO Item)	13.8	7.9	11.8	17.3	30.7	23.4	25.9	42.7	50.8	122.7
Total Tax	5.1	3.9	4.6	2.3	8.6	7.0	7.4	12.0	15.9	35.0
PAT before MI and Asso.	8.7	4.0	7.2	15.0	22.1	16.5	18.5	30.7	34.9	87.7
Adj. PAT (after MI & Asso)	8.5	7.7	7.8	15.3	23.7	20.6	18.5	30.7	39.2	93.5
Change (YoY %)	(63.9)	(74.9)	(65.8)	17.7	180.5	168.5	137.3	100.6	(56.3)	138.4
Change (QoQ %)	(34.9)	(9.1)	1.4	96.4	55.0	(12.9)	(10.4)	66.0		

Midwest

Buy

CMP: INR 1,711 | TP: INR 2,000 (+17%)

- Granite volumes and favorable pricing to support earnings
- Margin to contract marginally over ramping up of new business
- Management update on the quartz business and full ramp-up timelines

Quarterly performance

Y/E March	FY26				(INR m)	
	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	1,423	1,587	1,894	3,860	6,262	8,763
Change (YoY %)	NA	12.4	NA	NA	6.9	39.9
Change (QoQ %)	NA	11.5	19.3	103.8		
Total Expenditure	1,033	1,122	1,349	2,732	4,544	6,235
EBITDA	390	465	545	1,128	1,718	2,528
Change (YoY %)	NA	51.9	NA	NA	13.4	47.2
Change (QoQ %)	NA	19.4	17.2	106.9		
Margin (%)	27.4	29.3	28.8	29.2	27.4	28.9
Other Income	42	21	35	76	170	173
Depreciation	66	74	62	109	256	312
Finance Cost	37	35	22	16	109	110
PBT	329	376	495	1,079	1,522	2,279
Tax	85	99	119	267	447	570
Effective Tax Rate (%)	25.8	26.4	24.0	24.7	29.4	25.0
PAT before MI, Assoc. & EO	244	277	377	812	1,075	1,710
Minority Interest	(12)	1	-	-	(109)	(11)
Share of profit/(loss) of Associates and JVs	-	-	-	-	-	-
Exceptional Items	-	-	-	-	(258)	-
Reported PAT	232	278	377	812	1,224	1,699
Adj. PAT	232	278	377	812	966	1,699
Change (YoY %)	NA	86.7	NA	NA	(0.0)	75.8
Change (QoQ %)	NA	19.7	35.6	115.7		

NMDC

Buy

CMP: INR 85 | TP: INR 98 (+15%)

- 3Q earnings led by volumes, offsetting soft ASP impact
- NMDC average 3QFY26 ASP to decline by INR300-500/t
- Status of incremental EC limit will be key to future earnings

Consolidated Quarterly Performance

Y/E March	FY25				FY26				(INR b)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Iron ore Production (mt)	9.2	8.3	13.3	13.3	12.0	10.2	14.7	15.6	44.1	52.5
Iron ore Sales (mt)	10.1	9.7	11.9	12.7	11.5	10.7	12.7	13.6	44.4	48.6
Avg NSR (INR/t)	5,375	5,057	5,503	5,529	5,851	5,952	5,602	5,822	5,384	5,800
Net Sales	54.1	49.2	65.7	70.0	67.4	63.8	71.1	79.4	239.1	281.8
Change (YoY %)	0.4	22.5	21.4	7.9	24.5	29.7	8.3	13.4	55.5	8.5
Change (QoQ %)	(16.6)	(9.1)	33.5	6.6	(3.8)	(5.4)	11.5	11.7		
EBITDA	23.4	13.9	23.7	20.5	24.8	19.9	22.4	26.4	81.5	93.5
Change (YoY %)	17.3	16.4	18.2	(2.4)	6.0	43.9	(5.5)	28.6	11.7	14.8
Change (QoQ %)	11.3	(40.8)	71.2	(13.5)	20.8	(19.6)	12.5	17.6		
EBITDA per ton (INR/t)	2,322	1,425	1,987	1,619	2,152	1,860	1,766	1,933	1,835	1,925
Interest	0.2	0.3	0.6	0.6	0.3	0.1	0.3	0.5	1.8	1.1
Depreciation	0.7	1.0	1.0	1.4	1.1	1.1	1.2	1.2	4.2	4.6
Other Income	3.6	3.6	3.8	4.9	3.0	3.8	3.3	3.4	15.9	13.5
PBT (before EO Item)	26.1	16.1	25.8	23.4	26.4	22.6	24.2	28.1	91.4	101.3
Extra-ordinary item	-	-	-	-	-	-	-	-	-	-
PBT (after EO Item)	26.1	16.1	25.8	23.4	26.4	22.6	24.2	28.1	91.4	101.3
Total Tax	6.4	4.2	6.9	8.5	6.8	5.8	6.8	9.1	26.0	28.4
% Tax	24.7	25.9	26.6	36.6	25.6	25.5	28.0	32.3	28.5	28.0
PAT after MI and Sh. of Asso.	19.7	12.1	18.8	14.8	19.7	17.0	17.4	19.0	65.4	73.1
Adjusted PAT	19.7	12.1	18.8	14.8	19.7	17.0	17.4	19.0	65.4	73.1
Change (YoY %)	19.2	18.1	13.3	3.1	(0.1)	40.2	(7.3)	28.8	13.3	11.8
Change (QoQ %)	37.4	(38.5)	55.3	(21.4)	33.2	(13.7)	2.6	9.2		

NALCO

Neutral

CMP: INR 330 | TP: INR 320 (-3%)

- Favorable aluminum prices to support earnings in 3Q, while softening alumina prices to cap upside
- Management guidance on domestic demand and capex outlook

Quarterly performance - INR m

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	28,561	40,015	46,622	52,678	38,069	42,923	47,842	50,247	1,67,876	1,79,081
Change (YoY %)	(10.1)	31.5	39.3	47.2	33.3	7.3	2.6	(4.6)	27.7	6.7
Change (QoQ %)	(20.2)	40.1	16.5	13.0	(27.7)	12.8	11.5	5.0		
Total Expenditure	19,219	24,525	23,347	25,140	23,148	23,665	24,593	22,876	92,230	94,283
EBITDA	9,342	15,490	23,275	27,539	14,921	19,259	23,249	27,370	75,646	84,799
Change (YoY %)	57.2	290.7	201.1	148.7	59.7	24.3	(0.1)	(0.6)	163.4	12.1
Change (QoQ %)	(15.6)	65.8	50.3	18.3	(45.8)	29.1	20.7	17.7		
Interest	34	44	191	321	80	84	84	87	590	335
Depreciation	1,743	1,798	2,857	878	1,783	1,738	1,802	1,886	7,276	7,209
Other Income	605	718	991	1,256	1,235	1,515	1,526	1,524	3,570	5,800
PBT (after EO)	8,170	14,366	21,219	27,596	14,293	18,952	22,889	26,921	71,351	83,055
Total Tax	2,158	3,744	5,390	6,813	3,654	4,621	6,066	7,669	18,104	22,010
% Tax	26.4	26.1	25.4	24.7	25.6	24.4	26.5	28.5	25.4	26.5
PAT before MI and Asso.	6,012	10,622	15,829	20,784	10,639	14,332	16,823	19,252	53,247	61,046
Sh. of Associate	(128)	(162)	(166)	(111)	(144)	(32)	(224)	(495)	(567)	(895)
Reported PAT after MI and Asso.	5,884	10,460	15,663	20,672	10,495	14,299	16,600	18,757	52,679	60,150
Adjusted PAT	5,884	10,460	15,663	20,672	10,495	14,299	16,600	18,757	52,679	60,150
Change (YoY %)	76.3	458.3	232.8	205.5	78.4	36.7	6.0	(9.3)	164.9	14.2
Change (QoQ %)	(13.0)	77.8	49.7	32.0	(49.2)	36.3	16.1	13.0		

SAIL

Neutral

CMP: INR 147 | TP: INR 150 (+2%)

- Revenue to be flat QoQ as weak NSR gets offset by better volumes
- NSR for SAIL to decline by INR800-1,000/t and EBITDA to decline by INR600-700/t in 3Q
- Management guidance on debt reduction and expansion plans, as volume growth capped over limited capacity
- Guidance on domestic and international steel prices

Quarterly Performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	240.0	230.4	244.9	293.2	257.5	267.0	266.0	292.1	1,008.4	1,082.7
Change (YoY %)	(1.5)	(17.6)	4.9	11.7	7.3	15.9	8.6	(0.3)	(1.1)	7.4
Change (QoQ %)	(8.6)	(4.0)	6.3	19.7	(12.2)	3.7	(0.4)	9.8		
Total Expenditure	217.8	217.6	224.6	258.3	231.5	241.8	243.8	262.4	918.3	979.5
EBITDA	22.2	12.8	20.3	34.8	26.0	25.3	22.2	29.8	90.1	103.2
Change (YoY %)	34.6	(40.0)	(5.3)	97.0	16.9	98.2	9.4	(14.5)	17.2	14.6
Change (QoQ %)	25.5	(42.5)	59.1	71.6	(25.5)	(2.6)	(12.2)	34.2		
EBITDA per ton (INR)	5,536	3,111	4,582	6,536	5,704	5,149	4,473	5,964	5,042	5,316
Interest	6.9	7.6	6.8	6.6	5.9	4.8	5.5	5.8	27.9	22.2
Depreciation	14.0	13.0	14.2	15.2	14.4	14.5	14.9	15.6	56.5	59.4
Other Income	1.8	1.7	2.3	3.0	1.6	2.1	2.4	2.6	8.8	8.8
Share of Asso/JV/investments	1.1	1.6	1.3	0.9	0.7	1.0	1.8	2.5	4.9	6.0
PBT (before EO Inc.)	4.1	(4.6)	2.9	16.9	7.9	8.9	6.0	13.5	19.3	36.4
EO Income(exp)	(3.1)	16.4	0.3	(0.3)	1.7	(3.4)	-	-	13.2	(1.6)
PBT (after EO Inc.)	1.0	11.7	3.2	16.6	9.7	5.6	6.0	13.5	32.5	34.7
Total Tax	0.2	2.8	1.8	4.1	2.2	1.4	1.5	3.3	8.8	8.4
% Tax	16.6	23.5	56.1	24.5	23.1	24.7	24.5	24.7	27.1	24.2
Reported PAT	0.8	9.0	1.4	12.5	7.4	4.2	4.5	10.2	23.7	26.3
Adjusted PAT	3.2	(3.8)	1.1	12.8	5.7	6.7	4.5	10.2	13.4	27.1
Change (YoY %)	52.9	(219.3)	(69.1)	609.1	75.7	(277.1)	299.1	(20.7)	24.3	102.5
Change (QoQ %)	80.0	(216.9)	(129.9)	1,029.5	(55.4)	17.8	(32.7)	124.4		

Tata Steel

Buy

CMP: INR 183 | TP: INR 210 (+15%)

- Better volumes to offset the weak NSR impact; muted NSR to erode QoQ margins of India operation
- Europe earnings to moderate due to seasonal weakness
- Commentary on Europe operations – CABM, import quota cut will be critical
- Management guidance on volume/ASP/cost and capex

Quarterly Performance

(INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales (k tons)	7,390	7,520	7,720	8,330	7,120	7,910	8,189	8,611	30,960	31,830
Avg Realization (INR/t)	74,116	71,682	69,493	67,489	74,688	74,196	71,767	74,678	70,589	73,812
Net Sales	547.7	539.0	536.5	562.2	531.8	586.9	587.7	643.1	2,185.4	2,349.4
Change (YoY %)	(7.9)	(3.2)	(3.0)	(4.2)	(2.9)	8.9	9.5	14.4	(4.6)	7.5
Change (QoQ %)	(6.7)	(1.6)	(0.5)	4.8	(5.4)	10.4	0.1	9.4		
EBITDA	66.9	55.2	71.5	65.6	74.3	89.0	80.8	97.9	259.3	341.9
Change (YoY %)	29.4	29.4	14.2	(0.6)	11.0	61.1	12.9	49.2	16.3	31.8
Change (QoQ %)	1.4	(17.5)	29.6	(8.3)	13.2	19.8	(9.2)	21.2		
EBITDA Margin %	12.2	10.2	13.3	11.7	14.0	15.2	13.7	15.2	11.9	14.6
EBITDA (INR/t)	9,059	7,343	9,268	7,874	10,432	11,247	9,862	11,367	8,376	10,741
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	14.1
PBT (before EO Inc.)	26.4	15.5	30.0	25.1	31.2	45.9	37.1	53.6	97.1	167.8
PBT (after EO Inc.)	23.8	21.6	16.7	22.0	30.7	42.2	37.1	53.6	84.1	163.6
Total Tax	14.6	14.1	13.8	10.0	10.6	10.4	13.0	18.4	52.4	52.3
% Tax	61.4	64.9	82.3	45.4	34.6	24.6	35.0	34.3	62.3	32.0
Reported PAT (after MI)	9.6	8.3	3.3	13.0	20.8	31.0	24.1	35.2	34.2	111.1
Adj. PAT (after MI)	13.2	4.5	7.4	16.9	21.3	32.7	24.1	35.2	42.0	113.3
Change (YoY %)	112.3	(35.8)	68.2	40.1	61.7	625.0	225.5	108.6	41.4	170.0
Change (QoQ %)	9.3	(65.8)	64.1	128.3	26.1	53.5	(26.3)	46.3		

Vedanta

Neutral

CMP: INR 617 | TP: INR 670 (+9%)

- Favorable LME prices (Aluminum/Zinc) to support overall earnings in 3Q
- Commentary on the demerger timeline and debt position
- Commentary on the volumes/CoP guidance across verticals

Quarterly Performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	357.6	376.3	391.2	404.6	378.2	398.7	434.6	454.3	1,529.7	1,665.9
Change (YoY %)	6.0	10.1	10.1	13.9	5.8	5.9	11.1	12.3	10.1	8.9
Change (QoQ %)	0.7	5.2	3.9	3.4	(6.5)	5.4	9.0	4.5		
EBITDA	99.5	98.3	111.0	114.7	99.2	114.0	143.2	155.6	423.4	511.9
Change (YoY %)	54.9	46.3	30.2	30.8	(0.3)	16.0	28.9	35.7	39.1	20.9
Change (QoQ %)	13.4	(1.2)	13.0	3.3	(13.5)	14.9	25.6	8.7		
Finance cost	22.2	26.7	24.4	25.8	20.3	21.1	19.1	22.6	99.1	83.1
DD&A	27.3	27.0	26.8	29.9	28.2	28.7	28.7	29.1	111.0	114.7
Other Income	9.3	13.0	6.8	7.6	9.9	6.0	6.2	6.6	36.8	28.7
PBT (before EO item)	59.3	57.7	66.6	66.6	60.5	70.2	101.6	110.5	250.1	342.8
EO exp. (income)	-	(18.7)	-	-	-	20.7	-	-	(18.7)	(20.7)
PBT (after EO item)	59.3	76.3	66.6	66.6	60.5	49.5	101.6	110.5	268.8	270.0
Total Tax	8.3	20.3	17.9	17.0	16.0	14.7	30.5	33.9	63.4	95.0
% Tax	14.0	26.6	26.8	25.5	26.4	29.7	30.0	30.7	23.6	35.2
PAT before MI and Asso.	51.0	56.0	48.8	49.6	44.6	34.8	71.1	76.6	205.3	227.1
Profit from Asso.	-	-	-	0.0	-	(0.0)	-	-	0.0	-
Minority interest	14.9	12.5	13.3	14.8	12.7	16.8	14.5	13.9	55.5	57.9
PAT after MI and Asso.	36.1	43.5	35.5	34.8	31.9	18.0	56.7	62.7	149.9	169.3
APAT	36.1	29.5	35.5	34.8	31.9	33.5	56.7	62.7	135.9	184.7
Change (YoY %)	319.5	504.8	76.2	121.8	(11.7)	13.4	59.8	80.1	175.6	35.9
Change (QoQ %)	129.8	(18.2)	20.2	(1.8)	(8.6)	5.0	69.4	10.7		

Oil & Gas

Company name

Aegis Logistics
BPCL
Castrol India
GAIL
Gujarat Gas
Gujarat State Petronet
HPCL
Indraprastha Gas
IOCL
Mahanagar Gas
Oil India
ONGC
Petronet LNG
Reliance Industries

OMCs to drive earnings in 3QFY26

- **We expect our coverage universe to report:** 1) 4% decline in sales YoY (+3% YoY excluding OMCs), 2) 16% YoY growth in EBITDA (+3% YoY excluding OMCs), and 3) 25% YoY growth in PAT (down 2% YoY excluding OMCs) in 3QFY26.
- **RIL:** Consol. EBITDA is expected to grow 9% YoY to INR479b. We estimate EBITDA of INR161b (up 6% YoY) for the standalone business, INR178b (up 15% YoY) for RJio, and INR68b (up 4% YoY) for the retail business. Production meant for sale is likely to stand at 17.7mmt (flat YoY), with standalone PAT at INR99b (up 14% YoY).
- **OMCs:** Standalone EBITDA for HPCL/BPCL/IOCL is expected to increase 9-18% QoQ, due to strong refining margins and receipt of LPG compensation. SG GRM averaged USD7.5/bbl in 3Q (vs. USD3.8/bbl in 2Q), while MS/HSD marketing margins were down 3%/8% QoQ.
- **CGDs:** We estimate 12%/5% YoY volume growth for MAHGL (incl. UEPL)/IGL and a 10% YoY volume decline for GUJGA. With Brent correcting ~USD5.4/bbl QoQ in 3Q, IGL and GUJGA are likely to see a QoQ improvement in EBITDA/scm margins. In contrast, MAHGL is expected to report a QoQ decline in EBITDA/scm, given its higher exposure to Henry Hub (HH) linked R-LNG, with HH prices rising 23% QoQ. Spot LNG prices declined to USD10.9/mmbtu in 3QFY26 (vs. USD 11.8/mmbtu in 2QFY26). Additionally, INR depreciation of ~2% QoQ is likely to put pressure on margin expansion.
- **Upstream:** For ONGC and OINL, we expect oil & gas sales volumes to remain largely flat QoQ and YoY, while oil realizations are likely to see a sharp YoY/QoQ decline for both companies.

Retain our bearish view on crude price

- In 3QFY26, Brent crude oil prices fell by USD5.4/bbl QoQ to USD63.6/bbl, as global oversupply from high OPEC+ output outpaced weak demand growth, exacerbated by US-China trade tensions and economic slowdown concerns.
- IEA now estimates global oil supply growth to exceed demand growth by ~2.2/1.5mbpd in CY25/CY26. Hence, we remain bearish on crude prices and maintain our Brent price forecast of USD60/bbl for FY27/28.

SG GRM up 97% QoQ in 3Q; Long-term refining outlook remains soft

- SG GRM rose 97% QoQ in 3Q owing to supply disruptions due to Russian export sanctions, Ukrainian strikes, and US/Middle East issues tightening product availability. Moreover, diesel and gasoline cracks improved 30-40% QoQ, which shall support refining margins for Indian players. However, note that diesel cracks have already normalized by 3Q end. MS/HSD marketing margins declined 22%/39% YoY and 3%/8% QoQ, with MS/HSD marketing margins (over Brent) averaging INR10.3/INR6.3 per lit. Blended marketing margins for IOCL/BPCL/HPCL are expected at INR5.8/INR6.5/INR6 per lit in 3QFY26.
- The long-term refining GRM outlook remains subdued, with global refining capacity additions outpacing the global rise in demand for refined products. S&P Global expects ~1.35mb/d cumulative net refining capacity to be added over CY25-27 vs. ~0.7mb/d cumulative refined product demand growth. However, delays in refinery start-ups or announcements of new shutdowns can support stronger margin. We maintain our FY27/28 SG GRM assumption at USD5/bbl.

Petchem spreads remain under pressure

- LDPE/ HDPE/PP prices declined 15%/9%/16% YoY in 3Q.
- PX spread over naphtha increased 19% YoY but was down 5% QoQ, while PP spread over naphtha was down 22%/20% YoY/QoQ.

CGDs: USD/INR and HH price volatility key challenges for margin expansion

- The benefit of lower gas costs (amid lower crude oil prices) has been partly offset by two headwinds: 1) 6% YoY INR depreciation in 3Q, and 2) sharp 52% YoY rise in Henry Hub (HH) prices in 3Q. GUJGA and IGL are expected to show a QoQ increase in margin, while MAHGL could see margin decline due to the highest exposure to HH.
- On the volume front, we estimate IGL/MAHGL (incl. UEPL) to clock a 5%/12% YoY increase in volumes in 3Q, as CNG vehicle adoption remained healthy. However, we expect a YoY/QoQ drop in GUJGA's I&C PNG volumes as competition from alternate fuel intensified at Morbi.
- **Zonal tariff reform to benefit IGL:** With the revised unified zonal tariff effective 1st Jan'26, IGL is expected to gain an EBITDA margin benefit of INR0.9/scm, MAHGL would see a contraction of INR0.3/scm, and GUJGA will remain unaffected.

OMCs: Refining and marketing strength to drive QoQ earnings growth

- OMCs are likely to report broadly stable GRMs QoQ in 3Q. Diesel, gasoline and ATF GRMs improved meaningfully QoQ during the quarter, supporting blended refining margins. However, the sharp QoQ decline in crude prices is expected to result in inventory losses, partly offsetting the strength in product cracks. On the marketing side, performance is expected to moderate QoQ, as MS/HSD marketing margins declined 3%/8% QoQ in 3Q. That said, recognition of LPG under-recovery compensation since Nov'25, along with lower QoQ per-cylinder LPG under-recoveries, should provide support to blended marketing margins.

Valuation and view

- **HPCL:** We continue to prefer HPCL among OMCs, given: 1) its high leverage toward marketing, which remains our preferred sub-sector, 2) the reasonable current valuation of 1.4x FY27E P/B, 3) receipt of INR6.6b per month in LPG compensation over Nov'25-Oct'26, which will boost earnings, even as the sharp decline in LPG under-recovery to INR30-40/cyl currently, vs ~INR135/cyl in 1HFY26, improves blended marketing margins, and 4) medium-term auto-fuel marketing margin outlook remains robust amid a weak crude price outlook (USD60/bbl in FY27/28). Further, the start-up of RUF and HRRL, coupled with steady strength in diesel cracks, should meaningfully boost refining earnings.
- **GAIL's** valuations have corrected sharply from their Sep'24 highs, and the stock now trades close to its historical average at ~1.1x one-year forward core P/B, offering limited downside, considering an attractive dividend yield and a robust FCF outlook. Further, the transmission tariff revision, effective from Jan'26, would raise the FY27E PAT by around 7%. Transmission volumes are also set to rebound in FY27 as the impact of multiple one-off disruptions in FY26 wanes, with a recovery in power and fertilizer offtake and normalization of flood-impacted supplies. Government initiatives to further rationalize natural gas (NG)

taxation can be a significant long-term positive. We have a BUY rating with a TP of INR215.

- We model **MAHGL**'s volumes to clock an 11% CAGR over FY25-28 and estimate an EBITDA margin of INR8.7-8.9 per scm during the period. While margins may face pressure in the near term amid high HH prices, we believe this has already been factored into the current stock price. MAHGL currently trades at 10.1x FY28E SA P/E. We value MAHGL at 15x Dec'27 P/E, resulting in a TP of INR1,700. We have a BUY rating.

Exhibit 1: Oil & gas product prices, cracks, and margins (USD/bbl)

(USD/bbl)	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY (%)	QoQ (%)
Oil											
WTI	78.4	77.1	80.7	75.2	70.4	71.5	63.9	65.0	59.2	-16%	-9%
Brent	83.8	83.0	84.6	79.8	74.6	75.8	68.0	69.0	63.6	-15%	-8%
Dubai	83.5	81.3	85.3	78.4	73.6	76.9	66.9	70.1	63.9	-13%	-9%
Arab Light-Heavy	2.1	1.8	1.5	1.3	1.9	1.9	1.7	1.7	2.1	11%	26%
Gas											
Henry Hub (USD/mmBtu)	2.7	2.2	2.1	2.1	2.5	4.1	3.2	3.0	3.7	52%	23%
LNG Spot	15.8	9.4	11.2	13.0	13.9	14.0	12.4	11.9	10.9	-22%	-8%
Exchange Rate (INR/USD)	83.3	83.0	83.4	83.8	84.5	86.6	85.6	87.3	89.1	5%	2%
Product Cracks (v/s Brent)											
Diesel	26.0	24.3	17.5	13.1	13.8	14.0	15.3	17.7	23.2	68%	31%
Gasoline	10.2	17.6	13.8	11.2	10.6	8.5	11.3	10.6	15.1	42%	42%
Jet/Kero	30.4	31.0	22.9	19.2	17.2	21.1	19.7	24.6	27.9	62%	14%
Fuel Oil	-12.3	-11.8	-6.9	-8.0	-5.8	-2.3	0.9	-3.9	-5.9	2%	53%
Singapore GRM	5.5	7.3	3.5	3.6	5.0	3.2	5.6	3.8	7.5	50%	97%

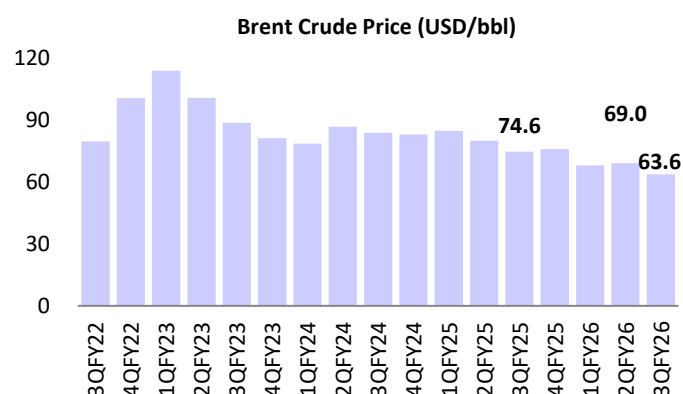
Source: Company, MOFSL

Exhibit 2: Summary of 3QFY26 earnings estimates

Sector	CMP (INR)	RECO	SALES (INR m)			EBITDA (INR m)			NET PROFIT (INR m)		
			Dec'25	Var % YoY	Var % QoQ	Dec'25	Var % YoY	Var % QoQ	Dec'25	Var % YoY	Var % QoQ
Aegis Logistics	726	Neutral	23,343	37%	2%	3,005	29%	3%	1,767	42%	-2%
BPCL	381	Neutral	9,27,357	-18%	-12%	1,15,311	52%	18%	74,892	61%	16%
Castrol India	192	Buy	14,280	5%	5%	4,074	8%	26%	2,964	9%	30%
GAIL	175	Buy	3,15,869	-10%	-10%	29,465	4%	-8%	20,017	40%	-10%
Gujarat Gas	437	Buy	36,273	-13%	-4%	4,862	28%	9%	2,970	34%	6%
Gujarat State Petronet	320	Neutral	2,313	-2%	2%	1,795	-7%	4%	1,238	-9%	-68%
HPCL	496	Buy	9,15,840	-17%	-9%	87,011	35%	14%	51,109	69%	33%
Indraprastha Gas	194	Buy	41,126	9%	2%	4,935	36%	11%	3,755	31%	1%
IOC	167	Neutral	19,30,629	0%	8%	1,58,708	73%	9%	83,570	262%	10%
Mahanagar Gas	1,141	Buy	19,979	14%	-3%	3,086	-2%	-9%	1,844	-18%	-5%
Oil India	429	Neutral	50,265	-4%	-8%	19,757	-7%	7%	9,689	-21%	-38%
ONGC	242	Neutral	3,07,462	-9%	-7%	1,66,914	-12%	-6%	69,281	-16%	-30%
Petronet LNG	291	Buy	1,25,586	3%	14%	11,414	-9%	2%	7,905	-9%	-2%
Reliance Inds.	1,592	Buy	25,58,528	7%	0%	4,79,000	9%	4%	1,87,806	1%	3%
Oil & Gas			72,68,849	-4%	-1%	10,89,338	16%	5%	5,18,807	25%	0%
Oil Ex OMCs			34,95,023	3%	-1%	7,28,307	3%	2%	3,09,236	-2%	-10%

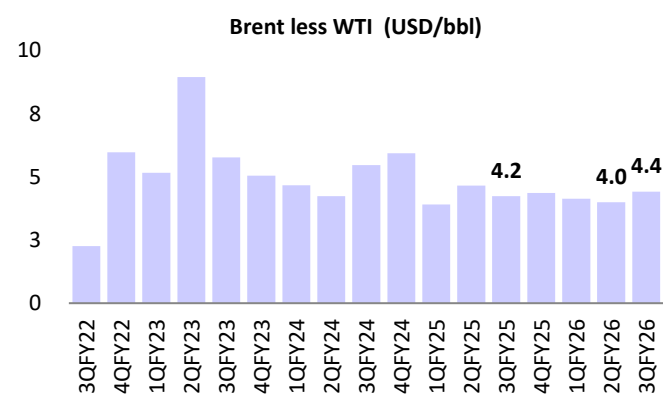
Brent down by USD5.4/bbl QoQ; SG GRM doubles QoQ

Exhibit 3: Brent crude price down 15% YoY



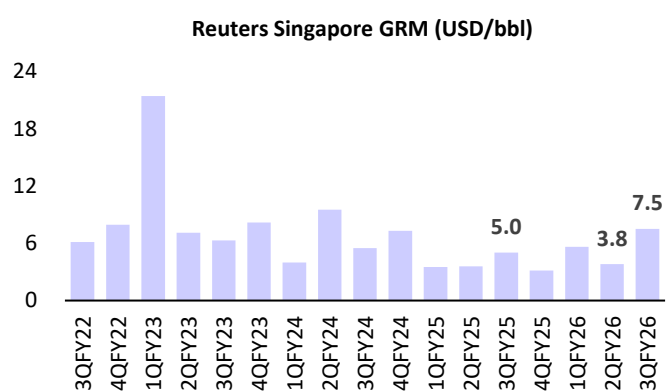
Source: Reuters, MOFSL

Exhibit 4: Brent premium to WTI at USD4.4/bbl



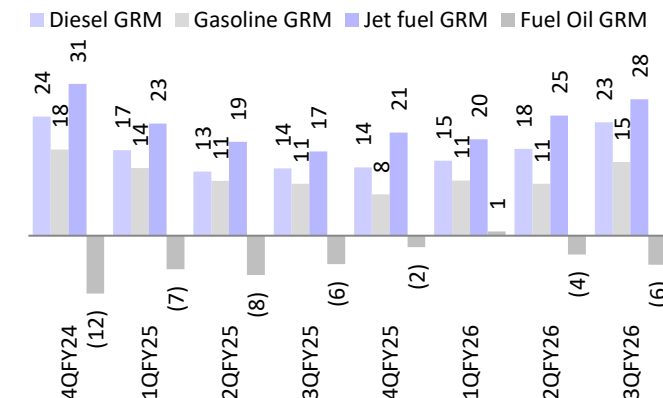
Source: Reuters, MOFSL

Exhibit 5: Reuters SG GRM 97% up QoQ at USD7.5/bbl



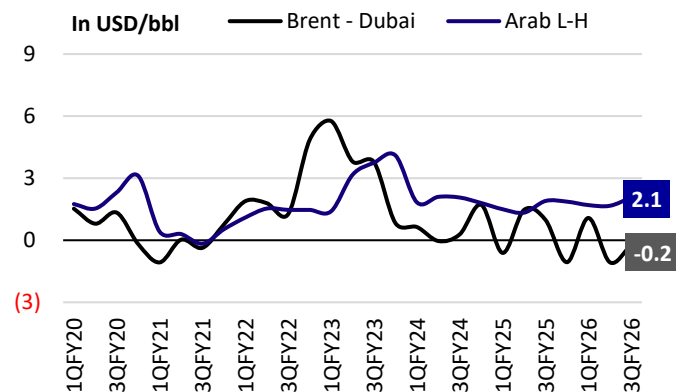
Source: Reuters, MOFSL

Exhibit 6: Product cracks vs. Brent (USD/bbl)



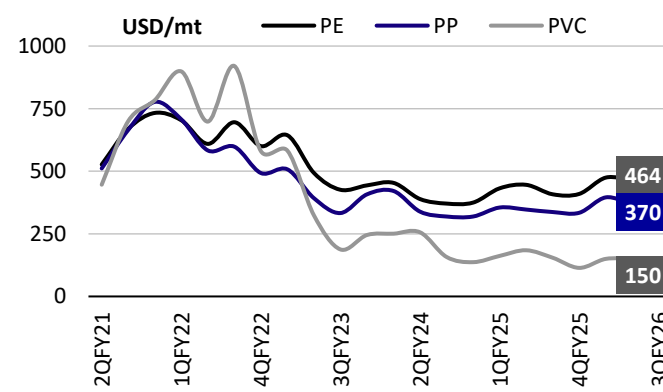
Source: Bloomberg, MOFSL

Exhibit 7: Crude differential stood at USD2.1/bbl for Arab L-H and declined QoQ for Brent-Dubai at USD0.2/bbl



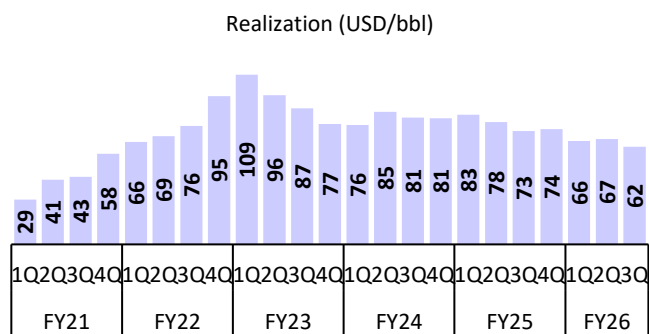
Source: Reuters, MOFSL

Exhibit 8: Spreads over Naphtha for PE, PP, and PVC



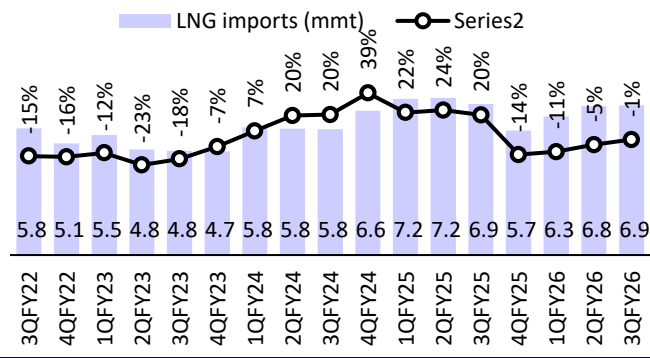
Source: Bloomberg, MOFSL

Exhibit 9: Expect realization of USD62.5/bbl for ONGC in 3Q



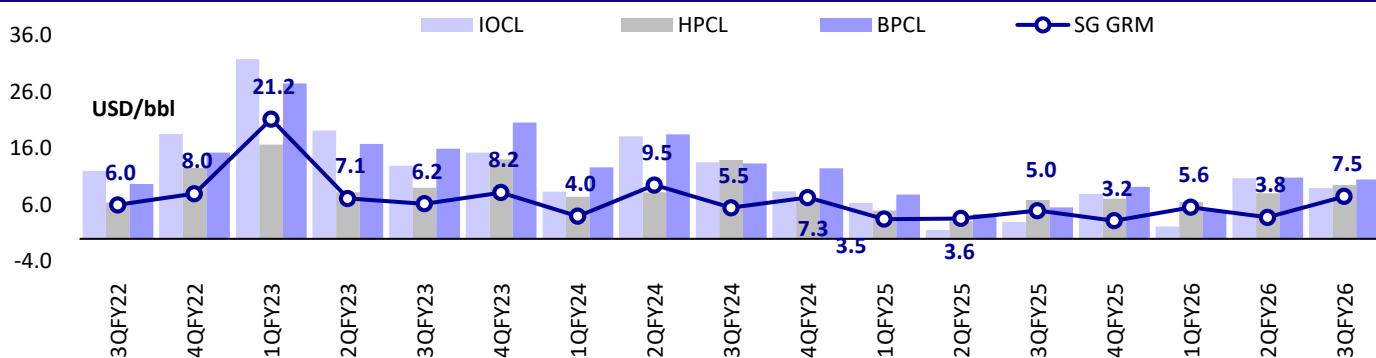
Source: Company, MOFSL

Exhibit 10: Expect LNG imports to remain flat YoY in 3Q



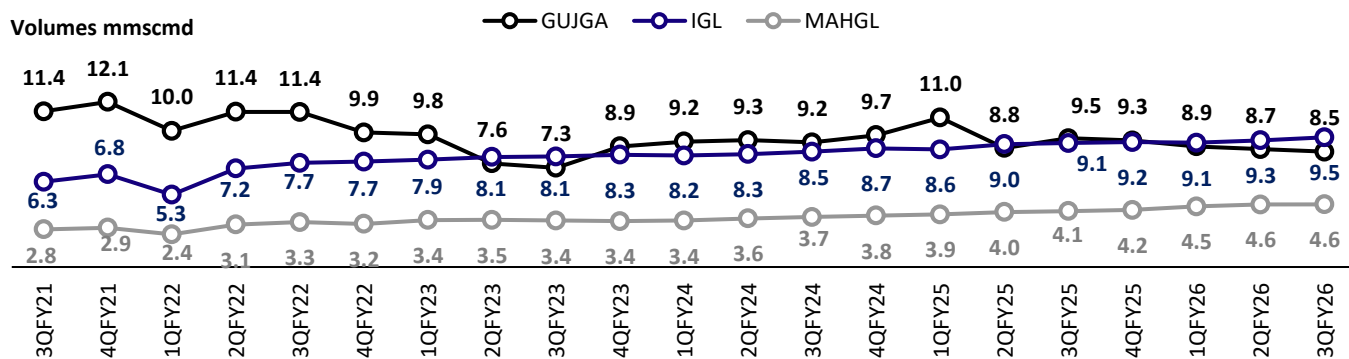
Oct'25 and Nov'25 data extrapolated for 3QFY26 Source: PPAC, MOFSL

Exhibit 11: GRM snapshot for OMCs (USD/bbl)



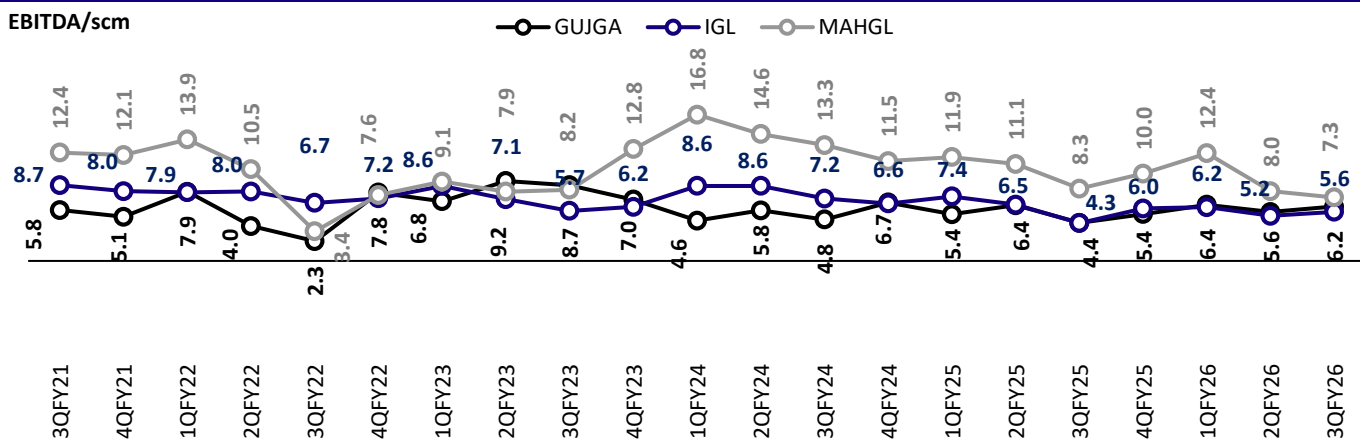
Source: Company, MOFSL

Exhibit 12: Volume snapshot of CGDs (mmscmd)



Source: Company, MOFSL

Exhibit 13: Margin snapshot of CGDs (INR/scm)

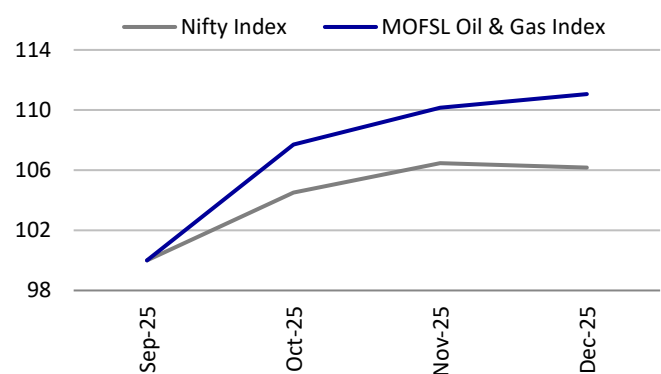


Source: Company, MOFSL

Exhibit 14: Valuation summary

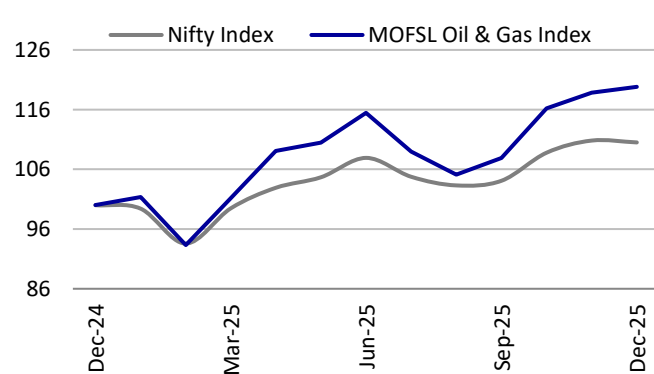
Company Name Oil & Gas	CMP (INR)	Reco	EPS (INR)			P/E (x)			P/B (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28
Aegis Logistics	726	Neutral	23.6	24.4	27.4	30.8	29.7	26.5	4.9	4.5	4.0	16.9	15.7	15.9
B P C L	381	Neutral	56.6	37.7	31.6	6.7	10.1	12.1	1.6	1.5	1.3	26.6	15.1	11.5
Castrol India	192	Buy	10.1	9.3	10.3	19.0	20.6	18.7	7.7	7.1	6.6	42.1	35.8	36.7
GAIL (India)	175	Buy	12.8	15.3	16.8	13.7	11.5	10.4	1.4	1.3	1.2	11.4	12.6	12.7
GUJS	320	Neutral	13.5	13.3	14.3	23.7	24.0	22.3	1.6	1.5	1.5	6.9	6.5	6.7
Gujarat Gas	437	Buy	17.4	18.2	21.1	25.1	24.1	20.7	3.3	3.0	2.7	13.5	12.9	13.8
H P C L	496	Buy	86.1	63.9	46.8	5.8	7.8	10.6	1.6	1.4	1.3	31.8	19.6	12.8
I O C L	167	Neutral	22.0	15.6	11.7	7.6	10.7	14.2	1.1	1.0	1.0	15.3	9.9	7.0
Indraprastha Gas	194	Buy	10.5	12.2	13.2	18.5	15.9	14.7	2.7	2.4	2.2	15.1	16.0	15.8
Mahanagar Gas	1,141	Buy	91.7	101.1	112.5	12.4	11.3	10.1	1.8	1.6	1.5	14.7	14.8	15.1
O N G C	242	Neutral	33.1	30.3	30.3	7.3	8.0	8.0	0.8	0.8	0.7	11.7	10.0	9.4
Oil India	429	Neutral	28.4	23.6	25.0	15.1	18.2	17.2	1.4	1.4	1.3	9.8	7.7	7.7
Petronet LNG	291	Buy	22.4	31.7	26.4	13.0	9.2	11.0	2.0	1.8	1.6	16.4	20.7	15.5
Reliance Industries	1,592	Buy	54.0	58.6	65.7	29.5	27.2	24.2	2.4	2.2	2.0	8.3	8.4	8.7

Exhibit 15: Relative performance – three months (%)



Sources: Bloomberg, MOFSL

Exhibit 16: Relative performance – one year (%)



Sources: Bloomberg, MOFSL

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

Aegis Logistics

Neutral
CMP: INR726 | TP: INR750 (+3%)
EPS CHANGE (%): FY26|27: +1|+1

- Expect EBITDA of INR3b due to an increase in India's LPG imports and capacity expansions.
- Watch out for updates on the Ammonia terminal and LPG terminal capacity in Mangalore, and the liquid capacity expansion in Kochi.
- Recovery in sourcing volume will be a key monitorable.

Consolidated - Quarterly Earning Model

(InR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	16,013	17,504	17,070	17,050	17,194	22,940	23,343	29,133	67,638	92,611
YoY Change (%)	-23.8	41.8	-8.9	-7.2	7.4	31.1	36.8	70.9	-4.0	36.9
EBITDA	2,323	2,239	2,329	4,088	2,399	2,907	3,005	5,430	10,980	13,741
Margin (%)	14.5	12.8	13.6	24.0	14.0	12.7	12.9	18.6	16.2	14.8
Depreciation	368	374	373	407	417	522	528	532	1,522	1,998
Interest	313	300	514	525	328	243	245	248	1,653	1,064
Other Income	435	395	600	654	625	960	991	1,128	2,084	3,704
PBT	2,077	1,960	2,041	3,810	2,279	3,102	3,223	5,778	9,888	14,382
Tax	496	440	446	632	525	662	812	1,625	2,014	3,624
Rate (%)	23.9	22.4	21.8	16.6	23.1	21.3	25.2	28.1	20.4	25.2
MI & P/L of Asso. Cos.	266	261	353	361	440	644	644	753	1,240	2,481
Reported PAT	1,315	1,260	1,243	2,817	1,313	1,796	1,767	3,401	6,634	8,277
Adj PAT	1,315	1,260	1,243	2,817	1,313	1,796	1,767	3,401	6,634	8,277
YoY Change (%)	13.5	-0.8	-4.5	43.5	-0.1	42.6	42.2	20.7	16.5	24.8
Margin (%)	8.2	7.2	7.3	16.5	7.6	7.8	7.6	11.7	9.8	8.9

BPCL

Neutral
CMP: INR381 | TP: INR400 (+5%)
EPS CHANGE (%): FY26|27: +15|+1

- Expect refinery throughput at 10.2mmt.
- Expect reported GRM at USD10.5/bbl, with blended gross marketing margin at INR6.5/lit.
- Expect marketing sales (excluding exports) volumes of 13.5mmt (+7%QoQ) during the quarter.
- Watch out for updates on the expansion of Bina refinery and the construction of Andhra Refinery and Petrochemical complex.

Standalone - Quarterly Earning Model

(InR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	1,131.0	1,027.6	1,131.4	1,111.8	1,125.1	1,049.1	927.4	907.7	4,401.7	4,009.3
YoY Change (%)	0.1	-0.2	-2.0	-4.6	-0.5	2.1	-18.0	-18.4	-1.8	-8.9
EBITDA	56.5	45.1	75.8	78.1	96.6	97.8	115.3	75.6	255.6	385.3
Margins (%)	5.0	4.4	6.7	7.0	8.6	9.3	12.4	8.3	5.8	9.6
Depreciation	16.8	17.7	18.0	19.7	18.8	19.5	20.1	20.5	72.3	78.9
Interest	4.4	4.7	4.3	5.5	3.7	4.2	4.6	4.9	18.9	17.5
Other Income	4.8	9.6	11.0	7.9	7.3	11.9	9.4	7.5	33.4	36.1
PBT before EO expense	40.3	31.9	61.8	60.4	81.6	86.0	100.1	57.6	194.4	325.2
Extra-Ord expense	0.0	0.0	0.0	17.7	0.0	0.0	0.0	0.0	17.7	0.0
PBT	40.3	31.9	61.8	42.6	81.6	86.0	100.1	57.6	176.6	325.2
Adj PAT	30.1	24.0	46.5	45.5	61.2	64.4	74.9	43.1	146.1	243.7
YoY Change (%)	-71.4	-71.8	36.9	-18.3	103.1	168.7	61.1	-5.3	-47.8	66.8
Margins (%)	2.7	2.3	4.1	4.1	5.4	6.1	8.1	4.8	3.3	6.1

Castrol (India)

Buy

CMP: INR192 | TP: INR255 (+33%)

EPS CHANGE (%): CY25|26: +5|-4

- Forecast volumes at 62.5m liters (up 6% YoY/QoQ) during the quarter.
- Expect realization of ~INR228/lit during the quarter (vs. INR230 in 4QCY24).
- Expect EBITDA margin of 28.5%.
- Update on BP-Stonepeak deal to remain key monitorable.

Quarterly Performance

(INR m)

Y/E December	CY24				CY25E				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Volume (m litres)	58.0	61.0	55.0	59.0	63.0	66.0	59.0	62.5	233.0	250.5
Realization	228	229	234	229	226	227	231	228	230	228
Net Sales	13,252	13,975	12,882	13,539	14,220	14,968	13,628	14,280	53,649	57,095
YoY Change (%)	2.4	4.8	8.9	7.1	7.3	7.1	5.8	5.5	5.7	6.4
EBITDA	2,937	3,224	2,861	3,759	3,074	3,495	3,228	4,074	12,782	13,871
YoY Change (%)	-0.4	4.1	6.5	14.2	4.6	8.4	12.8	8.4	6.3	8.5
Margin (%)	22.2	23.1	22.2	27.8	21.6	23.4	23.7	28.5	23.8	24.3
Depreciation	237	261	245	254	246	266	252	260	998	1,020
Interest	21	26	20	27	23	26	21	28	94	98
Other Income	241	204	209	232	322	93	123	106	886	644
PBT	2,921	3,142	2,805	3,709	3,127	3,295	3,079	3,891	12,576	13,396
Tax	758	820	730	995	793	855	801	927	3,304	3,376
Rate (%)	26.0	26.1	26.0	26.8	25.3	26.0	26.0	23.8	26.3	25.2
PAT	2,162	2,322	2,074	2,714	2,335	2,440	2,278	2,964	9,272	10,020
YoY Change (%)	6.8	3.1	6.7	12.2	8.0	5.1	9.8	9.2	7.3	8.1

GAIL

Buy

CMP: INR175 | TP: INR215 (+22%)

EPS CHANGE (%): FY26|27: -8|-3

- Expect transmission volumes to remain soft and trading EBIT to remain stable.
- Updates on the progress of ongoing pipeline projects remain the key monitorable.
- Expect petchem volumes of 206kmt; however, the segment is likely to see EBIT loss.

Standalone quarterly performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	3,36,738	3,29,117	3,49,371	3,56,852	3,47,689	3,50,081	3,15,869	2,74,204	13,72,078	12,87,842
Change (%)	3.9	3.4	2.0	10.4	3.3	6.4	-9.6	-23.2	4.9	-6.1
EBITDA	45,281	37,450	28,378	32,164	33,337	31,906	29,465	34,324	1,43,272	1,29,031
% of Net Sales	13.4	11.4	8.1	9.0	9.6	9.1	9.3	12.5	10.4	10.0
Depreciation	10,489	8,153	8,322	9,034	8,828	9,302	9,371	9,519	35,998	37,020
Interest	2,092	1,901	1,666	1,783	2,094	2,298	2,013	1,963	7,442	8,368
Other Income	3,716	7,135	7,497	5,664	2,919	7,926	7,984	6,744	24,013	25,573
Extraordinary item	0	0	24,400	0	0	0	0	0	24,400	0
PBT	36,416.2	34,531	50,288	27,011	25,334	28,232	26,064	29,585	1,48,246	1,09,216
Rate (%)	25.2	22.6	23.1	24.1	25.5	21.5	23.2	22.9	23.7	23.2
PAT	27,239.8	26,719	38,674	20,490	18,863	22,172	20,017	22,825	1,13,123	83,878
Change (%)	71.1	11.1	36.0	-5.9	-30.8	-17.0	-48.2	11.4	25.5	-25.9
Adj PAT	27,239.8	26,719	14,274	20,490	18,863	22,172	20,017	22,825	88,723	80,347
Change (%)	71.1	11.1	-49.8	-5.9	-30.8	-17.0	40.2	11.4	-1.6	-9.4

Gujarat Gas

Buy

CMP: INR437 | TP: INR500 (+14%)

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

- Expect volumes at 8.5mmscmd (down 10% YoY/2% QoQ) due to prevailing weakness in ceramic exports.
- Expect EBITDA/scm to rise 11% QoQ to INR6.2.
- Pickup in volumes at Morbi to be the key monitorable.
- A push for industrial gas usage in Thane rural, Ahmedabad rural, and new areas in Rajasthan would be the key factors for growth.

Standalone - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	44,503	37,818	41,529	41,020	38,709	37,804	36,273	36,783	1,64,870	1,49,569
YoY Change (%)	17.7	-1.7	5.7	-0.8	-13.0	0.0	-12.7	-10.3	5.1	-9.3
EBITDA	5,356	5,142	3,805	4,495	5,199	4,473	4,862	4,734	18,798	19,267
Margin (%)	12.0	13.6	9.2	11.0	13.4	11.8	13.4	12.9	11.4	12.9
Depreciation	1,231	1,295	1,294	1,286	1,314	1,343	1,348	1,334	5,106	5,339
Interest	78	80	93	74	79	81	86	81	325	327
Other Income	386	386	585	744	594	731	542	581	2,100	2,448
PBT	4,433	4,152	3,002	3,878	4,399	3,779	3,971	3,900	15,466	16,049
Rate (%)	25.6	26.1	26.2	26.0	25.7	25.6	25.2	25.2	25.9	25.5
Adj. PAT	3,298	3,069	2,216	2,872	3,268	2,810	2,970	2,917	11,455	11,964
YoY Change (%)	53.3	3.1	0.6	-22.0	-0.9	-8.4	34.0	1.6	4.0	4.4

Gujarat State Petronet

Neutral

CMP: INR320 | TP: INR335 (+5%)

EPS CHANGE (%): FY26|27: 0|0

- Expect transmission volumes of 28.6mmscmd (-1% YoY/ +0% QoQ).
- Merger-related updates remain the key monitorables.
- Commissioning of Phase-II Mehsana-Bhatinda pipeline and further expansion/debottlenecking of three pipelines connecting three LNG terminals remain key monitorables.
- Tariff-related updates remain the key monitorables.

Standalone - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	3,354	2,379	2,361	2,017	2,426	2,275	2,313	2,288	10,111	9,301
YoY Change (%)	-14.8	-47.5	-48.2	-55.7	-27.7	-4.4	-2.1	13.5	-42.5	-8.0
EBITDA	3,010	1,929	1,925	1,247	2,024	1,732	1,795	1,700	8,112	7,251
YoY Change (%)	-10.5	-53.0	-49.3	-67.0	-32.8	-10.2	-6.8	36.3	-46.1	-10.6
Margin (%)	89.7	81.1	81.5	61.8	83.4	76.2	77.6	74.3	80.2	78.0
Depreciation	490	511	512	522	539	547	558	562	2,035	2,205
Interest	13	11	9	52	11	10	11	13	85	44
Other Income	328	2,939	412	362	433	3,060	428	358	4,041	4,279
PBT	2,835	4,346	1,816	1,035	1,907	4,235	1,655	1,483	10,033	9,280
Tax	715	453	460	328	482	411	416	373	1,957	1,667
Rate (%)	25.2	10.4	25.3	31.7	25.3	9.7	25.2	25.2	19.5	18.0
Reported PAT	2,120	3,893	1,356	707	1,425	3,825	1,238	1,110	8,076	7,613
YoY Change (%)	-7.5	-26.8	-48.3	-72.9	-32.8	-1.8	-8.7	56.9	-37.1	-5.7
Margin (%)	63.2	163.6	57.4	35.1	58.8	168.1	53.5	48.5	79.9	81.8

HPCL

Buy

CMP: INR496 | TP: INR590 (+19%)

EPS CHANGE (%): FY26|27: +10|+1

- Expect refining throughput at 6.4mmt (-1% YoY).
- Expect marketing sales volumes at 13.4mmt (+4% YoY).
- Expect reported GRM at USD9.5/bbl, with gross marketing margin at INR6/lit.
- Watch out for ramp-up of the bottom upgrade project and the Rajasthan refinery.

Standalone - Quarterly Earning Model

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	1,138	999	1,105	1,095	1,108	1,008	916	879	4,337	3,911
YoY Change (%)	1.6	4.4	-0.7	-4.4	-2.7	0.9	-17.1	-19.7	0.0	-9.8
EBITDA	21	28	65	58	77	76	87	73	171	312
Margins (%)	1.8	2.8	5.8	5.3	6.9	7.6	9.5	8.3	3.9	8.0
Depreciation	15	15	15	16	15	16	16	16	61	63
Forex loss	0	0	5	0	1	7	0	0	4	8
Interest	7	9	9	7	7	8	8	8	33	31
Other Income	6	6	5	8	5	5	5	10	24	25
PBT	5	8	40	43	58	51	68	58	96	236
Tax rate (%)	24.5	24.4	24.6	22.1	25.0	25.2	25.2	25.2	23.5	25.1
Adj PAT	3.6	6.3	30.2	33.5	43.7	38.3	51.1	43.3	73.6	176.4
YoY Change (%)	-94.3	-87.7	471.4	18.0	1,128.5	506.9	69.1	29.0	-49.9	139.5

Indraprastha Gas

Buy

CMP: INR194 | TP: INR245 (+26%)

EPS CHANGE (%): FY26|27: -2|-2

- Expect total volumes at 9.53mmscmd (up 5% YoY/2% QoQ).
- An increase in sales volumes from GAs – both existing and newly awarded ones – will be a key monitorable.
- Slowing D-PNG growth and increasing competition from alternate fuels in the I/C segment will be the key risks to long-term volume growth prospects.
- Expect EBITDA/scm at INR5.6, up 9% QoQ.

Standalone Quarterly performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	35,206	36,973	37,591	39,506	39,139	40,233	41,126	40,409	1,49,275	1,60,906
Change (%)	3.3	6.9	5.9	9.8	11.2	8.8	9.4	2.3	6.6	7.8
EBITDA	5,819	5,359	3,636	4,972	5,118	4,428	4,935	5,386	19,786	19,867
EBITDA (INR/scm)	7.4	6.5	4.3	6.0	6.2	5.2	5.6	6.2	6.0	5.8
Change (%)	-9.4	-18.4	-34.9	-4.8	-12.0	-17.4	35.7	8.3	-16.4	0.4
Depreciation	1,143	1,184	1,216	1,198	1,238	1,279	1,288	1,263	4,741	5,068
Interest	22	23	21	26	22	22	22	23	92	88
Other Income	727	1,493	1,288	908	901	1,626	1,393	995	4,416	4,914
PBT before EO	5,380	5,645	3,687	4,656	4,758	4,754	5,018	5,095	19,369	19,625
Tax	1,366	1,334	829	1,164	1,199	1,029	1,263	1,449	4,693	4,940
Rate (%)	25.4	23.6	22.5	25.0	25.2	21.6	25.2	28.4	24.2	25.2
PAT	4,015	4,311	2,858	3,492	3,559	3,725	3,755	3,646	14,676	14,685
PAT (INR/scm)	5.1	5.2	3.4	4.2	4.3	4.3	4.3	4.2	4.2	4.0
Change (%)	-8.4	-19.4	-27.1	-8.8	-11.3	-13.6	31.4	4.4	-16.0	0.1

IOC

Neutral

CMP: INR167 | TP: INR160 (-4%)

EPS CHANGE (%): FY26|27: +18|+6

- Expect refinery throughput of 18.8mmt (+4% YoY).
- Expect reported GRM at USD9/bbl, with gross marketing margin at INR5.8/lit.
- Petchem cracks have remained subdued, which should have a bearing on the company's petchem division.

Standalone - Quarterly Earning Model

(INR b)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	1932.4	1738.5	1939.0	1949.7	1929.7	1788.8	1930.6	1911.6	7559.5	7560.7
YoY Change (%)	-2.2	-3.3	-2.6	-1.5	-0.1	2.9	-0.4	-2.0	-2.4	0.0
EBITDA	86.3	41.9	91.7	135.7	126.1	145.8	158.7	124.4	355.7	555.0
Margin (%)	4.5	2.4	4.7	7.0	6.5	8.2	8.2	6.5	4.7	7.3
Depreciation	37.6	37.2	39.0	39.1	38.4	38.7	40.7	41.8	152.8	159.6
Forex loss	0.0	4.2	20.5	0.0	0.0	0.0	0.0	0.0	24.7	0.0
Interest	19.6	24.1	23.1	20.5	19.7	21.7	22.5	22.0	87.3	85.9
Other Income	5.3	13.7	18.8	11.7	6.1	15.2	16.2	11.1	49.6	48.6
PBT	34.5	1.7	34.7	87.9	74.0	100.7	111.7	71.7	158.8	358.1
Rate (%)	23.4	-4.2	17.2	17.3	23.2	24.4	25.2	25.2	18.4	24.5
Reported PAT	26.4	1.8	28.7	72.6	56.9	76.1	83.6	53.7	129.6	270.2
Adj PAT	26.4	-10.3	23.1	72.6	56.9	76.1	83.6	53.7	111.2	270.2
YoY Change (%)	-80.8	-107.9	-71.3	50.2	115.2	-842.2	261.7	-26.1	-71.9	142.9
Margin (%)	1.4	-0.6	1.2	3.7	2.9	4.3	4.3	2.8	1.5	3.6

Mahanagar Gas

Buy

CMP: INR1,141 | TP: INR1,645 (+44%)

EPS CHANGE (%): FY26|27: -7|-2

- Expect volume growth of 12% YoY to 4.6mmscmd.
- Incentives for CNG vehicles to boost demand in the segment – a key monitorable.
- EBITDA margin expected at INR7.3/scm.

Standalone - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	15,896	17,863	17,576	18,649	20,814	20,493	19,979	19,041	69,983	80,327
YoY Change (%)	3.4	13.7	12.0	19.0	30.9	14.7	13.7	2.1	12.1	14.8
EBITDA	4,185	4,135	3,144	3,784	5,007	3,380	3,086	3,359	15,247	14,831
EBITDA/SCM	11.9	11.1	8.3	10.0	12.4	8.0	7.3	8.0	10.3	8.9
Margins (%)	26.3	23.1	17.9	20.3	24.1	16.5	15.4	17.6	21.8	18.5
Depreciation	719	842	791	818	959	1,038	948	1,032	3,170	3,977
Interest	31	31	34	39	45	50	47	45	135	186
Other Income	402	468	463	464	319	289	372	464	1,796	1,444
PBT	3,837	3,729	2,782	3,391	4,322	2,580	2,464	2,745	13,739	12,111
Tax	992	861	529	869	1,127	646	620	655	3,250	3,048
Rate (%)	25.8	23.1	19.0	25.6	26.1	25.1	25.2	23.9	23.7	25.2
Reported PAT	2,845	2,868	2,254	2,522	3,196	1,934	1,844	2,090	10,489	9,063
YoY Change (%)	-22.8	-15.3	-28.9	-4.8	12.3	-32.6	-18.2	-17.1	-18.6	-13.6
Margins (%)	17.9	16.1	12.8	13.5	15.4	9.4	9.2	11.0	15.0	11.3

Oil India

Neutral

CMP: INR429 | TP: INR390 (-9%)
EPS CHANGE (%): FY26|27: -6|-8

- Updates on the progress of the NRL capacity expansion and IGGL phase I to remain the key monitorables.
- An increase in production at the Baghjan field is a key monitorable for the medium term.
- Expect oil/gas sales at 0.84mmt/0.67bcm (flat YoY).

Quarterly Performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	58.4	55.2	52.4	55.2	50.1	54.6	50.3	50.2	221.2	205.2
Change (%)	25.7	-6.7	-9.9	-4.1	-14.2	-1.1	-4.1	-9.0	-0.1	-7.2
EBITDA	24.7	21.8	21.3	19.8	19.1	18.4	19.8	17.4	87.7	74.7
% of Net Sales	42.2	39.6	40.7	36.0	38.2	33.8	39.3	34.7	39.6	36.4
Change (%)	5.9	-12.3	1.3	-15.0	-22.4	-15.5	-7.4	-12.3	-5.3	-14.7
D,D&A	4.6	5.0	5.3	4.3	5.3	5.8	5.8	4.8	19.2	21.7
Interest	2.0	2.3	2.4	2.0	1.5	2.6	3.0	3.1	8.7	10.3
OI (incl. Oper. other inc)	1.6	8.6	1.9	6.6	1.8	8.3	2.0	6.9	18.7	18.9
PBT before exceptional	19.7	23.1	15.5	20.2	14.0	18.4	12.9	16.3	78.5	61.7
Exceptional item	0.0	0.0	0.0	0.0	3.1	5.2	0.0	0.0	0.0	8.3
PBT after exceptional	19.7	23.1	15.5	20.2	11.0	13.2	12.9	16.3	78.5	53.4
Tax	5.1	4.7	3.3	4.3	2.8	2.7	3.3	6.7	17.4	15.5
Rate (%)	25.7	20.4	21.2	21.2	20.2	14.9	25.2	41.0	22.1	25.2
PAT	14.7	18.3	12.2	15.9	8.1	10.4	9.7	9.6	61.1	37.9
Change (%)	-9.1	463.8	-22.9	-21.6	-44.5	-43.1	-20.7	-39.7	29.4	-38.1
Adj. PAT	14.7	18.3	12.2	15.9	11.2	15.6	9.7	9.6	61.1	46.1

ONGC

Neutral

CMP: INR242 | TP: INR240 (-1%)
EPS CHANGE (%): FY26|27: -1|-4

- Expect oil, gas, and VAP volumes to be flat YoY.
- A delay in peak oil production from the KG Basin and the decline in oil prices below USD60/bbl are the key downside risks.
- Update on the ramp-up of gas production remains the key monitorable.

Standalone - Quarterly Earning Model

(INR b)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	352.7	338.8	337.2	349.8	320.0	330.3	307.5	310.2	1,378.5	1,268.0
YoY Change (%)	4.3	0.2	-4.1	0.6	-7.6	-6.3	-9.3	-8.0	-0.4	-8.0
EBITDAX	187.5	182.4	190.6	190.1	186.6	177.0	166.9	155.9	752.1	686.4
Margin (%)	53.2	53.8	56.5	54.3	58.3	53.6	54.3	50.3	54.6	54.1
Depreciation	75.4	68.1	87.0	111.3	80.0	74.7	82.6	92.1	341.8	329.4
Interest	11.8	11.6	10.7	11.9	11.2	11.1	11.1	11.2	46.0	44.7
Other Income	19.3	47.7	17.2	20.7	12.1	34.2	19.4	25.1	104.8	90.9
PBT	119.6	150.4	110.0	87.7	107.4	125.4	92.6	77.7	469.1	403.2
Tax	30.2	30.5	27.6	23.2	27.2	27.0	23.3	19.6	111.5	97.0
Rate (%)	25.2	20.3	25.1	26.5	25.3	21.5	25.2	25.2	23.8	24.1
Reported PAT	89.4	119.8	82.4	64.5	80.2	98.5	69.3	58.1	357.6	306.1

Petronet LNG

Buy

CMP: INR291 | TP: INR390 (34%)

EPS CHANGE (%): FY26|27: +1|+2

- We build in Dahej/Kochi utilization at 94%/30%.
- Spot LNG prices remain elevated.
- Progress on ongoing projects is a key monitorable.
- Expect total PLNG volumes to decrease 1% YoY and QoQ.

Standalone - Quarterly Earning

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	1,34,151	1,30,218	1,22,269	1,23,158	1,18,799	1,10,091	1,25,586	1,19,866	5,09,796	4,74,342
YoY Change (%)	15.1	3.9	-17.1	-10.7	-11.4	-15.5	2.7	-2.7	-3.3	-7.0
EBITDA	15,630	12,005	12,477	15,129	11,597	11,173	11,414	12,735	55,241	46,918
Margin (%)	11.7	9.2	10.2	12.3	9.8	10.1	9.1	10.6	10.8	9.9
Depreciation	1,946	1,963	2,096	2,058	2,070	2,108	2,288	2,144	8,062	8,609
Interest	667	654	651	609	590	609	607	602	2,580	2,409
Other Income	2,181	2,016	1,961	1,995	2,423	2,371	2,050	2,093	8,153	8,937
PBT	15,199	11,404	11,691	14,458	11,361	10,827	10,568	12,082	52,752	44,837
Rate (%)	24.9	25.7	25.8	26.0	25.1	25.6	25.2	20.7	25.6	25.7
Reported PAT	11,416	8,476	8,670	10,702	8,506	8,058	7,905	9,577	39,264	33,299
YoY Change (%)	44.5	3.6	-27.2	45.1	-25.5	-4.9	-8.8	-10.5	11.0	-15.2
Margin (%)	8.5	6.5	7.1	8.7	7.2	7.3	6.3	8.0	7.7	7.0

Reliance Industries

Buy

CMP: INR1592 | TP: INR1790 (+12%)

EPS CHANGE (%): FY26|27: -3|-5

- Expect consolidated EBITDA to rise 9% YoY to INR479b.
- Expect production meant for sale at 17.7mmt (flat YoY).
- Expect standalone EBITDA at INR161b (up 6% YoY).
- Further clarity on announcements in the new energy business, growth in Retail store additions, and any pricing action in Telecom are the key monitorables.

Consolidated - Quarterly earnings summary

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	2,318	2,315	2,400	2,614	2,436	2,546	2,559	2,554	9,647	10,095
YoY Change (%)	11.7	-0.2	6.6	10.5	5.1	10.0	6.6	-2.3	7.1	4.6
EBITDA	388	391	438	438	429	459	479	469	1,654	1,835
Margins (%)	16.7	16.9	18.2	16.8	17.6	18.0	18.7	18.3	17.1	18.2
Depreciation	136	129	132	135	138	144	150	154	531	586
Interest	59	60	62	62	70	68	73	76	243	288
Other Income	40	49	42	49	62	45	48	56	180	211
PBT before EO expense	232	250	286	291	282	291	305	295	1,060	1,173
Extra-Ord expense	0	0	0	0	-89	0	0	0	0	-89
PBT	232	250	286	291	371	291	305	295	1,060	1,263
Rate (%)	24.9	23.7	23.9	22.9	17.4	24.0	24.9	24.9	23.8	22.5
Minority Interest & Profit/Loss of Asso. Cos.	23.1	25.4	32.6	30.3	36.9	39.8	40.9	41.5	111.4	159.1
Reported PAT	151	166	185	194	270	182	188	180	696	820
Adj PAT	151	166	185	194	181	182	188	180	696	730
YoY Change (%)	-5.5	-4.8	7.4	2.4	19.4	9.7	1.3	-7.1	0.0	4.9
Margins (%)	6.5	7.2	7.7	7.4	7.4	7.1	7.3	7.1	7.2	7.2

Plastic Pipes

Companies under coverage

Astral
Prince Pipes & Fittings
Supreme Industries

Volume-led revenue growth

Revenue to grow ~11%, while EBITDA to rise 25% YoY in 3QFY26

- The plastic piping industry is expected to witness inventory losses this quarter, driven by a further PVC price correction. This follows the non-implementation of ADD and BIS on PVC resin imports (intended to be announced by mid-Nov'25).
- However, volume growth momentum is expected to remain consistent with 2QFY26 (~13% YoY for coverage companies), led by supported by a stable demand environment. Further, the absence of BIS could benefit organized players; as realizations decline, the price gap with unorganized players narrows, making organized players' products more affordable and potentially driving higher volumes.
- The recent price increase of INR1/kg by Reliance is sentimentally positive for the industry, indicating a turnaround in PVC resin prices and supporting a healthy 4Q.
- The aggregate revenue for our coverage is likely to grow 11% YoY, led by volume growth. Meanwhile, EBITDA/Adj. PAT is expected to rise 25%/34% YoY in 3QFY26 due to a low base.

ASTRA to lead growth in the plastic pipes industry

- **SI:** We expect revenue to grow 10% YoY and EBITDA margin to expand 70bp YoY to 13%. The plastic pipes segment is expected to witness a double-digit volume growth, driven by agricultural and construction activities.
- **ASTRA:** Revenue is anticipated to grow 16% YoY, with EBITDA margin remaining stable YoY. The company is well-positioned, supported by a higher share of value-added products like CPVC plumbing and adhesives, which enables it to maintain margins despite a challenging environment. Volume growth is expected to be ~20% YoY.
- **PRINCEPI:** Revenue is expected to grow ~6% YoY due to construction and agriculture activities. We expect demand to improve in 4Q, aided by restocking and recovery in consumption. Inventory losses can impact profitability significantly.

Exhibit 1: Summary of 3QFY26 estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Astral	1454	Buy	16,207	16.0	2.7	2,526	15.1	-1.6	1,423	24.7	5.6
Prince Pipes	262	Buy	6,115	5.8	2.8	518	1,647.0	-5.9	135	LP	-7.8
Supreme Inds.	3535	Buy	27,647	10.2	15.5	3,593	16.3	20.8	2,198	17.6	33.4
Plastic Pipes			49,969	11.4	9.4	6,637	24.9	8.9	3,756	33.8	19.6

Exhibit 2: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Plastic Pipes						53.7	38.2	31.2	7.3	6.4	5.5	13.6	16.8	17.7
Astral	1,454	Buy	21.9	28.4	34.9	66.4	51.1	41.6	7.2	6.2	5.3	15.3	17.4	18.4
Prince Pipes	262	Buy	7.4	14.1	19.8	35.4	18.6	13.2	0.7	0.7	0.6	5.1	9.1	11.7
Supreme Inds.	3,535	Buy	74.5	106.7	128.4	47.4	33.1	27.5	7.3	6.3	5.4	16.0	20.4	21.2

Source: MOFSL

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

Astral

Buy

CMP INR1,454 | TP: INR1,850 (+27%)

EPS CHANGE (%): FY26|FY27|FY28: -2|-2|-2

- Revenue is anticipated to grow 16% YoY, with EBITDA margin remaining stable YoY (~15.6% in 3QFY26). Volume is likely to grow 20% YoY.
- We expect the company's Plastic/Adhesives business to clock a 15%/18% YoY growth, with the revenue mix remaining stable at 70:30 YoY.
- The company is well-positioned, with a higher mix of value-added products such as CPVC plumbing and adhesives, helping sustain margins in a challenging environment.
- PVC prices and the ongoing momentum of the Adhesives business remain key monitorables.

Consolidated - Quarterly Earning

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	13,836	13,704	13,970	16,814	13,612	15,774	16,207	20,374	58,324	65,968
YoY Change (%)	7.8	0.5	2.0	3.5	-1.6	15.1	16.0	21.2	3.4	13.1
Total Expenditure	11,692	11,603	11,775	13,795	11,763	13,206	13,681	16,669	48,865	55,319
EBITDA	2,144	2,101	2,195	3,019	1,849	2,568	2,526	3,705	9,459	10,648
Margins (%)	15.5	15.3	15.7	18.0	13.6	16.3	15.6	18.2	16.2	16.1
Depreciation	556	599	631	648	719	723	739	780	2,434	2,961
Interest	76	102	139	96	123	160	74	50	413	407
Other Income	119	88	118	88	91	114	170	186	413	561
PBT before EO expense	1,631	1,488	1,543	2,363	1,098	1,799	1,883	3,061	7,025	7,841
Extra-Ord expense	0	0	0	163	0	0	0	0	0	0
PBT	1,631	1,488	1,543	2,200	1,098	1,799	1,883	3,061	7,025	7,841
Tax	436	401	416	583	306	451	474	766	1,836	1,997
Rate (%)	26.7	26.9	27.0	26.5	27.9	25.1	25.2	25.0	26.1	25.5
MI & Profit/Loss of Asso. Cos.	-9	-13	-14	-13	-19	0	-15	-15	-49	-49
Reported PAT	1,204	1,100	1,141	1,630	811	1,348	1,423	2,311	5,238	5,893
Adj PAT	1,204	1,100	1,141	1,793	811	1,348	1,423	2,311	5,238	5,893
YoY Change (%)	0.5	-16.2	0.5	-1.3	-32.6	22.5	24.7	28.9	-4.3	13
Margins (%)	8.7	8.0	8.2	10.7	6.0	8.5	8.8	11.3	9.0	8.9

Prince Pipes & Fittings

Buy

CMP INR262 | TP: INR360 (+37%)

EPS CHANGE (%): FY26|FY27|FY28: -11|-1|-1

- Revenue is expected to grow 6% YoY due to construction and agriculture activities.
- EBITDA margin is expected to expand 800bp YoY to 8.5%.
- We expect demand to improve in 4Q, aided by restocking and recovery in consumption.
- Demand and PVC prices remain the key monitorables.

Consolidated - Quarterly Earning

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	6,045	6,221	5,777	7,197	5,804	5,946	6,115	8,374	25,239	26,239
YoY Change (%)	9.2	-5.2	-6.6	-2.8	-4.0	-4.4	5.8	16.4	-1.7	4.0
Total Expenditure	5,462	5,764	5,748	6,648	5,408	5,395	5,596	7,389	23,621	23,788
EBITDA	583	457	30	548	396	551	518	985	1,618	2,451
Margins (%)	9.6	7.3	0.5	7.6	6.8	9.3	8.5	11.8	6.4	9.3
Depreciation	257	276	264	273	307	325	328	330	1,070	1,290
Interest	14	16	32	33	52	45	40	35	97	172
Other Income	26	39	15	57	27	16	30	30	137	104
PBT before EO expense	337	204	-252	299	64	198	180	651	588	1,093
PBT	337	204	-252	299	64	198	180	651	588	1,093
Tax	90	57	-48	58	15	51	45	164	157	276
Rate (%)	26.7	28.0	18.9	19.2	24.2	26.0	25.2	25.2	26.7	25.3
Reported PAT	247	147	-204	242	48	146	135	487	431	816
Adj PAT	247	147	-204	242	48	146	135	487	431	816
YoY Change (%)	25.8	-72.1	-154.3	-55.8	-80.5	-0.5	-166.0	101.4	-73.8	89
Margins (%)	4.1	2.4	-3.5	3.4	0.8	2.5	2.2	5.8	1.7	3.1

Supreme Industries

Buy

CMP: INR3,535 | TP: INR4,300 (+22%)

EPS CHANGE (%): FY26|27|28: -5|-1|-1

- We expect revenue to grow 10% YoY and EBITDA margin to expand 70bp YoY to 13%. The plastic pipes segment is expected to post double-digit volume growth.
- We expect revenue growth of 12%/2%/10%/8% in SI's plastic piping/industrial products/packaging/consumer segments.
- The sowing season in Southern India, coupled with the Jal Jeevan Mission, has resulted in an increased demand for plastic pipes in 3QFY26.

Consolidated - Quarterly Earning

(INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	26,364	22,730	25,099	30,271	26,092	23,939	27,647	35,021	1,04,463	1,12,699
YoY Change (%)	11.3	-1.5	2.5	0.6	-1.0	5.3	10.2	15.7	3.1	7.9
Total Expenditure	22,490	19,537	22,011	26,108	22,903	20,965	24,055	29,619	90,146	97,541
EBITDA	3,873	3,192	3,088	4,163	3,189	2,974	3,593	5,403	14,317	15,158
Margins (%)	14.7	14.0	12.3	13.8	12.2	12.4	13.0	15.4	13.7	13.5
Depreciation	860	899	913	914	930	1,044	1,070	1,110	3,586	4,154
Interest	33	26	30	30	28	58	45	30	119	161
Other Income	214	151	89	125	169	155	180	200	578	705
PBT before EO expense	3,194	2,417	2,235	3,344	2,400	2,028	2,658	4,463	11,190	11,548
PBT	3,194	2,417	2,235	3,344	2,400	2,028	2,658	4,463	11,190	11,548
Tax	836	629	584	732	629	529	670	1,122	2,782	2,949
Rate (%)	26.2	26.0	26.2	21.9	26.2	26.1	25.2	25.1	24.9	25.5
MI & Profit/Loss of Asso. Cos.	375	278	220	328	252	149	210	260	1,201	871
Reported PAT	2,734	2,066	1,870	2,939	2,023	1,647	2,198	3,601	9,609	9,469
Adj PAT	2,734	2,066	1,870	2,939	2,023	1,647	2,198	3,601	9,609	9,469
YoY Change (%)	26.8	-15.0	-27.0	-17.2	-26.0	-20.3	17.6	22.5	-10.2	-1.5
Margins (%)	10.4	9.1	7.4	9.7	7.8	6.9	8.0	10.3	9.2	8.4

Real Estate

Company

Aditya Birla Real Estate

Anant Raj

Brigade Enterprises

DLF

Godrej Properties

Kolte Patil Developers

Sri Lotus Developers and Realty

Lodha Developers

Mahindra Lifespace Developers

Oberoi Realty

Phoenix Mills

Prestige Estates Projects

Signature Global

Sobha

Sunteck Realty

Launch surge fuels sharp presales and profit growth

- Our coverage universe is expected to report presales of INR407b in 3QFY26, up 13% YoY and 20% QoQ, due to increased launches during the quarter. Volumes are expected to stand at 30msf, up 58% YoY and 28% QoQ.
- GPL/KPDL/LODHA/PEPL/SIGNATUR/SRIN are estimated to report 25-55% YoY growth in bookings. ABREL/MLDL/SOBHA are expected to clock presales of INR35b/INR11b/INR30b, up 5x/3x/2x YoY, driven by new launches. OBER and DLFU are expected to drive presales from ongoing projects due to the absence of launches.
- Collections for our coverage companies are likely to increase 54% YoY to INR326b, implying collection efficiency of ~80%.
- Revenue recognition for our coverage is expected to stand at INR213b (up 36% YoY), with EBITDA of INR66b (up 49% YoY) and a margin of 31%.
- Adj. PAT is expected to rise 64% YoY to INR58b, with adj. PAT margin of 27%.

Strong demand underpins presales growth

- **ABREL:** ABREL has already launched its NCR project, Pravaah, which has yielded INR18b in sales, and launched Evam, Pune, in the last week of 3Q. We believe that recent launches and sustenance sales will take presales bookings to INR35.5b. Additionally, Arika, NCR, and Thane projects will be launched alongside plotted developments in Boisar, MMR, and Trimaya, Bengaluru, in 4QFY26. The company is confident of achieving its project launch guidance of INR140b in FY26.
- **ARCP:** With the expected launch of Estate One in NCR, along with steady sustenance sales, ARCP is projected to achieve ~INR8.9b in presales, reflecting strong demand across its residential portfolio.
- **BRGD:** The company plans to launch 7msf with a GDV of INR80-83b in 2HFY26, which will include the Velacherry Project in Chennai with a GDV of INR20b (1msf), a 1msf second phase of Brigade Gateway Hyderabad, and two major mixed-use developments in North and East Bengaluru. With this, in 3QFY26, the company is expected to clock presales of INR25b, up 1% YoY.
- **DLFU:** After the stellar execution of DLF's Privana North launch with a GDV of INR110b in 1QFY26 and the Mumbai project 'Westpark' with a GDV of INR23b (area of 0.9msf) in 2QFY26, we expect presales of INR43b in 3QFY26, driven primarily by sustenance sales. The company is expected to launch its Goa project in 4QFY26.
- **GPL:** GPL is expected to record strong presales, guided by a mix of launches and sustenance sales from ongoing projects. It has already launched two projects in Bangalore, while the Worli Project 'Triology' has received RERA approval. The company is expected to achieve bookings of INR80b in 3QFY26, up 47% YoY.
- **KPDL:** After a weak 1H, steady sales, coupled with a few small launches, should drive bookings in 3QFY26 to INR9b, marking a 25% YoY increase.
- **LOTUSDEV:** The company is expected to report presales of INR4b, with steady sales coming from new launches expected in the Bandra project, Varun, with a GDV of ~INR5b.

- **LODHA:** LODHA expects to launch about 15 projects in 2HFY26 with a GDV of ~INR140b. It is expected to achieve bookings of INR62b in 3QFY26, up 36% YoY. Collections are also projected to rise 23% YoY to INR53b.
- **MLDL:** The company launched Blossom in Bengaluru with a GDV of INR19b and received a redevelopment mandate in Malad. This, coupled with sustenance sales, is expected to enable the company to clock presales of INR11b, up 3x YoY, primarily from new launches.
- **OBER:** 3Q presales are estimated at INR18b, a 6% YoY decline, mainly due to ongoing projects, as there were no new launches. For FY26, management has plans to launch one tower in Borivali, two towers in Forestville (Thane), and projects at Peddar Road and Gurugram, with additional potential launches at Adarsh Nagar, Worli, and Tardeo during the year.
- **PHNX:** In 3QFY26, we expect revenue of INR12b, up 26% YoY. The company expects strong EBITDA growth and cash flows to come in from the recently acquired 49% stake of Island Star Mall Developers from CPP Investments.
- **PEPL:** 1HFY26 saw eight launches with a GDV of INR176b. 2HFY26 could see INR272b of launches, along with additional launches coming from INR330b acquired in 1HFY26. Hence, we expect presales of INR47b, up 55% YoY.
- **SIGNATUR:** With recent launches of project Sarvam in Gurugram with a GDV of INR48b and sustenance sales from ongoing projects, the company is expected to achieve presales of INR35b (up 26% YoY). While maintaining its focus on middle-income housing, the company expects stable trends in consumption and supply.
- **SOBHA:** While we estimate sales to come from launches in Bangalore, NCR, and MMR, SOBHA has ~INR131b of unsold stock across ongoing projects. We expect SOBHA to report presales of INR30b, up 2x YoY.
- **SRIN:** The company is likely to report sales of INR9b (up 41% YoY) despite a higher base, the absence of new launches, and lower sales across all key projects.

Top picks: LODHA and PEPL

- FY26 is shaping up to be a year of new launches. The trend was already visible in 1HFY26, with developers such as DLFU, PEPL, and OBER bringing high-value projects to the market and successfully selling a majority of inventory.
- With strong demand drivers, stable inventory levels, firm pricing power, and continued consolidation in favor of leading developers, we expect steady growth momentum to sustain over the next two years. Our outlook on the sector, therefore, remains positive.
- We have a BUY rating on ABREL, ARCP, BRGD, DLFU, GPL, KPDL, LODHA, LOTUSDEV, PEPL, PHNX, SIGNATUR, SRIN, and SOBHA and a Neutral rating on MLDL and OBER. Our top picks are **LODHA and PEPL**.

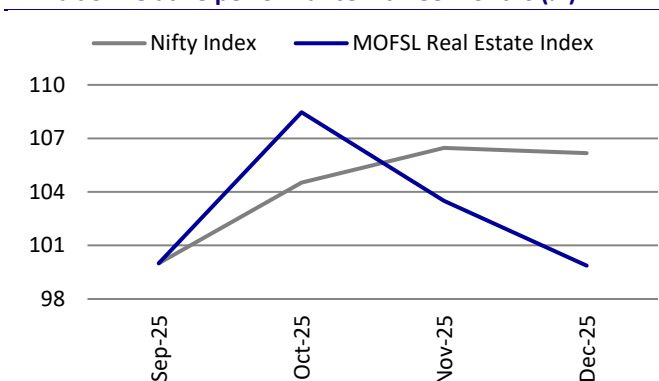
Exhibit 1: Summary of financial performance estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Aditya Birla Real Est.	1664	Buy	4,391	114.8	348.8	463	LP	LP	275	LP	LP
Anant Raj	584	Buy	5,800	8.5	-8.0	1,526	14.3	-9.1	729	-34.0	-47.2
Brigade Enterpr.	891	Buy	11,854	-19.0	-14.3	4,252	2.8	29.6	2,339	-1.0	43.9
DLF	698	Buy	24,993	63.5	52.1	7,510	87.7	164.8	10,125	-4.4	-14.2
Godrej Properties	2069	Buy	15,585	60.9	110.5	3,368	1,122.6	LP	11,497	626.7	185.3
Kolte Patil Dev.	391	Buy	6,794	94.3	390.0	1,711	569.7	LP	1,108	338.0	LP
Lodha Developers	1086	Buy	50,707	24.2	33.5	14,452	10.7	30.3	10,236	8.9	29.6
Mahindra Lifespace	395	Neutral	1,360	-19	674.3	-258	Loss	Loss	425	LP	-11.4
Oberoi Realty	1730	Neutral	18,553	31.5	4.3	11,929	39.3	16.9	8,705	40.8	14.5
Phoenix Mills	1902	Buy	12,290	26.0	10.2	7,091	28.3	6.3	4,284	61.8	40.9
Prestige Estates	1619	Buy	28,215	70.5	16.0	7,567	28.2	-16.8	2,531	1,329.8	-41.2
SignatureGlobal	1126	Buy	12,208	47.5	260.7	2,220	1,543.8	LP	2,287	685	LP
Sobha	1492	Buy	13,073	6.8	-7.1	2,516	274.2	163.1	1,743	703.6	140.3
Sri Lotus Developers	166	Buy	3,581	208.1	103.4	1,303	111.6	158.5	979	91.2	112.1
Sunteck Realty	430	Buy	3,379	108.9	33.9	846	74.8	8.7	488	14.8	-0.3
Real Estate			2,12,784	35.8	33.4	66,496	49.3	67.8	57,750	64.5	34.0

Exhibit 2: Summary of operational performance estimates

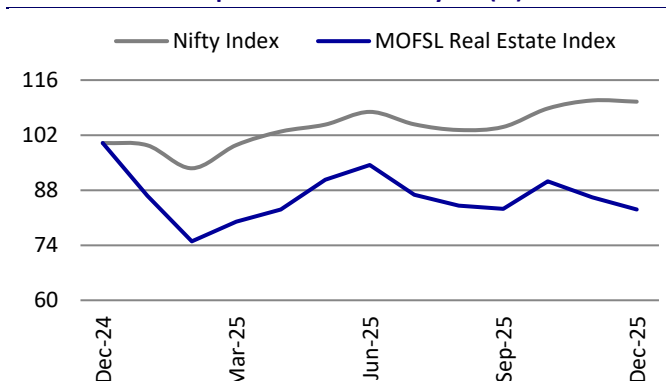
Company	Presales (INR b)			Volume (MSF)			Collections (INR b)		
	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Aditya Birla Real Estate	35	426	299	2.0	434	295	12	149	144
Brigade Enterprise	25	1	24	2.4	7	24	25	40	24
DLF	43	-64	-1	0.7	-64	-1	41	33	55
Godrej Properties	80	47	-6	8.3	105	17	79	128	73
Kolte Patil Developers	9	25	27	1.0	21	14	8	38	31
Sri Lotus Developers and Realty	4	NA	56	0.1	NA	54	4	NA	234
Lodha Developers	62	36	35	4.3	44	22	53	23	52
Mahindra Lifespace Developers	11	214	40	0.7	56	-40	9	141	55
Oberoi Realty	18	-6	39	0.5	-32	79	14	1	4
Prestige Estates Projects	47	55	-22	4.4	97	0	41	34	5
Signature Global	35	26	74	2.3	-6	74	18	66	90
Sobha	30	116	58	3.2	211	127	16	21	-13
Sunteck Realty	9	41	28	0.7	41	28	7	108	111
Real Estate	407	13	20	30	58	28	326	54	43

Exhibit 3: Relative performance – three months (%)



Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)



Source: Bloomberg, MOFSL

Exhibit 5: Real estate coverage – operational snapshot

	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E	YoY (%)	QoQ (%)
Sales (INR b)										
Aditya Birla Real Estate	29	3	14	7	57	4	9	35	426	299
Brigade Enterprise	22	11	18	25	24	11	20	25	1	24
DLF	15	64	7	121	20	114	43	43	-64	-1
Godrej Properties	95	86	52	54	102	71	85	80	47	-6
Kolte Patil Developers	7	7	8	7	6	6	7	9	25	27
Sri Lotus Developers and Realty	NA	NA	NA	NA	NA	1	3	4	NA	56
Lodha Developers	42	40	43	45	48	45	46	62	36	35
Mahindra Lifespace Developers	11	10	4	3	11	4	8	11	214	40
Oberoi Realty	18	11	14	19	9	16	13	18	-6	39
Prestige Estates Projects	47	30	40	30	70	121	60	47	55	-22
Signature Global	41	31	28	28	16	26	20	35	26	74
Sobha	15	19	12	14	18	21	19	30	116	58
Sunteck Realty	7	5	5	6	9	7	7	9	41	28
Aggregate Sales (INR b)	349	317	245	360	390	448	339	407	13.2	19.9
Volume (msf)										
Aditya Birla Real Estate	0.6	0.1	1.3	0.4	3.3	0.3	0.5	2.0	434	295
Brigade Enterprise	2.7	1.2	1.8	2.2	2.0	1.0	1.9	2.4	7	24
DLF	0.5	3.8	1.0	1.9	0.3	1.8	0.7	0.7	-64	-1
Godrej Properties	8.2	9.0	5.1	4.1	7.5	6.2	7.1	8.3	105	17
Kolte Patil Developers	1.0	1.0	1.0	0.8	0.8	0.8	0.9	1.0	21	14
Sri Lotus Developers and Realty	NA	NA	NA	NA	NA	0.0	0.0	0.1	NA	54
Lodha Developers	3.3	2.4	3.2	3.0	3.4	3.3	3.5	4.3	44	22
Mahindra Lifespace Developers	0.9	1.2	0.7	0.5	1.0	0.6	1.2	0.7	56	-40
Oberoi Realty	0.4	0.2	0.2	0.7	0.1	0.4	0.3	0.5	-32	79
Prestige Estates Projects	4.1	2.9	5.0	2.2	4.5	9.6	4.4	4.4	97	0
Signature Global	3.1	2.0	2.4	2.5	1.4	1.6	1.3	2.3	-6	74
Sobha	1.3	1.2	1.8	1.0	1.6	1.4	1.4	3.2	211	127
Sunteck Realty	0.5	0.4	0.4	0.5	0.7	0.5	0.5	0.7	41	28
Aggregate Volume (msf)	26.7	25.2	24.0	19.7	26.7	27.4	23.8	30.4	55	28
Collections (INR b)										
Aditya Birla Real Estate	5	5	6	5	10	5	5	12	149	144
Brigade Enterprise	18	16	19	18	19	17	20	25	40	24
DLF	22	30	24	31	33	28	27	41	33	55
Godrej Properties	53	34	43	35	76	41	46	79	128	73
Kolte Patil Developers	6	6	6	6	7	6	6	8	38	31
Sri Lotus Developers and Realty	NA	NA	NA	NA	NA	1	1	4	NA	234
Lodha Developers	35	27	31	43	44	29	35	53	23	52
Mahindra Lifespace Developers	4	5	5	4	5	5	6	9	141	55
Oberoi Realty	11	10	12	14	8	10	14	14	1	4
Prestige Estates Projects	33	27	26	31	30	42	39	41	34	5
Signature Global	10	12	9	11	12	9	9	18	66	90
Sobha	13	14	13	13	16	16	18	16	21	-13
Sunteck Realty	3	3	3	3	3	4	3	7	108	111
Aggregate Collections (INR b)	214.3	190.0	196.0	212.6	263.7	213.3	228.5	326.5	53.5	42.9

Source: Company, MOFSL

Exhibit 6: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Real Estate						32.1	28.7	22.2	3.9	3.5	3.0	12.1	12.1	13.6
Aditya Birla Real Est.	1,664	Buy	-3.7	22.3	87.8	-452.6	74.6	19.0	4.9	4.6	3.7	-1.1	6.4	21.9
Anant Raj	584	Buy	9.6	6.1	25.0	60.7	95.9	23.4	3.8	3.6	3.2	6.2	3.8	13.5
Brigade Enterpr.	891	Buy	38.1	54.0	78.1	23.4	16.5	11.4	3.3	2.8	2.3	15.3	18.4	21.9
DLF	698	Buy	17.4	17.3	18.1	40.2	40.4	38.6	2.7	2.5	2.3	9.7	8.9	8.7
Godrej Properties	2,069	Buy	127.7	87.7	135.4	16.2	23.6	15.3	2.9	2.6	2.2	20.0	11.8	15.8
Kolte Patil Dev.	391	Buy	23.3	54.0	78.4	16.8	7.3	5.0	2.4	1.9	1.4	18.4	29.2	31.7
Lodha Developers	1,086	Buy	36.2	38.2	41.0	30.0	28.4	26.5	4.6	4.1	3.6	16.6	15.2	14.3
Mahindra Lifespace	395	Neutral	9.7	13.8	16.1	40.6	28.7	24.6	2.4	2.2	2.1	7.6	8.0	8.8
Oberoi Realty	1,730	Neutral	81.4	99.7	109.3	21.3	17.3	15.8	3.4	2.9	2.5	17.4	18.1	16.9
Phoenix Mills	1,902	Buy	46.1	50.2	69.5	41.3	37.9	27.4	5.7	5.0	4.2	14.7	14.0	16.7
Prestige Estates	1,619	Buy	22.8	29.3	31.7	71.0	55.3	51.0	4.0	3.7	3.5	5.8	7.0	7.1
SignatureGlobal	1,126	Buy	58.1	127.5	186.9	19.4	8.8	6.0	10.2	4.7	2.7	72.0	73.4	56.5
Sobha	1,492	Buy	38.3	55.8	79.0	39.0	26.7	18.9	3.2	2.9	2.5	8.6	11.4	14.3
Sri Lotus Developers	166	Buy	6.1	12.0	15.8	27.4	13.9	10.5	4.1	3.2	2.4	20.5	26.0	26.3
Sunteck Realty	430	Buy	11.1	14.2	23.6	38.7	30.2	18.2	1.9	1.8	1.6	4.9	6.0	9.2

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

Aditya Birla Real Estate

Buy

CMP: INR1,664 | TP: INR2,275 (37%)

EPS CHANGE (%): FY26|27|28: 0|0|0

- We expect revenue at INR4.4b, up 2x YoY.
- EBITDA is likely to turn positive at INR463m, with a margin of 10.5%.
- New bookings for the quarter are likely to reach INR35.5b, up 5x YoY due to new launches and sustenance sales.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	3,533	2,664	2,044	3,948	1,456	978	4,391	7,811	12,189	14,636
YoY Change (%)	-60.7	-115.8	-80.9	-51.5	-58.8	-63.3	114.8	97.9	-53.4	-64.6
Total Expenditure	3,078	2,393	2,224	4,198	1,855	1,679	3,928	6,819	11,893	14,281
EBITDA	455	271	-180	-250	-399	-701	463	992	296	355
Margins (%)	12.9	10.2	-8.8	-6.3	-27.4	-71.6	10.5	12.7	2.4	2.4
Depreciation	161	157	161	158	155	157	199	153	638	665
Interest	110	155	78	115	71	177	174	158	458	579
Other Income	120	93	42	130	119	154	251	312	385	835
PBT before EO expense	304	51	-376	-393	-506	-882	340	994	-415	-54
Extra-Ord expense	0	0	0	1,240	0	0	0	0	1,240	0
PBT	304	51	-376	-1,633	-506	-882	340	994	-1,655	-54
Tax	125	66	-74	-419	-58	-187	62	173	-303	-10
Rate (%)	41.1	129.3	19.7	25.7	11.5	21.2	18.3	17.4	18.3	18.3
MI & Profit/Loss of Asso. Cos.	175	2	-18	14	9	16	3	339	174	367
Reported PAT	4	-17	-284	-1,228	-457	-710	275	482	-1,526	-411
Adj PAT	78	25	-406	-1,310	-255	-157	275	482	-1,613	-411
YoY Change (%)	-103.5	-98.6	-148.7	-3,520.6	-427.4	-719.7	-167.7	-136.8	429.8	-124.7
Margins (%)	2.2	1.0	-19.9	-33.2	-17.5	-16.1	6.3	6.2	-13.2	-2.8

Anant Raj

Buy

CMP: INR584 | TP: INR763 (31%)

EPS CHANGE (%): FY26|27|28: -30|-49|-17

- Revenue is expected to increase 8% YoY to INR5.8b.
- EBITDA is likely to grow 14% YoY to INR1.5b, with a margin of 26.3%.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	4,718	5,129	5,346	5,407	5,924	6,308	5,800	3,672	20,600	21,704
YoY Change (%)	49.2	54.3	36.3	22.2	25.6	23.0	8.5	-32.1	38.9	5.4
Total Expenditure	3,689	4,001	4,011	3,983	4,418	4,630	4,274	2,672	15,683	15,993
EBITDA	1,030	1,128	1,336	1,424	1,507	1,678	1,526	1,000	4,917	5,711
Margins (%)	21.8	22.0	25.0	26.3	25.4	26.6	26.3	27.2	23.9	26.3
Depreciation	55	81	82	87	79	106	547	579	305	1,312
Interest	36	15	29	30	24	29	51	89	110	192
Other Income	98	109	93	103	100	101	113	109	403	423
PBT before EO expense	1,037	1,141	1,318	1,409	1,504	1,644	1,041	442	4,905	4,630
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	1,037	1,141	1,318	1,409	1,504	1,644	1,041	442	4,905	4,630
Tax	142	97	223	228	257	275	311	321	690	1,165
Rate (%)	13.7	8.5	16.9	16.2	17.1	16.7	29.9	72.8	14.1	25.2
MI & Profit/Loss of Asso. Cos.	15	11	10	5	12	12	0	-24	41	0
Reported PAT	895	1,044	1,094	1,181	1,247	1,369	729	120	4,215	3,465
Adj PAT	910	1,056	1,104	1,186	1,259	1,381	729	96	4,257	3,465
YoY Change (%)	79.7	75.7	53.7	38.2	38.3	30.8	-34.0	-91.9	60.1	-18.6
Margins (%)	19.3	20.6	20.7	21.9	21.2	21.9	12.6	2.6	20.7	16.0

Brigade Enterprise

Buy

CMP: INR891 | TP: INR1,338 (50%)

EPS CHANGE (%): FY26|27|28: 0|0|0

- We expect revenue at INR11.9b, down 19% YoY.
- EBITDA is likely to reach INR4.3b, with a margin of 36%.
- New bookings for the quarter are likely to reach INR25.2b, up 1% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	10,777	10,722	14,639	14,604	12,811	13,834	11,854	10,893	50,742	49,393
YoY Change (%)	64.8	-21.5	24.7	-14.2	18.9	29.0	-19.0	-25.4	3.6	-2.7
Total Expenditure	7,851	7,802	10,502	10,444	9,575	10,553	7,602	3,945	36,600	31,675
EBITDA	2,926	2,919	4,137	4,160	3,237	3,281	4,252	6,948	14,142	17,717
Margins (%)	27.1	27.2	28.3	28.5	25.3	23.7	35.9	63.8	27.9	35.9
Depreciation	679	689	763	756	756	765	760	884	2,888	3,165
Interest	1,519	1,226	1,143	1,066	1,056	1,023	1,154	1,576	4,955	4,809
Other Income	357	660	657	719	517	465	603	928	2,393	2,513
PBT before EO expense	1,084	1,664	2,888	3,057	1,941	1,958	2,942	5,416	8,693	12,256
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	1,084	1,664	2,888	3,057	1,941	1,958	2,942	5,416	8,693	12,256
Tax	279	513	533	563	359	253	639	1,835	1,888	3,085
Rate (%)	25.7	30.8	18.5	18.4	18.5	12.9	21.7	33.9	21.6	13.9
MI & P/L of Asso. Cos.	-32	-39	-7	25	84	80	-36	-278	-53	-150
Reported PAT	837	1,190	2,362	2,468	1,499	1,625	2,339	3,859	6,858	9,322
Adj PAT	837	1,190	2,362	2,468	1,499	1,625	2,339	3,859	6,858	9,322
YoY Change (%)	117.3	-10.9	221.5	19.8	79.0	36.6	-1.0	56.4	51.9	35.9
Margins (%)	7.8	11.1	16.1	16.9	11.7	11.7	19.7	35.4	13.5	18.9

DLF

Buy

CMP: INR698 | TP: INR1,001 (43%)

EPS CHANGE (%): FY26|27|28: 0|0|0

- We expect revenue to increase 63% YoY to INR24.9b.
- DLFU is expected to report EBITDA of INR7.5b, with a 30% margin.
- New bookings are expected to remain flat sequentially to INR43b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	13,624	19,750	15,287	31,276	27,167	16,430	24,993	33,277	79,937	1,01,867
YoY Change (%)	-4.3	46.5	0.5	46.5	99.4	-16.8	63.5	6.4	24.4	27.4
Total Expenditure	11,337	14,730	11,287	21,496	23,525	13,595	17,483	16,656	58,850	71,259
EBITDA	2,286	5,020	4,000	9,780	3,642	2,836	7,510	16,621	21,086	30,608
Margins (%)	16.8	25.4	26.2	31.3	13.4	17.3	30.0	49.9	26.4	30.0
Depreciation	373	377	387	369	345	295	390	559	1,507	1,589
Interest	1,012	935	939	1,086	786	631	789	1,011	3,972	3,217
Other Income	3,675	2,058	2,088	2,202	2,642	6,188	1,625	-3,833	10,022	6,621
PBT before EO expense	4,576	5,766	4,761	10,527	5,153	8,097	7,955	11,218	25,630	32,423
Extra-Ord expense	0	0	3,024	0	0	-2,352	0	0	3,024	-2,352
PBT	4,576	5,766	1,737	10,527	5,153	10,449	7,955	11,218	22,606	34,775
Tax	1,183	-4,668	-8,396	1,666	1,332	2,763	2,001	2,653	-10,214	8,749
Rate (%)	25.9	-81.0	-483.3	15.8	25.8	26.4	25.2	23.6	-45.2	25.2
MI & Profit/Loss of Asso. Cos.	3,054	3,378	6,183	4,108	3,806	4,116	4,172	4,911	16,723	17,004
Reported PAT	6,447	13,812	16,316	12,969	7,627	11,801	10,125	13,477	49,544	43,030
Adj PAT	6,447	13,812	10,587	12,822	7,627	11,801	10,125	13,477	43,668	43,030
YoY Change (%)	22.5	122.1	61.5	39.4	18.3	-14.6	-4.4	5.1	60.3	-1.5
Margins (%)	47.3	69.9	69.3	41.0	28.1	71.8	40.5	40.5	54.6	42.2

Source: Company, MOFSL

Godrej Properties

Buy

CMP: INR2,069 | TP: INR2,812 (36%)
EPS CHANGE (%): FY26|27|28: 55|10|7

- We expect revenue to increase 61% YoY to INR15.6b.
- EBITDA is expected at INR3.4b, with a margin of 21.6%.
- Presales are expected to grow 47% YoY to INR80b.
- PAT is expected to grow multifold to INR11.5b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Gross Sales	7,390	10,932	9,689	21,217	4,346	7,404	15,585	26,408	49,228	53,743
YoY Change (%)	-21.0	218.7	193.2	48.8	-41.2	-32.3	60.9	24.5	62.2	9.2
Total Expenditure	8,641	10,613	9,413	20,118	6,779	12,531	12,217	15,463	48,785	46,990
EBITDA	-1,251	319	276	1,100	-2,433	-5,127	3,368	10,946	444	6,754
Margins (%)	-16.9	2.9	2.8	5.2	-56.0	-69.3	21.6	41.4	0.9	12.6
Depreciation	166	183	177	211	220	264	192	61	737	737
Interest	408	446	424	460	327	215	1,150	2,732	1,737	4,424
Other Income	9,605	2,533	2,711	5,593	11,858	12,097	12,374	11,265	20,442	47,594
PBT before EO expense	7,780	2,224	2,385	6,022	8,878	6,491	14,401	19,418	18,412	49,187
PBT	7,780	2,224	2,385	6,022	8,878	6,491	14,401	19,418	18,412	49,187
Tax	1,974	-1,145	621	1,884	2,622	1,629	3,312	4,733	3,334	12,297
Rate (%)	25.4	-51.5	26.0	31.3	29.5	25.1	23.0	24.4	18.1	25.0
MI & Profit/Loss of Asso. Cos.	-618	-32	-183	-354	-272	-831	408	2,264	-1,186	1,569
Reported PAT	5,188	3,338	1,582	3,784	5,984	4,030	11,497	16,948	13,892	38,459
Adj PAT	5,188	3,338	1,582	3,784	5,984	4,030	11,497	16,948	13,892	38,459
YoY Change (%)	288.3	359.5	152.2	-20.8	15.3	20.7	626.7	347.8	86.0	176.8
Margins (%)	70.2	30.5	16.3	17.8	137.7	54.4	73.8	64.2	28.2	71.6

Source: Company, MOFSL

Kolte Patil Developers

Buy

CMP: INR391 | TP: INR490 (25%)
EPS CHANGE (%): FY26|27|28: 8|3|2

- We expect revenue to grow ~94% YoY to INR6.8b.
- We expect EBITDA of INR1.7b, with margins at 25.2%.
- Steady sales from ongoing projects should drive bookings to INR8.5b, up 25% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	3,408	3,083	3,497	7,187	824	1,387	6,794	7,981	17,174	16,985
YoY Change (%)	-40	56	361	37	-76	-55	94	11	25.2	-1.1
Total Expenditure	3,130	2,921	3,241	6,123	1,083	1,759	5,083	6,029	15,415	13,954
EBITDA	278	162	256	1,064	-260	-372	1,711	1,952	1,759	3,031
Margins (%)	8.2	5.2	7.3	14.8	-31.5	-26.8	25.2	24.5	10.2	17.8
Depreciation	42	24	34	43	42	42	40	36	143	161
Interest	187	107	61	64	67	33	98	129	419	328
Other Income	95	127	196	45	145	231	178	160	464	714
PBT before EO expense	144	157	357	1,003	-225	-216	1,751	1,946	1,661	3,256
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	144	157	357	1,003	-225	-216	1,751	1,946	1,661	3,256
Tax	104	69	96	350	-53	-29	652	643	618	1,213
Rate (%)	72.2	44.0	26.8	34.9	23.7	13.4	37.2	33.0	0.4	0.4
MI & P/Lof Asso. Cos.	-22	-10	8	0	-2	-83	-9	71	-24	-24
Reported PAT	62	97	253	653	-170	-104	1,108	1,233	1,066	2,067
Adj PAT	62	97	253	653	-170	-104	1,108	1,233	1,066	2,067
YoY Change (%)	-86	-138	-140	-342	-373	-207	338	89	-253.9	94.0
Margins (%)	1.8	3.2	7.2	9.1	-20.6	-7.5	16.3	15.4	6.2	12.2

Sri Lotus Developers and Realty

Buy

CMP: INR166 | TP: INR250 (50%)

EPS CHANGE (%): FY26|27|28: 0|0|0

- We expect revenue to grow ~3x YoY to INR3.6b.
- Bookings are likely to stand at INR4b, up 56% QoQ.
- We expect EBITDA of INR1.3b, with a margin of 36.4%.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	1,207	1,227	1,162	1,900	613	1,761	3,581	4,897	5,497	10,853
YoY Change (%)	NA	NA	NA	NA	-49.2	43.5	208.1	157.7	NA	958.0
Total Expenditure	679	571	546	810	319	1,257	2,278	3,050	2,607	6,903
EBITDA	527	656	616	1,090	295	504	1,303	1,848	2,890	3,950
Margins (%)	43.7	53.5	53.0	57.4	48.0	28.6	36.4	37.7	52.6	36.4
Depreciation	3	4	4	4	4	4	4	1	15	13
Interest	0	0	0	1	5	5	0	-10	2	0
Other Income	18	23	74	81	68	127	80	-32	196	243
PBT before EO expense	542	675	686	1,166	353	622	1,379	1,825	3,068	4,180
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	542	675	686	1,166	353	622	1,379	1,825	3,068	4,180
Tax	140	171	172	307	95	159	347	451	789	1,052
Rate (%)	25.8	25.3	25.1	26.3	27.0	25.5	25.2	24.7	25.7	25.2
MI & Profit/Loss of Asso. Cos.	-1	-1	-2	-1	-2	-2	-53	-104	-5	-161
Reported PAT	401	504	512	858	256	462	979	1,270	2,274	2,967
Adj PAT	401	504	512	858	256	462	979	1,270	2,274	2,967
YoY Change (%)	NA	NA	NA	NA	-36.1	-8.4	91.2	48.1	59,569.2	2,194.7
Margins (%)	33.2	41.0	44.1	45.1	41.8	26.2	27.3	25.9	41.4	27.3

Lodha Developers

Buy

CMP: INR1,086 | TP: INR1,887 (74%)

EPS CHANGE (%): FY26|27|28: -2|-6|-5

- We expect revenue to increase 24% YoY to INR50.7b.
- The company is expected to report bookings of INR61.5b, up 36% YoY.
- EBITDA is expected to increase 11% YoY to INR14.5b, with a margin of 28.5%.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	28,465	26,257	40,830	42,243	34,917	37,985	50,707	57,488	1,37,795	1,81,097
YoY Change (%)	76	50	39	5	23	45	24	36	33.6	31.4
Total Expenditure	20,897	19,211	27,771	30,036	25,073	26,897	36,256	41,259	97,915	1,29,484
EBITDA	7,568	7,046	13,059	12,207	9,844	11,088	14,452	16,229	39,880	51,613
Margins (%)	26.6	26.8	32.0	28.9	28.2	29.2	28.5	28.2	28.9	28.5
Adj. EBITDA (as per co.)	9,600	9,600	15,900	14,600	12,000	13,100	14,452	12,061	49,700	52,100
Margins (%)	33.7	36.6	38.9	34.6	34.4	34.5	28.5	21.0	36.1	28.8
Depreciation	604	665	672	778	659	714	901	943	2,719	3,216
Interest	1,172	1,365	1,441	1,517	1,478	1,565	1,581	1,575	5,495	6,198
Other Income	718	589	636	1,960	1,330	804	1,196	942	3,903	4,273
PBT before EO expense	6,510	5,605	11,582	11,872	9,037	9,613	13,167	14,654	35,569	46,471
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	6,510	5,605	11,582	11,872	9,037	9,613	13,167	14,654	35,569	46,471
Tax	1,747	1,368	2,137	2,637	2,284	1,710	2,920	3,393	7,889	10,307
Rate (%)	26.8	24.4	18.5	22.2	25.3	17.8	22.2	23.2	0.2	0.2
MI & Profit/Loss of Asso. Cos.	10	8	1	18	6	16	10	5	37	37
Reported PAT	4,753	4,229	9,444	9,217	6,747	7,887	10,236	11,257	27,643	36,127
Adj PAT (as per co.)	4,800	4,200	9,400	9,200	6,800	7,900	10,236	11,191	27,600	36,127
YoY Change (%)	182	100	65	37	42	88	9	22	70.4	30.9
Margins (%)	16.9	16.0	23.0	21.8	19.5	20.8	20.2	19.5	20.0	19.9

Source: Company, MOFSL

Mahindra Lifespace Developers

Neutral

CMP: INR395 | TP: INR435 (10%)

EPS CHANGE (%): FY26|27|28: 264|7|7

■ Revenue is expected to decline 19% YoY to INR1.4b.

■ We expect MLDL to report quarterly bookings of INR10.5b, up ~3x YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Income from Operations	1,881	76	1,673	92	320	176	1,360	3,060	3,723	4,915
YoY Change (%)	91.9	-57.2	104.0	-35.3	-83.0	130.7	-18.7	3,211.2	75.5	32.0
Total Expenditure	2,297	554	1,927	644	870	700	1,617	2,658	5,422	5,845
EBITDA	-416	-478	-254	-552	-550	-525	-258	402	-1,699	-931
Margins (%)	-22.1	-627.5	-15.2	-597.2	-172.1	-298.8	-18.9	13.1	-45.6	-18.9
Depreciation	43	40	40	55	61	65	63	39	178	228
Interest	60	70	42	21	40	19	50	74	194	182
Other Income	186	84	185	462	86	155	136	114	916	491
PBT before EO expense	-334	-504	-151	-166	-564	-453	-235	403	-1,155	-850
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	-334	-504	-151	-166	-564	-453	-235	403	-1,155	-850
Tax	-97	0	173	15	-97	28	19	117	92	67
Rate (%)	28.9	0.0	-114.6	-8.9	17.1	-6.2	-7.9	29.0	-7.9	-7.9
MI & Profit/Loss of Asso. Cos.	365	364	99	1,032	980	961	678	373	1,859	2,992
Reported PAT	127	-141	-225	851	512	479	425	659	613	2,075
Adj PAT	127	-141	-225	851	512	479	425	659	613	2,075
YoY Change (%)	NM	NM	NM	19.0	NM	NM	NM	-22.5	-37.6	238.6
Margins (%)	6.8	-184.6	-13.4	920.8	160.3	272.8	31.2	21.5	16.5	42.2

Oberoi Realty

Neutral

CMP: INR1,730 | TP: INR1,782 (3%)

EPS CHANGE (%): FY26|27|28: 3|0|0

■ We expect revenue to increase 31% YoY to INR18.6b.

■ New bookings are expected to decline 6% YoY to INR18b in light of no new launches.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	14,052	13,199	14,111	11,501	9,876	17,790	18,553	17,356	52,863	63,575
YoY Change (%)	54.4	8.4	33.9	-12.5	-29.7	34.8	31.5	50.9	17.6	20.3
Total Expenditure	5,901	5,061	5,549	5,321	4,672	7,588	6,623	3,813	21,832	22,696
EBITDA	8,151	8,138	8,561	6,181	5,203	10,203	11,929	13,543	31,030	40,879
Margins (%)	58.0	61.7	60.7	53.7	52.7	57.4	64.3	78.0	58.7	64.3
Depreciation	202	208	233	242	316	334	453	449	885	1,553
Interest	589	517	745	801	750	712	783	745	2,652	2,989
Other Income	368	387	492	632	864	658	835	504	1,879	2,861
PBT before EO expense	7,728	7,800	8,076	5,769	5,002	9,815	11,528	12,852	29,373	39,197
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	7,728	7,800	8,076	5,769	5,002	9,815	11,528	12,852	29,373	39,197
Tax	1,905	1,930	1,919	1,439	857	2,329	2,823	3,591	7,194	9,600
Rate (%)	24.7	24.7	23.8	24.9	17.1	23.7	24.5	27.9	24.5	24.5
MI & Profit/Loss of Asso. Cos.	23	25	27	2	68	117	0	0	76	0
Reported PAT	5,845	5,894	6,184	4,332	4,213	7,603	8,705	9,261	22,255	29,597
Adj PAT	5,845	5,894	6,184	4,332	4,213	7,603	8,705	9,261	22,255	29,597
YoY Change (%)	81.7	29.0	71.7	-45.0	-27.9	29.0	40.8	113.8	15.5	33.0
Margins (%)	41.6	44.7	43.8	37.7	42.7	42.7	46.9	53.4	42.1	46.6

Source: Company, MOFSL

Phoenix Mills

Buy

CMP: INR1,902 | TP: INR2,211 (16%)
EPS CHANGE (%): FY26|27|28: 3|0|-1

■ We expect revenue to increase 26% YoY to INR12.3b.

■ EBITDA is likely to increase 28% YoY to INR7.1b, with the margin reaching 58%.

Consolidated quarterly earnings model (INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	9,041	9,180	9,751	10,163	9,530	11,154	12,290	14,295	38,136	47,269
YoY Change (%)	11.5	4.9	-1.1	-22.2	5.4	21.5	26.0	40.7	-4.1	24.0
Total Expenditure	3,731	4,003	4,223	4,567	3,887	4,485	5,199	6,426	16,524	19,998
EBITDA	5,310	5,177	5,528	5,597	5,643	6,669	7,091	7,869	21,612	27,272
Margins (%)	58.7	56.4	56.7	55.1	59.2	59.8	57.7	55.0	56.7	57.7
Depreciation	775	775	813	902	934	912	918	766	3,265	3,531
Interest	1,031	1,031	1,029	941	951	919	1,166	1,448	4,032	4,485
Other Income	383	371	304	451	315	308	360	403	1,509	1,386
PBT before EO expense	3,887	3,741	3,991	4,204	4,072	5,145	5,367	6,057	15,824	20,641
Extra-Ord expense	-5	0	160	-27	0	0	0	0	127	0
PBT	3,882	3,741	4,151	4,177	4,072	5,145	5,367	6,057	15,951	20,641
Tax	747	835	641	712	873	1,317	988	621	2,936	3,799
Rate (%)	19.3	22.3	15.4	16.9	21.4	25.6	18.4	10.3	18.4	18.4
MI & P/L of Asso. Cos.	809	725	862	777	792	788	95	-1,310	3,173	366
Reported PAT	2,326	2,181	2,648	2,688	2,407	3,040	4,284	6,746	9,842	16,477
Adj PAT	2,326	2,181	2,648	2,693	2,407	3,040	4,284	6,746	9,842	16,477
YoY Change (%)	-3.3	-13.7	-5.2	-17.6	3.5	39.4	61.8	150.5	-10.5	67.4
Margins (%)	25.7	23.8	27.2	26.5	25.3	27.3	34.9	47.2	25.8	34.9

Prestige Estates Projects

Buy

CMP: INR1,619 | TP: INR2,295 (42%)
EPS CHANGE (%): FY26|27|28: -17|-10|-9

■ We expect revenue to grow 71% YoY to INR28b in 3QFY26.

■ PEPL is likely to report bookings of INR46.7b, up 55% YoY.

■ PEPL is expected to report EBITDA of INR7.6b, with a 26.8% margin.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	18,621	23,044	16,545	15,284	23,073	24,317	28,215	38,708	73,494	1,14,313
YoY Change (%)	10.8	3.0	-7.9	-29.4	23.9	5.5	70.5	153.3	-6.7	55.5
Total Expenditure	10,658	16,731	10,644	9,873	14,135	15,219	20,648	33,653	47,906	83,655
EBITDA	7,963	6,313	5,901	5,411	8,938	9,098	7,567	5,055	25,588	30,658
Margins (%)	42.8	27.4	35.7	35.4	38.7	37.4	26.8	13.1	34.8	26.8
Depreciation	1,905	2,004	2,047	2,167	2,162	2,186	2,347	2,814	8,123	9,509
Interest	3,461	3,565	3,451	2,861	3,839	3,851	3,663	3,487	13,338	14,840
Other Income	1,624	1,194	434	609	1,614	2,661	1,975	1,752	3,861	8,002
PBT before EO expense	4,221	1,938	837	992	4,551	5,722	3,532	506	7,988	14,311
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	4,221	1,938	837	992	4,551	5,722	3,532	506	7,988	14,311
Tax	1,023	-519	445	440	1,271	1,266	614	455	1,389	3,606
Rate (%)	24.2	-26.8	53.2	44.4	27.9	22.1	17.4	90.0	17.4	25.2
MI & Profit/Loss of Asso. Cos.	872	535	215	302	355	153	387	674	1,924	1,569
Reported PAT	2,326	1,922	177	250	2,925	4,303	2,531	-623	4,675	9,136
Adj PAT	2,326	1,922	177	250	2,925	4,303	2,531	-623	4,675	9,136
YoY Change (%)	-12.9	3.6	-84.8	-82.1	25.8	123.9	1,329.8	-349.2	-34.0	95.4
Margins (%)	12.5	8.3	1.1	1.6	12.7	17.7	9.0	-1.6	6.4	8.0

Signature Global

Buy

CMP: INR1,126 | TP: INR1,385 (23%)

EPS CHANGE (%): FY26|27|28: 4|2|1

- Revenue is expected to grow 47% YoY to INR12.2b.
- EBITDA is expected to be at INR2.2b, with EBITDA margin of 18.2%.
- Bookings are expected to reach INR35b, up 26% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	4,006	7,493	8,277	5,204	8,657	3,385	12,208	19,351	24,980	43,601
YoY Change (%)	141.5	660.5	193.7	-25.0	116.1	-54.8	47.5	271.8	101.4	74.5
Total Expenditure	4,019	7,609	8,142	4,766	8,324	4,128	9,989	13,233	24,535	35,673
EBITDA	-13	-116	135	439	332	-743	2,220	6,118	446	7,927
Margins (%)	-0.3	-1.5	1.6	8.4	3.8	-21.9	18.2	31.6	1.8	18.2
Depreciation	52	68	75	79	76	78	88	74	274	315
Interest	75	169	142	130	126	135	227	324	515	812
Other Income	274	281	345	500	327	340	470	542	1,400	1,680
PBT before EO expense	135	-71	263	730	458	-615	2,375	6,263	1,057	8,480
Extra-Ord expense	2	0	0	3	1	1	0	-2	6	0
PBT	133	-72	263	727	457	-616	2,375	6,265	1,051	8,480
Tax	65	-113	-29	116	113	-147	87	259	39	312
Rate (%)	48.8	157.9	-11.0	15.9	24.7	23.9	3.7	4.1	-3.9	-1.4
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	1	1	1
Reported PAT	68	41	291	611	344	-469	2,287	6,005	1,011	8,167
Adj PAT	68	41	291	611	344	-469	2,287	6,005	1,011	8,167
YoY Change (%)	-199.4	-121.3	1,195.2	46.4	408.8	-1,241.0	685.4	882.9	452.8	708.0
Margins (%)	1.7	0.5	3.5	11.7	4.0	-13.8	18.7	31.0	4.0	18.7

SOBHA

Buy

CMP: INR1,492 | TP: INR1,884 (26%)

EPS CHANGE (%): FY26|27|28: 2|19|6

- Revenue is likely to grow 7% YoY to INR13.1b in 3QFY26.
- EBITDA is likely to jump multifold YoY to INR2.5b, with a margin of 19.2%.
- SOBHA is likely to report bookings of INR30b, marking 116% YoY growth.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	6,404	9,336	12,241	12,406	8,519	14,076	13,073	14,665	40,387	50,333
YoY Change (%)	-29.5	25.9	78.7	62.6	33.0	50.8	6.8	18.2		
Total Expenditure	5,845	8,565	11,569	11,466	8,281	13,120	10,557	12,080	37,444	44,038
EBITDA	559	771	672	941	238	956	2,516	2,585	2,943	6,296
Margins (%)	8.7	8.3	5.5	7.6	2.8	6.8	19.2	17.6	7.3	12.5
Depreciation	204	232	233	230	237	262	247	205	898	950
Interest	539	494	473	450	310	322	344	349	1,956	1,326
Other Income	295	317	328	301	495	617	523	379	1,241	2,013
PBT before EO expense	111	362	295	562	187	989	2,448	2,410	1,330	6,033
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	111	362	295	562	187	989	2,448	2,410	1,330	6,033
Tax	50	101	78	154	50	264	705	918	383	1,938
Rate (%)	45.4	28.0	26.4	27.3	27.0	26.7	28.8	38.1	28.8	32.1
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	61	261	217	409	136	725	1,743	1,492	947	4,096
Adj PAT	61	261	217	409	136	725	1,743	1,492	947	4,096
YoY Change (%)	-49.8	74.6	43.8	481.1	124.9	178.0	703.6	265.1	92.8	332.5
Margins (%)	0.9	2.8	1.8	3.3	1.6	5.2	13.3	10.2	2.3	8.1

Sunteck Realty

Buy

CMP: INR430 | TP: INR576 (34%)

EPS CHANGE (%): FY26|27|28: 18|69|49

- Revenue is likely to increase 2x YoY to INR3.4b.
- EBITDA is expected to increase 75% YoY to INR846m, with a margin of 25%.
- Bookings may increase 41% YoY to INR8.9b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	3,163	1,690	1,618	2,060	1,883	2,524	3,379	3,477	8,531	11,263
YoY Change (%)	348.2	577.3	281.1	-51.7	-40.5	49.3	108.9	68.8		
Total Expenditure	2,849	1,317	1,134	1,374	1,406	1,745	2,533	2,759	6,673	8,443
EBITDA	314	374	484	687	477	778	846	718	1,858	2,820
Margins (%)	9.9	22.1	29.9	33.3	25.4	30.8	25.0	20.7	21.8	25.0
Depreciation	34	36	31	28	34	36	48	48	129	167
Interest	103	99	87	119	149	194	194	156	409	693
Other Income	117	130	130	118	132	98	136	139	495	505
PBT before EO expense	295	368	495	658	426	646	740	653	1,816	2,466
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	295	368	495	658	426	646	740	653	1,816	2,466
Tax	70	22	69	170	92	159	257	349	331	857
Rate (%)	23.9	5.9	13.9	25.9	21.6	24.5	34.8	53.5	18.2	34.8
MI & Profit/Loss of Asso. Cos.	-3	1	1	-17	0	-2	-6	-10	-18	-18
Reported PAT	228	346	425	504	334	490	488	314	1,503	1,627
Adj PAT	228	346	425	504	334	490	488	314	1,503	1,627
YoY Change (%)	-438.0	-349.6	-537.1	-50.3	46.6	41.4	14.8	-37.6	111.9	8.2
Margins (%)	7.2	20.5	26.3	24.5	17.8	19.4	14.4	9.0	17.6	14.4

Retail

Company

Aditya Birla Fashion
Aditya Birla Lifestyle
Arvind Fashions
Avenue Supermarts
Bata India
Campus Activewear
Go Fashions
Metro Brands
Raymond Lifestyle
Relaxo Footwear
Reliance Retail
Shoppers Stop
Trent
V-Mart Retail
Vedant Fashions
Vishal Mega Mart

Muted 3Q as festive shift and weak demand weigh on growth

- 3Q is expected to be a muted quarter for retailers, with growth moderation continuing due to a shift in festive dates partly to 2QFY26 (vs. entirely in 3QFY25) and a weak demand environment. Retailers with higher salience to East India are expected to be adversely impacted by the festive period shift.
- We expect aggregate revenue growth of ~12% YoY for our retail coverage universe (vs. ~14% YoY in 1HFY26), with several retailers under our coverage posting double-digit growth (largely similar to 2QFY26).
- We expect modest revival in growth trends for branded apparel retailers, driven by recent policy measures such as GST and income tax rationalization.
- However, ethnic retailers are expected to continue to underperform, with mid-to high-single-digit revenue growth, reflecting structural weakness.
- Footwear retailers may see a modest recovery (+5% YoY in 3QFY26 vs. flat in 1HFY26) but continue to underperform the broader retail sector. Metro and Campus could sustain double-digit YoY revenue growth, while Relaxo and BATA may continue to witness tepid demand trends.
- Reliance Retail is likely to report relatively modest ~10%/4% YoY growth in revenue/operating EBITDA, due to adverse impact of FMCG (RCPL) demerger, GST cut and rising salience of lower margin Quick Commerce.

Expect ~12% YoY revenue/EBITDA growth for our coverage universe

- Our retail coverage universe (15 stocks, excl. Reliance Retail or RR) is expected to deliver aggregate revenue growth of ~12% YoY in 3QFY26 (vs. 14% YoY in 1HFY26). However, the growth is partly impacted by the early start to the festive season in FY26 (vs. FY25), especially for retailers with higher salience to East (value retail, Pantaloons, etc.).
- VMM is likely to be the only retailer in our coverage with 20% YoY revenue growth. After decelerating in the past few quarters, Trent's revenue growth stabilized at ~17% YoY in 3Q, while growth continued to decelerate for DMart due to rising competitive intensity.
- Among segments, apparel retail (excl. DMart) is set to grow ~12% YoY (vs. 14% YoY in 1H), while footwear is expected to see modest recovery to 5% YoY (vs. flat in 1H).
- Aggregate gross profit is likely to rise ~11% YoY in 3QFY26 (vs. 12% in 1HFY26) as gross margins could contract ~40bp YoY to 32.7% due to festive shift, early EoSS, and drag from DMart.
- Operating leverage and disciplined cost controls are likely to keep EBITDA margin largely steady YoY, driving ~11.5% YoY aggregate EBITDA growth (vs. ~14% YoY in 1HFY26). We expect aggregate PAT to jump ~13% YoY (vs. 11% in 1HFY26).

Apparel Retail: Growth moderates due to festive shift to 2Q

- Apparel retailers under our coverage (10 companies excluding DMart and RR) are expected to post ~12% YoY revenue growth in 3QFY26, moderation vs. 14% in 1HFY26, largely due to early start to the festive season.

- Aggregate gross profit (excl. DMart) is projected to increase ~12% YoY (vs. ~14% YoY in 1HFY26), as aggregate gross margins may contract ~30bp YoY to 45.6%.
- Aggregate EBITDA (excl. DMart) is estimated to rise ~13% YoY (vs. 20% YoY in 1HFY26). Trent and VMM are expected to lead the pack with 20%+ EBITDA growth. Aggregate EBITDA margin is likely to expand ~15bp to ~17.1%, led largely by robust cost controls.
- For DMart, revenue growth moderated to ~13%. We expect gross profit and EBITDA to grow ~12% and ~8% YoY, respectively, and EBITDA margin to contract ~35bp due to the high cost of retailing and the impact of intense competition (GM -10bp YoY).

Footwear: Slight pick-up in 3Q, but still remains weak

- Footwear retailers under our coverage are expected to deliver ~5% YoY revenue growth in 3QFY26 (vs. flat YoY in 1HFY26), with Metro (+12% YoY) and Campus (+11% YoY) maintaining their outperformance.
- Gross profit is projected to rise ~5% YoY (vs. -1% YoY in 1HFY26), mirroring revenue growth as margins are likely to remain flat YoY at 56%.
- EBITDA is likely to grow ~9% YoY (vs. ~2% YoY growth in 1H), with ~85bp margin expansion, driven by robust cost controls and accounting change benefits for BATA.
- Overall, aggregate PAT is projected to rise 7% YoY (vs. ~11% YoY decline in 1H).

Store rationalization largely complete

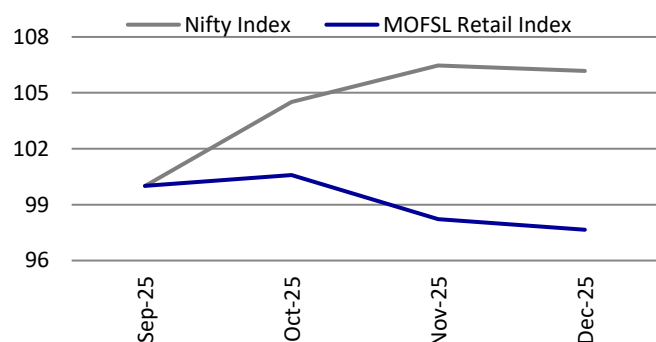
- We expect strong store expansion to continue for value retailers, while store additions are likely to pick up for premium and branded apparel retailers.
- Store rationalization could continue for select retailers, which are looking to improve their productivity/profitability. Nevertheless, we believe the broad-based store rationalization is likely coming to an end.
- VMART/DMART/Trent, in their pre-quarter updates, posted 21/10/63 net store additions in 3QFY26, while VMM likely added 44/17/24 stores QoQ.

Valuation and view

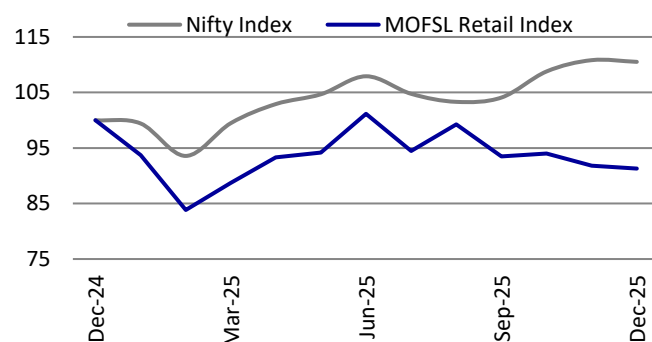
- Notwithstanding the shift in festive dates, overall growth trends remain muted for the retailers, with limited benefits from the recent GST rationalization.
- Overall, we prefer value fashion retailers (V-Mart, VMM), as they continue to benefit from the unorganized-to-organized shift and rising preference for one-stop shops, which offer wider assortment at competitive pricing and enhanced retail shopping experience, even in Tier 2+ towns.
- While we like TRENT and DMART given their healthy balance sheets, operational discipline, and superior execution track record, we note near-term risks to earnings estimates from rising competition, subdued store productivity growth, etc.
- In the footwear space, we prefer METRO for its industry-leading store economics and Campus for its leadership in the fast-growing Sports & Athleisure category.

Exhibit 1: Summary of our quarterly estimates

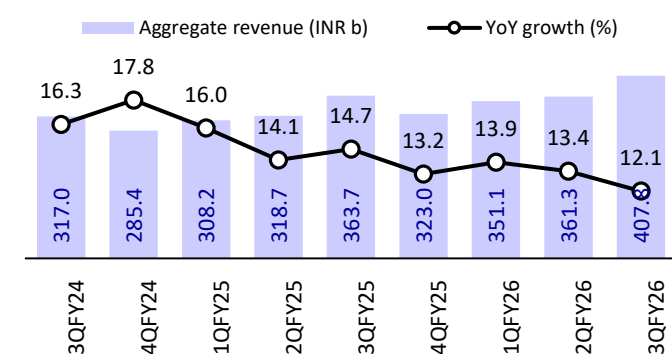
Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Aditya Birla Fashion	78	Neutral	23,486	NA	18.5	2,522	NA	266.5	-1,063	Loss	Loss
Aditya Birla Lifestyle	125	Neutral	23,382	NA	14.7	3,913	NA	23.5	1,038	63.3	343.0
Arvind Fashions	510	Buy	13,388	NA	-5.6	1,890	NA	0.9	475	78.3	26.0
Avenue Supermarts	3721	Buy	1,81,008	13.3	8.5	13,167	8.2	8.5	7,612	5.2	10.9
Bata India	949	Neutral	9,416	2.5	17.5	2,119	6.2	46.2	648	-3.1	226.7
Campus Activewear	262	Buy	5,680	10.3	46.9	960	16.8	92.4	547	17.7	172.5
Devyani Intl.	148	Buy	15,017	16.0	9.1	2,351	7.2	21.0	135	LP	LP
Go Fashion	462	Buy	2,298	7.0	2.5	729	4.5	9.4	254	4.6	16.7
Jubilant Foodworks	553	Neutral	18,447	14.5	8.6	3,680	17.7	11.7	876	46.9	36.9
Kalyan Jewellers	496	Buy	97,874	34.3	24.6	6,396	29.6	28.7	3,674	41.4	41.0
Metro Brands	1178	Buy	7,855	11.7	20.6	2,517	11.8	47.4	1,270	5.7	82.0
P N Gadgil Jewellers	612	Buy	32,543	33.6	49.4	1,810	47.5	69.0	1,163	35.2	46.6
Raymond Lifestyle	1039	Buy	18,811	7.2	2.7	2,128	18.5	-5.8	827	28.1	3.6
Relaxo Footwear	404	Sell	6,532	-2.1	3.9	859	3.0	5.8	391	18.6	8.3
Restaurant Brands	65	Buy	5,862	18.3	3.1	910	15.3	12.0	-100	Loss	Loss
Sapphire Foods	253	Buy	8,228	8.8	10.8	1,348	0.3	32.0	48	-62.0	LP
Senco Gold	324	Neutral	23,938	17.0	55.8	1,604	49.1	50.6	796	46.8	63.1
Shoppers Stop	389	Neutral	13,788	5.1	17.3	2,482	3.4	51.3	505	3.6	LP
Titan Company	4051	Buy	2,32,707	31.2	24.3	24,684	28.1	31.6	15,832	27.1	41.5
Trent	4409	Buy	52,875	16.6	11.9	10,443	24.7	28.4	5,525	17.7	22.6
United Foodbrands	216	Neutral	3,437	4.5	12.8	619	0.6	64.0	-30	PL	Loss
V-Mart Retail	700	Buy	11,260	9.7	39.6	1,836	7.1	156.7	726	1.4	LP
Vedant Fashions	580	Neutral	5,256	2.8	99.7	2,479	2.3	123.7	1,603	1.5	185.8
Vishal Mega Mart	136	Buy	37,654	20.1	26.3	6,061	20.0	53.6	3,092	17.7	103.0
Westlife Foodworld	539	Neutral	7,015	7.3	9.3	1,004	9.9	32.4	86	21.5	LP
Retail			8,57,754	20.1	18.8	98,509	17.2	31.6	45,932	21.4	63.6

Exhibit 2: Relative performance – three months (%)


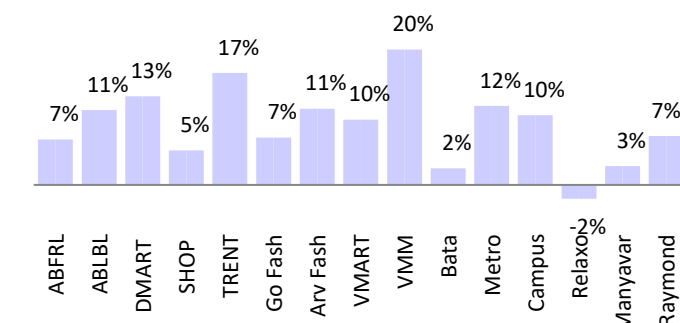
Source: Bloomberg, MOFSL

Exhibit 3: Relative performance – one year (%)


Source: Bloomberg, MOFSL

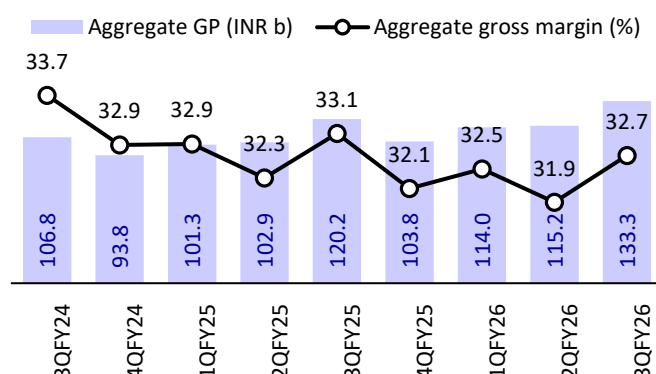
Exhibit 4: Aggregate revenue growth for our retail universe likely to moderate to ~12% YoY in 3Q (vs. ~13% YoY in 2Q)


Source: Company, MOFSL

Exhibit 5: Overall growth hurt by festive shift; VMM to outperform with ~20% YoY revenue growth


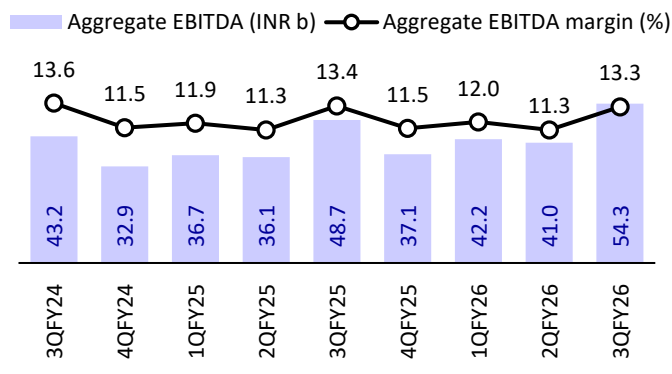
Source: Company, MOFSL

Exhibit 6: Aggregate gross profit to rise ~11% YoY (vs. 12% in 2Q), as gross margins are likely to contract by ~40bp YoY



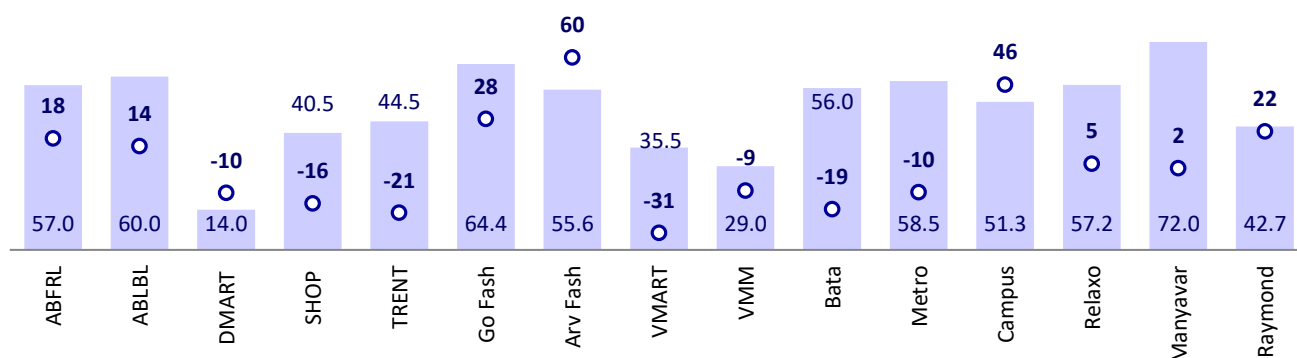
Source: Company, MOFSL

Exhibit 7: Aggregate EBITDA to rise ~11.5% YoY (vs. 13% in 2Q), with aggregate margins contracting ~10bp YoY to 13.3%



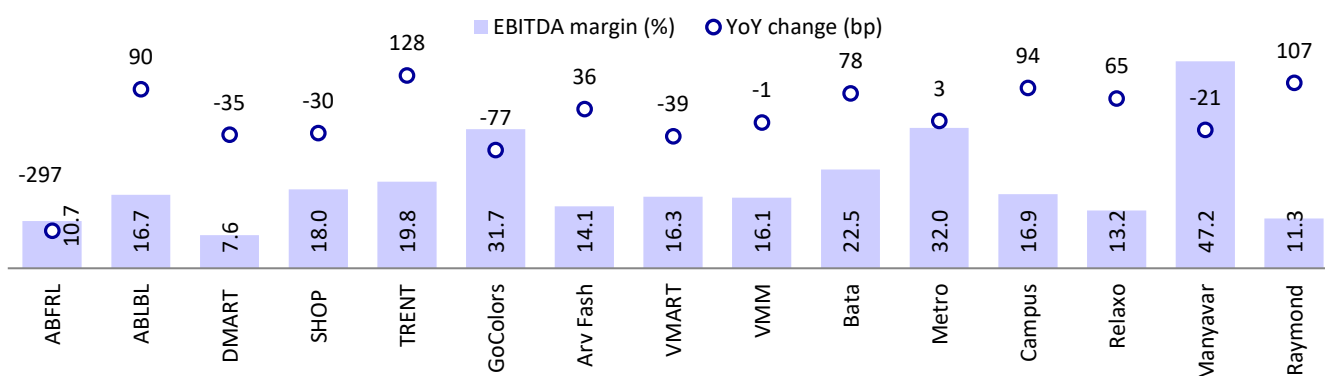
Source: Company, MOFSL

Exhibit 8: Aggregate gross margin likely to contract ~40bp YoY; Arvind and Campus to witness strong margin expansion, while D-Mart to remain a drag with ~10bp contraction

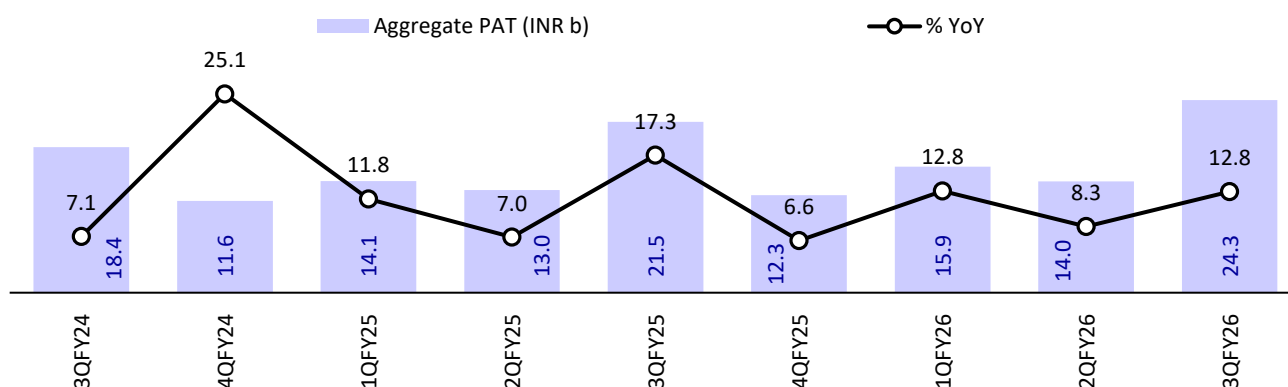


Source: MOFSL, Company

Exhibit 9: Aggregate reported EBITDA margin likely to dip ~10bp YoY; Trent, RLL, ABLBL, and Campus to witness margin expansion, while DMart and ABFRL key laggards in 3QFY26



Source: MOFSL, Company

Exhibit 10: Aggregate PAT is expected to rise ~13% YoY


Source: MOFSL, Company

Exhibit 11: Category-wise summary for our retail coverage universe

% YoY Growth	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26E
Revenue (YoY Change)	16.3	17.8	16.0	14.1	14.7	13.2	13.9	13.4	12.1
D-Mart	17.2	19.9	18.4	14.2	17.5	16.7	16.2	15.4	13.1
Footwear	3.0	2.3	-1.0	3.7	2.9	1.6	-1.5	1.3	5.2
Apparel retail	18.5	19.4	17.8	16.2	14.4	12.1	14.8	14.0	12.4
% Gross Margin	33.7	32.9	32.9	32.3	33.1	32.1	32.5	31.9	32.7
D-Mart	14.2	13.7	14.9	14.2	14.1	13.5	14.6	14.2	14.0
Footwear	56.4	57.8	57.7	56.9	56.0	56.0	57.2	56.5	56.0
Apparel retail	46.2	45.6	45.5	45.2	45.9	45.8	45.7	44.8	45.6
Gross Margin (Change in bp)	51	41	-5	30	-65	-74	-43	-42	-38
D-Mart	-9	29	34	21	-14	-24	-27	6	-10
Footwear	212	293	142	-41	-33	-184	-47	-42	-1
Apparel retail	92	31	30	95	-33	18	22	-38	-30
EBITDA (YoY Change)	16.1	20.0	11.3	12.3	12.8	12.6	14.9	13.4	11.5
D-Mart	15.0	20.2	17.8	10.3	10.2	4.4	7.6	11.3	8.2
Footwear	-8.8	5.0	-14.0	0.5	12.4	6.5	4.9	-1.9	9.4
Apparel retail	24.7	25.8	17.6	17.2	13.9	18.6	22.1	17.9	13.2
% EBITDA Margin	13.6	11.5	11.9	11.3	13.4	11.5	12.0	11.3	13.3
D-Mart	8.5	7.6	8.9	7.9	7.9	6.8	8.2	7.6	7.6
Footwear	19.3	21.1	19.8	18.7	21.0	22.1	21.1	18.1	21.9
Apparel retail	17.0	13.4	13.4	13.4	16.9	14.1	14.2	13.9	17.1
EBITDA Margin (Change in bp)	-1	21	-51	-21	-23	-6	10	0	-8
D-Mart	-16	2	-4	-27	-53	-80	-66	-28	-35
Footwear	-248	54	-300	-59	178	101	130	-59	84
Apparel retail	86	70	-2	12	-8	77	85	46	13
PAT (YoY Change)	7.1	25.1	11.8	7.0	17.3	6.6	12.8	8.3	12.8
D-Mart	14.9	19.6	16.8	7.9	6.5	2.6	2.1	5.1	4.9
Footwear	-19.8	10.8	-14.3	-0.8	21.0	-4.9	-8.2	-15.2	7.2
Apparel retail	12.2	154.9	40.3	9.9	25.5	23.5	52.7	24.0	19.7

Source: Company, MOFSL

Exhibit 12: Retail store footprint and net store additions

Total Stores	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY	QoQ
ABFRL + ABLBL	4,753	4,664	4,607	4,538	4,492	4,420	4,398	4,446	4,486	0%	1%
Bata	1,835	1,862	1,916	1,955	1,953	1,962	1,978	1,995	2,009	3%	1%
Raymond	1,512	1,518	1,539	1,592	1,653	1,688	1,675	1,663	1,648	0%	-1%
TRENT	715	811	823	831	907	1,043	1,043	1,101	1,164	28%	6%
Metro	840	839	854	873	895	908	928	966	997	11%	3%
Go Fashion	704	714	734	755	775	776	803	812	835	8%	3%
VMM	589	611	626	645	668	696	717	742	766	15%	3%
Vedant Fashion	673	676	662	650	666	678	684	671	670	1%	0%
VMART	454	444	448	467	488	497	510	533	554	14%	4%
DMART	341	365	371	377	387	415	424	432	442	14%	2%
Relaxo	399	405	399	403	410	418	406	414	417	2%	1%
SHOP	290	306	320	341	345	363	362	365	375	9%	3%
Campus	250	268	275	288	290	296	290	290	290	0%	0%
Total (Ex-RRVL)	13,355	13,483	13,574	13,715	13,929	14,160	14,218	14,430	14,653	5%	2%
YoY	2,318	2,125	1,843	1,336	574	677	644	715	724		
QoQ	976	128	91	141	214	231	58	212	223		

Source: Company, MOFSL

Exhibit 13: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Retail						79.3	64.5	53.6	11.1	9.8	8.6	13.9	15.2	16.0
Aditya Birla Fashion	78	Neutral	-5.6	-6.0	-5.2	-14.1	-13.1	-15.0	1.3	1.5	1.7	-10.5	-12.7	-12.6
Aditya Birla Lifestyle	125	Neutral	1.9	2.4	2.7	66.8	52.9	46.5	10.2	8.5	7.2	16.4	17.5	16.8
Arvind Fashions	510	Buy	10.0	16.2	21.0	50.8	31.5	24.3	5.3	4.7	4.1	11.0	16.0	18.2
Avenue Supermarts	3,721	Buy	42.8	49.2	55.4	86.9	75.6	67.2	10.0	8.8	7.8	12.2	12.4	12.3
Bata India	949	Neutral	14.4	18.4	23.0	66.1	51.4	41.3	7.4	6.9	6.4	11.4	13.8	16.0
Campus Activewear	262	Buy	4.5	5.7	7.1	57.9	45.7	36.9	9.3	7.9	6.7	16.0	17.4	18.2
Devyani Intl.	148	Buy	-0.1	1.2	2.2	-2,356.1	127.1	67.3	29.2	38.0	41.9	-0.9	26.0	59.2
Go Fashion	462	Buy	16.6	21.8	25.9	27.8	21.2	17.8	3.2	2.9	2.6	11.0	12.8	13.6
Jubilant Foodworks	553	Neutral	5.3	8.1	10.7	104.5	68.2	51.9	18.2	18.0	16.6	17.4	26.4	32.0
Kalyan Jewellers	496	Buy	11.4	14.6	17.2	43.6	34.1	28.8	9.0	7.7	6.6	22.4	24.4	24.8
Metro Brands	1,178	Buy	15.0	18.0	20.7	78.3	65.3	56.9	15.9	13.7	11.8	22.3	23.1	22.8
P N Gadgil Jewellers	612	Buy	25.2	29.8	35.1	24.3	20.6	17.5	4.4	3.6	3.0	19.8	19.2	18.7
Raymond Lifestyle	1,039	Buy	35.2	54.5	66.7	29.5	19.1	15.6	0.6	0.6	0.6	4.8	7.1	8.0
Relaxo Footwear	404	Sell	7.6	8.5	9.2	52.9	47.7	43.9	4.5	4.2	3.9	8.8	9.1	9.2
Restaurant Brands	65	Buy	-3.2	-1.7	-0.6	-20.2	-38.7	-116.4	5.4	6.2	6.6	-23.4	-14.9	-5.5
Sapphire Foods	253	Buy	-0.1	1.7	2.4	-2,013.9	147.6	104.0	5.8	5.6	5.3	-0.3	3.9	5.2
Senco Gold	324	Neutral	17.6	18.3	22.4	18.4	17.7	14.4	2.4	2.1	1.9	13.7	12.7	13.9
Shoppers Stop	389	Neutral	0.5	-1.8	-4.2	812	-212	-91.9	9.4	10.0	11.7	1.5	-6.0	-15.4
Titan Company	4,051	Buy	56.8	67.2	79.5	71.3	60.2	51.0	23.8	18.6	14.8	37.7	34.7	32.4
Trent	4,409	Buy	49.0	55.0	61.9	90	80	71.2	20.9	16.7	13.7	28.0	24.8	22.6
United Foodbrands	216	Neutral	-14.3	-13.6	-12.7	-15	-16	-17.0	2.7	3.3	4.1	-18.2	-21.0	-24.4
Vedant Fashions	580	Neutral	16.0	16.4	17.2	36	35	33.7	7.3	6.6	6.0	19.6	18.3	17.4
Vishal Mega Mart	136	Buy	1.8	2.3	3.0	75	59	45.7	8.7	7.5	6.5	12.3	13.8	15.2
V-Mart Retail	700	Buy	13.5	19.1	26.8	52	37	26.2	6.1	5.2	4.3	12.4	15.3	18.1
Westlife Foodworld	539	Neutral	-0.2	1.5	4.4	-2,345.0	353.9	123.5	13.6	13.1	11.8	-0.6	3.8	10.1

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

Aditya Birla Fashion

Neutral

CMP: INR78 | TP: INR80 (+2%)
EPS CHANGE (%): FY26|27: (8)|(7)

- Expect 7% YoY overall revenue growth as weak Pantaloon's performance (revenue -4% YoY) offset robust growth in other segments.
- Reported EBITDA margin is expected to contract ~300bp YoY to 10.7%, due to weaker performance by Pantaloon's and higher costs associated with Galeries store launch

Consolidated - Quarterly Summary

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	16,742	17,605	22,005	17,195	18,315	19,817	23,486	18,785	73,547	80,402
YoY Change (%)				9.2	9.4	12.6	6.7	9.2	14.2	9.3
Total Expenditure	15,847	16,802	18,989	15,146	17,198	19,129	20,964	16,778	66,783	74,069
EBITDA	896	803	3,017	2,049	1,117	688	2,522	2,006	6,764	6,333
Change, YoY (%)				486.6	24.7	-14.3	-16.4	-2.1	82.8	-6.4
Depreciation	2,736	2,862	3,007	3,016	3,156	3,252	3,284	3,163	11,664	12,855
Interest	1,321	1,412	1,507	1,434	1,134	1,242	1,235	1,087	5,674	4,697
Other Income	337	312	349	959	635	545	657	411	1,957	2,249
PBT before EO expense	-2,824	-3,159	-1,148	-1,442	-2,538	-3,260	-1,340	-1,832	-8,616	-8,970
Extra-Ord expense	0	1,612	0	0	0	0	0	0	1,612	-250
Share in JV	-3	-32	-89	-54	-58	-70	-60	-62	-179	
PBT	-2,827	-1,580	-1,238	-1,496	-2,595	-3,331	-1,400	-1,895	-7,184	-9,220
Tax	-449	-418	-178	113	-258	-380	-338	-1,283	-942	-2,258
Rate (%)	15.9	26.4	14.4	-7.6	9.9	11.4	24.1	67.7	13.1	24.5
Reported PAT	-2,379	-1,162	-1,059	-1,609	-2,337	-2,951	-1,063	-612	-6,242	-6,963
Adj PAT	-2,379	-2,774	-1,059	-1,609	-2,337	-2,951	-1,063	-613	-7,487	-6,774

E: MOFSL Estimates

Aditya Birla Lifestyle Brands

Neutral

CMP: INR125 | TP: INR140 (+12%)
EPS CHANGE (%): FY26|27: 7|6

- Expect 11% YoY overall revenue growth, largely led by retail (+10% YoY) growth in Lifestyle Brands.
- Consol. EBITDA to grow ~17% YoY, driven by ~90bp EBITDA margin expansion on account of operating leverage and no drag from FE21.

Consolidated - Quarterly Summary

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	17,845	18,525	21,042	18,775	18,406	20,379	23,382	21,069	76,186	83,237
YoY Change (%)	-44.2	-42.6	-49.5	2.5	3.1	10.0	11.1	12.2	0.6	6.3
Total Expenditure	15,157	15,715	17,709	15,688	15,775	17,212	19,469	17,651	64,269	70,106
EBITDA	2,688	2,810	3,332	3,087	2,631	3,167	3,913	3,418	11,918	13,131
Change, YoY (%)					-2.1	12.7	17.4	10.7	10.1	10.2
Depreciation	1,623	1,705	1,716	2,014	1,725	2,090	1,935	1,989	7,057	7,738
Interest	874	1,088	964	894	850	978	814	615	3,820	3,257
Other Income	141	204	221	211	225	211	223	234	777	894
PBT before EO expense	332	221	875	390	282	311	1,388	1,048	1,817	3,029
Extra-Ord expense	3	-199	89	-877	0	0	0	0	-983	0
PBT	335	22	964	-487	282	311	1,388	1,048	834	3,029
Tax	102	-218	239	104	41	76	349	275	238	742
Rate (%)	30.5	-990.9	24.8	-21.4	14.6	24.6	25.2	26.3	28.5	24.5
Reported PAT	232	240	725	-591	241	234	1,038	772	596	2,287
Adj PAT	229	439	636	287	241	234	1,038	772	1,579	2,287
YoY Change (%)					4.9	-46.6	63.3	169.6	-7.5	44.8

E: MOFSL Estimates

Arvind Fashions

Buy

CMP: INR507 | TP: INR740 (+46%)

EPS CHANGE (%): FY26|27: 4|3

- Expect 11% YoY overall revenue growth, largely led by mid-single digit SSSG.
- GM continues to inch up by ~60bp, while operating margins to inch up by ~40bp
- Consol. EBITDA is expected to grow ~14% YoY.
- PAT to grow at robust 80% YoY on higher operating profitability and robust other income.

Consolidated – Quarterly Earning

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue	9,548	12,732	12,028	11,891	11,073	14,175	13,388	12,915	46,198	51,550
YoY Change (%)	10.2	8.5	6.9	8.7	16.0	11.3	11.3	8.6	8.5	11.6
Total Expenditure	8,393	11,109	10,373	10,304	9,740	12,302	11,498	11,155	40,178	44,694
EBITDA	1,155	1,623	1,655	1,587	1,334	1,873	1,890	1,760	6,020	6,857
EBITDA Margin (%)	12.1	12.7	13.8	13.3	12.0	13.2	14.1	13.6	13.0	13.3
Depreciation	613	643	654	648	685	713	669	557	2,557	2,625
Interest	381	386	403	388	406	416	428	365	1,558	1,614
Other Income	75	72	87	113	146	130	132	90	346	498
PBT before EO expense	236	666	686	664	388	874	925	928	2,251	3,115
PBT	236	666	686	664	388	874	925	928	2,251	3,115
Tax	98	215	209	1,385	137	308	233	234	860	912
Rate (%)	41.6	32.2	30.5	208.8	35.3	35.2	25.2	25.2	38.2	29.3
Reported PAT	138	451	465	161	251	566	692	694	344	2,203
Attributable PAT	12	297	267	-45	128	377	475	356	-356	1,337
YoY Change (%)	-107.1	16.4	64.0	-118.3	994.0	26.9	78.3	NA	NA	NA

E: MOFSL Estimates

Avenue Supermarts

Buy

CMP: INR3,721 | TP: INR4,300 (+15%)

EPS CHANGE (%): FY26|27: (5)|(9)

- Consolidated revenue to grow ~13% YoY, largely led by store adds (+14%).
- DMart added 10 stores QoQ, taking its total store count to 442 (27 in 9MFY26).
- Expect EBITDA margin to contract ~35bp YoY to 7.3% on continued higher cost of retailing and lower GM.
- Expect PAT growth to be modest at ~5% YoY.

Consolidated - Quarterly summary

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	140.7	144.4	159.7	148.7	163.6	166.8	181.0	170.4	594	682
YoY Change (%)	18.6	14.4	17.7	16.9	16.3	15.5	13.3	14.6	16.9	14.9
Total Expenditure	128.5	133.5	147.6	139.2	150.6	154.6	167.8	160.0	549	633
EBITDA	12.2	10.9	12.2	9.6	13.0	12.1	13.2	10.4	45	49
EBITDA margin (%)	8.7	7.6	7.6	6.4	7.9	7.3	7.3	6.1	7.6	7.1
Change YoY (%)	18.0	8.8	8.7	1.2	6.4	11.0	8.2	9.2	9.3	8.6
Depreciation	1.9	2.1	2.3	2.4	2.3	2.5	2.7	2.8	9	10
Interest	0.2	0.2	0.2	0.2	0.3	0.3	0.4	0.4	1	1
Other Income	0.4	0.3	0.2	0.3	0.2	0.2	0.2	0.2	1	1
PBT	10.5	9.0	10.0	7.2	10.6	9.4	10.3	7.4	37	38
Tax	2.8	2.4	2.7	1.7	2.8	2.6	2.7	1.8	10	10
Rate (%)	26.6	27.0	27.3	23.5	26.9	27.3	26.3	24.1	26.3	26.3
Reported PAT	7.7	6.6	7.2	5.5	7.7	6.9	7.6	5.6	27	28
Adj PAT	7.7	6.6	7.2	5.5	7.7	6.9	7.6	5.6	27	28
YoY Change (%)	17.5	5.8	4.7	(2.2)	(0.1)	4.1	5.2	2.5	7	3

E: MOFSL Estimates

Bata India

Neutral

CMP: INR949 | TP: INR875 (-8%)
EPS CHANGE (%): FY26|27: (12)|(14)

- Revenue growth to remain tepid at ~2% YoY owing to weak consumer sentiment.
- EBITDA margin to expand ~80bp YoY, largely due to accounting changes for royalty.
- Expect Adj PAT to decline by 3% YoY due to operating deleverage.

Consolidated - Quarterly summary

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	9,446	8,371	9,188	7,882	9,419	8,013	9,416	8,039	34,888	34,887
YoY Change (%)	-1.4	2.2	1.7	-1.2	-0.3	-4.3	2.5	2.0	0.3	0.0
Gross Profit	5,182	4,740	5,163	4,559	5,038	4,439	5,273	4,613	19,644	19,362
Gross margin%	54.9	56.6	56.2	57.8	53.5	55.4	56.0	57.4	56.3	55.5
Total Expenditure	7,597	6,625	7,193	6,099	7,430	6,564	7,297	6,164	27,514	27,456
EBITDA	1,849	1,746	1,995	1,784	1,988	1,449	2,119	1,875	7,374	7,431
EBITDA margin	19.6	20.9	21.7	22.6	21.1	18.1	22.5	23.3	21.1	21.3
Change YoY (%)	-22.8	-3.9	9.4	-2.2	7.5	-17.0	6.2	5.1	-6.2	0.8
Depreciation	872	902	902	1,037	1,061	1,050	1,087	1,150	3,713	4,347
Interest	308	318	311	348	349	338	354	375	1,285	1,416
Other Income	162	172	99	223	170	214	189	182	656	754
PBT before EO expense	832	698	881	622	748	276	866	532	3,032	2,422
Extra-Ord expense	-1,340	0	108	0	48	83	0	0	-1,232	130
PBT	2,171	698	773	622	701	193	866	532	4,264	2,292
Tax	431	178	186	163	181	54	218	124	957	577
Rate (%)	19.8	25.5	24.1	26.2	25.8	28.0	25.2	23.4	22.4	25.2
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0		
Reported PAT	1,741	520	587	459	520	139	648	408	3,307	1,715
Adj PAT	849	520	669	459	568	222	648	408	2,497	1,845
YoY Change (%)	-21	-19	15	-28	-33	-57	-3	-11	-15	-26
Margins (%)	9.0%	6.2%	7.3%	5.8%	6.0%	2.8%	6.9%	5.1%	7.2%	5.3%

E: MOFSL Estimates

Campus Activewear

Buy

CMP: INR262 | TP: INR305 (+15%)
EPS CHANGE (%): FY26|27: (3)|(1)

- Expect 10% YoY revenue growth, driven by 7% volume growth and 4% ASP increase.
- Expect EBITDA margin to inch up by ~90bp YoY to 16.9%, driven by operating leverage.
- PAT to grow 18% YoY.

Consolidated - Quarterly summary

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	3,392	3,333	5,148	4,057	3,433	3,866	5,680	4,502	15,930	17,480
YoY Change (%)	-4.1	28.9	9.1	11.5	1.2	16.0	10.3	11.0	10.0	9.7
Gross Profit	1,797	1,745	2,617	2,098	1,875	2,062	2,914	2,327	8,257	9,177
Gross margin	53.0	52.4	50.8	51.7	54.6	53.3	51.3	51.7	51.8	52.5
Total Expenditure	2,874	2,951	4,326	3,343	2,940	3,367	4,720	3,718	13,494	14,745
EBITDA	517	382	822	715	493	499	960	784	2,435	2,736
EBITDA margins (%)	15.3	11.5	16.0	17.6	14.4	12.9	16.9	17.4	15.3	15.7
Depreciation	162	176	189	228	201	219	221	227	755	869
Interest	37	45	43	64	49	62	62	63	188	236
Other Income	23	34	37	53	61	52	54	52	147	219
PBT	341	196	626	476	304	270	731	546	1,639	1,850
Tax	87	53	162	126	82	69	184	131	428	466
Rate (%)	25.6	27.0	25.8	26.4	26.9	25.5	25.2	24.0	26.1	25.2
Reported PAT	254	143	465	350	222	201	547	415	1,212	1,384
Adj PAT	254	143	465	350	222	201	547	415	1,212	1,384
YoY Change (%)	-19	4,369	87	7	-13	40	18	18	35.5	14.2

E: MOFSL Estimates

Go Fashion

Buy

CMP: INR458 | TP: INR750(+64%)

EPS CHANGE (%): FY26|27: 0|0

- Revenue growth to remain weak at 7% YoY, impacted by weak SSSG.
- Margins to decline by ~80bp due to operating leverage.
- EBITDA/PAT growth to remain muted at 4%/5% respectively.

Consolidated - Quarterly summary

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	2,201	2,085	2,147	2,048	2,228	2,242	2,298	2,165	8,482	8,927
YoY Change (%)	16	10	6	13	1	7	7	6	11	5
Gross Profit	1,360	1,315	1,377	1,316	1,403	1,403	1,480	1,375	5,368	5,660
Gross margin	61.8	63.1	64.1	64.3	63.0	62.6	64.4	63.5	63.3	63.4
Total Expenditure	1,480	1,450	1,449	1,424	1,541	1,575	1,568	1,515	5,802	6,195
EBITDA	721	635	698	624	687	666	729	650	2,680	2,732
EBITDA margins (%)	32.8	30.4	32.5	30.5	30.8	29.7	31.7	30.0	31.6	30.6
Depreciation	295	311	317	314	323	328	331	318	1,237	1,300
Interest	110	115	116	122	120	122	125	130	464	497
Other Income	58	71	58	66	52	73	67	69	254	262
PBT	374	281	323	254	297	290	340	272	1,233	1,198
Tax	88	76	79	55	74	72	86	68	298	300
Rate (%)	23	27	25	22	25	25	25	25	24	25
Reported PAT	287	205	243	199	223	218	254	204	935	898
Adj PAT	287	205	243	199	223	218	254	204	935	898
YoY Change (%)	9	2	4	52	-22	6	5	2	13	-4

E: MOFSL Estimates

Metro Brands

Buy

CMP: INR1,178 | TP: INR1,400 (+19%)

EPS CHANGE (%): FY26|27: 1|2

- Revenue is expected to grow 12% YoY, led largely by footprint additions.
- Expect 31 net store additions, taking the total store count to 997 (+11% YoY).
- Expect EBITDA margin to remain stable YoY at 32%.
- PAT to grow by a modest ~6% YoY.

Consolidated - Quarterly summary

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	5,761	5,855	7,031	6,428	6,282	6,511	7,855	7,471	25,074	28,120
YoY Change (%)	-1.1	5.4	10.6	10.3	9.1	11.2	11.7	16.2	6.4	12.1
Total Expenditure	3,957	4,306	4,781	4,456	4,343	4,804	5,338	5,128	17,500	19,613
EBITDA	1,804	1,548	2,250	1,972	1,939	1,707	2,517	2,343	7,574	8,506
EBITDA Margin (%)	31.3	26.4	32.0	30.7	30.9	26.2	32.0	31.4	30.2	30.3
Depreciation	600	624	655	701	688	784	792	794	2,580	3,058
Interest	208	218	235	244	237	294	300	291	905	1,123
Other Income	234	234	232	231	286	282	261	278	930	1,107
PBT	1,230	939	1,593	1,258	1,300	911	1,686	1,536	5,019	5,432
Tax	309	225	649	309	320	221	424	401	1,491	1,367
Rate (%)	25.1	23.9	40.7	24.5	24.6	24.3	25.2	26.1	29.7	25.2
MI & Profit/Loss of Asso. Cos.	2	3	7	4	9	9	8	5	16	30
PAT before MI	921	715	944	949	979	689	1,261	1,134	3,528	4,064
Adj PAT post MI	923	718	1,201	953	988	698	1,270	1,139	3,795	4,094
YoY Change (%)	-1	6	22	10	7	-3	6	19	9.5	7.9

E: MOFSL Estimates

Raymond Lifestyle

Buy

CMP: INR1,030 | TP: INR1,400 (35%)
EPS CHANGE (%): FY26|27: 0|0

- Expect overall revenue to grow 7% YoY as ~9-10% YoY growth in branded apparel and textiles is offset by continued headwinds in garmenting segment.
- Expect EBITDA margin to expand 105bp YoY to 11.3%, driven by favorable segmental mix and operating leverage in branded textiles.

Consolidated - Quarterly summary

(InR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	12,201	17,083	17,542	14,942	14,304	18,324	18,811	15,890	61,767	67,330
YoY Change (%)	-8%	-5%	2%	-11%	17%	7%	7%	6%	-5%	9%
Total Expenditure	11,604	14,935	15,745	14,806	13,534	16,064	16,683	14,443	57,090	60,724
EBITDA	597	2,148	1,797	136	770	2,260	2,128	1,447	4,678	6,606
EBITDA Margin	4.9%	12.6%	10.2%	0.9%	5.4%	12.3%	11.3%	9.1%	7.6%	9.8%
Change YoY (%)	-59%	-17%	-0.4	-0.9	29%	5%	18%	968%	-50%	41%
Depreciation	746	763	794	911	888	914	944	926	3,214	3,672
Interest	463	532	544	534	575	600	509	340	2,074	2,022
Other Income	294	270	413	856	445	330	429	729	1,832	1,934
PBT	-323	528	867	-473	-248	1,029	1,105	911	600	2,798
Tax	-91	106	226	-23	-50	277	278	193	218	699
Rate (%)	28.1%	20.1%	26.0%	4.9%	20.0%	27.0%	25.2%	21.2%	36.4%	25.0%
Reported PAT	-232	422	642	-450	-198	752	827	717	382	2,098
Adj PAT	-227	1,016	645	-430	-198	799	827	718	1,005	2,145
YoY Change (%)	-139.5%	-27.1%	-60%	-134.7%	-13%	-21.4%	28.1%	nm	-79.4%	113.5%

Relaxo Footwear

Sell

CMP: INR404 | TP: INR360 (-11%)
EPS CHANGE (%): FY26|27: 3|0

- Expect revenue to decline 2% YoY, largely led by ~4% YoY volume decline.
- EBITDA to grow ~3% YoY. However, higher other income to drive 19% PAT growth.
- Expect ~65bp YoY EBITDA margin expansion, driven by continued robust cost controls.

Consolidated - Quarterly summary

(InR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	7,482	6,794	6,669	6,952	6,545	6,285	6,532	7,079	27,896	26,441
YoY Change (%)	1.3	-5.0	-6.4	-7.0	-12.5	-7.5	-2.1	1.8	-4.3	-5.2
Total RM Cost	2,847	2,648	2,861	3,134	2,498	2,450	2,799	3,186	11,489	10,933
Gross Profit	4,635	4,146	3,808	3,818	4,047	3,835	3,733	3,892	16,407	15,508
Margins (%)	62.0	61.0	57.1	54.9	61.8	61.0	57.2	55.0	58.8	58.7
Total Expenditure	6,493	5,917	5,835	5,831	5,550	5,474	5,673	5,844	24,076	22,541
EBITDA	989	877	834	1,121	995	812	859	1,235	3,820	3,900
Margins (%)	13.2	12.9	12.5	16.1	15.2	12.9	13.2	17.4	13.7	14.8
Depreciation	391	398	402	394	397	394	401	431	1,584	1,623
Interest	49	50	54	54	52	52	52	51	207	207
Other Income	54	66	68	81	113	123	118	118	270	472
PBT	603	496	446	754	659	488	523	871	2,299	2,542
Tax	160	128	116	192	170	127	132	212	596	641
Rate (%)	26.5	25.9	26.0	25.4	25.8	26.0	25.2	24.3	25.9	25.2
Reported PAT	444	367	330	562	489	362	391	659	1,703	1,901
YoY Change (%)	-21.2	-16.9	-14.4	-8.4	10.2	-1.6	18.6	17.3	-15.0	11.6
Margins (%)	5.9	5.4	4.9	8.1	7.5	5.8	6.0	9.3	6.1	7.2

E: MOFSL Estimates

Reliance Retail

CMP: NR | TP: NR
EPS CHANGE (%): FY26|27: (7)|(11)

- Expect ~10% YoY revenue growth as higher footfalls would be offset by GST cuts and effect of RCPL demerger
- Expect ~50bp YoY EBITDA margin contraction due to RCPL demerger and rising QC salience.
- Operating EBITDA to grow ~4% YoY, adversely impacted by RCPL demerger and higher contribution from lower margin Quick Commerce

Consolidated - Quarterly summary

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross revenue	756	763	903	886	842	900	993	983	3,309	3,718
YoY Change (%)	8.1	(1.1)	8.8	15.7	11.3	18.0	9.9	10.9	7.9	12.4
Net revenue	663	665	796	786	737	791	880	878	2,910	3,287
YoY Change (%)	6.6	(3.5)	7.0	16.3	11.3	19.0	10.6	11.7	6.6	13.0
Total Expenditure	608.1	608.3	729.6	721.1	676.8	725.0	811	810	2,667	3,023
Operating EBITDA	54.5	56.8	66.3	65.1	60.4	66.2	68.9	68.0	242.7	263.7
Margins (%)	8.2	8.5	8.3	8.3	8.2	8.4	7.8	7.7	8.3	8.0
Depreciation	16.7	14.2	15.1	14.0	15.2	15.5	16.6	16.9	60.0	64.0
Interest	5.5	5.7	6.7	6.8	5.9	6.0	6.3	6.6	24.7	24.7
Other Income	2.2	1.8	2.0	2.0	3.4	1.9	1.9	2.1	7.9	9.3
PBT	34.5	38.6	46.6	46.3	42.7	46.7	48.1	46.7	165.9	184.2
Tax	9.0	10.3	12.0	10.8	10.0	12.2	12.5	11.7	42.0	46.4
Rate (%)	26.1	26.5	25.7	23.4	23.5	26.0	26.0	25.0	25.3	25.2
Reported PAT	25.5	28.4	34.6	35.5	32.7	34.6	35.6	35.0	123.9	137.9
Margins (%)	3.8	4.3	4.3	4.5	4.4	4.4	4.0	4.0	4.3	4.2
YoY change (%)					28.3	21.9	2.8	(1.2)	11.3	11.3

E: MOFSL Estimates

Shoppers Stop

Neutral
CMP: INR388 | TP: INR420 (8%)
EPS CHANGE (%): FY26|27: NA|NA

- Expect revenue growth of 5% YoY, led by low-single digit SSSG in Departmental format.
- Expect ~30bp EBITDA margin contraction to 18%, leading to 3-4% EBITDA/PAT growth.

Standalone - Quarterly summary

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Total Revenue from Operations	10,337	10,681	13,115	10,224	10,942	11,753	13,788	11,054	44,356	47,537
YoY Change (%)	5.3	4.2	8.7	2.3	5.9	10.0	5.1	8.1	5.3	7.2
Total Expenditure	8,916	9,213	10,715	8,530	9,280	10,113	11,306	9,229	37,374	39,928
EBITDA	1,421	1,468	2,399	1,694	1,662	1,640	2,482	1,825	6,982	7,609
EBITDA Margin (%)	13.7	13.7	18.3	16.6	15.2	14.0	18.0	16.5	15.7	16.0
Depreciation	1,167	1,214	1,293	1,243	1,282	1,326	1,358	1,398	4,916	5,364
Interest	604	638	647	691	718	710	683	619	2,579	2,730
Other Income	35	97	223	174	100	95	234	127	530	556
PBT before EO expense	-314	-286	682	-66	-238	-302	676	-65	16	70
Extra-Ord expense	0	-21	0	21	0	0	0	0	0	0
PBT	-314	-307	682	-45	-238	-302	676	-65	16	70
Tax	-89	-87	195	-70	-59	-75	170	-18	-52	18
Rate (%)	28.4	28.3	28.5	154.5	24.9	24.9	25.2	27.5	-328.7	25.2
Reported PAT	-225	-220	488	25	-179	-227	505	-47	67	53
Adj PAT	-225	-199	488	4	-179	-227	505	-47	67	53
YoY Change (%)	-250.7	-482.6	37.2	-91.2	-20.5	13.7	3.6	n/m	-88.9	-21.9

E: MOFSL Estimates

Trent

Buy

CMP: INR4,409 | TP: INR5,200 (+18%)

EPS CHANGE (%): FY26|27: (6)|(7)

- Expect 17% revenue growth primarily driven by store additions.
- Expect Westside/Zudio to add 17/48 net stores QoQ.
- Expect ~130bp YoY expansion in reported EBITDA margin to 19.8%, driven by robust cost controls.
- Adj. PAT growth likely at ~18% YoY.

Standalone - Quarterly summary

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	39,917	40,356	45,347	41,061	47,813	47,241	52,875	47,851	1,66,681	1,95,779
YoY Change (%)	57.4	39.6	36.9	28.8	19.8	17.1	16.6	16.5	39.8	17.5
Total Expenditure	33,812	33,949	36,971	34,497	39,435	39,108	42,432	39,759	1,39,229	1,60,735
EBITDA	6,106	6,407	8,376	6,564	8,377	8,132	10,443	8,092	27,452	35,044
EBITDA Margin (%)	15.3	15.9	18.5	16.0	17.5	17.2	19.8	16.9	16.5	17.9
Depreciation	1,759	1,915	2,393	2,631	2,839	3,153	3,311	3,399	8,699	12,701
Interest	312	324	363	371	395	413	454	508	1,369	1,771
Other Income	461	1,387	564	970	409	1,192	592	937	3,381	3,129
PBT	4,496	5,554	6,184	4,532	5,552	5,759	7,270	5,121	20,766	23,702
Tax	1,074	1,320	1,490	1,033	1,326	1,251	1,745	1,307	4,918	5,629
Reported PAT	3,422	4,234	4,693	3,499	4,226	4,508	5,525	3,814	15,848	18,073
Adj PAT	3,422	4,234	4,693	3,499	4,226	4,508	5,525	3,814	15,848	18,073
YoY Change (%)	130.8	46.2	36.6	41.3	23.5	6.5	17.7	9.0	54.0	14.0

E: MOFSL Estimates

V-Mart Retail

Buy

CMP: INR700| TP: INR975 (+43%)

EPS CHANGE (%): FY26|27: (14)|(13)

- Consolidated revenue grew 10% YoY as SSSG remained flat as the festive season shifted to 2QFY26 in East.
- Reported/pre-INDAS 116 EBITDA margins are expected to contract ~40bp/80bp YoY to 16.3%/10%.
- V-Mart added net 21 stores, taking the total store count to 554.
- Expect reported EBITDA to grow 7% YoY, while PAT is likely to remain flat YoY.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	7,861	6,610	10,267	7,801	8,852	8,069	11,260	9,431	32,539	37,612
YoY Change (%)	15.9	20.3	15.5	16.7	12.6	22.1	9.7	20.9	16.8	15.6
Total Expenditure	6,871	6,224	8,554	7,119	7,591	7,354	9,424	8,449	28,768	32,817
EBITDA	990	386	1,714	681	1,262	715	1,836	982	3,771	4,794
EBITDA Margin (%)	12.6	5.8	16.7	8.7	14.3	8.9	16.3	10.4	11.6	12.7
Depreciation	568	592	626	544	679	711	729	732	2,330	2,851
Interest	375	391	424	174	182	175	180	161	1,365	698
Other Income	46	18	34	23	29	34	44	42	121	150
PBT before EO expense	93	-580	697	-13	429	-136	970	132	198	1,396
PBT	93	-580	697	229	429	-136	970	132	198	1,396
Tax	-28	-15	-19	44	93	-47	244	34	-18	324
Rate (%)	-30.3	2.6	-2.7	19.1	21.8	34.8	25.2	25.4	-9.2	75.7
Reported PAT	121	-565	716	185	336	-89	726	98	458	1,072
Adj PAT	121	-565	716	-57	336	-89	726	98	216	1,072
YoY Change (%)	-155.3	-11.9	153.7	-85.4	176.8	-84.3	1.4	-273.5	-122.3	396.4

E: MOFSL Estimates

Vedant Fashions

Neutral

CMP: INR580 | TP: INR600 (4%)

EPS CHANGE (%): FY26|27: (2)|(4)

- Expect ~3% YoY revenue growth, driven by continued challenges in select states and early truncation of wedding dates in Dec'25.
- EBITDA margin is expected to decline 20bp YoY to 47.2% on account of operating deleverage and GST impact.
- Expect reported EBITDA and PAT to grow by a modest ~2% YoY.

Quarterly summary

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY25	FY26E
Revenue	2,398	2,679	5,113	3,674	2,812	2,632	5,256	3,888	13,865	14,587
YoY Change (%)	-23.0	22.7	7.8	1.2	17.2	-1.8	2.8	5.8	1.4	5.2
Total Expenditure	1,271	1,460	2,691	2,017	1,606	1,524	2,777	2,131	7,439	8,037
EBITDA	1,127	1,220	2,422	1,657	1,206	1,108	2,479	1,757	6,426	6,550
EBITDA margins (%)	47.0	45.5	47.4	45.1	42.9	42.1	47.2	45.2	46.3	44.9
Change YoY (%)	-23.9	31.4	0.1	-5.3	7.0	-9.2	2.3	6.0	-2.4	1.9
Depreciation	372	373	391	395	398	417	425	438	1,531	1,678
Interest	139	137	139	136	141	150	146	171	552	608
Other Income	215	192	224	221	258	199	235	227	852	920
PBT before EO expense	831	902	2,115	1,347	925	740	2,142	1,376	5,195	5,184
Tax	206	233	535	336	222	180	539	355	1,310	1,296
Rate (%)	24.8	25.8	25.3	24.9	24.1	24.3	25.2	25.8	25.2	25.0
Reported PAT	625	669	1,580	1,011	703	561	1,603	1,022	3,885	3,888
YoY Change (%)	-32	37	0	-13	12	-16	1	1	-6	0

E: MOFSL Estimates

Vishal Megamart

Buy

CMP: INR136 | TP: INR170 (25%)

EPS CHANGE (%): FY26|27: 0|0

- Expect ~20% revenue growth, led by robust SSSG (~11%) and store additions (+24 QoQ, +15% YoY).
- Reported EBITDA margin is likely to remain flat YoY at 16.1%.
- Expect reported EBITDA/PAT to increase by 20%/18% YoY.

Consolidated - Quarterly Earning

	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY25	FY26E
Revenue	25,963	24,362	31,359	25,479	31,403	29,815	37,654	30,839	107,163	129,710
YoY Change (%)	0.0	19.3	19.5	23.2	21.0	22.4	20.1	21.0	20.2	21.0
Gross Profit	7,331	6,872	9,123	7,201	8,913	8,431	10,920	8,764	30,527	37,028
Gross margin	28.2	28.2	29.1	28.3	28.4	28.3	29.0	28.4	28.5	28.5
Total Expenditure	22,307	21,338	26,309	21,908	26,811	25,869	31,593	26,374	91,862	110,647
EBITDA	3,656	3,025	5,050	3,571	4,592	3,946	6,061	4,465	15,302	19,063
EBITDA margins (%)	14.1	12.4	16.1	14.0	14.6	13.2	16.1	14.5	14.3	14.7
Depreciation	1,383	1,405	1,407	1,707	1,591	1,691	1,758	1,947	5,902	6,987
Interest	342	342	315	493	411	412	421	441	1,492	1,685
Other Income	77	132	190	186	170	202	250	253	586	875
PBT before EO expense	2,008	1,409	3,519	1,557	2,760	2,044	4,132	2,330	8,493	11,266
PBT	2,008	1,409	3,519	1,557	2,760	2,044	4,132	2,330	8,493	11,266
Tax	506	369	892	406	699	521	1,040	579	2,173	2,839
Rate (%)	25.2	26.2	25.3	26.1	25.3	25.5	25.2	24.9	25.6	25.2
Reported PAT	1,501	1,040	2,627	1,151	2,061	1,523	3,092	1,751	6,320	8,427
Adj PAT	1,501	1,040	2,627	1,151	2,061	1,523	3,092	1,751	6,320	8,427
YoY Change (%)			28	88	37	46	18	52	37	33.3

E: MOFSL Estimates

Technology

Indian IT: Looking beyond 3Q noise

Seasonal softness persists as focus shifts to CY26 demand signals

- **After some respite in 2QFY26 on beaten-down expectations, we expect seasonal furloughs to weigh on growth in 3QFY26.** We think markets are likely to look through this seasonality and instead focus on signals around the demand environment from client budgeting for CY26. Amid macro-tariff uncertainty and a new tech cycle, we believe clients remain cautious on committing incremental spending to large programs. As a result, we expect demand to stay steady, at best marginally incremental, until Jan'26 as planning cycles reset and budgets firm up.
- **3Q results are likely to mirror this set-up,** with QoQ cc growth expected in the range of 0.3% to 2.3% for large-caps. Mid-caps are expected to outperform once again with a growth range of -2.5% to 3.5%. For 3Q, we expect aggregate revenue for our coverage universe to grow by 7.7% YoY, while EBIT and PAT are likely to grow by 7.2% and 7.6% YoY (all in INR terms), respectively.
- As seen in Exhibit 1, enterprises should gradually move from AI pilots toward scaled deployments as the year progresses, supporting deal pipeline stability, improving TCV, and higher activity in application modernization, data engineering, and AI integration-led work.
- **Early signs of AI strategy formation are emerging,** with IT companies investing in AI-led capabilities through acquisitions and partnerships: TCS (ListEngage, Coastal Cloud, DC investments), Wipro (Harman DTS), Coforge (Encora), and HEXT (CyberSolve). This shows companies are positioning themselves for early AI-led services demand.
- At the ecosystem level, leading LLMs such as OpenAI and Claude are opening structured channel partnerships with SIs, suggesting the AI services layer is beginning to formalize. **We expect momentum here to build over the next six months, with AI services demand inflecting into CY26.**
- **Vertical performance in 3Q:** BFSI remains relatively resilient despite furloughs; Hi-Tech is broadly flat as large deals are still in transition; Travel & Transportation benefits from ongoing deal ramp-ups. Manufacturing is mixed—auto under pressure, but core industrials remain steady. ER&D is stable in 3Q, with recovery skewed toward 4Q.
- **Furloughs and wage hikes to put pressure on margins in 3Q:** We expect margin declines for TCS (two-month wage hike impact plus furloughs) and Wipro (wage hikes). Among mid-caps, Coforge margins could decline ~70bp QoQ to ~13.3%, as wage hikes are partly offset by lower ESOP and D&A. HEXT and PSYS are also likely to see margin pressure of ~60bp and ~130bp, respectively, due to wage hikes and seasonality.
- As we mentioned in our upgrade note dated 24th Nov'25 ([Time to buy the next cycle](#)), we expect AI services demand could begin to improve from mid-2026 as hardware-led AI capex intensity moderates and spending gradually shifts toward software, platforms, and services. The Mar-Apr'26 budget reset period may serve as an initial indicator, with some AI programs potentially transitioning from preparation to early deployment.

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Growth expectations across our coverage

- We expect revenue growth of 0.5% QoQ CC for TCS and 0.3% for INFO, driven by seasonal furloughs, with 2H weaker than 1H as growth was front-ended, in line with prior years. HCLT is anticipated to clock healthy growth of 2.3% in 3QFY26, driven by seasonality in its software business. WIPRO is likely to report 1.5% QoQ CC, organically at the mid-point of guidance, supported by inorganic contributions of HARMAN. TECHM is expected to post 0.5% QoQ growth, while LTIM is likely to report 2.2% CC growth, aided by continued large-deal ramp-up.
- Among mid-tier firms, we expect PSYS to be at the forefront with ~3.5% cc QoQ revenue growth, driven by steady growth momentum across verticals, partially offset by furloughs. COFORGE/MPHL are also likely to deliver 3.0%/1.3% cc QoQ growth. HEXT is likely to decline 2.5% CC due to lower license revenues in addition to regular furloughs (~2.5-3% impact), fewer working days and temporary government shutdown disruptions.
- Among ER&D names, we expect a gradual recovery in this quarter. KPIT is expected to report 2.8% QoQ CC growth due to full consolidation of Caresoft (1-month impact) and N-dream in 3Q. Management has guided for flat-to-modest growth in 3QFY26 (organic), while TTL/TELX /LTTS are likely to report 1.0%/1.8%/1.3% CC growth.
- We expect Cyient DET to report 1.0% CC growth, as some stabilization is expected. We are factoring in a cross-currency headwind of ~20bp for most companies.

Wage hikes and furloughs to restrict margin uplift in 3Q

- We expect TCS EBIT margins to decline by 30bp QoQ, driven by a two-month impact of wage hikes and the continuation of redundancy costs. HCLT's margins are expected to improve by 70bp, led by a seasonally stronger quarter and cost optimization, despite the impact of wage hikes. Infosys is expected to report flat sequential margins, as tailwinds from lower third-party costs are likely to be offset by higher sales investments.
- TECHM is expected to see another quarter of margin expansion, with margins improving by ~60bp, driven by fixed-price project optimizations leading to gross margin gains. LTIM will hold margins at current levels as seasonal furloughs, lower utilization and deal ramp-up weigh on 3Q.
- Among mid-caps, Coforge margins may decline 70bp QoQ to 13.3% as wage hikes in 3Q are only partially offset by lower ESOP and D&A expenses. HEXT/PSYS, too, shall see margin decline of 60/130bp due to wage hikes and seasonal furloughs.
- Mphasis and Zensar should see margin improvement in 3Q.
- For ER&D companies, margins are estimated to decline due to the impact from furloughs, except for TELX, which should see sequential gains after a depressed 1H.

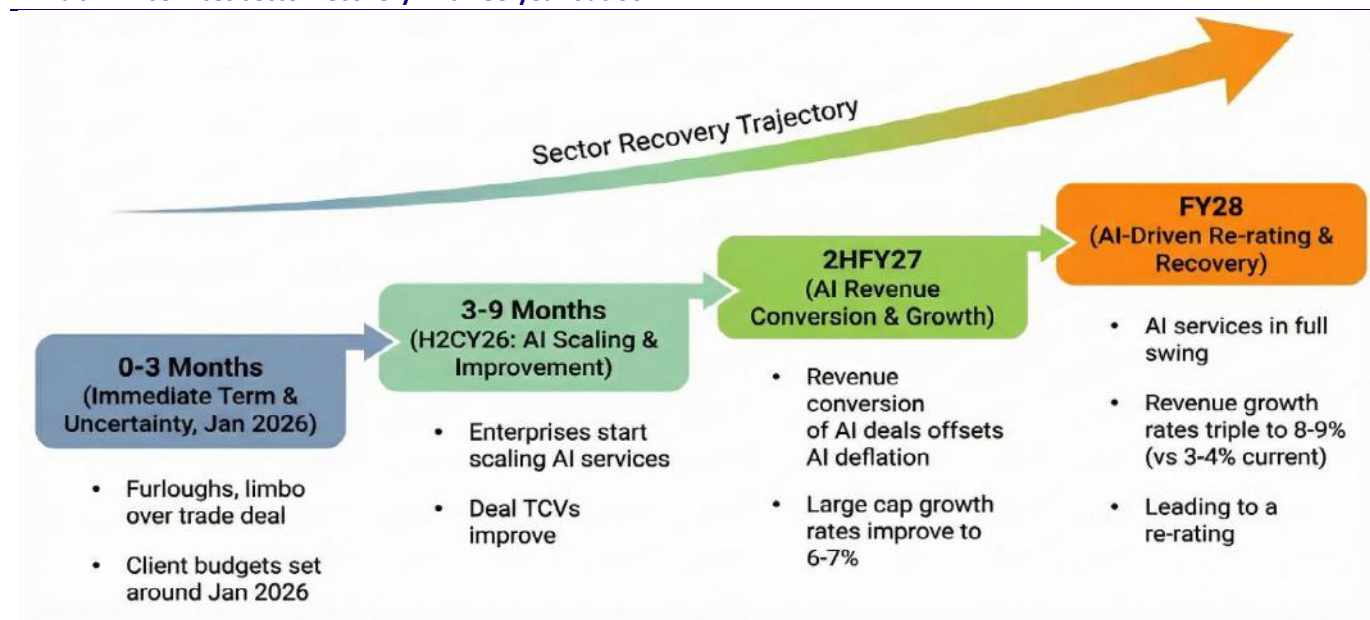
INFO and COFORGE remain our top picks

- We believe CY26 should represent the bottoming of the growth cycle, setting the stage for a more meaningful acceleration in 2HFY27 and FY28 as AI services move into scaled deployment. **We prefer INFO and TECHM among large caps, while COFORGE and HEXT remain our top picks among mid-caps.**
- **We like INFO** as it is well placed to benefit from enterprise-wide AI spending, given its discretionary-heavy mix and improving revenue quality, with pass-through revenue likely to stay low. At current valuations, upside risks

meaningfully outweigh downside risks. **For TECHM**, we see signs of transformation under the new leadership and improving execution in BFSI. We believe TECHM's transformation remains relatively decoupled from discretionary spending.

- **In mid-caps, Coforge and Hexaware remain our top picks.** We believe Coforge's strong executable order book and resilient client spending across verticals bode well for its organic business. Encora's acquisition expands Coforge's presence in the Hi-Tech and Healthcare verticals. We continue to view Coforge as a structurally strong mid-tier player well-placed to benefit from vendor consolidation/cost-takeout deals and digital transformation. Hexaware, meanwhile, is gaining share through consolidation deals in Financial vertical. As pressures in large accounts appear to be tapering, an improving margin trajectory bodes well for the company.

Exhibit 1: IT services sector recovery: A three-year outlook



Source: MOFSL

Exhibit 2: Expect Tier-I companies' aggregate revenue (USD) to grow by 0.7% QoQ

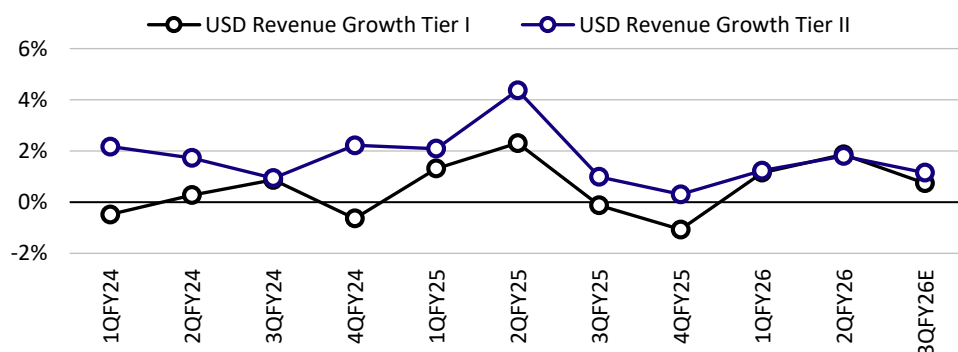
Company	Revenue (USD m)					Revenue (INR b)				
	3QFY26	2QFY26	QoQ (%)	3QFY25	YoY (%)	3QFY26	2QFY26	QoQ (%)	3QFY25	YoY (%)
TCS	7,477	7,466	0.2	7,539	-0.8	666	658	1.2	640	4.1
INFO	5,079	5,076	0.1	4,939	2.8	452	445	1.6	418	8.3
HCLT	3,718	3,644	2.0	3,533	5.2	331	319	3.6	299	10.8
WPRO	2,635	2,604	1.2	2,629	0.2	236	227	3.9	223	5.6
TECHM	1,591	1,586	0.3	1,567	1.5	142	140	1.2	133	6.6
LTIM	1,205	1,180	2.1	1,139	5.8	107	104	3.2	97	11.1
Tier I aggregate	21,706	21,556	0.7	21,346	1.7	1,934	1,893	2.1	1,809	6.9
Company	EBIT margin (%)					Adjusted PAT (INR b)				
	3QFY26	2QFY26	QoQ (bp)	3QFY25	YoY (%)	3QFY26	2QFY26	QoQ (%)	3QFY25	YoY (%)
TCS	24.9	25.2	-30.0	24.5	40.0	130.8	132.7	-1.4	124.4	5.1
INFO	21.1	21.0	10.0	21.3	-20.0	72.8	73.8	-1.4	68.2	6.6
HCLT	18.1	17.4	70.0	19.5	-140.0	47.9	42.4	13.1	45.9	4.3
WPRO	16.4	16.7	-20.0	17.5	-100.0	32.9	32.6	1.0	33.7	-2.2
TECHM	12.7	12.1	60.0	10.2	250.0	14.5	12.0	20.1	9.8	47.2
LTIM	16.0	15.9	10.0	13.8	220.0	14.3	13.8	3.7	10.9	31.8
Tier I aggregate	20.4	20.4	-	20.4	-	313	307	1.9	293	6.9

Exhibit 3: Expect Tier-II companies' revenue (USD) to be up 1.4% QoQ

Company	Revenue (USD m)					Revenue (INR b)				
	3QFY26	2QFY26	QoQ (%)	3QFY25	YoY (%)	3QFY26	2QFY26	QoQ (%)	3QFY25	YoY (%)
LTTS	341	337	1.1%	312	9.3%	30.4	29.8	1.9%	26.5	14.4%
Mphasis	450	445	1.2%	419	7.5%	40.1	39.3	2.0%	35.6	12.7%
Hexaware*	386	395	-2.3%	372	3.6%	34.6	34.8	-0.7%	31.5	9.7%
Coforge	474	462	2.5%	391	21.3%	42.2	39.9	5.8%	32.6	29.5%
Persistent	420	406	3.4%	360	16.6%	37.4	35.8	4.4%	30.6	22.1%
Zensar	160	163	-1.7%	157	2.0%	14.3	14.2	0.3%	13.3	7.5%
Cyient	166	164	0.9%	175	-5.4%	14.8	14.4	2.6%	14.8	-0.2%
KPIT	185	181	2.2%	176	5.2%	16.5	15.9	3.8%	14.8	11.5%
Tata Tech	151	151	-0.1%	156	-3.2%	13.4	13.2	1.4%	13.2	1.9%
TELX	106	105	1.2%	111	-4.3%	9.5	9.2	3.3%	9.4	0.9%
Tier II aggregate	2,848	2,809	1.4%	2,629	8.3%	254	247	3.0%	222	14.2%
Company	EBIT margin (%)					Adjusted PAT (INR b)				
	3QFY26	2QFY26	QoQ (%)	3QFY25	YoY (%)	3QFY26	2QFY26	QoQ (%)	3QFY25	YoY (%)
LTTS	14.1	13.4	70.0	15.9	-180.0	3.5	3.3	5.6%	3.2	9.7%
Mphasis	15.3	15.2	10.0	15.3	-10.0	4.9	4.7	5.1%	4.3	15.2%
Hexaware*	14.3	14.7	-40.0	13.1	120.0	3.7	3.7	-0.8%	3.2	14.4%
Coforge	13.3	14.0	-70.0	12.0	130.0	3.7	3.8	-1.7%	2.3	60.7%
Persistent	15.0	16.3	-130.0	14.9	10.0	4.5	4.7	-3.9%	3.7	21.5%
Zensar	14.3	13.7	60.0	13.8	50.0	1.8	1.8	-1.3%	1.6	12.6%
Cyient	12.6	12.2	40.0	13.5	-90.0	1.5	1.4	8.4%	1.2	20.0%
KPIT	16.1	16.4	-30.0	17.2	-110.0	2.1	1.7	24.8%	1.9	12.8%
Tata Tech	11.4	13.4	-200.0	15.5	-410.0	1.5	1.7	-11.5%	1.7	-13.1%
TELX	18.8	18.5	30.0	23.5	-470.0	1.7	1.5	9.9%	2.0	-14.5%
Tier II aggregate	14.4	14.7	-30.0	14.8	-40.0	28.9	28.2	2.5%	25.1	15.5%

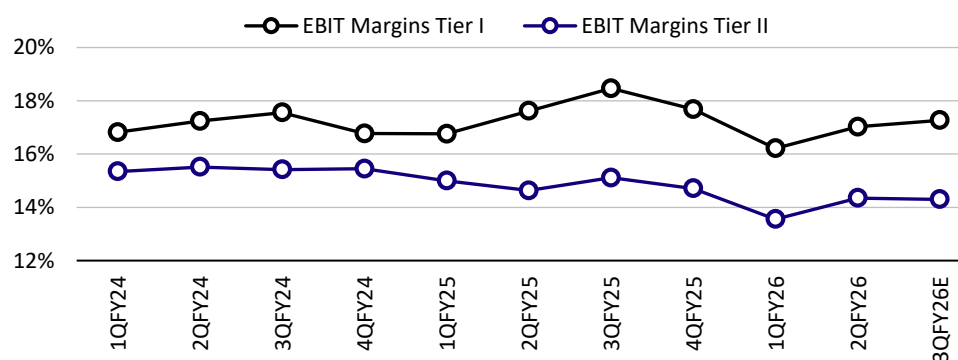
*Note: Estimates for 4QCY25, Source: Company, MOFSL

Exhibit 4: : Furlough to impact growth in 3Q; Tier II to outperform Tier I again



Source: MOFSL, Company

Exhibit 5: Margins to largely remain range-bound for most Tier-I and Tier-II companies



Source: MOFSL, Company

Exhibit 6: Cross-currency impact on 3Q USD growth

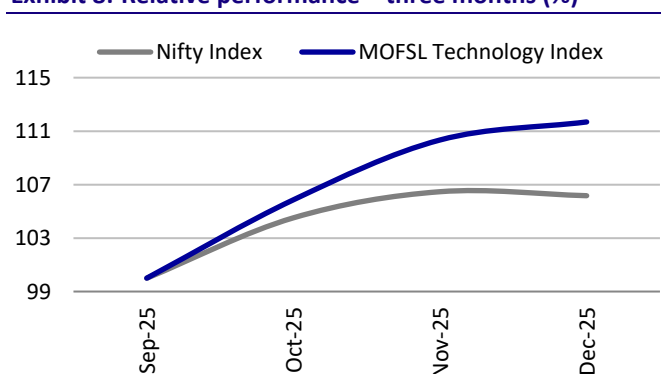
	CC growth QoQ (%)	USD growth QoQ (%)	Cross-currency impact (bp)
TCS	0.5	0.2	-30
INFO	0.3	0.1	-20
HCLT	2.3	2.0	-30
WPRO	1.5	1.2	-30
TECHM	0.5	0.3	-20
LTIM	2.2	2.1	-10
LTTS	1.3	1.1	-20
MPHL	1.3	1.2	-10
Hexaware	-2.5	-2.3	20
COFORGE	3.0	2.5	-50
PSYS	3.5	3.4	-10
ZENT	-1.7	-1.7	-
CYL(DET)	1.0	0.9	-10
KPIT	2.8	2.2	-60
Tata Tech	1.0	-0.1	-110
TELX	1.8	1.2	-60

Source: MOFSL Estimates

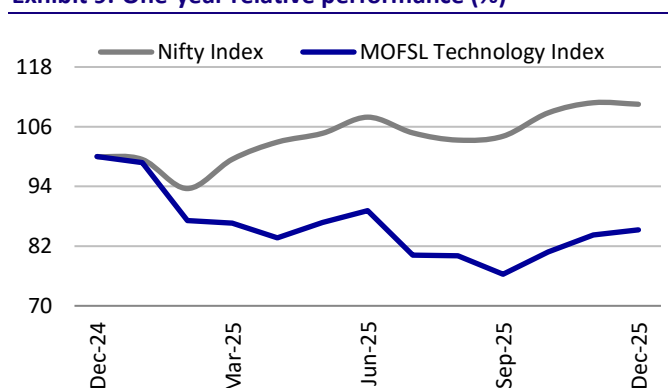
Exhibit 7: Summary of quarterly performance estimates

Companies	CMP		Sales (INR b)			EBIT (INR b)			Adjusted net profit (INR b)		
	(INR)	Rating	Dec'25E	Variance YoY (%)	Variance QoQ (%)	Dec'25E	Variance YoY (%)	Variance QoQ (%)	Dec'25E	Variance YoY (%)	Variance QoQ (%)
TCS	3,206	Buy	665.7	4.1	1.2	165.8	5.9	0.1	130.8	5.1	-1.4
INFO	1,616	Buy	452.2	8.3	1.6	95.4	7.1	2.0	72.8	6.6	-1.4
HCLT	1,624	Buy	331.0	10.8	3.6	59.9	2.9	8.0	47.9	4.3	13.1
WPRO	263	Neutral	235.8	5.6	3.9	38.8	-0.6	2.4	32.9	-2.2	1.0
TECHM	1,591	Buy	141.6	6.6	1.2	18.0	33.2	5.8	14.5	47.2	20.1
LTIM	6,066	Buy	107.3	11.1	3.2	17.2	29.2	4.2	14.3	31.8	3.7
LTTS	4,459	Neutral	30.4	14.4	1.9	4.3	1.5	7.5	3.5	9.7	5.6
MPHL	2,791	Buy	40.1	12.7	2.0	6.1	12.3	2.9	4.9	15.2	5.1
HEXT	765	Buy	34.6	9.7	-0.7	4.9	19.5	-3.4	3.7	14.4	-0.8
COFORGE	1,663	Buy	42.2	29.5%	5.8%	5.6	43.6%	0.6%	3.7	60.7%	-1.7%
PSYS	6,271	Buy	37.4	22.1	4.4	5.6	23.1	-3.9	4.5	21.5	-3.9
ZENT	703	Buy	14.3	7.5	0.3	2.0	11.2	4.7	1.8	12.6	-1.3
CYL	1,117	Sell	14.8	-0.2	2.6	1.9	-6.8	6.3	1.5	20.0	8.4
KPIT	1,174	Buy	16.5	11.5%	3.8%	2.7	4.5%	1.9%	2.1	12.8%	24.8%
Tata Tech	642	Sell	13.4	1.9	1.4	1.5	-25.1	-13.8	1.5	-13.1	-11.5
TELX	5,239	Sell	9.5	0.9	3.3	1.8	-19.2	4.9	1.7	-14.5	9.9
Sector aggregate (INR b)			2,187	7.7	2.2	432	7.2	2.2	342	7.6	2.0

Source: Company, MOFSL

Exhibit 8: Relative performance – three months (%)


Source: MOFSL, Company

Exhibit 9: One-year relative performance (%)


Source: MOFSL, Company

Exhibit 10: Comparative valuations

Company	CMP (INR)	M-cap (INR b)	TP	Upside/ Downside	EPS (INR)			EPS CAGR (%) FY26E-27E	P/E (x)		
					FY26E	FY27E	FY28E		FY26E	FY27E	FY28E
TCS	3,206	11,657	4,400	37%	141.3	152.5	168.0	9.0	22.7	21.0	19.1
INFO	1,616	6,748	2,150	33%	69.3	74.7	83.5	9.8	23.3	21.6	19.4
HCLT	1,624	4,439	2,150	32%	64.9	74.4	82.5	12.7	25.0	21.8	19.7
WPRO	263	2,792	275	5%	12.5	12.9	13.7	5.0	21.1	20.4	19.1
TECHM	1,591	1,568	2,325	46%	59.8	80.0	89.4	22.3	26.6	19.9	17.8
LTIM	6,066	1,796	7,900	30%	186.0	209.8	246.7	15.2	32.6	28.9	24.6
MPHL	2,791	536	4,000	43%	100.3	114.9	135.6	16.2	27.8	24.3	20.6
LTTS	4,459	472	4,800	8%	128.3	154.0	177.2	17.5	34.7	28.9	25.2
HEXT*	765	465	1,100	44%	23.4	28.0	34.1	20.7	32.7	27.3	22.5
PSYS	6,271	982	8,200	31%	119.2	147.1	181.0	23.2	52.6	42.6	34.6
COFORGE	1,663	556	2,500	50%	44.0	56.6	74.8	30.4	37.8	29.4	22.2
CYL	1,117	123	1,000	-10%	60.6	75.9	96.7	26.3	18.4	14.7	11.6
ZENT	703	160	1,000	42%	31.6	34.6	39.1	11.2	22.2	20.3	18.0
KPIT	1,174	320	1,500	28%	28.2	36.2	43.2	23.7	41.4	32.2	27.0
TATA TECH	642	261	580	-10%	16.2	19.6	22.3	17.1	39.5	32.8	28.8
TELX	5,239	325	4,600	-12%	104.1	135.8	155.3	22.1	50.3	38.6	33.7

*Note: Estimates for CY25E/CY26E/CY27E. Source: Company, MOFSL

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

Coforge

Buy

CMP INR1,663 | TP: INR2,500 (+50%)
EPS CHANGE (%): FY26|27|28: -0.5|-1.4|-1.4

- We expect 3% QoQ CC revenue growth due to furlough impacts that should remain broadly in line with prior years, as well as the Sabre deal being fully ramped up and already reflected in the 2Q base.
- We expect a ~70bp QoQ decline in EBIT margin, led by wage hikes effective 1 Oct'25 (100–200bp impact), partially offset by lower ESOP and D&A expenses.
- Management aims to close 20 large deals (10 deals won in 1HFY26) in FY26 (vs. 14 in FY25) and is confident about the supporting pipeline.
- **Key things to watch out for:** Commentary on organic growth momentum, further clarity on Encora integration and its EPS-accretion, and the demand environment in BFS and Insurance (53.2% of revenue).

Quarterly Performance (IND-AS)

Y/E March (Consolidated)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Rev. (USD m)	286	369	391	404	442	462	474	504	1,445	1,882
QoQ (%)	2.0	29.0	5.7	3.3	9.6	4.5	2.5	6.4	31.5	30.2
Revenue (INR m)	23,751	30,623	32,581	34,099	36,886	39,857	42,176	45,218	1,20,507	1,64,137
YoY (%)	6.9	34.5	40.2	47.1	55.3	30.2	29.5	32.6	33.8	36.2
GPM (%)	32.2	32.4	33.4	34.1	33.7	34.0	33.0	34.0	33.6	33.7
SGA (%)	13.4	15.9	15.7	15.4	15.0	14.3	14.5	14.2	15.6	14.5
EBITDA (INRm)	4,275	4,840	5,072	5,761	6,308	7,294	7,381	8,591	19,960	29,574
EBITDA Margin (%)	18.0	15.8	15.6	16.9	17.1	18.3	17.5	19.0	16.6	18.0
EBIT (INRm)	3,558	3,597	3,907	4,507	4,716	5,575	5,609	6,783	15,684	22,682
EBIT Margin (%)	15.0	11.7	12.0	13.2	12.8	14.0	13.3	15.0	13.0	13.8
Other income	-516	-173	-329	-300	383	18	-211	-317	-1,080	-126
ETR (%)	34.4	25.5	25.5	22.2	18.2	23.7	24.0	24.0	25.7	22.8
Minority Interest	-61.0	-314.0	-404.0	-461.0	-390.0	-496.0	-400.0	-440.0	-1,240.0	-1,726.0
Reported PAT	1,310	2,021	2,142	2,611	3,168	3,769	3,703	4,474	8,372	15,113
QoQ (%)	-41.6	54.3	6.0	21.9	21.3	19.0	-1.7	20.8		
YoY (%)	-21.4	11.7	-10.0	16.3	141.8	86.5	72.9	71.4	0.9	80.5
Extra-ordinary items	953	290	162	261	749	0	0	0	1,666	1,462
Adj. PAT	2,263	2,311	2,304	2,872	3,917	3,769	3,703	4,474	9,750	15,862
EPS (INR)	4.2	6.0	6.3	7.7	9.4	11.1	10.9	12.7	25.2	44.0

Cyient

Sell

CMP INR1,117 | TP: INR1,000 (-10%)
EPS CHANGE (%): FY26|27|28: -1.3|1.6|-1.7

- We expect 1.0% QoQ CC growth in the DET business. The external environment remains challenging, and this quarter is likely to see stabilization.
- 2H is expected to show better traction than 1H. Ramp-ups in aerospace, utilities, and communications are progressing steadily. However, we believe that a broad-based acceleration across all segments will likely take time.
- EBIT margin for DET likely to be at 12.6%, up 40bp as 90% of impact of wage hike is now behind. Margins to expand in 2H, aided by better utilization and operating leverage.
- Key monitorable: Commentary on large deal execution, margin gains, Semcon business and recent acquisitions, demand trends in Networks & Infrastructure, and deal wins that improve visibility for 2H/FY27.

DET Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	161	173	175	161	163	164	166	169	671	662
QoQ (%)	-10.1	7.3	1.3	-7.9	0.9	1.0	0.9	2.0	-6.1	-1.3
Revenue (INR m)	13,442	14,496	14,799	13,967	13,925	14,385	14,762	15,173	56,704	58,245
YoY (%)	-7.6	-1.8	-0.8	-6.2	3.6	-0.8	-0.2	8.6	-4.1	2.7
GPM (%)	39.1	39.7	38.9	39.0	37.4	36.3	37.2	38.5	39.2	37.4
SGA (%)	22.3	21.5	21.6	22.4	21.5	20.1	20.5	21.0	21.9	20.8
EBITDA	2,267	2,642	2,562	2,319	2,215	2,333	2,465	2,655	9,790	9,669
EBITDA Margin (%)	16.9	18.2	17.3	16.6	15.9	16.2	16.7	17.5	17.3	16.6
EBIT	1,696	2,058	1,995	1,764	1,671	1,749	1,860	2,048	7,513	7,328
EBIT Margin (%)	12.6	14.2	13.5	12.6	12.0	12.2	12.6	13.5	13.2	12.6
Other income	-54	282	-338	271	522	173	148	152	161	994
ETR (%)	23.5	24.5	25.3	25.4	25.6	28.7	26.0	26.0	24.7	26.6
Adj. PAT	1,256	1,766	1,238	1,518	1,631	1,371	1,486	1,628	5,778	6,116
QoQ (%)	-27.6	40.6	-29.9	22.6	7.4	-15.9	8.4	9.6		
YoY (%)	-26.2	2.2	-28.3	-12.5	29.9	-22.4	20.0	7.2	-16.2	5.8
EPS (INR)	11	16	11	14	15	12	13	15	53	55

HCL Technologies

Buy

CMP INR1,624 | TP: INR2,150 (+32%)

EPS CHANGE (%): FY26|27|28 : 0.7|-0.1|-0.5

- HCL is expected to post 2.3% QoQ CC growth, driven by seasonal tailwinds in its products business.
- We expect full-year YoY cc growth of 4.0% and organic growth of 3.3% (guidance of 3-5%).
- Margins may improve by 70bp, led by a seasonally better quarter for the software business and operating leverage, despite a 70-80bp wage hike impact and furloughs.
- We believe BFSI and Hi-tech will perform better, while manufacturing (especially auto) and ER&D remain under pressure.
- We expect the company to retain its FY26 revenue growth guidance of 3-5% YoY CC.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	3,364	3,445	3,533	3,498	3,545	3,644	3,718	3,765	13,840	14,672
QoQ (%)	-1.9	2.4	2.5	-1.0	1.3	2.8	2.0	1.3	4.3	6.0
Revenue (INR b)	281	289	299	302	303	319	331	338	1,171	1,292
YoY (%)	6.7	8.2	5.1	6.1	8.2	10.7	10.8	11.7	6.5	10.4
GPM (%)	34.5	34.9	35.6	34.7	33.7	34.1	34.4	34.5	34.9	34.2
SGA (%)	12.4	11.5	11.3	11.8	12.3	11.9	11.6	12.3	11.7	12.0
EBITDA	58	64	69	65	60	66	71	71	255	268
EBITDA Margin (%)	20.6	22.1	23.0	21.5	19.7	20.8	21.5	20.9	21.8	20.8
EBIT	48	54	58	54	49	56	60	59	214	224
EBIT Margin (%)	17.1	18.6	19.5	18.0	16.3	17.4	18.1	17.5	18.3	17.3
Other income	9	3	3	3	2	2	4	4	18	12
ETR (%)	25.4	25.5	25.1	24.9	25.9	25.7	25.0	25.0	25.2	25.4
Adjusted PAT	43	42	46	43	38	42	48	47	174	176
QoQ (%)	6.8	-0.5	8.4	-6.2	-10.8	10.2	13.1	-1.0		
YoY (%)	20.5	10.5	5.5	8.1	-9.7	0.0	4.3	10.1	10.8	1.2
EPS	15.7	15.6	16.9	15.9	14.2	15.6	17.6	17.5	63.9	64.9

Hexaware Technologies

Buy

CMP INR765 | TP: INR1,100 (+44%)

EPS CHANGE (%): CY25|26|27: 0.3|-1.3|-1.3

- HEXT revenue is expected to decline 2.5% QoQ in CC terms in 4Q (organic -3.6%) due to lower license revenues in addition to regular furloughs (~2.5-3% impact), fewer working days and temporary government shutdown disruptions.
- FS and Travel & Transportation should lead growth, while Manufacturing and Consumer remain weak; Banking to grow broadly in line with the average.
- The CyberSolve acquisition is expected to have a two-month impact in 3Q.
- EBITDA margin (17.6% in 3Q) is expected to decline by ~60bp due to wage hikes effective 1 Oct and furlough impacts, with guidance likely maintained at 17.1-17.2%.
- Commentary on demand trends, key accounts' growth, deal wins, BFS ramp-ups, and SMC/Cyber solve contribution will be key monitorables.

Quarterly Performance

Y/E March	CY24				CY25E				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Revenue (USD m)	331	352	374	372	372	382	395	386	1,429	1,534
QoQ (%)	5.3	6.4	6.4	-0.5	-0.2	2.9	3.3	-2.3		
Revenue (INR m)	27,488	29,355	31,357	31,544	32,079	32,607	34,836	34,604	1,19,744	1,34,126
YoY (%)	9.6	12.7	18.3	20.6	16.7	11.1	11.1	9.7		12.0
GPM (%)	41.4	41.2	42.3	42.3	41.9	41.5	43.1	42.5	41.8	42.3
Other (%)	26.2	26.6	26.6	26.8	25.5	29.1	25.8	25.8	26.6	26.5
EBITDA	4,176	4,311	4,911	4,904	5,278	4,044	6,013	5,779	18,302	21,114
EBITDA Margin (%)	15.2	14.7	15.7	15.5	16.5	12.4	17.3	16.7	15.3	15.7
EBIT	3,576	3,624	4,173	4,141	4,543	3,292	5,124	4,948	15,514	17,907
EBIT Margin (%)	13.0	12.3	13.3	13.1	14.2	10.1	14.7	14.3	13.0	13.4
Other income	2	172	-114	29	-180	1,391	-157	-69	89	985
PBT	3,578	3,796	4,059	4,170	4,363	4,683	4,967	4,879	15,603	18,892
ETR (%)	22.0	27.7	26.2	23.1	25.0	18.9	25.5	24.8	24.8	23.6
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Reported PAT	2,790	2,746	2,997	3,207	3,271	3,797	3,699	3,669	11,740	14,436
QoQ (%)	45.8	-1.6	9.1	7.0	2.0	16.1	-2.6	-0.8		
YoY (%)	NA	NA	NA	67.6	17.2	38.3	23.4	14.4	17.7	23.0
Adj. PAT	2,790	2,746	2,997	3,207	3,271	3,797	3,699	3,669	11,740	14,436
EPS (INR)	4.6	4.5	5.0	5.2	5.3	6.2	6.0	5.9	19.3	23.4

Infosys

Buy

CMP INR1,616 | TP: INR2,150 (+33%)

EPS CHANGE (%): FY26|27|28: 0.2|0.2|0.3

- Revenue growth is expected to be flat QoQ in CC terms due to seasonal furloughs, with 2H weaker than 1H as growth was front-ended, in line with prior years.
- US BFSI is expected to remain resilient, with some pockets of discretionary spend, particularly in rate-sensitive portfolios such as mortgages, while retail remains soft amid tariff uncertainty.
- Operating margin is likely to remain flat given the absence of wage hikes and lower third-party costs.
- Expect INFY to maintain its guidance of 2% to 3% YoY cc. The ask rate for the top end of guidance is -0.2% for next two quarters, suggesting similar seasonality as previous years: seasonality implies flat 3Q growth and ~1.3% QoQ decline in 4Q.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	4,714	4,894	4,939	4,730	4,941	5,076	5,079	5,045	19,277	20,142
QoQ (%)	3.3	3.8	0.9	-4.2	4.5	2.7	0.1	-0.7	3.9	4.5
Revenue (INR b)	393	410	418	409	423	445	452	453	1,630	1,773
YoY (%)	3.6	5.1	7.6	7.9	7.5	8.5	8.3	10.6	6.1	8.8
GPM (%)	30.9	30.5	30.3	30.2	30.9	30.8	30.8	30.5	30.5	30.7
SGA (%)	9.8	9.4	8.9	9.2	10.1	9.7	9.7	9.7	9.3	9.8
EBITDA	94	99	101	98	100	107	109	107	392	423
EBITDA Margin (%)	24.0	24.1	24.3	23.9	23.8	24.0	24.0	23.7	24.1	23.9
EBIT	83	86	89	86	88	94	95	94	344	371
EBIT Margin (%)	21.1	21.1	21.3	21.0	20.8	21.0	21.1	20.8	21.1	20.9
Other income	7	6	8	8	9	9	6	6	29	31
ETR (%)	29.3	29.6	29.5	27.0	28.9	27.9	28.5	28.5	28.9	28.4
PAT	64	65	68	68	69	74	73	72	265	287
QoQ (%)	4.8	2.2	4.6	0.0	1.7	6.4	-1.2	-1.2		
YoY (%)	7.1	4.7	11.5	12.1	8.7	13.2	6.9	5.6	8.8	8.5
EPS (INR)	15.4	15.7	16.4	16.4	16.7	17.7	17.5	17.3	63.9	69.3

KPIT

Buy

CMP INR1,174 | TP: INR1,500 (+28%)

EPS CHANGE (%): FY26| 27|28: -0.8|-0.6|-0.6

- KPIT is expected to report 2.8% QoQ CC growth due to full consolidation of Caresoft (1-month impact) and N-dream in 3Q. Management guided for flat-to-modest growth in 3QFY26 (organic) and meaningful acceleration in 4QFY26 as large deal ramp-up kicks in.
- EBITDA margins are expected to remain flat QoQ at 21% despite wage hikes spread across 3Q and 4Q.
- Fixed-price contracts increased sequentially, aiding margin stability but slightly affecting cash flow timing due to milestone-based billing.
- Commentary on Europe OEMs, budget allocation, deal ramp-ups, and the China market will be key monitorables.

Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	165	173	176	177	178	181	185	191	691	735
QoQ (%)	3.8	4.8	1.7	0.6	0.5	1.8	2.2	3.4		
Revenue (INR m)	13,646	14,714	14,780	15,283	15,388	15,877	16,477	17,170	58,423	64,913
YoY (%)	24.3	22.7	17.6	16.0	12.8	7.9	11.5	12.3	19.9	11.1
GPM (%)	35.3	34.8	36.6	36.1	35.2	37.3	36.0	36.0	35.7	36.1
SGA (%)	14.2	14.3	15.5	15.0	14.2	16.2	15.0	15.0	14.8	15.1
EBITDA	2,882	3,018	3,122	3,230	3,239	3,351	3,460	3,606	12,251	13,656
EBITDA Margin (%)	21.1	20.5	21.1	21.1	21.0	21.1	21.0	21.0	21.0	21.0
EBIT	2,356	2,457	2,538	2,651	2,610	2,604	2,653	2,764	10,002	10,631
EBIT Margin (%)	17.3	16.7	17.2	17.3	17.0	16.4	16.1	16.1	17.1	16.4
Other income	417	417	92	-81	39	73	198	206	845	-147
ETR (%)	26.2	28.0	27.1	26.4	27.1	26.7	26.0	26.0	26.9	26.4
PAT	2,042	2,037	1,870	1,997	1,719	1,691	2,109	2,198	7,945	7,717
QoQ (%)	24.2	-0.2	-8.2	6.8	-13.9	-1.6	24.8	4.2		
YoY (%)	52.4	44.6	20.4	21.5	-15.8	-17.0	12.8	10.1	32.7	-2.9
EPS (INR)	7.5	7.5	6.8	8.9	6.3	6.2	7.7	8.0	29.0	28.2

LTIMindtree

Buy

CMP INR6,066 | TP: INR7,900 (+30%)

EPS CHANGE (%): FY26 | 27 | 28: 0.1 | -0.7 | -0.7

- LTIM is expected to report ~2.2% QoQ CC growth, aided by its large deal pipeline and ongoing transformation programs.
- EBIT margin is expected to remain flat QoQ to ~16.0% despite furloughs, lower working days, and wage hikes (staggered across in 3Q/4Q).
- BFSI may see some softness due to slightly high furloughs. Hi-Tech is expected to remain broadly flat despite furloughs, as a large recently won deal is still in transition.
- Manufacturing should hold up beyond seasonal pass-throughs and retail CPG should grow, aided by the ramp-up of a recently announced chemical sector deal. TTH is likely to see growth with a 2Q deal ramping up.
- Commentary on demand, deal ramp-up, BFSI/Hi-tech vertical, and margins will be closely monitored.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	1,096	1,127	1,139	1,131	1,153	1,180	1,205	1,238	4,493	4,776
QoQ (%)	2.5	2.8	1.1	-0.7	2.0	2.3	2.1	2.7	4.8	6.3
Revenue (INR B)	91	94	97	98	98	104	107	111	380	421
YoY (%)	5.1	5.9	7.1	9.9	7.6	10.2	11.1	13.6	7.0	10.7
GPM (%)	30.3	30.8	28.8	27.9	29.1	30.3	30.2	29.5	29.4	29.8
SGA (%)	12.7	12.8	12.3	11.6	12.3	11.7	11.7	11.5	12.3	11.8
EBITDA	16	17	16	16	16	19	20	20	65	76
EBITDA Margin (%)	17.6	18.0	16.5	16.3	16.8	18.6	18.5	18.0	17.1	18.0
EBIT	14	15	13	13	14	16	17	17	55	65
EBIT Margin (%)	15.0	15.5	13.8	13.8	14.3	15.9	16.0	15.5	14.5	15.4
Other income	1.5	2.3	1.4	1.8	3.2	2.3	1.9	2.0	7	9
ETR (%)	25.6	25.8	26.2	26.2	27.3	26.5	25.0	25.0	25.9	25.9
Adj PAT	11	13	11	11	13	14	14	14	46	55
QoQ (%)	3.1	10.3	-13.2	3.9	11.2	10.1	3.7	0.6		
YoY (%)	-1.5	7.7	-7.1	2.5	10.5	10.4	31.8	27.7	0.4	19.7
EPS (INR)	38.2	42.2	36.6	38.0	42.3	47.2	48.4	48.7	155.0	186.6

LTTS

Neutral

CMP INR4,459 | TP: INR4,800 (+8%)

EPS CHANGE (%): FY26 | 27 | 28: -0.1 | -0.4 | -0.4

- We expect revenue to grow 1.3% QoQ CC in 3Q, as we expect weakness in Mobility to slightly offset growth in Sustainability, led by steady ramp-ups.
- We expect margins to improve by ~70bp QoQ. Levers such as favorable segment mix, and SG&A optimization shall help in delivering margins.
- We expect the Sustainability vertical to lead growth, supported by deal flows and ramp-ups, while Mobility is expected to be soft before it recovers in 4Q.
- We expect LTTS to retain its FY26 double-digit revenue growth guidance. Commentaries on turnaround in Mobility & deal ramp-ups will be key to track.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	295	307	312	345	335	337	341	362	1,259	1,375
QoQ (%)	-3.2	3.9	1.7	10.6	-2.8	0.5	1.1	6.1	8.2	9.2
Revenue (INR m)	24,619	25,729	26,530	29,824	28,660	29,795	30,357	32,458	1,06,702	1,21,270
YoY (%)	7.0	7.8	9.5	17.5	16.4	15.8	14.4	8.8	10.6	13.7
GPM (%)	29.3	29.3	29.0	27.8	28.0	28.0	27.9	27.3	28.8	27.8
SGA (%)	10.8	11.2	10.3	11.8	11.9	11.5	10.8	10.4	11.1	11.1
EBITDA	4,562	4,660	4,947	4,755	4,624	4,908	5,191	5,485	18,924	20,208
EBITDA Margin (%)	18.5	18.1	18.6	15.9	16.1	16.5	17.1	16.9	17.7	16.7
EBIT	3,836	3,877	4,219	3,939	3,813	3,982	4,280	4,544	15,871	16,619
EBIT Margin (%)	15.6	15.1	15.9	13.2	13.3	13.4	14.1	14.0	14.9	13.7
Other income	491	531	180	334	512	498	486	519	1,536	2,015
ETR (%)	27.5	27.4	27.4	27.4	26.9	26.5	27.1	27.0	27.4	26.9
Adj. PAT	3,136	3,196	3,166	3,111	3,157	3,287	3,472	3,693	12,609	13,609
QoQ (%)	-8.0	1.9	-0.9	-1.7	1.5	4.1	5.6	6.4		
YoY (%)	0.8	1.3	-5.8	-8.7	0.7	2.8	9.7	18.7	-3.3	7.9
EPS (INR)	29.6	29.8	30.4	29.3	29.8	31.0	32.7	34.8	119.0	128.2

Mphasis

Buy

CMP INR2,791 | TP: INR4,000 (+43%)

EPS CHANGE (%): FY26 | 27 | 28: 0.1|-0.7|-0.7

- We expect 1.3% QoQ CC growth, with furloughs weighing on 3Q growth, followed by a recovery in 4Q (~2.5%) as large-deal ramp-ups offset near-term softness, supporting a stronger FY26 exit. However, steady TCV-to-revenue conversion is key to tracking execution from hereon.
- Margins are likely to remain broadly flat, with utilization holding steady and no material changes in amortization or SG&A; EBIT margin should remain within the guided 14.75–15.75% band.
- Expect notable improvement in TCV win rate in FY26; this could improve growth visibility for the next 4-6 quarters.
- Commentary around demand environment, volume recovery for its mortgage business, deal TCV & revenue conversion and logistics vertical will be worth tracking.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	410	421	419	430	437	445	450	462	1,680	1,795
QoQ (%)	-0.2	2.7	-0.5	2.7	1.6	1.8	1.2	2.6	4.4	6.8
Revenue (INR m)	34,225	35,362	35,613	37,101	37,324	39,019	39,794	41,167	1,42,301	1,57,304
YoY (%)	5.2	7.9	6.7	8.7	9.1	10.3	11.7	11.0	7.2	10.5
GPM (%)	30.8	31.3	31.7	31.8	31.9	30.9	31.2	31.3	31.4	31.3
SGA (%)	12.7	12.9	12.7	12.9	13.1	12.4	12.5	12.5	12.8	12.6
EBITDA	6,185	6,480	6,781	7,026	7,028	7,236	7,441	7,739	26,472	29,445
EBITDA Margin (%)	18.1	18.3	19.0	18.9	18.8	18.5	18.7	18.8	18.6	18.7
EBIT	5,135	5,444	5,458	5,673	5,709	5,958	6,128	6,381	21,710	24,176
EBIT Margin (%)	15.0	15.4	15.3	15.3	15.3	15.3	15.4	15.5	15.3	15.4
Other income	238	182	235	239	392	289	398	412	894	1,491
ETR (%)	24.7	24.7	24.8	24.5	27.6	24.9	24.5	24.5	24.7	25.3
PAT	4,045	4,234	4,279	4,466	4,417	4,690	4,927	5,128	17,024	19,163
QoQ (%)	2.9	4.7	1.1	4.4	-1.1	6.2	5.1	4.1		
YoY (%)	2.1	8.0	14.5	13.6	9.2	10.8	15.2	14.8	9.5	12.6
EPS (INR)	21.3	22.2	22.4	23.4	23.1	24.5	25.8	26.8	89.3	100.3

Persistent Systems

Buy

CMP INR6,271 | TP: INR8,200 (+31%)

EPS CHANGE (%): FY26 | 27 | 28: 0.1|-1.4|-1.4

- We expect 3.5% QoQ CC revenue growth, as all verticals shall report sequential growth, partially offset by furloughs.
- BFSI shall see steady ramp-up of deals in 2H, while sub-verticalization in HLS shall see further pipeline traction.
- Margins are expected to decline 130bp to 15.0% as wage hikes become effective in 3Q. Utilization at 87% seems to have peaked out as key margin lever. SG&A leverage shall partially offset pressure from wage hike.
- TCV has been strong for PSYS for past few quarters, while conversion remains key monitorable in near term.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	328	346	360	375	390	406	420	437	1,409	1,653
QoQ (%)	5.6	5.3	4.3	4.2	3.9	4.2	3.4	4.1	18.8	17.3
Revenue (INR m)	27,372	28,972	30,623	32,421	33,336	35,807	37,399	39,239	1,19,387	1,45,781
QoQ (%)	5.7	5.8	5.7	5.9	2.8	7.4	4.4	4.9		
YoY (%)	17.9	20.1	22.6	25.2	21.8	23.6	22.1	21.0	21.6	22.1
GPM (%)	33.0	33.4	34.7	34.9	35.3	36.0	34.2	36.0	34.0	35.4
SGA (%)	16.4	16.8	17.1	16.8	16.9	16.9	16.6	17.0	16.8	16.9
EBITDA	4,552	4,807	5,378	5,844	6,116	6,838	6,582	7,455	20,581	26,992
EBITDA Margin (%)	16.6	16.6	17.6	18.0	18.3	19.1	17.6	19.0	17.2	18.5
EBIT	3,840	4,062	4,557	5,053	5,178	5,837	5,610	6,396	17,512	23,021
EBIT Margin (%)	14.0	14.0	14.9	15.6	15.5	16.3	15.0	16.3	14.7	15.8
Other income	165	283	263	-1	376	331	299	314	710	1,320
ETR (%)	23.5	25.2	22.6	21.7	23.5	23.6	23.3	23.5	23.2	23.5
Adj. PAT	3,064	3,250	3,729	3,958	4,249	4,715	4,532	5,133	14,001	18,629
QoQ (%)	-2.8	6.1	14.7	6.1	7.4	10.9	-3.9	13.3		
YoY (%)	10.5	23.4	30.3	25.5	38.7	45.1	21.5	29.7	22.6	33.1
Reported EPS (INR)	19.9	21.0	23.9	25.4	27.2	30.2	29.0	32.8	90.2	119.2

TCS

Buy

CMP INR3,206 | TP: INR4,400 (+37%)

EPS CHANGE (%): FY26 | 27 | 28: -0.3 | -0.2 | -0.2

- TCS is expected to post revenue growth of 0.5% QoQ CC, with international business growing ~0.5% and BSNL ramp-up. Inorganic contribution from ListEngage is expected to be around 0.1%.
- Outlook on near-term demand & client tech budgets, AI data centers, and deal wins would be key monitorables.
- We expect EBIT margin to decline ~30bp QoQ due to two-month impact of wage hikes, steady ramp-up of BSNL deal and redundancy related costs.
- The recent acquisition of ListEngage and Coastal cloud provides growth support for near term. Commentaries around realizing synergy from acquisitions shall be monitored.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
IT Services Revenue (USD m)	7,505	7,670	7,539	7,465	7,421	7,466	7,477	7,611	30,179	29,976
QoQ (%)	1.9	2.2	-1.7	-1.0	-0.6	0.6	0.2	1.8	3.8	-0.7
Overall Revenue (INR b)	626	643	640	645	634	658	666	683	2,553	2,641
QoQ (%)	2.2	2.6	-0.4	0.8	-1.6	3.7	1.2	2.6		
YoY (%)	5.4	7.7	5.6	5.3	1.3	2.4	4.1	5.9	6.0	3.4
GPM (%)	42.6	38.2	38.8	38.8	39.1	39.6	39.3	39.2	39.6	39.3
SGA (%)	18.0	14.1	14.3	14.6	14.7	14.4	14.4	14.4	15.2	14.5
EBITDA	167	168	170	169	169	180	180	184	674	713
EBITDA Margin (%)	26.7	26.1	26.5	26.2	26.6	27.3	27.1	27.0	26.4	27.0
EBIT	154	155	157	156	155	166	166	169	622	656
EBIT Margin (%)	24.7	24.1	24.5	24.2	24.5	25.2	24.9	24.8	24.3	24.8
Other income	8	6	10	8	15	6	9	10	32	40
PBT	162	160	167	164	170	172	175	179	653	696
ETR (%)	25.4	25.4	25.3	25.1	24.5	22.9	25.3	25.3	25.3	24.5
Adj. PAT	121	120	124	123	128	133	131	134	488	525
Exceptional items	0	0	0	0	0	-11	0	0	0	-11
Reported PAT	121	120	124	123	128	121	131	134	488	514
QoQ (%)	-3.2	-1.2	4.1	-1.2	4.3	-5.4	7.8	2.2		
YoY (%)	8.9	5.1	12.1	-1.7	5.9	1.5	5.1	8.7	5.5	5.3
EPS (INR)	33.3	32.9	34.2	33.8	35.3	33.4	36.0	36.7	134.2	141.3

Tata Elxsi

Sell

CMP INR5,239 | TP: INR4,600 (-12%)

EPS CHANGE (%): FY26 | 27 | 28: -1.2 | -0.6 | -0.7

- We expect revenue to grow 1.8% QoQ in CC terms in 3Q, as we expect HLS to normalize and transportation to show sequential growth.
- US is expected to remain soft for automotive but adjacencies (aerospace, off-road, commercial vehicles) shall do better.
- EBIT margins shall further improve 30bp to 18.8%, aided by higher utilization.
- Commentary on Tier-1/OEMs, Media vertical and margin recovery needs to be monitored.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	111	114	111	105	105	105	106	110	441	427
QoQ (%)	2.2	2.7	-2.5	-5.4	-0.3	0.4	1.2	3.6		
Revenue (INR m)	9,265	9,551	9,392	9,083	8,921	9,181	9,480	9,893	37,290	37,474
YoY (%)	9.0	8.3	2.7	0.3	-3.7	-3.9	0.9	8.9	5.0	0.5
GPM (%)	27.2	27.9	26.3	22.9	20.9	21.1	21.5	21.8	26.1	21.3
SGA (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	2,523	2,664	2,466	2,077	1,867	1,933	2,038	2,152	9,730	7,990
EBITDA Margin (%)	27.2	27.9	26.3	22.9	20.9	21.1	21.5	21.8	26.1	21.3
EBIT	2,252	2,393	2,207	1,830	1,625	1,699	1,782	1,885	8,681	6,990
EBIT Margin (%)	24.3	25.1	23.5	20.1	18.2	18.5	18.8	19.1	23.3	18.7
Other income	272	595	352	385	339	448	517	539	1,603	1,843
ETR (%)	27.1	23.2	22.2	22.1	26.5	27.9	26.0	26.0	23.7	26.6
PAT	1,841	2,294	1,990	1,724	1,444	1,548	1,701	1,794	7,850	6,487
QoQ (%)	-6.5	24.6	-13.3	-13.4	-16.3	7.2	9.9	5.4		
YoY (%)	-2.5	14.7	-3.6	-12.4	-21.6	-32.5	-14.5	4.0	-0.9	-17.4
EPS (INR)	29.6	36.8	31.9	27.7	23.2	24.9	27.3	28.8	126.0	104.1

Tata Technologies

Sell

CMP INR642 | TP: INR580 (-10%)

EPS CHANGE (%): FY26 | 27 | 28: -3.4 | -0.9 | -0.9

- We expect growth of 1.0% QoQ CC in 3Q, led by inorganic contribution from recent acquisition of Tec GMBH. JLR is expected to have headwinds on growth this quarter.
- Margins are expected to decline by ~200bp QoQ to 11.4%, driven by lower utilization following the JLR impact.
- 2H shall see uptick in growth over 1H as seasonal tailwinds in Products business come into play.
- Comments on demand recovery schedule, client conversation & margin recovery will be key to track.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	152	155	156	148	145	151	151	156	611	603
QoQ (%)	-2.9	1.6	0.7	-4.8	-2.0	3.9	-0.1	3.7		
Revenue (INR m)	12,690	12,965	13,174	12,857	12,443	13,234	13,421	14,020	51,685	53,117
YoY (%)	0.9	2.1	2.2	-1.2	-1.9	2.1	1.9	9.0	1.0	2.8
GPM (%)	25.3	26.0	25.2	26.0	23.2	22.7	21.2	23.5	25.6	22.7
SGA (%)	7.1	7.8	7.4	7.9	7.1	7.0	7.5	7.5	7.6	7.3
EBITDA	2,311	2,355	2,340	2,334	2,002	2,079	1,839	2,243	9,341	8,162
EBITDA Margin (%)	18.2	18.2	17.8	18.2	16.1	15.7	13.7	16.0	18.1	15.4
EBIT	2,014	2,056	2,036	2,023	1,688	1,770	1,525	1,916	8,128	6,899
EBIT Margin (%)	15.9	15.9	15.5	15.7	13.6	13.4	11.4	13.7	15.7	13.0
Other income	183	118	221	523	589	436	336	350	1,045	1,712
ETR (%)	26.2	27.6	25.4	26.8	26.8	26.7	26.4	26.7	26.6	26.7
PAT	1,620	1,574	1,686	1,889	1,703	1,655	1,466	1,769	6,729	6,593
QoQ (%)	3.0	-2.9	7.1	12.0	-9.8	-2.8	-11.5	20.7		
YoY (%)	-15.4	-1.9	-0.9	20.1	5.1	5.2	-13.1	-6.3	-1.0	-2.0
EPS (INR)	4.0	3.9	4.2	4.7	4.2	4.1	3.6	4.4	16.6	16.2

Tech Mahindra

Buy

CMP INR1,591 | TP: INR2,325 (+46%)

EPS CHANGE (%): FY26 | 27 | 28: -0.4 | -1.2 | -4.2

- We expect revenue to grow 0.5% QoQ CC as furloughs impact growth partially. Auto is showing recovery in selected pockets in Manufacturing. Communication may recover in 2H as temporary challenges in Europe ease.
- EBIT margin expected to improve by 60bp QoQ to 12.7%, supported by improved GM as company optimizes fixed cost projects. We build in 13% exit margin by FY26.
- Europe is expected to pick traction again on the back of vendor consolidation opportunities, while some cautiousness is expected in commercial vehicles in Manufacturing.
- The outlook on FY27 growth, client mix, and communication vertical will be key to watch.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	1,559	1,589	1,567	1,549	1,564	1,586	1,591	1,620	6,264	6,361
QoQ (%)	0.7	1.9	-1.4	-1.1	1.0	1.4	0.3	1.9	-0.2	1.5
Revenue (INR b)	130	133	133	134	134	140	142	145	530	560
YoY (%)	-1.2	3.5	1.4	4.0	2.7	5.1	6.6	8.6	1.9	5.8
GPM (%)	26.5	27.9	28.8	29.2	28.7	29.1	29.7	28.9	28.1	29.1
SGA (%)	14.5	14.8	15.2	15.2	14.2	13.7	13.8	13.0	14.9	13.6
EBITDA	16	18	18	19	19	22	23	23	70	87
EBITDA Margin (%)	12.0	13.1	13.6	14.0	14.5	15.5	15.9	15.9	13.2	15.5
EBIT	11	13	14	14	15	17	18	19	51	69
EBIT Margin (%)	8.5	9.6	10.2	10.5	11.1	12.1	12.7	13.0	9.7	12.2
Other income	1	4	-1	1	1	0	2	2	5	4
ETR (%)	26.7	26.6	23.9	22.0	30.2	27.5	26.0	26.0	24.8	27.3
Adj. PAT	9	13	10	12	11	12	15	15	43	53
QoQ (%)	-12.2	46.8	-21.4	18.7	-2.2	4.7	21.6	4.9		
YoY (%)	-10.9	27.8	36.8	20.3	34.0	-4.4	47.7	30.5	17.4	24.9
Extra-Ordinary Item	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reported PAT	9	13	10	12	11	12	15	15	43	53
EPS (INR)	9.6	14.1	11.1	13.2	12.9	13.5	16.4	17.2	47.9	59.8

Wipro

Neutral

CMP INR263 | TP: INR275 (+5%)

EPS CHANGE (%): FY26 | 27 | 28 : -0.2 | -0.2 | -0.2

- IT services likely to report 1.5% CC growth, driven by a one-month inorganic contribution from the Harman acquisition.
- Organically, we expect WPRO to report 0.5% cc growth (mid-point of guidance). Several large deals closed in 1H shall ramp up from 3QFY26.
- Margins are likely to stay in a tight range (~16.4%), due to headwinds from Phoenix deal ramp up and partial dilution due to Harman acquisition.
- Management commentary on the ramp-up of deals won, hiring to support ramp-ups, and growth synergies from Harman will remain key monitorables.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
IT Services Revenue (USD m)	2,626	2,660	2,629	2,597	2,587	2,604	2,635	2,658	10,512	10,485
QoQ (%)	-1.2	1.3	-1.2	-1.2	-0.4	0.7	1.2	0.8	-2.7	-0.3
Overall Revenue (INR b)	220	223	223	225	221	227	236	240	891	924
QoQ (%)	-1.1	1.5	0.1	0.8	-1.6	2.5	3.9	1.6		
YoY (%)	-3.8	-1.0	0.5	1.3	0.8	1.8	5.6	6.5	-0.6	3.7
GPM (%)	30.2	30.5	31.0	30.9	29.0	29.6	29.2	28.7	30.7	29.1
SGA (%)	13.7	13.6	13.8	13.6	12.9	13.2	13.0	13.0	13.7	13.0
EBITDA	43	45	46	47	43	45	47	46	181	181
EBITDA Margin (%)	19.7	20.0	20.8	20.7	19.5	20.0	19.8	19.3	20.3	19.6
IT Serv. EBIT (%)	16.5	16.8	17.5	17.5	17.3	16.7	17.0	17.0	17.1	17.0
EBIT Margin (%)	16.4	16.7	17.5	17.4	16.1	16.7	16.4	15.9	17.0	16.3
Other income	4	6	6	8	7	5	4	4	24	21
ETR (%)	24.5	24.6	24.4	24.3	21.6	23.8	23.6	23.3	24.5	23.1
PAT	30	32	34	36	33	32	33	32	131	131
QoQ (%)	5.9	6.8	4.5	6.4	-6.7	-2.5	0.7	-1.1		
YoY (%)	4.6	21.3	24.5	25.9	10.9	1.2	-2.6	-9.4	19.2	-0.5
EPS (INR)	5.7	3.1	3.2	3.4	3.2	3.1	3.1	3.1	12.5	12.5

Zensar Technologies

Buy

CMP INR703 | TP: INR1,000 (+42%)

EPS CHANGE (%): FY26 | 27 | 28 : -0.4 | -2.1 | -2.1

- We expect a decline of 1.7% QoQ CC, largely due to furlough impacts and weakness in the TMT and Healthcare verticals.
- We expect margins to improve by 60bp sequentially to 14.3% as the impact of wage hikes is largely behind, offshore mix improves, and G&A expenses are rationalized in 3Q.
- We expect furlough impacts across most verticals in the quarter. TMT and Healthcare are likely to decline due to higher furloughs at large clients, while BFSI is expected to be flat or slightly down. In contrast, M&C is likely to post growth.
- Comments on deal signings, AI-infused deal wins and TMT trajectory will be key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (USD m)	154	156	157	157	162	163	160	163	624	648
QoQ (%)	4.3	1.2	0.5	-0.1	3.3	0.5	-1.7	1.9	5.4	3.8
Revenue (INR m)	12,881	13,080	13,256	13,589	13,850	14,213	14,252	14,630	52,806	56,945
YoY (%)	5.0	5.4	10.1	10.5	7.5	8.7	7.5	7.7	7.7	7.8
GPM (%)	30.4	28.1	30.1	30.3	30.5	31.0	30.5	30.0	29.7	30.5
SGA (%)	15.2	12.7	14.5	14.7	15.3	15.6	14.5	14.5	14.3	15.0
EBITDA	1,961	2,011	2,069	2,125	2,106	2,199	2,280	2,268	8,166	8,853
EBITDA Margin (%)	15.2	15.4	15.6	15.6	15.2	15.5	16.0	15.5	15.5	15.5
EBIT	1,714	1,714	1,832	1,887	1,875	1,947	2,038	1,990	7,147	7,850
EBIT Margin (%)	13.3	13.1	13.8	13.9	13.5	13.7	14.3	13.6	13.5	13.8
Other income	383	366	270	411	531	454	327	409	1,430	1,721
ETR (%)	24.7	25.1	24.0	23.2	24.4	24.2	24.0	23.9	24.2	24.1
Adj. PAT	1,579	1,558	1,597	1,764	1,820	1,821	1,798	1,824	6,498	7,263
QoQ (%)	-8.9	-1.3	2.5	10.5	3.2	0.1	-1.3	1.5		
YoY (%)	1.1	-10.4	-1.2	1.8	15.3	16.9	12.6	3.4	-2.3	11.8
EPS (INR)	6.9	6.8	7.0	7.7	7.9	7.9	7.8	7.9	28.4	31.6

Telecom

Company

Bharti Airtel

Bharti Hexacom

Indus Towers

Reliance Jio

Tata Communications

Vodafone Idea

Muted 3Q; tariff hike delay to weigh on near-term growth

A modest 1-2% QoQ revenue/EBITDA growth likely for telcos

We expect 1.3%/1.9% sequential growth in combined wireless revenue/EBITDA for the three private telcos in 3QFY26. We model a 0.6% sequential uptick in the blended ARPU for the three private telcos. The subscriber net adds trend for the private telcos is expected to remain stable QoQ, with subscriber declines continuing for Vi. We expect modest ~2% QoQ recurring EBITDA growth for Indus Towers, while Tata Communications could report a steady quarter (+9% YoY/3% QoQ data revenue growth, ~100bp QoQ consolidated margin expansion) led by favorable FX movement and a seasonally strong quarter for Kaleyra. The delay in tariff hikes is disappointing and would weigh on near-term growth for telcos. With several key state elections in the next couple of months, we now expect ~15% tariff hike from Jul'26 (vs. Dec'25 earlier). Commentary on the potential next round of tariff hikes, JPL IPO valuations, and AGR resolution will continue to remain key things to watch out for in 3QFY26.

ARPU-led growth moderates with delays in tariff hikes

- The flow-through of the Jul'24 tariff hike (~17% blended price increases) has seen divergent trends across telcos, with Bharti registering ~21% wireless ARPU growth since 1QFY25, compared to ~14-15% growth for RJio and Vi. Given the delay in the next tariff hike vs. our expectation of a 15% rise from Dec'25 and the benefit of the previous tariff hike now in base, we expect a modest ~1% QoQ (+4% YoY) growth in blended ARPU for the private telcos, mainly driven by subscriber mix improvements for Bharti (INR258) and Vi (INR168), while a rising share of Home Broadband subs in the overall mix should benefit RJio (INR213). The subscriber net adds trend is expected to remain largely stable, with RJio leading with ~5.6m wireless (and ~8.5m overall) net adds, followed by ~3.5m net adds for Bharti and ~1.5m subscriber declines for Vi.
- Overall, we expect ~1.5-1.6% QoQ growth in wireless revenue for Bharti and RJio, while Vi's wireless revenue could remain flat QoQ as ARPU uptick gets offset by modest subscriber declines. Bharti's consolidated revenue is likely to rise ~3% QoQ to INR536b, driven by sustained high growth in Homes (+8% QoQ, FWA ramp-up) and Africa (+7% QoQ, favorable FX movements and continued strong growth in constant currency (CC) terms).

Incremental margin to revert to ~60% range, driving modest EBITDA growth

With the bulk of the tariff hike benefits in the base, we expect telcos' blended incremental margins to revert to ~60% range (vs. 70%+ in the last few quarters). As a result, we build in modest ~1.9% QoQ (+11% YoY) growth in combined EBITDA for the three telcos, with RJio leading with 2.8% sequential growth, followed by Bharti (1.4%) and Vi (0.6%). Vi's pre-IND-AS 116 EBITDA is likely to remain steady QoQ at INR22.5b. Hexacom's reported EBITDA could grow 5.4% QoQ, aided by the seasonally favorable roaming patterns. Bharti's reported consolidated EBITDA is likely to grow 3.3% QoQ to INR305b, driven by continued robust growth in Africa, Homes, and steady growth in the India wireless business.

Muted quarter for Indus Towers; all eyes on AGR resolution for Vi

We expect Indus' recurring EBITDA (ex-provisions and one-offs) to rise ~2% QoQ. We do not expect any bad debt provision reversals in 3QFY26 (vs. ~INR2b QoQ). We believe focus would remain on the AGR relief measures and subsequent debt raise for Vi, which could improve visibility on Vi's cashflow and capex plans, thus removing uncertainty on Vi's tenancy growth and enabling Indus to reinstate dividends.

TCOM to deliver steady growth with reducing digital losses

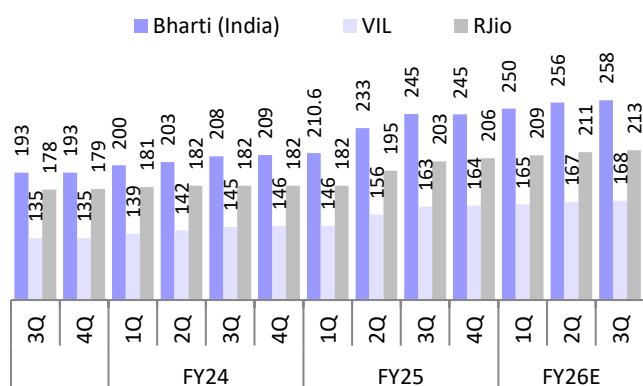
We expect ~9% YoY (3% QoQ) growth in data revenue for TCOM, driven primarily by robust ~16% YoY growth in digital platforms and services and favorable FX movements. Consolidated EBITDA margin is expected to expand ~100bp QoQ (+20bp YoY) to 20.2%, driven by lower losses in the digital portfolio and a seasonally better quarter for Kaleyra. Acceleration in digital growth and margin recovery remains the key monitorable for TCOM.

Delays in tariff hikes drive near-term earnings cuts; outlook remains robust

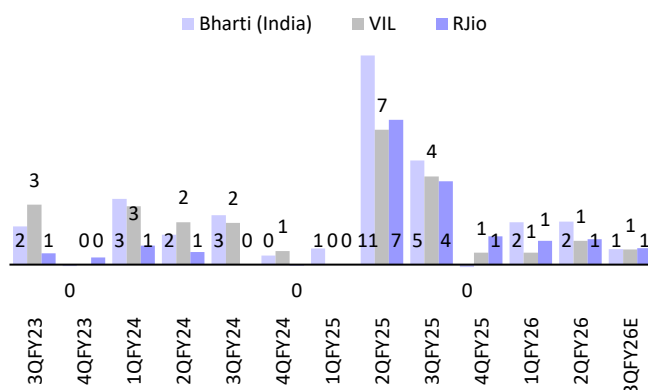
- With 18 months since the last tariff hike (Jul'24), modest inflation, continued data volume growth, and steady subscriber net additions, we expected ~15% tariff hike from Dec'25. The delays in the tariff hike (vs. expectations of Dec'25) is disappointing, and with several key state elections over the next few months, we believe the tariff hikes will now be pushed out to Jul'26.
- However, we remain structurally positive on the case for tariff hikes, given the consolidated market structure in the Indian telecom industry, with one of the highest data usage, yet among the lowest data prices globally, and inadequate returns generated by telcos. We roll forward our estimate of ~15% smartphone tariff hikes to Jul'26 (vs. Dec'25), which leads to modest cuts in our FY26-27E earnings for telcos. The earnings cut and lower TP for Bharti are also driven by impending calls on the Rights issue (~5% rise in share count from Mar'26).
- We continue to prefer Bharti (improved FCF, deleveraging) and RIL (market share gains, impending listing of JPL) in the telecom space. However, we believe further re-rating of multiples hinges on higher long-term ARPU growth (vs. our assumption of ~6% CAGR over FY28-35E).

Exhibit 1: Expected quarterly performance summary

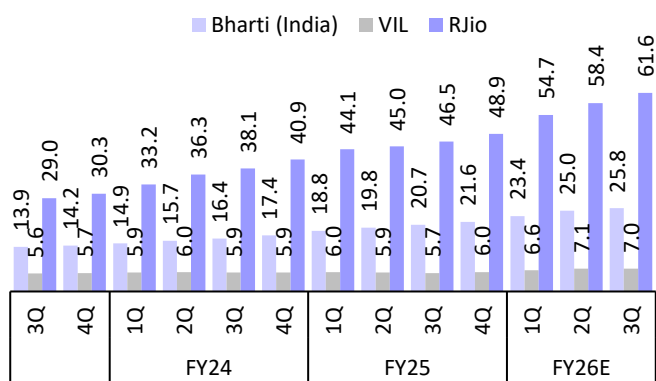
Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
Bharti Airtel	2107	Buy	5,36,365	18.9	2.9	3,05,225	24.1	3.3	85,386	54.8	25.7
Bharti Hexacom	1802	Neutral	23,724	5.4	2.4	12,730	10.5	5.4	4,642	26.6	10.2
Indus Towers	442	Neutral	82,957	9.9	1.3	44,696	-35.8	-2.2	17,737	1.9	4.8
Tata Comm	1793	Neutral	62,838	8.9	3.0	12,685	10.1	8.1	3,321	49.4	62.8
Vodafone Idea	12	Neutral	1,12,186	0.9	0.2	47,142	0.0	0.6	-66,788	Loss	Loss
Telecom			8,18,070	13.9	2.3	4,22,479	9.5	2.5	44,297	258.9	24.8

Exhibit 2: QoQ ARPU trends for private telcos (INR)


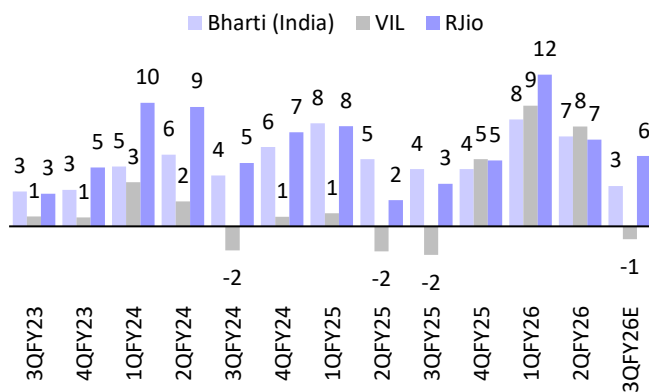
Sources: Company, MOFSL

Exhibit 3: QoQ ARPU growth trends for private telcos (%)


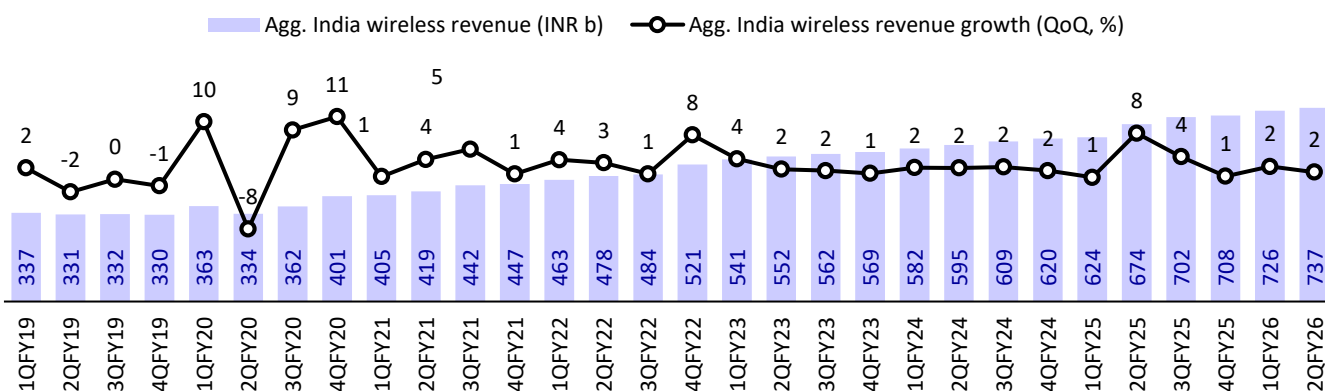
Sources: Company, MOFSL

Exhibit 4: QoQ data traffic trends for private telcos (b GB)


Sources: Company, MOFSL

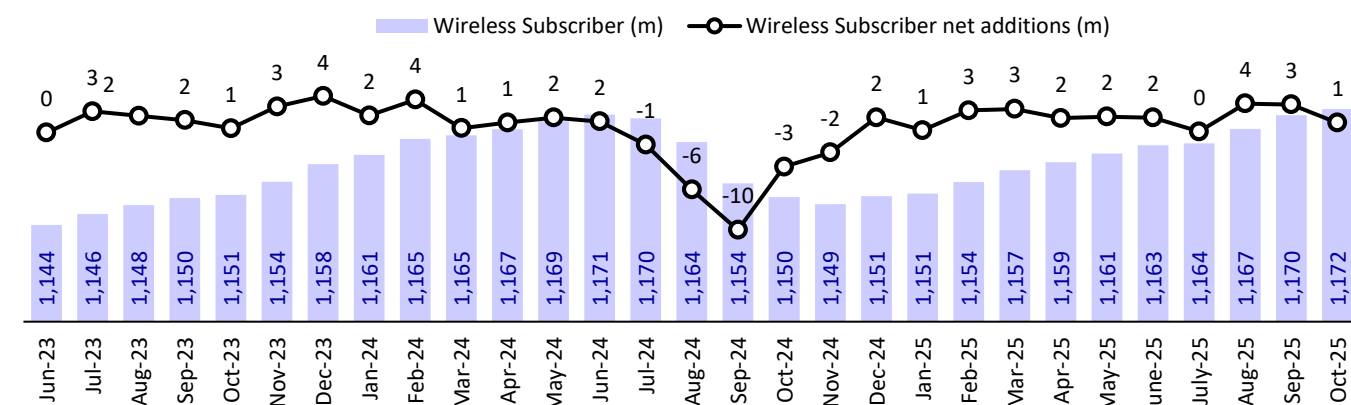
Exhibit 5: QoQ growth trends in data traffic for private telcos (%)


Sources: Company, MOFSL

Exhibit 6: India wireless adjusted gross revenue (AGR) and growth trends (QoQ, %)


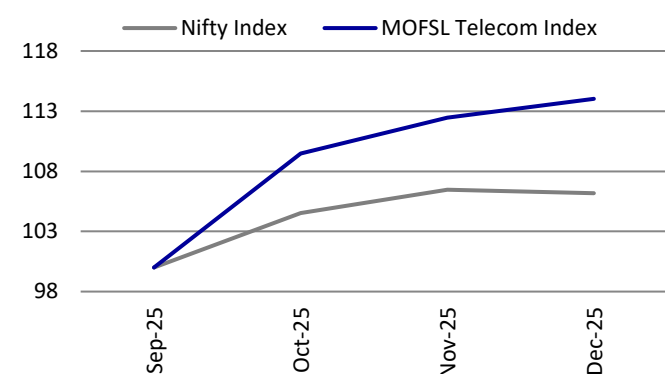
Sources: TRAI, MOFSL

Exhibit 7: Aggregate India wireless subscriber and growth trends (MoM, %)



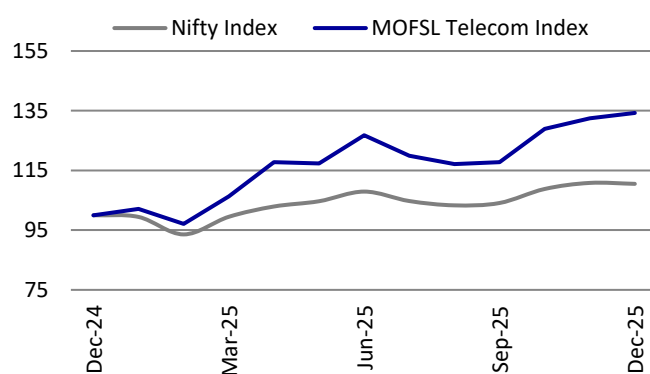
Sources: TRAI, MOFSL

Exhibit 8: Relative performance – three months (%)



Sources: Bloomberg, MOFSL

Exhibit 9: Relative performance – one year (%)



Sources: Bloomberg, MOFSL

Exhibit 10: Comparative valuation

Exhibit 10: Comparative valuation														
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Telecom						126	73	44.3	19.1	16.2	14.9	15.1	22.2	33.7
Bharti Airtel	2,107	Buy	48.7	65.7	84.8	43.3	32.1	24.9	8.8	6.8	5.8	24.0	26.1	27.5
Bharti Hexacom	1,802	Neutral	34.9	48.2	63.6	51.6	37.3	28.3	12.6	10.5	8.8	26.6	30.7	33.9
Indus Towers	442	Neutral	26.2	27.6	28.6	16.9	16.0	15.4	3.0	2.8	2.7	19.1	17.8	17.4
Tata Comm	1,793	Neutral	39.7	62.0	74.9	45.2	28.9	23.9	15.1	11.1	8.5	35.3	44.3	40
Vodafone Idea	12	Neutral	-2.4	-2.6	-2.5	-4.9	-4.5	-4.8	-0.4	-0.3	-0.2	NM	NM	NM

Exhibit 11: KPI comparisons for the private telcos

	FY23				FY24				FY25				FY26E			YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
EOP Wireless SUBS (m)																	
Bharti (India)	327	328	332	335	339	342	346	352	355	352	357	362	363	364	368	3.1	1.0
VIL	240	234	229	226	221	220	215	213	210	205	200	198	198	197	195	-2.3	-0.8
RJio	420	428	433	439	449	460	471	482	490	479	482	488	498	506	515	6.8	1.7
Avg. Wireless Subs (m)																	
Bharti (India)	327	328	330	334	337	340	344	349	353	353	354	359	362	363	366	3.3	0.7
VIL	242	237	232	227	224	221	218	214	211	208	202	199	198	197	196	-3.2	-0.6
RJio	415	424	430	436	444	454	465	476	486	484	480	485	493	502	511	6.3	1.7
ARPU (INR/month)																	
Bharti (India)	183	190	193	193	200	203	208	209	211	233	245	245	250	256	258	5.1	0.8
VIL	128	131	135	135	139	142	145	146	146	156	163	164	165	167	168	3.2	0.8
RJio	176	177	178	179	181	182	182	182	182	195	203	206	209	211	213	4.9	0.8
MOU/Sub (min)																	
Bharti (India)	1,104	1,082	1,094	1,122	1,138	1,123	1,127	1,158	1,128	1,135	1,160	1,163	1,143	1,145	1,168	0.7	2.0
VIL	620	601	611	623	626	613	615	626	607	586	593	598	589	585	586	-1.2	0.1
RJio	1001	968	984	1004	1002	979	981	1008	974	977	1013	1024	1007	996	994	-1.9	-0.2
Wireless traffic (B min)																	
Bharti (India)	1,079	1,063	1,082	1,124	1,149	1,148	1,161	1,210	1,195	1,200	1,233	1,254	1,242	1,249	1,283	4.0	2.7
VIL	450	428	424	425	420	406	401	402	385	365	360	357	350	346	344	-4.4	-0.5
RJio	1246	1230	1270	1313	1335	1334	1370	1440	1420	1420	1460	1490	1490	1500	1523	4.3	1.5
Data usage/Sub (Gb)																	
Bharti (India)	19.5	20.3	20.3	20.3	21.1	21.7	22.0	22.6	23.7	23.9	24.5	25.1	26.9	28.3	28.8	17.4	1.5
VIL	13.0	13.7	13.9	13.9	14.4	14.6	14.2	14.3	14.5	14.4	14.2	15.0	16.3	17.6	17.4	22.7	-1.1
Rjio (including FTTH)	20.8	22.2	22.4	23.1	24.9	26.6	27.3	28.6	30.3	31.0	32.3	33.6	37.0	38.8	40.2	24.7	3.8
Data traffic (B Gb)																	
Bharti (India)	12.6	13.5	13.9	14.2	14.9	15.7	16.4	17.4	18.8	19.8	20.7	21.6	23.4	25.0	25.8	25.0	3.2
VIL	5.3	5.6	5.6	5.7	5.9	6.0	5.9	5.9	6.0	5.9	5.7	6.0	6.6	7.1	7.0	22.9	-1.0
RJio	25.9	28.2	29.0	30.3	33.2	36.3	38.1	40.9	44.1	45.0	46.5	48.9	54.7	58.4	61.6	32.5	5.5

Exhibit 12: Quarterly financials

	FY23				FY24				FY25				FY26E			YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3QE		
Revenue (INR b)																	
Bharti (India wireless)	182	190	194	195	204	210	216	221	225	248	263	266	274	281	285	8.5	1.4
Bharti (consolidated)	328	345	358	360	374	370	379	376	385	415	451	479	495	521	536	18.9	2.9
VIL	104	106	106	105	107	107	107	106	105	109	111	110	110	112	112	0.9	0.2
RJio*	219	225	230	234	240	248	254	260	265	283	293	300	309	319	327	11.4	2.5
EBITDA (INR b)																	
Bharti (India wireless)	92	99	104	105	112	115	119	122	125	142	155	158	163	170	172	11.2	1.4
Bharti (consolidated)	165	176	185	187	196	195	198	194	197	218	246	270	278	296	305	24.1	3.3
VIL	43	41	42	42	42	43	44	43	42	45	47	47	46	47	47	0.0	0.6
RJio*	110	115	120	122	126	130	133	136	139	150	155	159	167	173	178	14.7	2.8
EBITDA Margin (%)																	
Bharti (India wireless)	50.7	52.4	53.8	53.8	54.8	54.9	55.1	55.1	55.6	57.1	58.8	59.2	59.4	60.3	60.3	144bp	0bp
Bharti (consolidated)	50.3	51.0	51.5	51.9	52.3	52.7	52.3	51.5	51.2	52.7	54.5	56.4	56.3	56.7	56.9	240bp	22bp
VIL	41.6	38.6	39.4	40.0	39.0	40.0	40.8	40.9	40.0	41.6	42.4	42.3	41.8	41.9	42.0	-37bp	17bp
RJio*	50.1	51.0	52.2	52.2	52.3	52.3	52.3	52.4	52.6	53.1	52.8	52.8	54.0	54.2	54.4	156bp	14bp
PAT (INR b)																	
Bharti (consolidated)	16	21	21	26	29	30	25	30	29	39	55	110	59	68	85	54.8	25.7
VIL	(73)	(76)	(80)	(64)	(78)	(87)	(70)	(77)	(64)	(72)	(66)	(72)	(66)	(56)	(67)	1.1	20.1
RJio*	43	45	46	47	49	51	52	53	54	62	65	66	67	70	72	10.8	2.9
EPS (INR)																	
Bharti (consolidated)	2.8	3.8	3.7	4.6	5.1	5.2	4.4	5.2	5.1	6.8	9.5	19.0	10.3	11.7	14.8	54.8	25.7
VIL	(2.3)	(2.4)	(2.5)	(1.3)	(1.6)	(1.8)	(1.4)	(1.5)	(0.9)	(1.1)	(1.0)	(1.1)	(1.0)	(0.8)	(1.0)	1.1	20.1

*- RJio's KPIs includes contribution of Home broadband business

Exhibit 13: Bharti Airtel – segmental result

	3QFY25	2QFY26	3QFY26	YoY	QoQ
Segmental revenue (INR b)					
India (incl. Indus)	364	387	393	7.9	1.5
Wireless	263	281	285	8.5	1.4
Homes	15.1	18.6	20.2	33.5	8.1
DTH	7.6	7.5	7.4	(2.4)	(1.4)
Airtel Business	56	53	55	(3.0)	3.8
Passive infra (Indus)	75	82	83	9.9	1.3
Africa	107	137	146	36.4	6.8
Consolidated	469	521	536	14.4	2.9
Eliminations	(56)	(57)	(60)		
Segmental EBITDA (INR b)					
India (incl. Indus)	240	232	235	(2.1)	1.4
Wireless	155	170	172	11.2	1.4
Homes	7.5	9.3	10.1	35.2	8.1
DTH	4.4	3.7	3.6	(19.1)	(2.3)
Airtel Business	20	22	23	14.6	3.7
Passive infra (Indus)	71	47	46	(35.2)	(2.2)
Africa	50	67	72	43.1	7.2
Consolidated	291	296	305	5.0	3.3
Eliminations	(17)	(23)	(21)		
Segmental EBITDA margin (%)					
India (incl. Indus)	66.0	60.0	59.9	(610.7)	(7.7)
Wireless	58.8	60.3	60.3	144.5	(0.4)
Homes	49.5	50.1	50.1	62.9	2.8
DTH	58.2	48.6	48.2	(995.9)	(42.1)
Airtel Business	35.2	41.6	41.5	638.2	(5.7)
Passive infra (Indus)	93.8	57.3	55.3	(3,847.9)	(199.8)
Africa	47.0	49.1	49.3	228.1	18.3
Consolidated	62.0	56.7	56.9	(507.7)	21.6

Note: Restated including Indus from 1QFY25; Indus had a boost from prior-period reversals of ~INR30b in 3QFY25

Exhibit 14: Bharti's Key Performance Indicators

	3QFY25	2QFY26	3QFY26	YoY	QoQ
Operating metrics					
India wireless					
Wireless ARPU	245	256	258	5.1	0.8
EoP reported subs (m)	356.6	364.2	367.7	3.1	1.0
Net adds (m)	4.9	1.4	3.5		
EoP data subs (m)	277.6	289.4	294.9	6.2	1.9
Data net adds (m)	6.4	4.7	5.5		
Data subs proportion (%)	77.8	79.5	80.2	236 bp	74 bp
EoP 4G subs (m)	270.2	285.8	291.8	8.0	2.1
4G net adds (m)	6.5	5.1	6.0		
Homes					
Reported ARPU (INR/month)	554	534	532	(4.1)	(0.4)
Calculated ARPU (INR/month)	566	543	540	(4.6)	(0.5)
EoP reported subs (m)	9.2	11.9	12.9	40.4	8.6
Net adds ('000)	674	951	1,022		
DTH*					
ARPU (Rs/month)	160	163	161	0.8	(1.4)
EoP active DTH subs (m)	15.8	15.4	15.3	(3.6)	(0.7)
Net adds ('000)	28.6	(341.1)	(100.0)		

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

Bharti Airtel

Buy

CMP: INR 2,107 | TP: INR2,285 (+8%)

EPS CHANGE (%): FY26|27: -7|-2

- Expect ~3% QoQ growth in consolidated revenue driven by robust growth in Homes and Africa (favorable FX changes).
- Expect 3.3% QoQ growth in consolidated EBITDA, aided by a healthy show in Homes and Africa.
- Expect 1.4% QoQ growth in India wireless revenue and EBITDA.
- Expect wireless ARPU of INR258 (+0.8% QoQ) and 3.5m/6m paying wireless/4G-5G net adds.

Consolidated – Quarterly Performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	385	415	451	479	495	521	536	536	1,730	2,089
YoY Change (%)	2.8	12.0	19.1	27.3	28.5	25.7	18.9	12.0	15.3	20.8
Total Expenditure	188	196	205	209	216	226	231	233	798	906
EBITDA	197	218	246	270	278	296	305	303	932	1,183
YoY Change (%)	0.6	12.0	24.1	39.5	41.3	35.3	24.1	12.3	19.0	26.9
Depreciation	105	110	117	123	125	132	131	131	456	518
Net Finance cost	52	54	57	55	55	49	44	41	218	189
Other Income	13	13	21	5	6	8	7	6	53	27
PBT before EO expense	53	68	93	97	105	123	137	137	311	502
Extra-Ord expense	-7	9	-75	1	0	0	0	0	-73	0
PBT	60	59	169	96	105	123	137	137	384	502
Tax	13	17	8	-29	31	37	34	35	9	137
Rate (%)	21.7	29.6	4.5	-30.2	29.3	29.8	25.1	25.8	2.4	27.3
Minority Interest & P/L of Asso. Cos.	6	6	14	15	15	19	17	18	39	68
Reported PAT	42	36	148	110	59	68	85	84	336	297
Adj PAT	29	39	55	52	59	68	85	84	176	297
YoY Change (%)	0.8	32.2	121.3	76.9	103.3	73.6	54.8	60.4	55.4	68.7

Bharti Hexacom

Neutral

CMP: INR 1,802 | TP: INR 2,060 (+14%)

EPS CHANGE (%): FY26|27: -6|-10

- Expect ~2.4% QoQ (+5.4% YoY) growth in overall revenue and ~0.9% QoQ (7.7% YoY) rise in wireless customers' revenue.
- Expect wireless ARPU at INR253 (+1% QoQ) and 162k/376k paying wireless/4G net adds
- Expect ~5.4% QoQ (+10.5% YoY) growth in reported EBITDA driven by seasonal variations in roaming patterns.
- Excluding ICR impact, customer EBITDA is likely to grow ~3.4% QoQ (+10.7% YoY)

Consolidated – Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue	19,106	20,976	22,507	22,890	22,630	23,173	23,724	23,614	85,479	93,141
YoY Change (%)	13.6%	20.7%	25.0%	22.5%	18.4%	10.5%	5.4%	3.2%	20.6%	9.0%
Total Expenditure	10,348	10,957	10,990	11,212	11,023	11,092	10,994	11,063	43,507	44,172
EBITDA	8,758	10,019	11,517	11,678	11,607	12,081	12,730	12,551	41,972	48,969
YoY Change (%)	5.5%	21.3%	39.2%	33.0%	32.5%	20.6%	10.5%	7.5%	49.1	52.6
Depreciation	4,957	5,361	5,315	5,312	5,273	5,543	5,598	5,564	20,945	21,978
Net Finance Costs	1,615	1,754	1,802	1,712	1,541	1,509	1,479	1,400	6,883	5,929
Other Income	399	491	450	478	475	612	550	613	1,818	2,250
PBT before EO expense	2,585	3,395	4,850	5,132	5,268	5,641	6,203	6,199	15,962	23,312
Extra-Ord expense	-3,183	0	1,057	0	0	0	0	0	-2,126	0
PBT	5,768	3,395	3,793	5,132	5,268	5,641	6,203	6,199	18,088	23,312
Tax	656	864	1,184	448	1,352	1,429	1,561	1,560	3,152	5,868
Rate (%)	11.4%	25.4%	31.2%	8.7%	25.7%	25.3%	25.2%	25.2%	17.4%	25.2%
Reported PAT	5,112	2,531	2,609	4,684	3,916	4,212	4,642	4,639	14,936	17,444
Adj PAT	1,929	2,531	3,666	3,802	3,916	4,212	4,642	4,639	12,810	17,444
YoY Change (%)	-23.8%	112.8%	72.4%	70.8%	103.0%	66.4%	26.6%	22.0%	58.7%	36.2%

E: MOFSL Estimates

Indus Towers

Neutral

CMP: INR 442 | TP: INR400 (-9%)
EPS CHANGE (%): FY26 | 27: 0 | 0

- Recurring EBITDA (excl. one-offs and provision reversals) to rise ~2% QoQ. We have not taken any provision reversals during the quarter.
- Expect 3.5k net tower additions in 3QFY26, while tenancy additions are likely to be only modestly higher at ~3.75k.

Quarterly Performance

Y/E March (Consolidated)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from operations	74	75	75	77	81	82	83	83	301	329
YoY Change (%)	4.3	4.7	4.8	7.4	9.1	9.7	9.9	8.0	5.3	9.2
Total Expenditure	29	26	6	34	37	36	38	39	95	150
Provisions / (reversals)	-8	-11	-30	-2	-1	-2	0	0	-51	-3
Recurring EBITDA	37	38	39	41	43	44	45	45	156	176
EBITDA	45	49	70	43	43	46	45	45	207	179
YoY Change (%)	29.4	42.2	94.1	6.2	-3.4	-6.0	-35.8	3.9	41.9	-13.4
Depreciation	16	16	16	17	17	18	18	18	64	71
Interest	4	4	3	4	4	4	4	4	14	16
Other Income	1	1	1	1	1	1	1	1	3	3
PBT before EO expense	26	30	52	24	23	25	24	24	132	95
Extra-Ord expense	-8	-11	-30	-2	-1	-2	0	0	-51	-3
PBT	18	19	22	21	22	23	24	24	81	93
Tax	7	8	12	6	6	6	6	6	32	24
Rate (%)	25.7	25.4	23.3	24.7	25.6	25.8	25.2	25.2	24.5	
Reported PAT	19	22	40	18	17	18	18	18	99	71
Adj PAT	14	14	17	16	17	17	18	18	61	69
YoY Change (%)	-3.9	1.7	9.6	1.7	23.1	19.4	1.9	9.8	2.4	12.7

E: MOFSL Estimates

Reliance Jio

CMP: NR | TP: NR
EPS CHANGE (%): FY26 | 27: -1 | -2

- Expect ~2.5% QoQ revenue growth, driven by continued momentum on home broadband.
- Expect ~2.8% QoQ EBITDA growth with margins expanding ~15bp QoQ to 54.4%.
- Built in ~0.8% QoQ increase in reported ARPU to INR 213 and 8.5m/5.5m overall/wireless subscriber net adds.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenue	265	283	293	300	309	319	327	334	1,141	1,288
YoY Change (%)	10.1	14.5	15.5	15.6	16.6	12.4	11.4	11.2	14.0	12.8
Total Expenditure	126	133	138	142	142	146	149	152	539	589
EBITDA	139	150	155	159	167	173	178	182	603	699
Margins (%)	52.6	53.1	52.8	52.8	54.0	54.2	54.4	54.4	52.8	54.3
Depreciation	56	57	58	59	62	64	66	68	231	260
Finance Cost	11	11	13	13	21	21	22	22	48	86
Other Income	1	2	3	3	6	6	6	7	9	25
PBT	73	84	87	89	90	94	96	98	333	378
Tax	19	21	22	23	23	24	25	25	85	97
Rate (%)	26%	26%	26%	26%	26%	26%	26%	26%	26%	26%
PAT	54	62	65	66	67	70	72	73	248	282
Margins (%)	20.6	22.0	22.1	22.1	21.7	21.9	22.0	21.9	21.7	21.9
YoY Change (%)	12.0	23.2	24.4	24.5	23.3	11.9	10.8	10.1	21.2	13.6

Tata Communications

Neutral

CMP: INR 1,793 | TP: INR 1,830 (+2%)
EPS CHANGE (%): FY26 | 27: -5 | 1

- We expect a 9% YoY (3% QoQ) uptick in data revenue, driven by continued momentum in DPS (+16% YoY).
- We expect a 9% YoY (3% QoQ) growth in the overall revenue.
- We expect the consolidated EBITDA margin to expand ~95bp QoQ to 20.2% (up ~20bp YoY), driven by lower losses in the digital portfolio and a seasonally strong quarter for Kaleyra.

Consolidated Quarterly performance

(INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	55.9	56.4	57.7	59.9	59.6	61.0	62.8	64.2	229.9	247.6
YoY Change (%)	17.2	15.8	2.4	5.2	6.6	8.1	8.9	7.1	9.7	7.7
Total Expenditure	44.6	46.0	46.2	48.7	48.2	49.3	50.2	51.2	185.4	198.8
EBITDA	11.4	10.4	11.5	11.2	11.4	11.7	12.7	13.0	44.5	48.8
YoY Change (%)	11.0	2.7	1.6	6.2	0.0	12.5	10.1	15.8	5.3	9.5
EBITDA Margin (%)	20.3	18.5	20.0	18.7	19.1	19.2	20.2	20.2	19.4	19.7
Depreciation	6.3	6.5	6.4	6.7	6.7	6.8	6.9	6.9	25.9	27.2
Interest	1.7	1.9	1.9	1.8	1.8	2.0	1.9	1.9	7.3	7.6
Other Income	0.2	0.1	0.3	0.7	0.2	-0.2	0.3	0.4	1.3	0.7
PBT before EO expense	3.5	2.2	3.6	3.4	3.1	2.8	4.2	4.5	12.6	14.6
Exceptional (gain)/loss	-0.9	-1.3	-0.1	-5.8	0.2	0.2	0.0	0.0	-8.1	0.4
PBT	4.4	3.4	3.7	9.1	2.9	2.5	4.2	4.5	20.7	14.2
Tax	0.9	1.0	1.3	1.8	0.7	0.8	0.9	1.0	4.9	3.4
Rate (%)	19.7	28.3	34.0	19.2	22.5	32.3	22.5	22.5	23.5	24.2
MI & P/L of Asso. Cos.	0.2	0.2	0.1	-3.0	0.4	-0.1	-0.1	-0.0	-2.5	-0.2
Reported PAT	3.3	2.3	2.4	10.4	1.9	1.8	3.3	3.8	18.4	10.9
Adj PAT	2.5	1.0	2.2	4.6	2.1	2.0	3.3	3.8	10.3	11.3
YoY Change (%)	-34.9	-55.8	-3.5	23.9	-14.9	108.5	49.4	-16.9	-14.5	9.8

E: MOFSL Estimates

Vodafone Idea

Neutral

CMP: INR 12 | TP: INR11 (-7%)
EPS CHANGE (%): FY26 | 27: -2 | -7

- Expect revenue to remain flat QoQ as the subscriber base decline continues to offset a marginal ARPU increase.
- ARPU is likely to increase ~1% QoQ to INR168, while the subscriber base is expected to decline by ~1.5m QoQ.
- Expect reported EBITDA to show modest ~0.6% QoQ uptick with ~15bp QoQ margin expansion to 42%
- Pre-INDAS 116 EBITDA likely to remain flat QoQ at INR22.5b. AGR relief and subsequent debt raise key monitorables.

Consolidated – Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	105	109	111	110	110	112	112	110	436	445
YoY Change (%)	-1.4	2.0	4.2	3.8	4.9	2.4	0.9	0.1	2.2	2.0
Total Expenditure	63	64	64	64	64	65	65	65	254	259
EBITDA	42	45	47	47	46	47	47	46	181	186
YoY Change (%)	1.1	6.2	8.3	7.5	9.7	3.0	0.0	-2.1	5.8	2.5
Depreciation	54	54	56	56	55	56	56	55	220	221
Net Finance Costs	53	63	57	63	58	47	58	64	235	227
PBT before EO expense	-64	-72	-66	-72	-66	-56	-67	-74	-274	-262
PBT	-64	-72	-66	-72	-66	-56	-67	-74	-274	-262
Tax	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.2	-0.1
Rate (%)	-0.1	-0.1	0.0	0.0	0.0	0.1	0.0	0.0	-0.1	0.0
Reported PAT	-64	-72	-66	-72	-66	-56	-67	-74	-274	-262
Adj PAT	-64	-72	-66	-72	-66	-56	-67	-74	-274	-262
YoY Change (%)	-18.0	-17.9	-14.6	-6.6	2.7	-22.5	1.1	2.7	-14.4	-4.5

E: MOFSL Estimates

Utilities

Company name

NTPC

Power Grid

Tata Power

JSW Energy

ACME Solar

Suzlon Energy

IEX

INOX Wind

Waaree Energies

Flat power demand; capacity additions remain robust

- India's total power consumption declined by around 3.5% YoY during Oct-Nov'25; however, it increased by ~7% YoY in Dec'25. Overall, demand remained flat YoY in 3QFY26 and is expected to stabilize from Jan'26 onward. India added 8.9GW of power capacity over Oct-Nov'25, with renewable additions of 6.4GW (5.5GW from solar) and thermal additions of 2.2GW.
- Among our coverage companies, **JSW Energy's** (JSWE) revenue/APAT are anticipated to grow 92%/38% YoY in 3QFY26, driven by incremental contributions from the KSK Mahanadi and O2 Power acquisitions, commissioning of Utkal Unit-2 and the Kutehr hydro project, and other organic renewable capacity additions of ~1.5GW. However, 3Q is a seasonally weak quarter due to higher wind exposure, which could result in an expected 9%/28% QoQ decline in revenue/EBITDA. **NTPC** is likely to report a muted quarter, with adjusted PAT growth of 7% YoY amid limited new capacity additions and soft power demand in 3QFY26. **Suzlon's** (SUEL) revenue/EBITDA may improve 52%/66% YoY, as we expect execution of ~671MW of wind turbine orders in 3QFY26, which is up 50% YoY. We estimate **Tata Power's** (TPWR) EBITDA/APAT to decline by 5%/7% YoY as losses at the Mundra power plant due to its shutdown are only partially offset by 1) rising contribution from the fully ramped-up solar cell and module business, 2) contribution from additional renewable assets commissioned on a YoY basis, and 3) sustained strong performance in the solar rooftop and Odisha distribution businesses. **Power Grid's** (PWGR) standalone EBITDA/APAT are anticipated to rise 11%/4% YoY in 3QFY26, as capex and capitalization improve YoY. **Waaree Energies' (WEL)** EBITDA is expected to improve 112% YoY and 9% QoQ, driven by the expansion of module manufacturing capacity to ~23GW in 3QFY26 (vs. 15GW in 3QFY25), along with margin improvement following the stabilization of the 5.4GW cell manufacturing line.
- **We have a BUY rating on JSWE, ACME Solar, WEL and SUEL and a Neutral stance on IEX, NTPC and PWGR.**

Demand flat in 3QFY26, signs of normalization emerging

- India's power demand grew 7-9% annually during FY22-24, fueled by robust economic activity and increasing consumption. Growth slowed to around 5% in FY25 and has fallen further in FY26, with power demand as of Nov'25 remaining flat YoY due to an early and prolonged monsoon and a milder summer.
- Power consumption declined by around 3.5% YoY during Oct-Nov'25; however, it increased by ~7% YoY in Dec'25, driven by higher usage of heating appliances. Overall, demand remained flat YoY in 3QFY26 and is expected to stabilize from Jan'26 onward.
- In 3QFY26, India's peak power demand increased 5% to 236GW vs. 224GW in 3QFY25.

India's power generation down 2% YoY in 3QFY26

- Total power generation in India fell 2% YoY in 3QFY26 to 416BUs.
- Due to the continued rise in renewable power capacity, the power generated from renewable sources rose ~12% YoY, whereas there was a ~4% decline YoY in generation from conventional sources.

Renewable surge fuels 8.9GW capacity additions in Oct-Nov'25

- During Oct-Nov'25, the renewable energy capacity addition remained strong at 6.4GW, of which solar accounted for 5.5GW and wind 0.9GW.
- Among conventional sources, thermal capacity (coal) addition was 2.2GW in Oct-Nov'25.
- This signals resilience among conventional sources, with new capacity additions remaining intact even as renewables continue to capture the attention of investors and policymakers alike.

Transmission lines meet target; substations exceed in Oct-Nov'25

- Transmission line commissioning during Oct-Nov'25 stood at 1,230ckm, almost achieving the target of 1,251ckm for the period.
- During Oct-Nov'25, substation capacity of 15,615MVA was added against a target of 11,295MVA.

Exhibit 1: Key snapshot

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26*	3QFY26**
Total generation growth (%)	5.4	5.2	0.7	-0.6	8.1	9.0	7.2	5.0	0.4	-1.9
Conv. Generation growth (%)	4.1	3.6	0.0	-1.6	7.1	7.7	6.7	4.0	-2.1	-3.8
RE generation growth (%)	24.9	24.4	7.8	7.7	16.2	19.1	10.9	11.7	15.5	11.6

*1HFY26 compared with 1HFY25 **3QFY26 compared with 3QFY25; Source: CEA, NPP, MOFSL

Exhibit 2: Capacity addition (GW)

Capacity addition (GW)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	1QFY26	2QFY26	Oct-Nov'25
Thermal	5.4	3.4	4.3	4.1	1.4	1.2	5.9	3.7	-4.9	2.8	2.2
Nuclear	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.6	0.0	0.0
Hydro	0.8	0.1	0.3	0.5	0.5	0.1	0.1	0.8	1.7	0.7	0.3
Solar	9.4	6.5	6.4	5.5	13.9	12.8	15.0	23.8	10.6	11.1	5.5
Wind	1.8	1.6	2.1	1.6	1.1	2.3	3.3	4.2	1.6	1.4	0.9
Other RE	0.6	0.5	0.9	0.4	0.4	0.2	0.2	0.7	0.0	0.0	0.0
Total capacity addition	18.0	12.1	14.0	12.0	17.3	16.6	25.9	33.3	9.6	16.1	8.9
Total capacity (GW)	344.0	356.1	370.1	382.2	399.5	416.1	442.0	475.2	484.8	500.9	509.7

Source: CEA, NPP, MOFSL

Exhibit 3: All India installed capacity (GW)

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Nov'25 end
Thermal	222.9	226.3	230.6	234.7	236.1	237.3	243.2	246.9	246.9
Nuclear	6.8	6.8	6.8	6.8	6.8	6.8	8.2	8.2	8.8
Hydro	45.3	45.4	45.7	46.2	46.7	46.9	46.9	47.7	50.4
Solar	21.7	28.2	34.6	40.1	54.0	66.8	81.8	105.6	132.8
Wind	34.0	35.6	37.7	39.2	40.4	42.6	45.9	50.0	54.0
Other RE	13.3	13.8	14.7	15.1	15.5	15.7	15.9	16.7	16.8
Total capacity (GW)	344.0	356.1	370.1	382.2	399.5	416.1	442.0	475.2	509.7

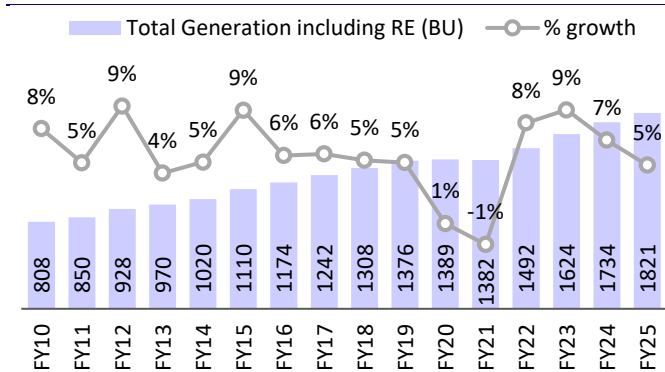
Source: CEA, NPP, MOFSL

Exhibit 4: Summary of 3QFY26 earnings estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ	Dec-25	Var % YoY	Var % QoQ
ACME Solar	240	Buy	5,113	46.5	9.3	4,412	43.6	10.2	1,030	-13.4	-7.1
Indian Energy Exch.	134	Neutral	1,456	10.9	-4.4	1,242	10.0	-6.0	1,101	6.8	-9.4
Inox Wind	128	Buy	18,395	101.9	64.4	3,296	61.8	44.7	1,894	52.2	106.5
JSW Energy	511	Buy	46,891	92.3	-9.4	21,627	136.7	-27.8	2,313	37.8	-67.2
NTPC	352	Neutral	4,48,302	8.4	14.5	1,29,620	8.4	29.4	49,631	7.5	9.8
Power Grid Corp.	271	Neutral	1,05,508	4.2	5.5	94,233	10.6	17.6	40,233	4.3	28.9
Suzlon Energy	54	Buy	45,264	52.2	16.9	8,313	66.4	15.3	5,035	29.0	-10.3
Tata Power	393	Buy	1,81,929	18.2	17.0	31,929	-4.8	-3.3	9,608	-6.8	4.5
Waaree Energies	2867	Buy	65,488	89.4	8.0	15,331	112.4	9.0	10,366	110.4	23.0
Utilities			9,18,346	19.1	12.6	3,10,002	16.6	13.9	1,21,212	11.1	10.3

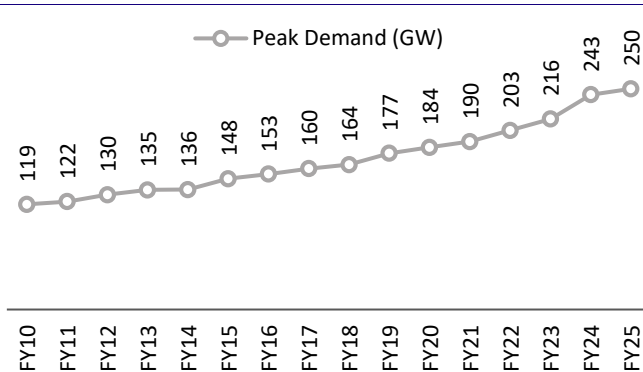
Source: MOFSL

Exhibit 5: India's power demand growth



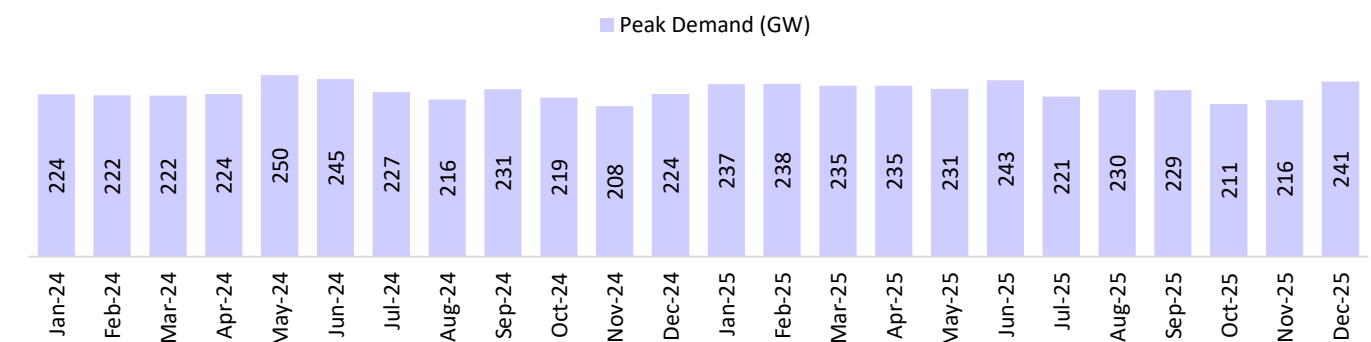
Source: CEA, MOFSL

Exhibit 6: Peak demand growth



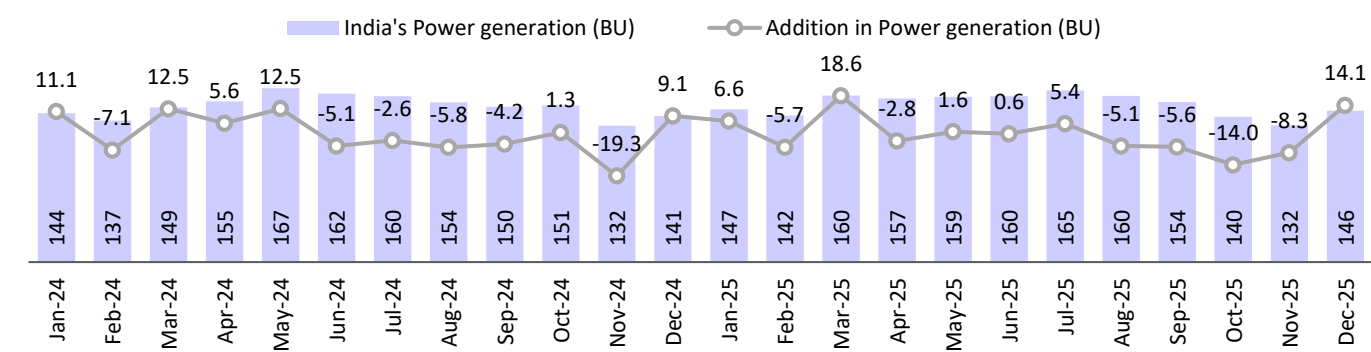
Source: CEA, MOFSL

Exhibit 7: India's peak demand (GW)



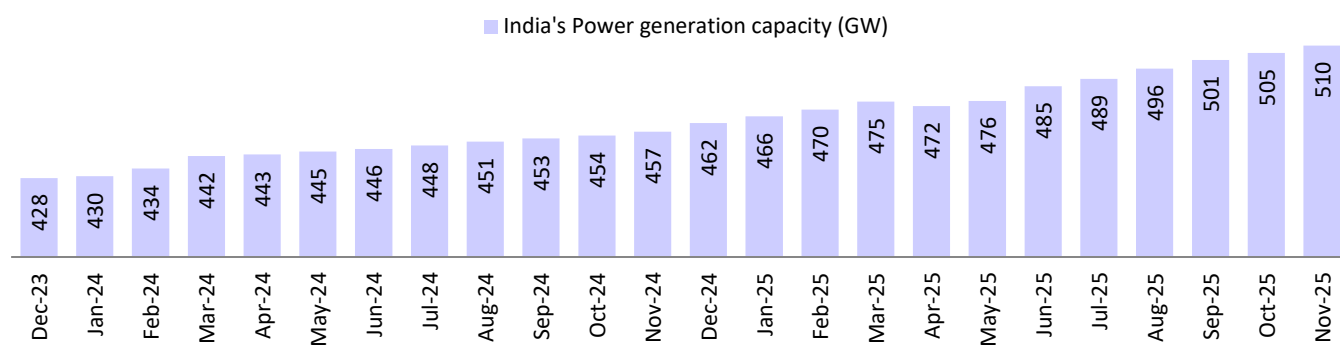
Source: CEA, MOFSL

Exhibit 8: India's power generation



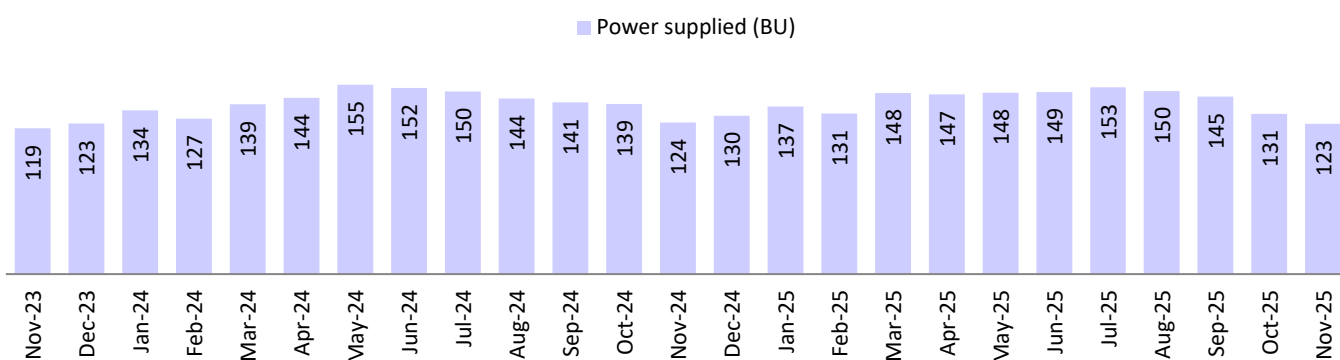
Source: NPP, MOFSL

Exhibit 9: India's power generation capacity



Source: NPP, MOFSL

Exhibit 10: India's power consumption



Source: CEA, MOFSL

Exhibit 11: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Utilities						20	16	14.3	2.5	2.3	2.1	12.7	14.1	14.4
ACME Solar	240	Buy	8.2	10.6	24.5	29.4	22.7	9.8	2.9	2.6	2.0	10.4	12.1	23.2
Indian Energy Exch.	134	Neutral	5.2	5.4	5.7	25.6	24.9	23.4	9.3	8.1	7.1	39.2	34.8	32.4
Inox Wind	128	Buy	3.6	6.6	7.7	35.7	19.5	16.7	3.9	3.3	2.7	11.6	18.2	17.8
JSW Energy	511	Buy	12.1	15.5	23.9	42.2	33.0	21.3	3.0	2.8	2.5	7.5	8.8	12.4
NTPC	352	Neutral	22.2	27.7	31.2	15.8	12.7	11.3	1.7	1.6	1.4	11.2	12.9	13.3
Power Grid Corp.	271	Neutral	17.4	18.8	19.7	15.6	14.4	13.8	2.5	2.4	2.2	16.8	17.0	16.5
Suzlon Energy	54	Buy	1.4	2.2	2.5	37.8	25.1	22.1	8.4	6.3	4.9	26.4	28.8	25.0
Tata Power	393	Buy	12.6	17.2	19.9	31.3	22.8	19.8	3.2	2.9	2.6	10.7	13.3	13.8
Waaree Energies	2,867	Buy	129.7	160.6	172.2	22.1	17.9	16.6	6.3	4.7	3.7	33.0	30.1	24.7

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

ACME Solar

Buy

CMP: INR240 | TP: INR384 (+60%)

EPS CHANGE (%): FY26|27: -6|0

- Revenue is expected to grow 46% YoY to INR5.1b, driven by contributions from ~400MW of newly commissioned capacity YoY (300MW solar and 100MW wind).
- Sequentially, revenue may grow 9% QoQ, led by slightly better PLF. We expect EBITDA growth of 10% QoQ to INR4.4b, with EBITDA margins at 86%.

Consolidated performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	3,096	2,596	3,490	4,869	5,110	4,677	5,113	6,484	14,051	21,384
YoY Change (%)	-0.2	-0.2	5%	65%	65%	80%	46%	33%	7%	52%
EBITDA	2,717	2,208	3,072	4,357	4,578	4,002	4,412	5,612	12,354	18,604
Margin (%)	88%	85%	88%	89%	90%	86%	86%	87%	88%	87%
Depreciation	556	599	697	1,022	1,076	1,174	1,181	1,295	2,873	4,725
Interest	1,963	1,783	1,791	2,055	2,330	2,645	2,563	3,133	7,592	10,671
Other Income	304	356	518	524	730	1,336	697	630	1,701	3,393
PBT before EO expense	503	181	1,103	1,803	1,903	1,519	1,364	1,815	3,590	6,601
Extra-Ord income/(exp.)	0	0	-69	-141	-159	42	0	0	-210	-117
PBT	503	181	1,034	1,663	1,744	1,562	1,364	1,815	3,380	6,485
Tax	489	28	-87	442	436	411	334	466	872	1,647
Tax rate	97%	16%	-8%	27%	25%	26%	25%	26%	26%	25%
Minority Interest	0.0	0.0	0.0	-12.9	-0.1	-0.1	0.0	0.0	-12.9	-0.1
Reported PAT	14	153	1,121	1,234	1,308	1,151	1,030	1,349	2,521	4,838
Adj PAT	14	153	1,190	1,374	1,467	1,108	1,030	1,349	2,731	4,954
YoY Change (%)	-1.0 LP		206%	LP	10465%	624%	-13%	-2%	LP	81%
Margin (%)	0%	6%	34%	28%	29%	24%	20%	21%	19%	23%

Indian Energy Exchange

Neutral

CMP: INR134 | TP: INR148 (+11%)

EPS CHANGE (%): FY26|27: 0|-1

- We expect 11% YoY growth in revenue to ~INR1.4b.
- EBITDA is also expected to rise 10% YoY to ~INR1.2b.
- Growth is driven by an anticipated 8% YoY increase in total volume to ~35.9BUs, led by an uptick in electricity/green market volumes by 12%/5% YoY, which is partially offset by a 30% YoY fall in REC volumes.

Standalone Qtrly performance

Y/E March	FY25				FY26E				(INR m)	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY25	FY26E
Net Sales	1,236	1,392	1,313	1,413	1,400	1,522	1,456	1,690	5,354	6,068
YoY Change (%)	18.8	28.3	13.9	16.5	13.3	9.3	10.9	19.6	19.2	13.3
EBITDA	1,000	1,203	1,128	1,220	1,139	1,320	1,242	1,433	4,551	5,134
Margin (%)	81.0	86.4	85.9	86.3	81.4	86.7	85.3	84.8	85.0	84.6
Depreciation	52	53	54	53	54	57	58	60	212	229
Interest	7	7	7	6	6	5	7	8	26	26
Other Income	308	286	285	310	425	345	284	262	1,189	1,316
PBT before EO items	1,249	1,429	1,353	1,471	1,504	1,603	1,461	1,627	5,502	6,195
Extraordinary Inc / (Exp)	0	0	0	0	0	0	0	0	0	0
PBT	1,249	1,429	1,353	1,471	1,504	1,603	1,461	1,627	5,502	6,195
Tax	315	368	322	351	374	387	360	406	1,356	1,526
Rate (%)	25.2	25.8	23.8	23.8	24.8	24.1	24.6	25.0	24.6	24.6
Reported PAT	934	1,061	1,031	1,120	1,130	1,216	1,101	1,221	4,146	4,669
Adj PAT	934	1,061	1,031	1,120	1,130	1,216	1,101	1,221	4,146	4,669
YoY Change (%)	26.0	28.0	15.5	17.8	21.0	14.6	6.8	9.0	21.4	12.6
Margin (%)	75.6	76.2	78.6	79.3	80.8	79.9	75.6	72.2	77.5	76.9

INOX Wind

Buy

CMP: INR128 | TP: INR187 (+46%)
EPS CHANGE (%): FY26|27: -9|-3

■ Revenue is likely to grow 102% YoY/64% QoQ, aided by execution of 300MW wind orders and an increase in contracted capacity for the O&M business.

■ EBITDA may increase by 62% YoY to ~INR3.3b, with EBITDA margin expected to be at 18%.

Consolidated performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	6,388	7,322	9,113	12,748	8,263	11,192	18,395	26,321	35,571	64,171
YoY Change (%)	83%	98%	81%	142%	29%	53%	102%	106%		
Total Expenditure	5,027	5,593	7,075	10,205	6,426	8,915	15,099	22,306	28,000	52,745
EBITDA	1,361	1,729	2,037	2,543	1,837	2,277	3,296	4,015	7,572	11,426
Margin (%)	21%	24%	22%	20%	22%	20%	18%	15%	21%	18%
Depreciation	416	444	473	477	487	508	554	571	1,823	2,120
Interest	582	443	345	348	338	508	533	587	1,690	1,966
Other Income	117	95	835	358	363	433	413	292	1,444	1,500
PBT before EO expense	480	938	2,055	2,076	1,376	1,694	2,622	3,148	5,503	8,840
Extra-Ord income/(exp.)	0	0	-135	0	0	0	0	0	-135	0
PBT	480	938	1,920	2,076	1,376	1,694	2,622	3,148	5,368	8,840
Tax	8	36	804	173	402	488	629	779	1,018	2,298
Rate (%)	2%	4%	42%	8%	29%	29%	24%	25%	19%	26%
Profit from continued operations	472	902	1,116	1,903	973	1,206	1,993	2,369	4,350	6,541
Profit from Discontinued Operations before tax	23	-7	-15	0	0	0	0	0	0	0
Tax Credit from (Discontinued operations)	10	7	9	0	0	0	0	0	26	0
Minority Interest	-14	-27	-50	-15	-85	289	99	45	-106	348
Reported PAT	518	929	1,160	1,918	1,059	917	1,894	2,324	4,482	6,194
Adj PAT	486	929	1,244	1,918	1,059	917	1,894	2,324	4,565	6,194
YoY Change (%)	LP	LP	3813%	201%	118%	-1%	52%	21%	LP	36%
Margin (%)	8%	13%	14%	15%	13%	8%	10%	9%	13%	10%

JSW Energy

Buy

CMP: INR511 | TP: INR657 (+29%)
EPS CHANGE (%): FY26|27: 12|1

■ Revenue/APAT are likely to grow 92%/38% YoY to INR46.8b/INR2.3b, driven by incremental contributions from the KSK Mahanadi (1.8GW) and O2 Power (1.3GW) acquisitions, commissioning of Utkal Unit-2 (350MW) and Kutehr hydro project (240MW), and organic renewable capacity additions of ~1.5GW.

■ 3Q is seasonally weaker for JSWE, especially due to exposure in wind power generation, which typically performs better in 1H. Consequently, we expect revenue/EBITDA to fall 9%/28% QoQ.

Consolidated performance

(INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	28.8	32.4	24.4	31.9	51.4	51.8	46.9	72.7	117.5	222.8
YoY Change (%)	-1.7	4.8	-4.1	15.7	78.6	59.9	92.3	128.1	3.8	89.7
EBITDA	14.2	16.8	9.1	12.0	27.9	30.0	21.6	24.8	52.2	104.3
Margin (%)	49.2	52.0	37.5	37.8	54.2	57.9	46.1	34.1	44.4	46.8
Depreciation	3.8	3.9	4.1	4.8	7.4	8.1	8.1	8.2	16.5	31.7
Interest	5.1	5.2	5.6	6.8	13.1	14.2	13.3	12.8	22.7	53.3
Other Income	1.6	2.2	2.0	2.1	2.7	1.8	2.8	3.1	7.9	10.4
PBT before EO expense	6.9	10.0	1.4	2.6	10.1	9.5	3.0	6.9	20.9	29.6
Extra-Ord income/(exp.)	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	1.0	0.0
PBT	6.9	10.0	1.4	3.6	10.1	9.5	3.0	6.9	21.9	29.6
Tax	1.6	1.3	-0.1	-0.5	1.8	1.3	0.5	1.4	2.3	5.0
Rate (%)	23.6	12.9	-5.1	-15.1	17.7	13.8	18.0	20.0	10.5	17.0
Minority Interest	0.1	0.2	-0.1	0.1	0.9	1.2	0.2	1.3	0.3	3.6
Share of JV & associates	0.0	0.1	0.1	0.1	0.0	0.0	0.1	0.1	0.2	0.2
Reported PAT	5.2	8.5	1.7	4.1	7.4	7.0	2.3	4.3	19.5	21.1
Adj PAT	5.2	8.5	1.7	2.9	7.4	7.0	2.3	4.3	18.4	21.1
YoY Change (%)	80.0	19.0	-27.4	-16.6	42.4	-17.4	37.8	48.0	15.6	15.1
Margin (%)	18.1	26.4	6.9	9.2	14.4	13.6	4.9	6.0	15.6	9.5

NTPC

Neutral

CMP: INR352 | TP: INR368(+5%)
EPS CHANGE (%): FY26|27: -14|-11

■ We estimate 8% YoY growth in both standalone revenue and EBITDA to INR448b each amid limited new capacity additions and soft power demand.

■ Standalone adjusted PAT is estimated to increase ~7% YoY to ~INR50b.

Standalone performance

(INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	444.2	403.3	413.5	439.0	425.7	391.7	448.3	512.6	1,700.4	1,778.3
YoY Change (%)	13.5	-1.3	4.8	3.2	-4.2	-2.9	8.4	16.8	5.0	4.6
EBITDA	124.5	96.8	119.6	112.6	102.8	100.2	129.6	157.6	458.0	490.2
Margin (%)	28.0	24.0	28.9	25.6	24.2	25.6	28.9	30.7	26.9	27.6
Depreciation	36.5	36.5	37.2	40.3	38.7	39.9	40.7	41.8	150.6	161.1
Interest	26.5	31.1	22.0	31.0	28.4	26.6	29.5	31.1	110.6	115.5
Other Income	6.3	9.2	9.5	19.1	7.6	15.2	8.6	9.0	43.8	40.5
PBT incl. Regulatory items	61.7	60.5	66.3	81.0	62.6	63.0	68.0	93.8	273.7	287.3
Extra-Ord inc/(exp)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PBT	61.7	60.5	66.3	81.0	62.6	63.0	68.0	93.8	269.5	287.3
Tax	16.6	14.0	19.1	23.2	14.8	16.4	18.4	28.0	73.0	77.6
Rate (%)	26.9	23.2	28.9	28.7	23.7	26.1	27.0	29.8	27.1	27.0
Reported PAT	45.1	46.5	47.1	57.8	47.7	46.5	49.6	65.8	196.5	209.7
Adj PAT	41.9	42.0	46.2	50.0	44.1	45.2	49.6	65.8	180.2	204.8
YoY Change (%)	13.9	28.9	6.0	0.4	5.2	7.5	7.5	31.6	9.8	13.6
Margin (%)	9.4	10.4	11.2	11.4	10.4	11.5	11.1	12.8	10.6	11.5

PowerGrid

Neutral

CMP: INR271 | TP: INR302 (+11%)
EPS CHANGE (%): FY26|27: -1|-1

■ We expect standalone revenue to rise 4% YoY/6% QoQ to ~INR106b.

■ EBITDA/adjusted PAT are likely to grow 11%/4% YoY, as capex and capitalization improve YoY.

Standalone Quarterly Performance

(INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	100.7	102.6	101.2	109.8	99.3	100.0	105.5	118.7	414.3	423.5
YoY Change (%)	-1.7	5.3	-5.2	-0.6	-1.4	-2.5	4.2	8.1	-0.9	2.2
EBITDA	87.4	87.9	85.2	92.2	81.2	80.1	94.2	106.0	352.8	361.5
YoY Change (%)	-2.9	3.0	-9.3	0.9	-7.2	-8.8	10.6	14.9	-2.5	2.5
As of % Sales	86.8	85.6	84.2	84.0	81.8	80.1	89.3	89.3	85.1	85.4
Depreciation	30.7	31.6	30.7	30.4	29.7	30.6	32.2	34.4	123.5	126.9
Interest	21.6	26.0	21.3	25.9	23.0	25.6	23.5	23.2	94.8	95.3
Other Income	7.8	11.2	14.9	15.0	13.3	13.5	10.6	9.2	48.9	46.6
Regulatory/Extraordinary items	-0.6	2.5	0.4	0.5	2.1	5.2	0.0	0.0	2.8	7.3
PBT	42.3	43.9	48.5	51.4	43.9	42.6	49.1	57.6	186.2	193.3
Tax	8.2	6.8	9.6	8.1	7.3	7.1	8.9	10.3	32.7	33.7
Effective Tax Rate (%)	19.4	15.5	19.8	15.7	16.7	16.6	18.1	17.9	17.5	17.4
Reported PAT	34.1	37.1	38.9	43.4	36.5	35.5	40.2	47.3	153.5	159.6
YoY Change (%)	-3.7	-3.2	-1.9	5.0	7.1	-4.2	3.3	9.1	-0.8	4.0
Adjusted PAT	34.6	35.0	38.6	42.9	34.7	31.2	40.2	47.3	151.2	153.5
YoY Change (%)	-8.7	4.8	-0.4	0.5	0.4	-10.9	4.3	10.2	-1.1	1.5

Suzlon Energy

Buy

CMP: INR54 | TP: INR74 (+36%)

EPS CHANGE (%): FY26|27: 5|0

- Revenue would grow 52% YoY/17% QoQ as we expect execution of 671MW of wind turbine orders, up 50% YoY and 19% QoQ.
- EBITDA is likely to increase 66% YoY to ~INR8.3b, with EBITDA margins expected to be at ~18%.

Consolidated performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	20,216	21,034	29,748	37,899	31,317	38,708	45,264	56,141	108,897	171,430
YoY Change (%)	50%	48%	91%	73%	55%	84%	52%	48%	67%	57%
EBITDA	3,701	2,942	4,995	6,935	5,991	7,208	8,313	9,292	18,572	30,804
Margin (%)	18%	14%	17%	18%	19%	19%	18%	17%	17%	18%
Depreciation	458	544	662	928	702	752	794	926	2,592	3,174
Interest	445	560	695	847	1,031	1,097	1,087	1,133	2,548	4,347
Other Income	228	179	275	353	335	266	299	296	1,034	1,195
PBT before EO expense	3,025	2,016	3,913	5,512	4,592	5,625	6,732	7,529	14,466	24,478
Extra-Ord income/(exp.)	0	0	0	5,999	0	7,182	0	0	5,999	7,182
PBT	3,025	2,016	3,913	11,512	4,592	12,807	6,732	7,529	20,465	31,660
Tax	2	10	36	-298	1,349	12	1,683	1,705	-251	4,749
Rate (%)	0%	0%	1%	-3%	29%	0%	25%	23%	-1%	15%
Minority Interest	0	4	8	-12	0	0	13	40	0	54
Reported PAT	3,023	2,002	3,869	11,822	3,243	12,794	5,035	5,784	20,716	26,857
Adj PAT	3,025	2,012	3,905	5,823	3,243	5,613	5,035	5,784	14,717	19,675
YoY Change (%)	226%	46%	92%	108%	7%	179%	29%	-1%	106%	34%
Margin (%)	15.0	9.6	13.1	15.4	10.4	14.5	11.1	10.3	13.5	11.5

Tata Power

Buy

CMP: INR393 | TP: INR501 (+28%)

EPS CHANGE (%): FY26|27: -7|0

- EBITDA/APAT would decline 5%/7% YoY as losses at the Mundra power plant due to its shutdown are only partially offset by 1) rising contribution from fully ramped-up solar cell and module business, 2) contribution from additional renewable assets commissioned on a YoY basis, and 3) sustained strong performance in the solar rooftop and Odisha distribution businesses.
- Pace of commissioning of RE capacity and the potential tie-up of supplementary PPA for Mundra remain key monitorables.

Consolidated performance

(INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	172.9	157.0	153.9	171.0	180.4	155.4	181.9	219.4	654.8	737.1
YoY Change (%)	13.7	-0.3	5.1	7.9	4.3	-1.0	18.2	28.3		
EBITDA	35.9	37.5	33.5	32.5	41.4	33.0	31.9	36.1	139.3	142.4
EBITDA Margin	20.7%	23.9%	21.8%	19.0%	22.9%	21.2%	17.6%	16.4%	21.3%	19.3%
Depreciation	9.7	9.9	10.4	11.2	11.6	11.6	10.6	12.7	41.2	46.5
Interest	11.8	11.4	11.7	12.1	12.8	13.2	12.9	12.0	47.0	50.9
Other Income	2.5	5.1	4.0	3.5	3.6	5.1	5.9	3.9	15.1	18.4
Rate regulated activity	-6.9	-6.7	-2.7	1.7	-5.7	2.2	0.0	0.0	-14.7	-3.5
PBT before EO expense	10.0	14.5	12.7	14.3	14.9	15.5	14.3	15.3	51.5	60.0
Extra-ord items	2.0	-2.2	0.0	0.8	0.0	0.0	0.0	0.0	0.7	0.0
PBT	12.0	12.4	12.7	15.2	14.9	15.5	14.3	15.3	52.3	60.0
Tax	3.0	3.8	2.7	2.9	3.6	4.3	3.7	3.9	12.4	15.5
Rate (%)	25.1	30.7	21.2	19.4	24.0	28.0	25.7	25.4	23.8	25.8
Share of associates & JV	2.9	2.4	1.9	0.8	1.3	1.3	1.3	1.6	7.9	5.5
Minority Interest	2.2	1.7	1.6	2.6	2.0	3.3	2.3	2.3	8.0	9.9
Reported PAT	9.7	9.3	10.3	10.4	10.6	9.2	9.6	10.7	39.7	40.1
Adj PAT	8.2	10.8	10.3	9.7	10.6	9.2	9.6	10.7	39.2	40.1

Waaree Energies

Buy

CMP: INR2,867 | TP: INR3,547 (+24%)

EPS CHANGE (%): FY26|27: -5|2

- WEL's revenue to grow 89% YoY to INR65.5b on account of an increase in total module manufacturing capacity from 15GW in 3QFY25 to ~23GW in 3QFY26.
- EBITDA is likely to improve 112% YoY/9% QoQ, led by capacity expansion and margin improvement, with the stabilization of 5.4GW cell line.
- APAT is estimated to grow 110% YoY/23% QoQ.

Consolidated performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	34,089	35,744	34,573	40,039	44,258	60,656	65,488	77,154	144,445	247,557
YoY Change (%)	2%	1%	117%	36%	30%	70%	89%	93%	121%	71%
EBITDA	5,525	5,249	7,217	9,226	9,973	14,064	15,331	15,765	27,216	55,134
Margin (%)	16%	15%	21%	23%	23%	23%	23%	20%	19%	22%
Depreciation	758	843	891	1,534	1,821	2,398	2,463	2,596	4,025	9,277
Interest	337	308	309	567	433	961	714	826	1,521	2,934
Other Income	875	891	880	1,370	1,714	1,609	1,790	2,314	4,016	7,427
PBT before EO expense	5,305	4,988	6,898	8,495	9,434	12,315	13,944	14,657	25,687	50,349
Extra-Ord income/(exp.)	0	0	0	-40	0	0	0	0	-40	0
PBT	5,305	4,988	6,898	8,455	9,434	12,315	13,944	14,657	25,646	50,349
Tax	1,294	1,232	1,829	2,010	1,705	3,533	3,346	3,500	6,365	12,084
Rate (%)	24%	25%	27%	24%	18%	29%	24%	24%	25%	24%
Share of JV & associates	0	0	0	0	0	0	0	0	0	0
Minority Interest	70	140	142	256	277	357	232	126	607	991
Reported PAT	4,011	3,757	5,069	6,445	7,729	8,782	10,597	11,157	19,281	38,266
Adj PAT	3,941	3,617	4,927	6,220	7,452	8,426	10,366	11,031	18,704	37,274
YoY Change (%)	17%	15%	467%	148%	89%	133%	110%	77%	162%	99%
Margin (%)	11.6	10.1	14.3	15.5	16.8	13.9	15.8	14.3	12.9	15.1

Others | Various Sectors

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

APL Apollo Tubes

Buy

CMP INR1,933 | TP: INR2,257 (+17%)

EPS CHANGE (%): FY26|FY27|FY28: 0 |0|0

- APL witnessed volume growth of ~11% YoY to 916,976 MT in 3QFY26.
- Revenue is likely to grow ~13% YoY in 3QFY26 to INR61.3b.
- EBITDA/MT is expected to rise to ~INR5,000, up 20% YoY in 3QFY26.
- The company expects volumes to improve going ahead

Consolidated - Quarterly Earning Model

(INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	49,743	47,739	54,327	55,086	51,698	52,063	61,285	64,352	2,06,895	2,29,397
YoY Change (%)	9.4	3.1	30.0	15.6	3.9	9.1	12.8	16.8	14.2	10.9
Total Expenditure	46,727	46,359	50,872	50,949	47,978	47,593	56,700	59,619	1,94,906	2,11,889
EBITDA	3,016	1,381	3,456	4,137	3,720	4,470	4,585	4,733	11,990	17,508
Margins (%)	6.1	2.9	6.4	7.5	7.2	8.6	7.5	7.4	5.8	7.6
Depreciation	465	469	503	576	544	581	585	595	2,013	2,305
Interest	278	364	368	323	333	276	150	117	1,333	876
Other Income	247	148	217	349	256	251	300	340	961	1,146
PBT before EO expense	2,520	696	2,801	3,587	3,099	3,864	4,150	4,360	9,604	15,473
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	2,520	696	2,801	3,587	3,099	3,864	4,150	4,360	9,604	15,473
Tax	589	158	631	656	728	848	1,045	1,147	2,034	3,768
Rate (%)	23.4	22.7	22.5	18.3	23.5	22.0	25.2	26.3	21.2	24.4
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	1,932	538	2,170	2,931	2,372	3,015	3,105	3,213	7,571	11,706
Adj PAT	1,932	538	2,170	2,931	2,372	3,015	3,105	3,213	7,571	11,706
YoY Change (%)	-0.2	-73.5	31.1	72.0	22.8	460.4	43.1	9.6	3.4	54.6
Margins (%)	3.9	1.1	4.0	5.3	4.6	5.8	5.1	5.0	3.7	5.1

Blue Jet Healthcare

Buy

CMP: INR531 | TP: INR700(+32%)

EPS CHANGE (%): FY26|FY27|FY28: -4|-9|-12

- Expect revenue to increase 3% YoY and EBITDA to decline 5% YoY.
- EBITDA margin is likely to contract 320bp YoY, while gross margin is anticipated to contract 50bp YoY.
- The recovery in pharma intermediates, led by growth in cardiovascular drugs across geographies, will be a key monitorable.

Standalone - Quarterly Snapshot

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	1,629	2,083	3,174	3,404	3,548	1,655	3,284	3,525	10,290	12,012
YoY Change (%)	-9.3	14.8	90.3	85.1	117.8	-20.5	3.5	3.5	44.6	16.7
Gross Margin (%)	54.7%	57.0%	54.5%	54.9%	48.4%	65.0%	54.0%	55.4%	55.2%	54.3%
EBITDA	443	695	1,230	1,400	1,210	549	1,168	1,292	3,767	4,220
Margin (%)	27.2	33.4	38.8	41.1	34.1	33.2	35.6	36.6	36.6	35.1
Depreciation	35	46	47	49	57	59	61	63	178	240
Interest	0	0	0	0	7	46	12	18	1	83
Other Income	87	121	132	122	83	243	150	170	463	645
PBT before EO expense	495	769	1,315	1,472	1,229	687	1,245	1,381	4,051	4,542
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	495	769	1,315	1,472	1,229	687	1,245	1,381	4,051	4,542
Tax	117	186	335	371	317	166	313	324	1,009	1,120
Rate (%)	23.6	24.1	25.5	25.2	25.8	24.1	25.2	23.5	24.9	24.7
Reported PAT	378	583	980	1,101	912	521	932	1,057	3,042	3,422
Adj. PAT	378	583	980	1,101	912	521	932	1,057	3,042	3,422
YoY Change (%)	-14.4	21.9	149.5	177.6	141.3	-10.6	-4.9	-4.0	77.9	12.5
Margin (%)	23.2	28.0	30.9	32.3	25.7	31.5	28.4	30.0	29.6	28.5

Cello

Buy

CMP INR547 | TP: INR680 (+24%)
EPS CHANGE (%): FY26|FY27|FY28: -3|-2|-2

- Revenue is likely to grow ~9% YoY, led by growth in consumer ware and writing instruments
- EBITDA margins are expected at ~22.4% during 3QFY26, compared to ~22.9% in 3QFY25.
- Consumer ware is expected to show double digit growth and Writing instruments at high single digit
- Ramp-up of the glassware segment; and steel category prices will be the key focus area.

Consolidated - Quarterly Earning Model

(INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	5,007	4,901	5,568	5,888	5,290	5,874	6,072	6,650	21,364	23,886
YoY Change (%)	6.1	0.2	5.7	14.9	5.7	19.9	9.0	12.9	6.8	11.8
Total Expenditure	3,714	3,715	4,296	4,536	4,200	4,598	4,713	5,085	16,260	18,595
EBITDA	1,293	1,186	1,273	1,352	1,091	1,277	1,360	1,564	5,104	5,291
Margins (%)	25.8	24.2	22.9	23.0	20.6	21.7	22.4	23.5	23.9	22.2
Depreciation	141	148	151	180	186	195	205	220	620	806
Interest	6	3	3	3	1	5	1	1	15	8
Other Income	60	133	124	130	173	136	145	155	447	609
PBT before EO expense	1,206	1,168	1,243	1,299	1,076	1,213	1,299	1,498	4,916	5,085
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	1,206	1,168	1,243	1,299	1,076	1,213	1,299	1,498	4,916	5,085
Tax	311	300	318	338	269	299	326	381	1,267	1,275
Rate (%)	25.8	25.7	25.6	26.0	25.0	24.7	25.1	25.4	25.8	25.1
Minority Interest & Profit/Loss of Asso. Cos.	69	51	61	80	76	57	70	83	261	286
Reported PAT	826	816	864	882	730	857	903	1,035	3,388	3,525
Adj PAT	826	816	864	882	730	857	903	1,035	3,388	3,525
YoY Change (%)	6.6	2.1	1.8	-0.7	-11.6	4.9	4.5	17.3	2.3	4.0
Margins (%)	16.5	16.7	15.5	15.0	13.8	14.6	14.9	15.6	15.9	14.8

Century Plyboards

Buy

CMP INR823 | TP: INR958 (+16%)
EPS CHANGE (%): FY26|FY27 : 0|0

- Revenue/EBITDA/PAT are likely to grow ~16%/35%/22% YoY in 3QFY26, while EBITDA margin is likely to expand to 13.2%.
- Plywood revenue is expected to grow 11% YoY, with a healthy 14% EBITDA margin.
- The MDF (up 22% YoY) and Particle Board (up 35% YoY) segments are expected to lead revenue growth, with EBITDA margins expanding to 15% and 6%, respectively.
- Laminates revenue is expected to grow 13% YoY, with EBITDA margin expanding to 11%.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	10,054	11,836	11,405	11,983	11,694	13,855	13,284	14,141	45,278	52,975
YoY Change (%)	12.8	18.7	21.7	13.0	16.3	17.1	16.5	18.0	16.5	17.0
Total Expenditure	8,942	10,723	10,110	10,638	10,412	12,109	11,533	12,208	40,413	46,262
EBITDA	1,112	1,113	1,295	1,346	1,282	1,746	1,751	1,934	4,866	6,713
Margins (%)	11.1	9.4	11.4	11.2	11.0	12.6	13.2	13.7	10.7	12.7
Depreciation	336	336	340	360	367	476	486	496	1,372	1,824
Interest	150	172	179	190	222	311	301	291	690	1,124
Other Income	84	-25	23	20	19	19	24	29	103	91
PBT before EO expense	710	580	799	817	712	979	989	1,176	2,906	3,855
Extra-Ord expense	-133	0	0	0	0	0	0	0	-133	0
PBT	577	580	799	817	712	979	989	1,176	2,773	3,855
Tax	235	181	211	285	182	269	257	306	912	1,014
Rate (%)	40.8	31.1	26.4	34.9	25.6	27.5	26.0	26.0	32.9	26.3
Minority Interest	3	0	-4	-7	-11	-20	-20	-20	8	71
Reported PAT	344	400	585	525	519	689	712	850	1,853	2,770
Adj PAT	478	400	585	525	519	689	712	850	1,987	2,770
YoY Change (%)	-45.0	-58.7	-7.3	-42.1	8.6	72.4	21.7	62.1	-41.1	39.4
Margins (%)	4.8	3.4	5.1	4.4	4.4	5.0	5.4	6.0	4.4	5.2

Cera Sanitaryware

Neutral

CMP INR5,258 | TP: INR5,842 (+11%)
EPS CHANGE (%): FY26|FY27 : 0|0

- Revenue/EBITDA/PAT are likely to grow 4.5%/12.0%/21.8% YoY in 3QFY26, while EBITDA margin is likely to be 14.6%.
- We expect the Sanitaryware segment's revenue to grow 3% YoY (49% of mix).
- We expect the Faucets segment's revenue to grow 5% YoY (37% of mix).
- Tiles/Wellness revenues are expected to grow 12%/25% YoY in 3QFY26.

Consolidated - Quarterly Earning Model

(INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	4,007	4,926	4,523	5,805	4,222	4,879	4,725	6,253	19,262	20,079
YoY Change (%)	-6.6	6.4	3.1	5.8	5.4	-0.9	4.5	7.7	2.5	4.2
Total Expenditure	3,427	4,205	3,908	4,724	3,671	4,208	4,036	5,228	16,263	17,142
EBITDA	581	721	615	1,081	551	671	689	1,026	2,998	2,937
Margins (%)	14.5	14.6	13.6	18.6	13.0	13.8	14.6	16.4	15.6	14.6
Depreciation	90	107	104	106	95	98	99	100	407	393
Interest	13	26	19	17	15	16	16	16	75	64
Other Income	159	178	117	151	181	166	166	166	605	678
PBT before EO expense	637	765	610	1,110	622	722	739	1,074	3,122	3,158
Extra-Ord expense	0	0	0	-15	0	0	0	0	-15	0
PBT	637	765	610	1,095	622	722	739	1,074	3,107	3,158
Tax	163	79	146	232	151	156	181	263	620	752
Rate (%)	25.5	10.3	24.0	21.2	24.3	21.6	24.5	24.5	20.0	23.8
Minority Interest	4	6	6	6	5	0	0	0	22	5
Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	471	680	458	856	466	566	558	811	2,465	2,402
Adj PAT	471	680	458	871	466	566	558	811	2,480	2,402
YoY Change (%)	-16.4	16.3	-10.0	16.3	-1.1	-16.7	21.8	-6.9	3.1	-3.2
Margins (%)	11.7	13.8	10.1	15.0	11.0	11.6	11.8	13.0	12.9	12.0

Coromandel International

Buy

CMP INR2,281 | TP: INR2,800 (+23%)
EPS CHANGE (%): FY26|FY27|FY28: -1|-1|-1

- Fertilizer manufacturing volumes/trading volumes are expected to grow 1%/9% YoY, respectively.
- The Crop Protection segment is expected to witness low-double digit growth
- Fertilizer manufacturing (NPK and DAP) EBITDA/MT is expected to be ~INR5,764.
- The raw material and product pricing scenario will be the key monitorable.

Quarterly Performance

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
Consolidated	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	47,288	74,328	69,352	49,884	70,423	96,541	83,128	59,684	2,40,852	3,09,776
YoY Change (%)	-16.9	6.4	26.9	27.5	48.9	29.9	19.9	19.6	9.2	28.6
Total Expenditure	42,231	64,581	62,134	45,624	62,602	85,076	74,730	54,165	2,14,569	2,76,572
EBITDA	5,058	9,748	7,218	4,260	7,821	11,465	8,399	5,519	26,283	33,204
Margins (%)	10.7	13.1	10.4	8.5	11.1	11.9	10.1	9.2	10.9	10.7
Depreciation	653	690	708	854	1,206	1,018	1,215	1,220	2,904	4,658
Interest	574	661	731	659	680	1,018	550	450	2,624	2,698
Other Income	541	650	1,137	1,260	837	1,165	1,307	1,389	3,587	4,698
PBT before EO expense	4,372	9,047	6,916	4,007	6,773	10,595	7,941	5,238	24,342	30,546
Extra-Ord expense	0	0	0	-3,468	0	0	0	0	-3,468	0
PBT	4,372	9,047	6,916	7,475	6,773	10,595	7,941	5,238	27,810	30,546
Tax	1,125	2,328	1,752	1,524	1,757	2,660	1,999	1,326	6,728	7,742
Rate (%)	25.7	25.7	25.3	20.4	25.9	25.1	25.2	25.3	24.2	25.3
Minority Interest & P/L of Asso. Cos.	137	79	46	154	-34	-119	-36	152	417	-37
Reported PAT	3,110	6,641	5,118	5,797	5,050	8,053	5,978	3,760	20,665	22,841
Adj PAT	3,110	6,641	5,118	3,036	5,050	8,053	5,978	3,760	18,036	22,841
YoY Change (%)	-37.1	-12.3	121.6	89.4	62.4	21.3	16.8	23.9	9.8	26.6
Margins (%)	6.6	8.9	7.4	6.1	7.2	8.3	7.2	6.3	7.5	7.4

EPL

Buy

CMP INR215 | TP: INR260 (+21%)
EPS CHANGE (%): FY26|FY27|FY28: 0|0|0

- Revenue is expected to grow 11% YoY on broad-based growth across geographies.
- EBITDA margin is likely to expand ~30bp YoY.
- Thailand greenfield plant commissioned in Oct'25 will be a key focus area.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	10,074	10,862	10,143	11,054	11,079	12,059	11,261	12,244	42,133	46,643
YoY Change (%)	10.7	8.4	4.0	7.4	10.0	11.0	11.0	10.8	7.6	10.7
Total Expenditure	8,216	8,657	8,127	8,774	8,811	9,543	8,994	9,658	33,774	37,006
EBITDA	1,858	2,205	2,016	2,280	2,268	2,516	2,267	2,586	8,359	9,637
Margins (%)	18.4	20.3	19.9	20.6	20.5	20.9	20.1	21.1	19.8	20.7
Depreciation	836	852	863	876	896	944	1,000	1,046	3,427	3,886
Interest	290	291	274	284	281	285	150	152	1,139	868
Other Income	65	140	127	104	80	119	135	138	436	472
PBT before EO expense	797	1,202	1,006	1,224	1,171	1,406	1,252	1,526	4,229	5,355
Extra-Ord expense	0	0	0	36	0	0	0	0	36	0
PBT	797	1,202	1,006	1,188	1,171	1,406	1,252	1,526	4,193	5,355
Tax	139	301	64	73	159	348	275	336	577	1,118
Rate (%)	17.4	25.0	6.4	6.1	13.6	24.8	22.0	22.0	13.8	20.9
Minority Interest & Profit/Loss of Asso. Cos.	-16	-31	-7	28	-12	-15	-3	14	-26	-16
Reported PAT	642	870	935	1,143	1,000	1,043	973	1,205	3,590	4,221
Adj PAT	642	870	935	1,170	1,000	1,043	973	1,205	3,617	4,221
YoY Change (%)	18.2	72.3	8.6	72.9	55.8	19.9	4.1	3.0	39.9	16.7
Margins (%)	6.4	8.0	9.2	10.6	9.0	8.6	8.6	9.8	8.6	9.0

Eternal

Buy

CMP INR284 | TP: INR420 (+49%)
EPS CHANGE (%): FY26|27|28: -52|-23|-22

- NOV for the FD/QC business is likely to grow 12%/122% YoY, with FD take rates of 21.5% and QC gross profit of 26.5%.
- Blinkit's NOV is projected to sustain its growth momentum with 15%/122% QoQ/YoY growth. Hyperpure should also continue its upward trajectory.
- Food Delivery adj. EBITDA as % of NOV margin may rise 20bp QoQ to 5.5%. Blinkit is likely to post a contribution margin of 4.7% and adj. EBITDA margin as % of NOV at -1.3% in 3Q.
- Watch out for the outlook on Competition intensity, Blinkit, FD GOV growth, and margin.

Consolidated - Quarterly Earning

Y/E march	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (net of delivery)	42,060	47,990	54,050	58,330	71,670	1,35,900	1,51,896	1,78,718	2,02,430	5,38,185
YoY Change (%)	74.1	68.5	64.4	63.8	70.4	183.2	181.0	206.4	67.1	165.9
Inventory of traded goods	10,990	13,340	15,000	16,320	22,840	77,420	1,02,278	1,25,802	55,650	3,28,341
Employee Expenses	5,290	5,900	6,890	7,500	8,300	8,650	9,515	10,467	25,580	36,932
Delivery expenses	13,280	13,980	14,500	15,520	18,690	22,130	22,260	24,222	57,280	87,302
Gross Profit	12,500	14,770	17,660	18,990	21,840	27,700	17,843	18,228	63,920	85,611
Margins (%)	29.7	30.8	32.7	32.6	30.5	20.4	11.7	10.2	31.6	15.9
Advertisement and sales promotion	3,960	4,210	5,210	6,340	6,710	8,060	7,900	7,694	19,720	30,364
Others	6,770	8,300	10,830	11,930	13,980	17,250	6,881	6,814	37,830	44,925
EBITDA	1,770	2,260	1,620	720	1,150	2,390	3,062	3,720	6,370	10,322
Margins (%)	4.2	4.7	3.0	1.2	1.6	1.8	2.0	2.1	3.1	1.9
Depreciation	1,490	1,800	2,470	2,870	3,140	3,760	3,797	3,574	8,630	14,272
Interest	250	300	430	560	670	860	700	700	1,540	2,930
Other Income	2,360	2,210	2,520	3,680	3,540	3,520	2,500	2,500	10,770	12,060
PBT before EO expense	2,390	2,370	1,240	970	880	1,290	1,065	1,946	6,970	5,181
PBT	2,390	2,370	1,240	970	880	1,290	1,065	1,946	6,970	5,181
Tax	-140	610	650	580	630	640	224	409	1,700	1,902
Rate (%)	-5.9	25.7	52.4	59.8	71.6	49.6	21.0	21.0	NA	NA
Reported PAT	2,530	1,760	590	390	250	650	841	1,537	5,270	3,278
Adj PAT	2,530	1,760	590	390	250	650	841	1,537	5,270	3,278
YoY Change (%)	12,550.0	389	-57.2	-77.7	-90.1	-63.1	42.6	294.1	50.1	-37.8
Margins (%)	6.0	3.7	1.1	0.7	0.3	0.5	0.6	0.9	2.6	0.6

FSN E-Commerce

Neutral

CMP INR265 | TP: 280 (+6%)

EPS CHANGE (%) : FY26|27|28: -1.8|0.1|0.0

- BPC is expected to report 28%/31% YoY growth in GMV/NSV.
- Fashion vertical is expected to report 25% YoY growth in NSV.
- Expect stable contribution margins for the beauty business & a 50bp gains in the EBITDA margin of the BPC vertical.
- Need to watch out for commentary around demand trends in BPC, House of Nykaa contribution in both BPC and fashion.

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	17,461	18,747	22,672	20,618	21,549	23,460	29,287	26,227	79,498	1,00,524
YoY Change (%)	22.8	24.4	26.7	23.6	23.4	25.1	29.2	27.2	24.5	26.4
Inventory of traded goods	9,901	10,537	12,761	11,527	11,934	12,924	16,547	14,635	44,727	0
Gross Profit	7,560	8,210	9,911	9,090	9,615	10,535	12,740	11,592	34,772	44,483
Margins (%)	43.3	43.8	43.7	44.1	44.6	44.9	43.5	44.2	43.7	44.3
Employee Benefit expenses	1,559	1,615	1,746	1,741	1,820	1,828	2,402	2,151	6,661	8,200
Others	5,041	5,558	6,758	6,016	6,388	7,120	8,184	7,413	23,371	29,106
EBITDA	960	1,037	1,407	1,333	1,407	1,588	2,154	2,028	4,740	7,177
Margins (%)	5.5	5.5	6.2	6.5	6.5	6.8	7.4	7.7	6.0	7.1
Depreciation	601	636	698	729	761	790	700	750	2,664	3,002
Interest	213	242	319	299	302	315	350	258	1,073	1,224
Other Income	73	55	55	90	93	80	80	80	273	334
PBT before EO expense	220	213	445	395	437	563	1,184	1,100	1,275	3,285
Tax	78	78	176	205	192	220	438	407	538	1,258
Rate (%)	35.7	36.7	39.5	51.9	44.0	39.1	37.0	37.0	42.1	38.3
Adj PAT	141	135	269	190	245	343	746	693	738	2,027
MI & Profit/Loss of Asso. Cos.	6	5	6	0	0	15	0	0	16	15
Reported PAT	135	130	264	190	245	329	746	693	722	2,013
YoY Change (%)	110%	40%	45%	112%	81%	152%	183%	265%	81%	179%
Margins (%)	0.8	0.7	1.2	0.9	1.1	1.4	2.5	2.6	0.9	2.0

Godrej Agrovet

Buy

CMP INR573 | TP: INR750 (+31%)

EPS CHANGE (%):FY26|FY27|FY28: +3|-1|-1

- We expect revenue growth of ~8% YoY in 3QFY26, majorly driven by vegetable oil.
- EBITDA margins are likely to expand 50bp to 9.5%.
- The performance outlook on Astec and the domestic crop protection business will be key focus areas.
- Raw material (such as maize and soybean) and palm oil prices are the key monitorables.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25E	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	23,508	24,488	24,496	21,336	26,143	25,674	26,562	25,182	93,828	1,03,561
YoY Change (%)	-6.4	-4.8	4.5	0.0	11.2	4.8	8.4	18.0	-1.9	10.4
Total Expenditure	21,246	22,254	22,296	19,870	23,446	23,540	24,045	23,269	85,666	94,300
EBITDA	2,261	2,234	2,200	1,467	2,697	2,134	2,517	1,913	8,162	9,261
Margins (%)	9.6	9.1	9.0	6.9	10.3	8.3	9.5	7.6	8.7	8.9
Depreciation	546	583	567	565	579	571	610	645	2,261	2,404
Interest	302	398	345	289	355	396	385	370	1,334	1,505
Other Income	92	126	87	130	119	78	130	136	435	462
PBT before EO expense	1,506	1,379	1,376	742	1,882	1,246	1,652	1,034	5,002	5,814
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	1,506	1,379	1,376	742	1,882	1,246	1,652	1,034	5,002	5,814
Tax	345	541	414	204	517	507	297	184	1,504	1,505
Rate (%)	22.9	39.3	30.1	27.5	27.5	40.7	18.0	17.8	30.1	25.9
Minority Interest & Profit/Loss of Asso. Cos.	-190	-286	-153	-170	-240	-187	-200	-219	-799	-846
Reported PAT	1,352	1,123	1,115	708	1,605	926	1,554	1,070	4,297	5,155
Adj PAT	1,352	1,123	1,115	708	1,605	926	1,554	1,070	4,297	5,155
YoY Change (%)	28.3	6.7	21.4	23.9	18.8	-17.6	39.4	51.1	19.5	20.0
Margins (%)	5.7	4.6	4.6	3.3	6.1	3.6	5.9	4.2	4.6	5.0

Gravita Industries

Buy

CMP INR1,860 | TP: INR2,348 (+26%)

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

- Revenue is expected to grow ~5% YoY, led by decent growth across Lead and Aluminum.
- Increase in domestic scrap, led by favorable regulatory policies, will be the focus area.
- Adj. EBITDA margins are to expand by ~50bps in 3QFY26 at 10.7%.
- The ramp-up of aluminum operations will be key monitorable.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Sales	9,079	9,274	9,964	10,371	10,399	10,355	10,441	12,348	38,688	43,544
YoY Change (%)	29.1	10.9	31.5	20.1	14.5	11.7	4.8	19.1	22.4	12.6
Total Expenditure	8,166	8,259	8,942	9,286	9,282	9,237	9,321	11,093	34,652	38,934
Adjusted EBITDA	912	1,015	1,023	1,085	1,117	1,118	1,120	1,255	4,036	4,610
Margins (%)	10.1	10.9	10.3	10.5	10.7	10.8	10.7	10.2	10.4	10.6
Depreciation	65	72	76	78	87	92	110	122	291	412
Interest	130	120	128	56	61	78	65	60	434	264
Other Income	33	23	73	194	190	165	160	150	324	665
PBT before EO expense	751	847	891	1,146	1,159	1,113	1,105	1,223	3,635	4,600
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	751	847	891	1,146	1,159	1,113	1,105	1,223	3,635	4,600
Tax	71	128	111	197	229	153	166	129	506	677
Rate (%)	9.4	15.1	12.4	17.2	19.7	13.8	15.0	10.6	13.9	14.7
Minority Interest & Profit/Loss of Asso. Cos.	7	-1	1	-2	-2	0	1	2	5	1
Reported PAT	673	720	779	951	933	960	938	1,092	3,124	3,923
Adj PAT	673	720	779	951	933	960	938	1,092	3,124	3,923
YoY Change (%)	29.3	24.4	29.3	37.9	38.5	33.3	20.4	14.8	30.6	25.6
Margins (%)	7.4	7.8	7.8	9.2	9.0	9.3	9.0	8.8	8.1	9.0

IndiaMART

Buy

CMP: INR2,177 | TP: INR2,750 (+26%)

EPS CHANGE (%): FY26|27|28: -0.3|0.8|0.8

- Revenue is likely to grow ~11% YoY in 3QFY26. We do not anticipate any material change in the business environment.
- Expect margins to decline by 200bp to 31.1% as investments in performance marketing continue.
- Busy Infotech is expected to report similar growth as reported in recent quarters.
- Outlook on Silver bucket churn rate, investments in marketing, and ARPU growth ahead are key monitorables.

Consolidated - Quarterly Earnings

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	3,313	3,477	3,543	3,551	3,721	3,910	3,935	4,106	13,884	15,672
YoY Change (%)	17.4	18.0	16.0	12.8	12.3	12.5	11.1	15.6	16.0	12.9
Total Expenditure	2,120	2,130	2,160	2,248	2,390	2,610	2,709	2,795	8,658	10,504
EBITDA	1,193	1,347	1,383	1,303	1,331	1,300	1,226	1,311	5,226	5,168
Margins (%)	36.0	38.7	39.0	36.7	35.8	33.2	31.1	31.9	37.6	33.0
Depreciation	81	82	83	83	69	72	84	87	329	312
Interest	20	19	18	17	10	7	7	7	74	31
Other Income	532	655	449	1,090	924	102	651	677	2,726	2,355
PBT before EO expense	1,624	1,901	1,731	2,293	2,176	1,323	1,786	1,895	7,549	7,180
PBT	1,624	1,901	1,731	2,293	2,176	1,323	1,786	1,895	7,549	7,180
Tax	374	422	380	380	504	359	411	426	1,556	1,700
Rate (%)	23.0	22.2	22.0	16.6	23.2	27.1	23.0	22.5	20.6	23.7
MI & Profit/Loss of Asso. Cos.	112	127	141	111	141	134	134	134	491	543
Reported PAT	1,138	1,352	1,210	1,802	1,531	830	1,241	1,334	5,502	4,937
Adj PAT	1,138	1,352	1,210	1,802	1,531	830	1,241	1,334	5,502	4,937
YoY Change (%)	34.0	95.7	48.5	80.4	34.5	-38.6	2.6	-25.9	64.0	-10.3
Margins (%)	34.3	38.9	34.2	50.7	41.1	21.2	31.5	32.5	39.6	31.5

Indegene

Neutral

CMP INR523 | TP: INR583 (+12%)
EPS CHANGE (%): FY26|FY27: 4.5|3.7

- We expect INR revenue to grow 20+% YoY in 3QFY26, and CC growth of ~15-16% YoY, driven by contributions from top accounts and acquisitions.
- We expect Indegene to deliver a relatively moderate performance compared to IKS and Sagility.
- Seasonality wise H2 better than H1 due to renewals.
- Key monitorable: Management commentary on cross sell, M&A, Top accounts business scenario, and outlook.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Rev. (USD m)	81	82	85	87	89	92	97	102	336	381
QoQ (%)	0.0	1.1	3.9	2.6	1.7	3.7	5.7	5.0	7.3	13.5
Rev. (INRm)	6,765	6,868	7,204	7,556	7,608	8,042	8,822	9,263	28,393	33,735
YoY (%)	11.4	8.0	7.0	12.3	12.5	17.1	22.5	22.6	9.6	18.8
GPM (%)	34.3	35.6	38.4	35.8	36.7	35.9	36.5	36.0	36.1	36.3
Other expenses (%)	15.3	17.3	18.2	16.3	16.3	18.4	18.0	17.5	16.8	17.6
EBITDA (INRm)	1,289	1,261	1,454	1,475	1,553	1,406	1,632	1,714	5,479	6,305
EBITDA Margin (%)	19.1	18.4	20.2	19.5	20.4	17.5	18.5	18.5	19.3	18.7
EBIT (INRm)	1,088	1,067	1,254	1,268	1,337	1,172	1,367	1,436	4,677	5,312
EBIT Margin (%)	16.1	15.5	17.4	16.8	17.6	14.6	15.5	15.5	16.5	15.7
Other Income	225	214	219	256	221	196	221	232	914	869
ETR (%)	26.7	26.1	25.0	21.2	23.5	23.3	25.0	25.0	24.6	26.0
Reported PAT	877	917	1,097	1,176	1,164	1,020	1,162	1,222	4,067	4,568
Adj.PAT	877	917	1,075	1,176	1,164	1,020	1,162	1,222	4,067	4,568
QoQ (%)	-5.1	4.6	17.2	9.4	-1.0	-12.4	14.0	5.1		
YoY (%)	28.2	22.8	8.8	27.3	32.7	11.2	8.1	3.9	21.0	12.9
Margins (%)	13.0	13.4	14.9	15.6	15.3	12.7	13.2	13.2	14.3	13.5
EPS (INR)	3.8	3.8	4.6	4.9	4.8	4.2	4.8	5.1	17.0	18.9

Inventurus Knowledge Solutions

Buy

CMP INR1,684 | TP: INR2,107 (+25%)
EPS CHANGE (%): FY26|FY27: 0|0

- We expect INR revenue to grow 20+% YoY in 3QFY26, and CC growth of ~18-19% YoY, driven by contributions from large deals. EBITDA margin is likely to be sustained at ~33-34%.
- We expect IKS to deliver top-quartile performance among BPO peers.
- Seasonality wise H2 moderate than H1, mainly holiday seasons and severe winter weather.
- Key monitorable: Management commentary on large deal execution, recent deal wins and pipeline, organic growth, progress on the AQuity accounts, cross-sell and synergy benefits.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Rev. (USDm)	77	77	78	84	87	90	94	96	316	367
QoQ (%)	3.2	-0.1	1.7	7.4	3.2	4.0	3.9	2.5	46.5	16.0
Rev. (INRm)	6,401	6,428	6,572	7,240	7,401	7,811	8,246	8,452	26,640	31,909
YoY (%)	NA	NA	15.9	16.8	15.6	21.5	25.5	16.7	46.5	19.8
GPM (%)	43.6	43.4	41.7	46.6	46.5	47.9	47.0	47.0	43.9	47.1
Other expenses (%)	16.6	14.0	14.0	15.4	14.4	13.1	13.0	13.0	15.0	13.3
EBITDA (INRm)	1,730	1,891	1,815	2,262	2,378	2,718	2,804	2,874	7,697	10,772
EBITDA Margin (%)	27.0	29.4	27.6	31.2	32.1	34.8	34.0	34.0	28.9	33.8
EBIT (INRm)	1,447	1,608	1,537	1,979	2,098	2,416	2,515	2,578	6,571	9,607
EBIT Margin (%)	22.6	25.0	23.4	27.3	28.4	30.9	30.5	30.5	24.7	30.1
Other Income	36	52	270	33	31	37	41	42	390	151
ETR (%)	22.0	21.4	19.0	17.9	22.2	20.6	21.5	21.5	19.8	21.4
MI	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reported PAT	955	1,130	1,297	1,478	1,515	1,807	1,897	1,944	4,860	7,177
Adj.PAT	955	1,130	1,297	1,478	1,515	1,807	1,897	1,944	4,860	7,177
QoQ (%)	50.2	18.3	14.8	14.0	2.5	19.3	4.9	2.5		
YoY (%)	NA	NA	27.7	132.5	58.7	59.9	46.3	31.5	31.2	47.7
Margins (%)	14.9	17.6	19.7	20.4	20.5	23.1	23.0	23.0	18.2	22.5
EPS (INR)	5.7	6.7	7.6	8.7	8.9	10.6	11.1	11.4	28.6	42.3

Indian Hotels

Buy

CMP INR748 | TP: 880 (+18%)
EPS CHANGE (%):FY26|FY27|FY28: -1|1|2

- Revenue is expected to grow 12% YoY, while EBITDA margin is expected to be ~38.3% in 3QFY26.
- Key domestic markets, such as Mumbai, Delhi, Hyderabad, and Bangalore, are expected to continue witnessing strong traction.
- The demand scenario in key markets, along with improvements in occupancy and ARR, is the key focus area.
- Q3 is expected to be strong, with November and December being positively impacted due to MICE activities

Consolidated - Quarterly Earning Model

(INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	15,502	18,261	25,331	24,251	20,411	20,409	28,479	28,251	83,345	97,550
YoY Change (%)	5.7	27.4	29.0	27.3	31.7	11.8	12.4	16.5	23.1	17.0
Total Expenditure	11,006	13,249	15,714	15,684	14,651	14,708	17,584	17,777	55,652	64,719
EBITDA	4,496	5,013	9,617	8,568	5,760	5,701	10,895	10,474	27,693	32,831
Margins (%)	29.0	27.5	38.0	35.3	28.2	27.9	38.3	37.1	33.2	33.7
Depreciation	1,173	1,249	1,339	1,420	1,428	1,447	1,495	1,520	5,182	5,890
Interest	499	522	524	539	546	561	555	549	2,084	2,210
Other Income	460	641	587	616	611	834	735	756	2,305	2,936
PBT before EO expense	3,285	3,882	8,340	7,225	4,398	4,527	9,580	9,162	22,733	27,667
Extra-Ord expense	0	-3,074	0	26	0	0	0	0	-3,048	0
PBT	3,285	6,956	8,340	7,200	4,398	4,527	9,580	9,162	25,781	27,667
Tax	943	1,224	2,202	1,800	1,204	1,365	2,874	2,748	6,168	8,192
Rate (%)	28.7	17.6	26.4	25.0	27.4	30.2	30.0	30.0	23.9	29.6
Minority Interest & Profit/Loss of Asso. Cos.	-142	186	315	177	231	313	270	287	537	1,100
Reported PAT	2,484	5,546	5,823	5,223	2,964	2,849	6,437	6,126	19,076	18,376
Adj PAT	2,484	3,241	5,823	5,242	2,964	2,849	6,437	6,126	16,790	18,376
YoY Change (%)	11.7	94.1	28.8	25.5	19.3	-12.1	10.5	16.9	51.5	-3.7
Margins (%)	16.0	17.7	23.0	21.6	14.5	14.0	22.6	21.7	20.1	18.8

Info Edge

Neutral

CMP: INR1,396 | TP: INR1,250 (-9%)
EPS CHANGE (%): FY26|27|28 : -0.6|-0.2|-1.2

- Recruitment trends are likely to remain steady in 3Q, led by non-tech hiring, with GCCs and sectors such as Retail and Manufacturing continuing to hold up, while IT and tech hiring is expected to stay cautious.
- The outlook on IT hiring, 99acres, and investee companies is the key monitorable.
- 99acres and JeevanSathi are likely to operate close to breakeven in 3Q, with 99acres sustaining growth on customer additions and realizations. Jeevansathi is likely to retain positive cash flow with controlled marketing spends.
- For JeevanSathi, INFOE is targeting 20-25% growth in FY26E while holding the line on breakeven profitability.

Standalone Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenues	6,389	6,561	6,715	6,871	7,364	7,460	7,671	7,688	26,536	29,841
YoY (%)	9.3	10.6	12.8	13.0	15.3	13.7	14.2	11.9	11.4	12.5
Salary costs	2,587	2,624	2,681	2,923	2,915	3,023	3,084	3,092	10,815	12,115
Ad and Promotion costs	856	755	667	846	1,111	901	1,036	1,076	3,125	4,124
Other Expenses	452	437	470	512	559	581	575	538	1,871	2,254
EBITDA	2,495	2,744	2,897	2,589	2,779	2,954	2,976	2,981	10,726	11,348
EBITDA Margin (%)	39.0	41.8	43.1	37.7	37.7	39.6	38.8	38.8	40.4	38.0
Depreciation	175	186	217	224	226	226	230	231	801	913
EBIT Margin (%)	36.3	39.0	39.9	34.4	34.7	36.6	35.8	35.8	37.4	35.0
Other Income	770	803	781	784	960	820	844	923	3,138	3,547
PBT bef. Extra-ordinary	3,043	3,315	3,415	3,099	3,462	3,495	3,536	3,620	12,871	13,771
Provision for Tax	720	940	820	624	866	885	831	851	5,701	10,839
ETR (%)	23.7	28.4	24.0	20.1	25.0	25.3	23.5	23.5	44.3	78.7
Adj. PAT	2,323	2,375	2,595	2,474	2,596	2,610	2,705	2,769	9,767	10,338
EOI	0	1,080	-593	76	0	52,001	0	0	564	52,001
Reported PAT	2,323	859	2,002	2,551	2,596	47,205	2,705	2,769	7,734	54,933
QoQ (%)	10.1	-63.0	133.1	27.4	1.8	NA	-94.3	2.3		
YoY (%)	16.2	-58.9	-6.3	20.9	11.8	NA	35.1	8.6	-7.2	610.3
EPS (INR)	3.6	1.3	3.1	3.8	4.0	4.1	4.2	4.3	11.9	16.1

InterGlobe Aviation

Buy

CMP INR5,106 | TP: INR6,300 (+23%)
EBITDA CHANGE (%): FY26|FY27|FY28: -9|-|-

- Expect ASK at 44.8b (+10% YoY), PLF at 86.5% (compared to 87% in 3QFY25), and RPK at 38.8b (up 9.4% YoY).
- According to our database, INDIGO's average fare remained flat QoQ at INR6,110 on one-month forward bookings in 3Q, while it rose 26% QoQ to INR7,194 on 15-day forward bookings.
- Management is focused on international expansion, with the addition of new networks and code-share agreements.

Standalone Quarterly performance

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	1,95,707	1,69,696	2,21,107	2,21,520	2,04,963	1,85,553	2,36,188	2,39,715	8,08,030	8,66,419
YoY Change (%)	17.3	13.6	13.7	24.3	4.7	9.3	6.8	8.2	17.3	7.2
EBITDAR	57,702	23,814	59,185	69,464	56,971	8,654	59,817	71,414	2,10,165	1,96,856
Margin (%)	29.5	14.0	26.8	31.4	27.8	4.7	25.3	29.8	26.0	22.7
Net Rentals	6,241	7,636	7,585	8,641	4,925	3,200	8,527	9,094	30,103	25,746
EBITDA	51,461	16,178	51,600	60,823	52,046	5,454	51,290	62,320	1,80,062	1,71,110
Margin (%)	26.3	9.5	23.3	27.5	25.4	2.9	21.7	26.0	22.3	19.7
Forex (gain)/loss	575.0	2,406.0	14,564.0	-1,366.0	1,476.0	29,048.0				
EBITDA (ex forex loss)	52,036	18,584	66,164	59,457	53,522	34,502	51,290	62,320	1,80,062	1,71,110
Depreciation	18,665	20,776	22,154	24,771	25,531	26,293	26,350	26,560	86,366	1,04,734
Interest	11,576	12,401	13,081	13,831	14,026	14,749	14,579	14,799	50,889	58,153
Other Income	6,797	7,905	8,835	9,531	10,465	10,450	12,056	12,622	33,068	45,593
PBT	28,017	-9,094	25,200	31,752	22,954	-25,138	22,417	33,582	75,875	53,815
Tax	750	794	780	1,018	1,343	1,003	523	1,035	3,342	3,903
Rate (%)	2.7	-8.7	3.1	3.2	5.9	-4.0	2.3	3.1	4.4	7.3
Reported PAT	27,267	-9,888	24,420	30,734	21,611	-26,141	21,895	32,547	72,533	49,912
EPS	70.6	-25.6	63.2	79.5	55.9	-67.7	56.7	84.2	187.7	129.2
YoY Change (%)	-11.7	NA	-18.6	62.3	-20.7	164.4	-10.3	5.9	-11.2	-31.2

Kajaria Ceramics

Buy

CMP INR980 | TP: INR1,161 (+18%)
EPS CHANGE (%): FY26|FY27 : 0|0

- Revenue is expected to grow ~9% YoY due to a recovery in tile volumes.
- Tile revenue is expected to rise 7% YoY, while Adhesives and Bathware revenues are likely to increase by a higher rate.
- EBITDA margin is likely to stand at 17.5%, rising 427bp YoY.
- EBITDA/PAT are expected to rise 44%/80% YoY, aided by softer gas prices and cost optimization measures.
- There are no changes to EPS estimates; however, we cut Sep'27 target P/E multiple to 28x from 30x earlier due to continued soft demand and rising competitive intensity, which pose higher risks to our earnings estimates.

Consolidated - Quarterly Earning Model

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	10,958	11,618	11,556	12,219	11,027	11,860	12,588	13,503	46,351	49,000
YoY Change (%)	3.0	3.6	0.3	1.1	0.6	2.1	8.9	10.5	3.6	5.7
Total Expenditure	9,248	9,983	10,023	10,835	9,159	9,726	10,380	11,135	40,089	40,399
EBITDA	1,710	1,635	1,533	1,384	1,869	2,135	2,208	2,369	6,262	8,601
Margins (%)	15.6	14.1	13.3	11.3	16.9	18.0	17.5	17.5	13.5	17.6
Depreciation	419	404	397	434	436	419	424	429	1,654	1,708
Interest	33	34	74	60	52	58	58	58	200	225
Other Income	101	99	103	125	132	155	160	165	427	612
PBT before EO expense	1,359	1,296	1,166	1,014	1,513	1,813	1,886	2,047	4,835	7,279
PBT	1,359	1,296	1,166	1,014	1,513	1,813	1,886	2,047	4,835	7,279
Tax	358	350	307	344	396	472	490	532	1,360	1,891
Rate (%)	26.3	27.0	26.4	33.9	26.2	26.0	26.0	26.0	28.1	26.0
Minority Interest	-25	-13	-12	-7	-13	-10	-10	-10	57	44
Profit/(Loss) - Associates	-78	-91	-69	-238	-14	-1	10	10	-475	6
Reported PAT	898	843	777	425	1,090	1,330	1,396	1,515	2,944	5,351
Adj PAT	898	843	777	425	1,090	1,330	1,396	1,515	2,944	5,351
YoY Change (%)	-16.5	-21.9	-25.4	-58.5	21.3	57.8	79.5	256.2	-30.3	81.8
Margins (%)	8.2	7.3	6.7	3.5	9.9	11.2	11.1	11.2	6.4	10.9

Lemon Tree Hotels

Buy

CMP INR154 | TP: INR200 (+30%)
EPS CHANGE (%):FY26|FY27|FY28: -4|-2|4

- Revenue is expected to grow 11% YoY and EBITDA margin is expected to be ~49.5% in 3QFY26.
- The demand scenario in key markets (Mumbai and Delhi) and Occupancy/ARR trend are the key monitorables.
- We anticipate this to be a strong quarter, driven by MICE activities.
- The pace of signing management contracts will be a key focus area.

Consolidated Quarterly Performance

(INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	2,680	2,844	3,552	3,785	3,158	3,063	3,946	4,271	12,861	14,437
YoY Change (%)	20.6	25.2	23.0	15.6	17.8	7.7	11.1	12.8	20.7	12.3
Total Expenditure	1,530	1,536	1,710	1,744	1,753	1,756	1,992	1,954	6,520	7,455
EBITDA	1,151	1,307	1,842	2,041	1,405	1,307	1,954	2,317	6,341	6,983
Margins (%)	42.9	46.0	51.9	53.9	44.5	42.7	49.5	54.2	49.3	48.4
Depreciation	346	348	351	349	342	343	353	362	1,393	1,400
Interest	518	513	503	472	447	423	400	362	2,007	1,632
Other Income	4	5	6	9	16	17	14	11	23	58
PBT before EO expense	291	451	994	1,229	633	558	1,215	1,604	2,965	4,009
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	291	451	994	1,229	633	558	1,215	1,604	2,965	4,009
Tax	91	102	197	141	148	139	243	235	531	764
Rate (%)	31.2	22.7	19.8	11.5	23.3	24.9	20.0	14.6	17.9	19.1
MI & P/L of Asso. Cos.	2	52	173	241	102	73	201	249	468	625
Reported PAT	198	296	625	846	383	346	771	1,120	1,966	2,620
Adj PAT	198	296	625	846	383	346	771	1,120	1,966	2,620
YoY Change (%)	-15.6	30.9	76.5	26.3	93.5	16.7	23.3	32.3	32.4	33.3
Margins (%)	7.4	10.4	17.6	22.4	12.1	11.3	19.5	26.2	15.3	18.1

MTAR Technologies

Buy

CMP INR2,374 | TP: INR3,000 (+26%)
EPS CHANGE (%): FY26|FY27|FY28: -3|-1|-1

- We expect the company to post revenue/ EBITDA increase of ~60%/93% YoY in 3QFY26.
- EBITDA margin is expected to expand to ~23% in 3QFY26 vs ~19.1% in 3QFY25
- Expect two third of full year revenue to come in H2FY26
- Revenue of nuclear segment will be the key focus area.

Consolidated - Quarterly Earning Model

(INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	1,283	1,902	1,745	1,831	1,566	1,356	2,791	3,076	6,760	8,789
YoY Change (%)	-15.9	14.0	47.4	28.1	22.1	-28.7	60.0	68.0	16.4	30.0
Total Expenditure	1,117	1,534	1,412	1,489	1,282	1,186	2,149	2,316	5,552	6,933
EBITDA	166	368	333	341	284	170	642	760	1,208	1,855
Margins (%)	12.9	19.4	19.1	18.7	18.1	12.5	23.0	24.7	17.9	21.1
Depreciation	61	78	87	96	84	88	90	101	322	362
Interest	48	52	63	59	58	62	60	55	222	235
Other Income	5	14	31	0	6	37	20	15	52	78
PBT before EO expense	62	253	214	186	148	57	512	619	716	1,336
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	62	253	214	186	148	57	512	619	716	1,336
Tax	18	65	55	49	40	14	129	156	187	339
Rate (%)	28.6	25.8	25.5	26.3	27.0	25.2	25.2	25.2	26.1	25.4
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	44	188	160	137	108	42	383	463	529	997
Adj PAT	44	188	160	137	108	42	383	463	529	997
YoY Change (%)	-78.2	-8.2	52.8	181.7	144.2	-77.4	140.0	237.5	-5.8	88.5
Margins (%)	3.5	9.9	9.2	7.5	6.9	3.1	13.7	15.1	7.8	11.3

Quess

Neutral

CMP INR215 | TP: INR240 (+12%)
EPS CHANGE (%): FY26|27|28: -0.7|-1.9| -4.0

- Expect revenue to grow 3.5% QoQ. 2H is likely to remain similar to 1H.
- Margin recovery to remain gradual; margins should largely remain flat QoQ. FY26 exit is pegged at 2.1%.
- Professional Services should remain resilient, supported by steady GCC demand and a visible mandate pipeline.
- Commentaries on IT staffing, GCC offerings, and margins would be the key monitorables.

Consolidated – Quarterly

Y/E March	FY25				FY26E				FY25	FY26E
	1Q*	2Q*	3Q*	4Q*	1Q*	2Q	3QE	4QE		
Net Sales	35,869	37,048	40,191	36,564	36,514	38,316	39,670	41,283	1,49,672	1,55,783
YoY Change (%)	-22.0	-22.0	-17.0	-25.5	1.8	3.4	-1.3	12.9	9%	4%
Total Expenditure	35,236	36,355	39,567	35,891	35,817	37,549	38,893	40,401	1,47,049	1,52,660
EBITDA	632	693	625	674	697	767	776	883	2,623	3,123
Margins (%)	1.8	1.9	1.6	1.8	1.9	2.0	2.0	2.1	1.8	2.0
Depreciation	106	105	99	102	105	102	115	115	412	436
EBIT	526	588	525	572	592	665	662	768	2,211	2,687
Margins (%)	1.5	1.6	1.3	1.6	1.6	1.7	1.7	1.9	1.5	1.7
Interest	106	97	92	91	99	131	110	110	386	467
Other Income	64	14	49	109	47	40	42	42	236	171
PBT before EO expense	483	505	482	591	541	575	594	700	2,061	2,391
Recurring Tax	-6	-4	4	-35	12	57	59	70	-41	198
Rate (%)	-1.3	-0.8	0.8	-5.9	2.3	9.9	9.9	10.0	-2.0	8.3
MI & P/L of Asso. Cos.	-0.4	0.5	0.4	0	1	2	0.0	0	1	3
Adjusted PAT	490	508	478	625	528	516	535	630	2,101	2,191
Extraordinary items	-1	3	61	1,580	19	0	0	0	1,643	19
Reported PAT	491	505	417	-955	509	516	535	630	458	2,172
YoY Change (%)	2.6	-29.7	-34.8	-201.2	3.8	2.1	28.4	-166.0	-66%	374%
Margins (%)	1.4	1.4	1.0	-2.6	1.4	1.3	1.3	1.5	0.3	1.4

*Note: FY25 are re-stated for the demerger.

Safari Industries

Buy

CMP INR2,166 | TP: INR2,700 (+25%)
EPS CHANGE (%): FY26|FY27 : 0|0

- Revenue/EBITDA/PAT is likely to grow 14.5%/50.4%/61.2% YoY in 3QFY26, while EBITDA margin is likely to be 15.0%.
- Malls and airport stores are significantly outperforming high-street stores.
- We expect volume growth of 15%; market share gain from unorganized players would continue.
- Backpacks continue to see strong traction, while the Urban Jungle line has emerged as a key growth driver.

Consolidated - Quarterly Earning Model

(INRM)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	4,500	4,578	4,427	4,211	5,278	5,336	5,069	4,855	17,716	20,538
YoY Change (%)	5.5	23.7	14.0	15.2	17.3	16.5	14.5	15.3	14.3	15.9
Total Expenditure	3,842	4,099	3,923	3,602	4,486	4,595	4,311	3,992	15,466	17,383
EBITDA	659	479	504	609	793	740	758	863	2,250	3,154
Margins (%)	14.6	10.5	11.4	14.5	15.0	13.9	15.0	17.8	12.7	15.4
Depreciation	142	147	147	154	174	176	176	175	591	700
Interest	24	24	20	20	22	21	20	19	88	82
Other Income	82	71	72	60	58	58	90	105	285	310
PBT before EO expense	575	378	408	494	654	601	652	774	1,856	2,682
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	575	378	408	494	654	601	652	774	1,856	2,682
Tax	131	82	97	118	150	133	150	185	428	617
Rate (%)	22.8	21.6	23.7	24.0	22.8	22.1	23.0	23.8	23.0	23.0
Reported PAT	444	297	311	376	505	469	502	590	1,428	2,065
Adj PAT	444	297	311	376	505	469	502	590	1,428	2,065
YoY Change (%)	-11.1	-25.4	-28.9	-13.0	13.7	58.0	61.2	56.8	-18.8	44.6
Margins (%)	9.9	6.5	7.0	8.9	9.6	8.8	9.9	12.1	8.1	10.1

Sagility

Buy

CMP INR53 | TP: INR63 (+19%)
EPS CHANGE (%): FY26|FY27: 0|0

- We expect INR revenue to grow 25+% YoY in 3QFY26, and CC growth of ~20-21% YoY, driven by contributions from Broadpath and existing top accounts.
- Seasonality wise H2 stronger than H1 due to open enrollment season in US.
- We expect Sagility to deliver top-quartile performance among Healthcare BPO peers.
- Key monitorable: Management commentary on cross sell in Top3-5 clients and growth from other than Top accounts, likely impact of AI on margin and revenue, deals and Guidance.

Consolidated - Quarterly Earning Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Rev. (USD m)	148	158	172	182	180	189	205	222	659	797
QoQ (%)	-4.4	7.0	8.9	5.7	-0.8	5.0	8.5	8.0	15.1	20.9
Rev. (INRm)	12,233	13,250	14,531	15,685	15,389	16,585	18,392	19,864	55,699	70,230
YoY (%)	9.6	21.1	15.3	22.2	25.8	25.2	26.6	26.6	17.2	26.1
GPM (%)	30.5	38.7	40.7	37.9	35.9	38.1	37.6	37.9	37.2	37.4
Other expenses (%)	14.6	14.1	13.7	13.3	13.4	13.0	13.5	13.3	13.9	13.3
EBITDA (INRm)	1,939	3,252	3,922	3,865	3,461	4,151	4,433	4,886	12,979	16,931
EBITDA Margin (%)	15.9	24.5	27.0	24.6	22.5	25.0	24.1	24.6	23.3	24.1
EBIT (INRm)	840	1,989	2,761	2,722	2,279	2,936	3,053	3,397	8,310	11,665
EBIT Margin (%)	6.9	15.0	19.0	17.4	14.8	17.7	16.6	17.1	14.9	16.6
Other Income	244	-88	440	-34	99	582	184	199	562	1,063
ETR (%)	68.6	26.9	25.2	23.6	29.4	23.2	25.5	25.5	29.1	25.6
Reported PAT	223	1,173	2,169	1,826	1,486	2,508	2,248	2,537	5,391	8,779
Adj.PAT	1,447	1,636	2,626	2,398	1,997	3,010	2,750	2,972	8,106	10,728
QoQ (%)	-12.4	13.1	60.5	-8.7	-16.7	50.8	-8.7	8.1		
YoY (%)	1.6	30.5	67.6	45.2	38.0	84.0	4.7	23.9	37.5	32.3
Margins (%)	11.8	12.3	18.1	15.3	13.0	18.2	15.0	15.0	14.6	15.3
Adj. EPS (INR)	0.3	0.3	0.6	0.5	0.4	0.6	0.6	0.6	1.8	2.3

SIS

Buy

CMP INR339| TP: INR400 (+18%)
EPS CHANGE (%): FY26|27|28: -4.6|-5.2|-5.7

- Expect ~20% YoY revenue growth in 3QFY26, driven by the APS acquisition and sustained momentum in the India Security business.
- Facility Management and International Security margins are likely to improve gradually, aided by efficiency gains, better client mix, restructuring, and SG&A optimization.
- FY26 profitability outlook remains intact, with management reaffirming ~INR4b PAT guidance, and EBITDA margin is expected to trend up as mix improves and inorganic benefits flow through.
- Key monitorables: Comments on APS acquisition, client addition trends across industries, and margin guidance reaffirmations.

Consolidated - Quarterly Earnings

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	31,299	32,688	33,625	34,279	35,485	37,585	40,398	40,713	1,31,891	1,54,180
YoY Change (%)	5.1	6.3	9.4	9.3	13.4	15.0	20.1	18.8	7.6	16.9
Total Expenditure	29,925	31,241	32,057	32,631	33,964	35,903	38,578	38,740	1,25,853	1,47,184
EBITDA	1,374	1,447	1,568	1,648	1,521	1,683	1,820	1,973	6,037	6,996
Margins (%)	4.4	4.4	4.7	4.8	4.3	4.5	4.5	4.8	4.6	4.5
Depreciation	427	420	407	384	416	476	495	503	1,638	1,890
Interest	422	404	405	376	409	368	229	229	1,606	1,234
Other Income	118	76	321	166	185	115	100	100	681	500
PBT	643	699	1,076	1,055	881	954	1,196	1,341	3,474	4,372
Tax	70	72	122	291	27	228	108	121	556	483
Rate (%)	10.9	10.3	11.3	27.6	3.1	23.9	9.0	9.0	16.0	11.0
MI & Profit/Loss of Asso. Cos.	69	61	67	62	76	81	69	69	258	295
Reported PAT	642	688	1,021	825	929	807	1,158	1,289	3,176	4,184
YoY Change (%)	-28.3	-8.6	176.5	NA	44.7	17.4	13.4	56.3	67.2	31.7
Margins (%)	2.1	2.1	3.0	2.4	2.6	2.1	2.9	3.2	2.4	2.7

Swiggy

Buy

CMP INR387 | TP: INR530 (+37%)
EPS CHANGE (%): FY26 | 27 | 28: -2.9 | 7.7 | -82.1

- GOV for FD/QC business is expected to achieve 16%/106% YoY growth, with take rates of 22.5% and 14.0% in 3QFY26.
- Instamart is likely to grow 15% QoQ with an adj. EBITDA of -9.9% for 3Q, while out-of-home consumption is anticipated to near breakeven with 36% YoY revenue growth.
- FD's adjusted EBITDA as a percentage of GOV is expected to improve by 10bp QoQ to 2.9%. Instamart is projected to report a -1.4% (-2.6% in 2Q) contribution margin and -9.9% adjusted EBITDA margin (-12.1% in 2Q) in 3Q.
- Key monitorables: Instamart's GOV and AOV growth, dark store additions, and margins.

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (net of delivery)	32,222	36,015	39,931	44,100	49,620	55,610	57,774	60,368	1,52,268	2,23,392
YoY Change (%)	34.8	30.3	31.0	44.8	54.0	54.4	44.7	36.9	35.4	46.7
Inventory of traded goods	11,954	13,874	15,650	18,538	20,640	23,420	24,943	25,446	60,015	94,449
Employee Expenses	5,892	6,073	6,568	6,956	6,860	6,900	7,016	7,518	25,489	28,294
Delivery expenses	10,460	10,949	11,269	11,614	13,130	14,260	17,747	18,487	44,292	63,624
Gross Profit	3,916	5,119	6,444	6,992	8,990	11,030	8,068	8,917	22,472	37,005
Margins (%)	12.2	14.2	16.1	15.9	18.1	19.8	14.0	14.8	14.8	16.6
Advertisement and sales promotion	4,454	5,371	7,515	9,777	10,360	10,390	9,668	9,015	27,117	39,433
Others	4,905	5,290	6,185	6,833	8,160	8,620	6,403	7,703	23,213	30,886
EBITDA	-5,442	-5,542	-7,257	-9,618	-9,530	-7,980	-8,002	-7,801	-27,858	-33,313
Margins (%)	-16.9	-15.4	-18.2	-21.8	-19.2	-14.3	-13.9	-12.9	-18.3	-14.9
Depreciation	1,217	1,309	1,540	2,057	2,880	3,040	2,022	2,113	6,123	10,055
Interest	198	231	256	322	410	480	200	200	1,006	1,290
Other Income	879	848	1,028	1,207	870	590	1,300	1,300	3,962	4,060
PBT before EO expense	-5,978	-6,233	-8,024	-10,790	-11,950	-10,910	-8,924	-8,814	-31,025	-40,598
Adj PAT	-5,978	-6,233	-8,024	-10,790	-11,950	-10,910	-8,924	-8,814	-31,025	-40,598
Extra-Ord expense	-132	-21	35	0	0	0	0	0	-118	0
MI & Profit/Loss of Asso. Cos.	1	1	1	22	10	10	0	0	26	20
Reported PAT	-6,111	-6,255	-7,991	-10,812	-11,960	-10,920	-8,924	-8,814	-31,169	-40,618
YoY Change (%)	NA	NA	NA	NA	NA	NA	NA	NA	33%	30%
Margins (%)	-19.0	-17.4	-20.0	-24.5	-24.1	-19.6	-15.4	-14.6	-20.5	-18.2

TeamLease

Buy

CMP INR1,579 | TP: INR1,850 (+17%)
EPS CHANGE (%): FY26 | 27 | 28: -0.5 | -1.3 | -1.3

- Expect revenue growth of 12% YoY in 3QFY26. We expect better recovery in 2H vs 1H.
- Momentum in BFSI hiring is expected to recover in 3Q. Further festivities & GST 2.0 rollout in the quarter shall aid hiring in Consumer and Manufacturing segments.
- We expect EBITDA margin to be around 1.4%, a 20bp improvement YoY. Increased variable markup contracts, high-PAPM accounts shall help in margin improvement.
- Commentaries on BFSI hiring, specialized staffing demand, and PAPM trends will be important to monitor.

Consolidated Quarterly

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue	25,799	27,968	29,213	28,579	28,914	30,321	32,701	32,486	1,11,559	1,24,422
YoY Change (%)	19%	23%	19%	18%	12%	8%	12%	14%	20%	12%
Total Expenditure	25,576	27,634	28,864	28,104	28,608	29,938	32,247	31,995	1,10,178	1,22,787
Reported EBITDA	223	335	349	475	307	383	454	492	1,381	1,635
Margins (%)	0.9%	1.2%	1.2%	1.7%	1.1%	1.3%	1.4%	1.5%	1.2%	1.3%
Reported EBIT	91	196	216	341	171	242	329	367	844	1,108
Margins (%)	0.4%	0.7%	0.7%	1.2%	0.6%	0.8%	1.0%	1.1%	0.8%	0.9%
Interest	30	44	32	42	37	40	30	30	148	137
Other Income	141	107	102	97	126	87	150	200	447	563
PBT before EO expense	202	259	286	397	260	289	449	537	1,144	1,534
Reported PBT	202	259	286	397	260	289	449	537	1,144	1,534
Tax	8	11	2	20	13	12	18	22	40	64
Rate (%)	4%	4%	1%	5%	5%	4%	4%	4%	4%	4%
Adjusted PAT	194	249	284	379	250	278	436	520	1,105	1,484
YoY Change (%)	-25%	-10%	3%	38%	29%	12%	54%	37%	2%	34%
Margins (%)	0.8%	0.9%	1.0%	1.3%	0.9%	0.9%	1.3%	1.6%	1.0%	1.2%
Reported PAT	194	249	284	379	250	278	436	520	1,105	1,484
YoY Change (%)	-25%	-10%	-8%	38%	29%	12%	54%	37%	-1%	34%
Margins (%)	0.8%	0.9%	1.0%	1.3%	0.9%	0.9%	1.3%	1.6%	1.0%	1.2%

Time Technoplast

Buy

CMP INR196 | TP: INR280 (+43%)

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

- Revenue/EBITDA/PAT are likely to grow ~12%/14%/20% YoY in 3QFY26, with an expected EBITDA margin of 14.8%.
- We expect the Established Products segment's revenue to grow 8.6% YoY (69% of the mix), with a 13.2% EBITDA margin.
- We expect the VAP segment's revenue to grow 19.7% YoY (31% of mix), with an EBITDA margin of 18.7%.
- Increasing the share of VAP will be a key focus area.

Consolidated - Quarterly Earning Model

(INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	12,301	13,705	13,877	14,687	13,527	15,111	15,535	16,477	54,570	60,649
YoY Change (%)	14.0	14.8	4.8	5.3	10.0	10.3	11.9	12.2	9.3	11.1
Total Expenditure	10,556	11,743	11,871	12,551	11,578	12,884	13,243	14,052	46,721	51,756
EBITDA	1,744	1,962	2,007	2,137	1,949	2,228	2,292	2,425	7,850	8,894
Margins (%)	14.2	14.3	14.5	14.5	14.4	14.7	14.8	14.7	14.4	14.7
Depreciation	409	418	430	440	446	457	467	477	1,697	1,848
Interest	242	228	225	220	218	215	200	180	915	813
Other Income	7	9	16	21	9	11	25	30	53	75
PBT before EO expense	1,100	1,326	1,368	1,497	1,293	1,566	1,650	1,798	5,290	6,307
PBT	1,100	1,326	1,368	1,497	1,293	1,566	1,650	1,798	5,290	6,307
Tax	295	328	344	379	328	394	421	458	1,346	1,601
Rate (%)	26.8	24.7	25.2	25.3	25.4	25.1	25.5	25.5	25.4	25.4
Minority Interest & Profit/Loss of JV	12	14	16	23	15	18	18	18	65	68
Reported PAT	793	984	1,008	1,095	951	1,155	1,211	1,321	3,879	4,638
Adj PAT	793	984	1,008	1,095	951	1,155	1,211	1,321	3,879	4,638
YoY Change (%)	41.5	39.7	10.0	18.6	19.9	17.4	20.2	20.6	25.0	19.6
Margins (%)	6.4	7.2	7.3	7.5	7.0	7.6	7.8	8.0	7.1	7.6

Updater Services

Neutral

CMP INR192 | TP: INR215 (+12%)

EPS CHANGE (%): FY26|27|28: -4.0|-7.8|-8.5

- Expect growth of 4.6% QoQ/9.7% YoY in 3QFY26.
- IFM/BSS expected to grow by 10%/2.0% YoY. Large client issues in BSS have significantly impacted BSS growth, and we do not anticipate recovery in the rest of 2H.
- Core EBITDA margins shall improve 20bp QoQ.
- Commentary on BSS vertical demand trends, IFM contracts, and margin recovery will be the key monitorables.

Consolidated - Quarterly Earnings

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	6,522	6,800	6,949	7,090	7,002	7,293	7,626	8,038	27,361	29,960
YoY Change (%)	13.1	13.3	9.3	12.2	7.4	7.3	9.7	13.4	11.9	9.5
Total Expenditure	6,112	6,363	6,487	6,733	6,609	6,978	7,283	7,604	25,695	28,474
Core EBITDA	409	437	462	357	393	316	343	434	1,665	1,486
Margins (%)	6.3	6.4	6.7	5.0	5.6	4.3	4.5	5.4	6.1	5.0
EBITDA	409	437	462	357	393	316	343	434	1,665	1,486
Margins (%)	6.3	6.4	6.7	5.0	5.6	4.3	4.5	5.4	6.1	5.0
Depreciation	115	123	121	113	112	119	114	121	471.3	466.1
Interest	34	29	20	20	21	16	19	20	103.5	76.2
Other Income, net	65	69	57	166	51	55	114	145	357	365
PBT	326	354	378	390	311	236	324	438	1,447	1,308
Tax	69	74	67	48	21	38	42	66	257.5	166.2
Rate (%)	21.3	20.8	17.7	12.3	6.6	16.0	13.0	15.0	17.8	12.7
MI & Profit/Loss of Asso. Cos.	3	-1	3	-3	4	-1	0	0	2	3
Adjusted PAT	256	280	312	342	290	198	282	372	1,190	1,142
YoY Change (%)	27.2	41.8	13.5	76.1	13.1	-29.3	-9.5	8.9	34.5	-4.0
Margins (%)	3.9	4.1	4.5	4.8	4.1	2.7	3.7	4.6	4.3	3.8

UPL

Neutral

CMP INR804 | TP: INR728 (-9%)
EPS CHANGE (%): FY26|FY27|FY28: -7|0|0

- UPL is likely to witness 6% YoY growth in 3QFY26, primarily led by double-digit growth in India and Europe
- EBITDA is expected to increase by 5% YoY with contraction in margin by ~20bp YoY in 3QFY26
- The price trend in raw materials, debt levels, and capex plans are the key monitorables.
- The global demand-supply scenario will be a key monitorable.

Cons.: Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	90.7	110.9	109.1	155.7	92.2	120.2	115.5	169.5	466.4	497.3
YoY Change (%)	1.2	9.0	10.3	10.6	1.6	8.4	5.9	8.8	8.2	6.6
Total Expenditure	79.2	95.2	87.5	123.4	79.1	98.1	92.8	134.4	385.2	404.5
EBITDA	11.5	15.8	21.6	32.4	13.0	22.1	22.7	35.1	81.2	92.9
Margins (%)	12.6	14.2	19.8	20.8	14.1	18.3	19.6	20.7	17.4	18.7
Depreciation	6.6	7.0	6.9	7.1	7.3	7.7	7.8	8.0	27.5	30.8
Interest	9.1	10.7	7.3	9.1	10.1	7.8	6.5	5.3	36.3	29.7
Other Income	1.0	1.1	1.7	1.1	1.4	2.5	1.2	1.5	4.9	6.6
Exch. difference on trade rec./payable	0.5	2.2	2.1	0.5	-0.9	2.0	0.0	0.0	5.2	1.1
PBT before EO expense	-3.7	-3.0	7.1	16.8	-2.0	7.0	9.6	23.3	17.1	37.9
Extra-Ord expense	0.5	0.1	0.8	2.8	0.1	-1.4	0.0	0.0	4.1	-1.3
PBT	-4.2	-3.1	6.3	14.0	-2.1	8.4	9.6	23.3	13.0	39.2
Tax	0.7	1.4	-5.0	3.0	-0.1	1.7	1.6	3.6	0.1	6.8
Rate (%)	-17.0	-44.2	-79.0	21.2	6.7	20.5	17.0	15.3	0.7	17.3
MI & P/L of Asso. Cos.	-1.1	-0.1	3.0	2.1	-1.1	1.1	2.9	2.0	4.0	5.0
Reported PAT	-3.8	-4.4	8.3	9.0	-0.9	5.5	5.0	17.7	9.0	27.4
Adj PAT	-2.0	-0.6	9.9	11.9	1.0	6.8	5.0	17.7	19.1	30.6
YoY Change (%)	-150.8	-159.3	-267.9	225.5	-147.6	-1,181.7	-49.4	49.5	583.6	59.6
Margins (%)	-2.2	-0.6	9.1	7.6	1.0	5.7	4.4	10.5	4.1	6.1

VIP Industries

Buy

CMP INR389 | TP: INR490 (+26%)
EPS CHANGE (%): FY26|FY27 : 0|0

- Revenue is likely to grow 7.0% YoY in 3QFY26, while EBITDA margin is likely to be 5.5%.
- Volume growth is expected to be in high single digits, driven by a robust wedding season.
- We expect Carlton to outperform other brands, as the company is running a Buy 1 Get 1 Free offer.
- The mix of online-heavy promotions and controlled offline pricing reflects ongoing efforts to balance volume and margins amid competitive pressures.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Gross Sales	6,389	5,443	5,011	4,942	5,614	4,063	5,361	6,425	21,784	21,464
YoY Change (%)	0.4	-0.3	-8.3	-4.3	-12.1	-25.3	7.0	30.0	-3.0	-1.5
Total Expenditure	5,896	5,464	4,725	4,877	5,368	5,127	5,067	5,879	20,961	21,441
EBITDA	493	-22	286	65	247	-1,064	295	546	823	23
Margins (%)	7.7	-0.4	5.7	1.3	4.4	-26.2	5.5	8.5	3.8	0.1
Depreciation	292	296	300	303	316	330	310	261	1,191	1,216
Interest	185	201	177	169	167	176	181	179	732	703
Other Income	21	27	25	38	46	107	507	412	109	1,073
PBT before EO expense	37	-492	-167	-369	-190	-1,463	311	518	-991	-823
Extra-Ord expense	0	36	0	43	19	43	0	0	78	0
PBT	37	-456	-167	-326	-171	-1,419	311	518	-912	-823
Tax	-3	-126	-43	-53	-40	12	62	-199	-224	-165
Rate (%)	-8.9	27.5	25.6	16.2	23.2	-0.9	20.0	-38.5	24.6	20.0
Reported PAT	40	-330	-124	-274	-131	-1,431	249	718	-688	-658
Adj PAT	40	-356	-124	-309	-146	-1,475	249	718	-747	-658
YoY Change (%)	-87.4	-368.4	-273.7	29.5	-461.0	313.8	-300.5	-332.1	-307.4	-11.9
Margins (%)	0.6	-6.5	-2.5	-6.3	-2.6	-36.3	4.6	11.2	-3.4	-3.1

VA Tech Wabag

Buy

CMP INR1,292 | TP: INR1,900 (+47%)

EPS CHANGE (%): FY26|FY27 : 0|0

- Revenue/EBITDA/PAT are likely to grow ~16%/25%/30% YoY in 3QFY26; adj. EBITDA margin is expected to stand at 13.8%.
- The EPC segment is expected to grow 16% YoY (80% of revenue), while O&M is likely to expand 21% YoY, increasing the mix to 20% (vs. 19% in 3QFY25).
- The company's strong gross cash balance is expected to sustain.
- The healthy book-to-bill of 4.6x (on a TTM basis) and robust bid pipeline underpin strong revenue visibility.
- Strategy remains focused on profitable growth, with selective bidding in high-margin EPC and O&M opportunities.

Consolidated Quarterly Earnings Model

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	6,265	7,003	8,110	11,562	7,340	8,345	9,428	13,518	32,940	38,631
YoY Change (%)	13.3	5.3	15.1	23.8	17.2	19.2	16.2	16.9	15.3	17.3
Total Expenditure	5,452	6,067	7,106	10,154	6,384	7,452	8,177	11,525	28,717	33,538
EBITDA - reported	813	936	1,004	1,408	956	893	1,251	1,993	4,223	5,092
Margins (%)	13.0	13.4	12.4	12.2	13.0	10.7	13.3	14.7	12.8	13.2
EBITDA - adjusted to forex gain	759	1,030	1,051	1,400	820	1,205	1,301	2,043	4,240	5,368
Margins (%)	12.1	14.7	13.0	12.1	11.2	14.4	13.8	15.1	12.9	13.9
Depreciation	19	13	13	14	14	17	15	15	59	61
Interest	180	190	203	215	188	196	201	206	788	791
Other Income	108	138	148	114	113	416	150	150	446	829
PBT before EO expense	722	871	936	1,293	867	1,096	1,185	1,922	3,822	5,069
PBT	722	871	936	1,293	867	1,096	1,185	1,922	3,822	5,069
Tax	152	221	207	316	209	260	278	452	896	1,199
Rate (%)	21.1	25.4	22.1	24.4	24.1	23.7	23.5	23.5	23.4	23.7
Minority Interest	-2	-3	0	0	0	0	0	0	-5	0
Profit/Loss of Asso. Cos.	-22	53	-27	18	0	12	6	6	22	24
Reported PAT	550	706	702	995	658	848	912	1,476	2,953	3,894
Adj PAT	550	706	702	995	658	848	912	1,476	2,953	3,894
YoY Change (%)	10.0	17.3	11.6	37.4	19.6	20.1	29.9	48.4	20.2	31.9
Margins (%)	8.8	10.1	8.7	8.6	9.0	10.2	9.7	10.9	9.0	10.1

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Explanation of Investment Rating	
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SELL	< - 10%
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