Motilal Oswal Financial Services

7 January 2026

MORNING INDIA

Market snapshot

Equities - India	Close	Chg .%	CY25.%
Sensex	85,063	-0.4	9.1
Nifty-50	26,179	-0.3	10.5
Nifty-M 100	61,149	-0.2	5.7
Equities-Global	**Close**	**Chg .%**	**CY25.%**
S&P 500	6,945	0.6	16.4
Nasdaq	23,547	0.6	20.4
FTSE 100	10,123	1.2	21.5
DAX	24,892	0.1	23.0
Hang Seng	9,244	1.0	22.3
Nikkei 225	52,518	1.3	26.2
Commodities	**Close**	**Chg .%**	**CY25.%**
Brent (US$/Bbl)	63	0.1	-15.7
Gold ($/OZ)	4,495	1.0	64.6
Cu (US$/MT)	13,241	1.6	43.9
Almn (US$/MT)	3,106	1.6	17.5
Currency	**Close**	**Chg .%**	**CY25.%**
USD/INR	90.2	-0.1	5.0
USD/EUR	1.2	-0.3	13.4
USD/JPY	156.7	0.2	-0.3
YIELD (%)	**Close**	**1MChg**	**CY25 chg**
10 Yrs G-Sec	6.6	-0.02	-0.2
10 Yrs AAA Corp	7.3	-0.02	0.1
Flows (USD b)	**6-Jan**	**MTD**	**CYTD**
FIIs	-0.01	-2.65	-18.8
DIIs	0.19	9.04	90.1
Volumes (INRb)	**6-Jan**	**MTD***	**CYTD***
Cash	1,173	1068	1068
F&O	5,83,150	2,84,922	2,84,922

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research theme

Packaged Food - Thematic: Bites of growth: India's packaged food uprising!

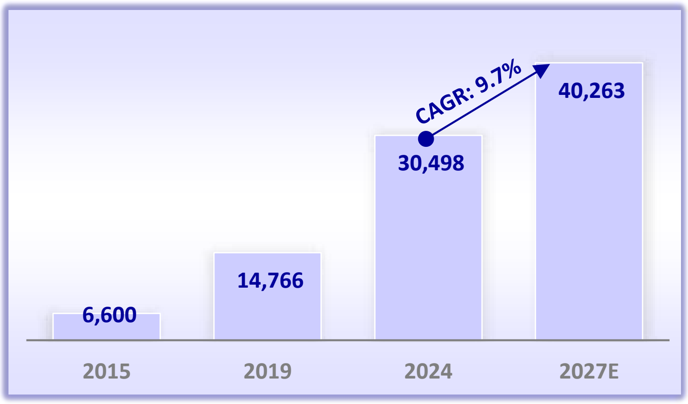
- India's food processing industry stands at a pivotal inflection point transitioning from a production-led agricultural economy to a value-driven, innovation-led food ecosystem with significant domestic and global relevance. Within this landscape, the packaged food sector has sustained high single-digit growth in the post-Covid, propelled by rising incomes, evolving lifestyles, increased health awareness, and enhanced distribution, including e-commerce.
- We favor the savory snacks segment over biscuits, given its stronger formalization potential and alignment with evolving consumer preferences shifting towards nutritious, convenient, and tasty snacking options.
- The segment benefits from trends like protein enrichment, clean-label ingredients, and regional flavor innovation, making it a key growth driver. We initiate coverage with BUY ratings on BFL, PSL, and GSL, while assigning a Neutral rating to MBFSL.

Research covered

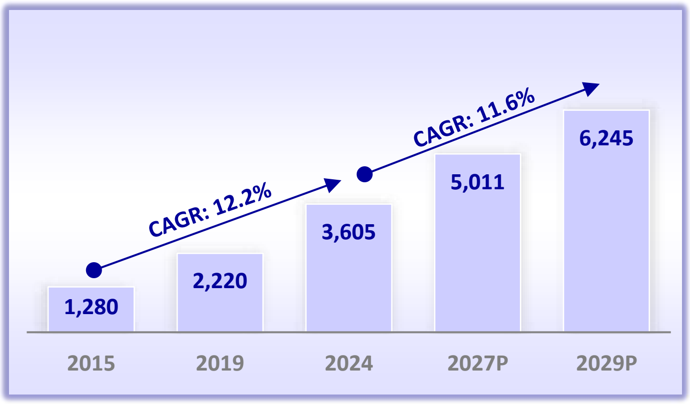
Cos/Sector	Key Highlights
Packaged Food	Thematic: Bites of growth: India's packaged food uprising!
Adani Ports & SEZ	Healthy volume growth continues in containers; closure of NQXT acquisition to support volumes ahead
Devyani International	Strategic consolidation of Yum! Brands' India operations
Other Updates	Titan Company | Godrej Consumer Products | Jubilant Foodworks | CreditAccess Grameen | Senco Gold

Chart of the Day: Packaged Food - Thematic (Bites of growth: India's packaged food uprising!)

Food processing market (INR b)



Other packaged food market in India (INR b)



Research Team (Gautam.Duggad@MotilalOswal.com)

In the news today

Kindly click on textbox for the detailed news link

1

Rural buyers outpace cities as India's passenger vehicle sales surge 26.6% in December: FADA

Passenger vehicle sales in India saw a significant jump in December 2025. Rural markets led this growth, outpacing urban demand.

2

India's energy storage projects installation to surge 10-fold to 5GWh in 2026: IESA

India's battery energy storage capacity will see a massive jump in 2026. Capacity is expected to rise nearly ten times from 2025 levels.

3

India's January Russian oil imports may fall sharply

Reliance Industries will not receive Russian crude oil in January, potentially slashing India's imports to a multi-year low.

4

Merged entity of Sapphire Foods, Devyani International likely to cross USD 1 bn annual turnover: Ravi Jaipuria

A major merger is set to create a food and beverage giant in India. Sapphire Foods India and Devyani International will combine operations

5

Max Healthcare partners with The Learning Lab for advance healthcare capacity building

Max Healthcare has partnered with UK-based The Learning Lab to advance healthcare capacity-building and foster joint research.

6

Compliance hurdles weigh heavily on GCCs expanding to tier-II cities

GCCs have been rapidly expanding into tier-II and tier-III cities, as ET reported earlier, with locations like Coimbatore, Jaipur, Indore, Vizag, and Kochi emerging as new hubs.

7

Xponentia buys stake in travel services company ASEGO

ASEGO Global Assistance has secured a significant minority stake from Xponentia Capital.

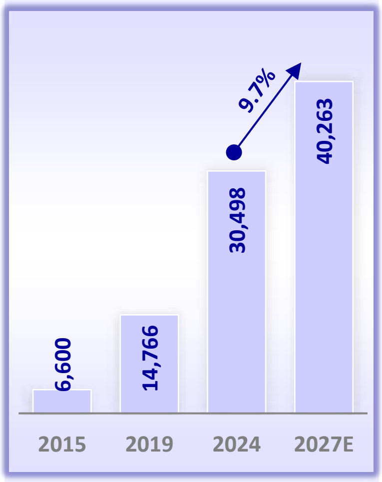
Consumer - Processed

Bites of growth: India's packaged food uprising!

Initiate coverage on Bikaji Foods, Gopal Snacks and Prataap Snacks, with a BUY rating, and Mrs. Bectors Food Specialities with a Neutral rating

- The food & food processing sector in India, valued at INR86.8t in FY24, is projected to grow to INR109.6t by FY27. The food processing industry, which constitutes ~35% of the total food sector, is expected to clock ~9.7% CAGR over FY24–27. Within this sector, packaged foods make up ~30-32% of the industry. The packaged food market is expected to record a CAGR of ~11%, which consist of staples (37%), other packaged food (35%), dairy (20%), beverages (6%), and meat (2%).
- The 'other packaged food' market in India is estimated at INR3.6t in FY24 and is projected to grow to INR6.3t by FY29, indicating a CAGR of ~11.6%, driven by savory snacks, biscuits, confectionery, & ready-to-eat.
- This rapid expansion is fueled by lifestyle changes, urbanization, the growth of nuclear families, and increased participation of working women, all of which are driving higher packaged food consumption. Despite this robust growth, the sector remains predominantly unorganized, accounting for around 80% of the market in FY24, thus offering substantial opportunities for organized players to capture market share.
- Within the 'other packaged food' segment, savory snacks (21%) and biscuits & bakery (17%) represent the largest categories. According to MOFSL analysis, savory snacks and biscuits are expected to clock a CAGR of ~9% and ~7%, respectively, over FY25–29. The organized market accounts for ~58% of the savory snacks category and ~95% of the biscuits category. Biscuits, which were largely unorganized in the early 2000s, have experienced significant formalization over the past two decades through brand expansion and improved distribution networks. A similar formalization trend is anticipated in the savory snacks, which offers greater potential for organized players.

Food processing market (INR b)



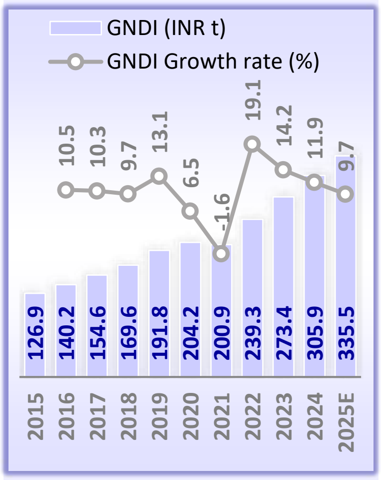
Initiate coverage on BFL (BUY; TP 900), GSL (BUY; TP 400), PSL (BUY; TP 1,500), and MBFSL (NEUTRAL, TP 280)

- Bikaji Foods International (BFL) is well-positioned for robust growth to gain market share, supported by an expanding direct distribution network. We initiate coverage on BFL with a BUY rating and a DCF-based TP of INR900, implying a P/E multiple of 55x on FY28E earnings.
- Gopal Snacks (GSL) has charted out its growth plan driven by product diversification beyond Gathiya, distribution network expansion, and recovery in core market demand. We initiate coverage on GSL with a BUY rating and a DCF-based TP of INR400, implying a P/E multiple of 40x on FY28E earnings.
- Prataap Snacks (PSL) is poised for a strong turnaround, supported by plant consolidation, automation, and enhancements in its distribution model, which should significantly lift margins. We initiate coverage on PSL with a BUY rating and a DCF-based TP of INR1,500, implying a P/E multiple of 45x on FY28E earnings.
- Mrs. Bectors Food Specialities (MBFSL) aims to expand its market share beyond upper North region through innovation and expansion, although its current valuation appears high. We initiate coverage on MBFSL with a NEUTRAL rating and a DCF-based TP of INR280, implying a P/E multiple of 34x on FY28E earnings.

Valuation matrix

	Rating	Upside (%)	P/E (x)		
			FY26E	FY27E	FY28E
BFL	BUY	22	78.9	60.2	45.4
GSL	BUY	25	70.8	48.8	31.9
PSL	BUY	25	152.6	63.7	35.9
MBFSL	NEUTRAL	13	49.9	38.0	30.2

Disposable income (GNDI) - (FY)



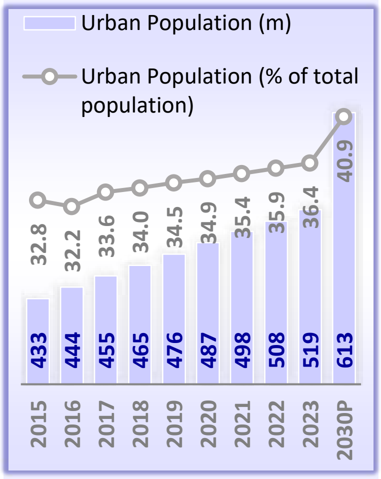
Rising disposable income and dual-income households drive demand

Rising disposable incomes and fast-growing dual-earner households are driving increased demand for packaged foods. With growing aspirations, global exposure, and growing per capita income, consumer preferences are shifting from the basic necessities to lifestyle-oriented healthy snacking categories. The influence of social media and digital platforms is accelerating premiumization and low-carb/calorie food purchases, a trend most pronounced among urban and younger consumers.

Rapid urbanization, lifestyle shifts, and rising brand awareness

India's rapid urbanization, with the urban population expected to reach ~613m (41%) by 2030, is fundamentally reshaping consumption patterns. Factors such as increased migration, growth of nuclear families, and time-constrained working youth are driving higher demand for packaged foods. Simultaneously, expanding digital exposure is boosting consumer familiarity and preference for branded packaged foods.

Urban population, % of total population (CY)



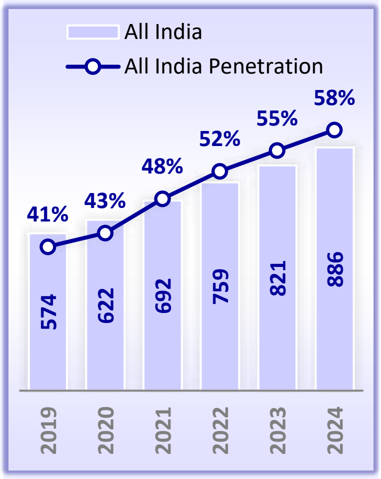
New channels of convenience and expansion beyond metros

E-commerce and quick commerce are revolutionizing India's packaged food sector, with platforms such as Zepto, Blinkit, and Instamart enhancing convenience through rapid delivery. With internet penetration expected to exceed 1b users by 2030, this digital momentum is poised to accelerate further. Concurrently, FMCG companies are aggressively expanding into Tier 2 and Tier 3 cities, broadening distribution networks, and accessing previously undiscovered markets.

Increased expenses on branding & product innovation

Post-pandemic, companies have significantly increased spending on advertising and promotion, product innovation, and portfolio diversification across categories such as snacks, beverages, and ready-to-eat meals. Enhanced packaging, an expanded portfolio, and targeted marketing campaigns have heightened consumer awareness and trial rates, fueling growth momentum. Furthermore, strong brand recall and customer loyalty have enabled premium players to command higher pricing.

Rising internet penetration in India (users in m)



Rising demand shifts towards healthier packaged food

The recent pandemic has altered consumer preferences, which have experienced a marked shift towards healthier and more hygienic packaged food options. Packaged foods, viewed as safer due to controlled processing, standardized packaging, and transparent labeling, are increasingly favored over loose or unbranded alternatives. The trend is expected to persist, with health-conscious and safety-driven choices continuing to shape purchasing decisions across urban and semi-urban markets.

Initiating coverage on the packaged food companies

- **We initiate coverage with BUY ratings on BFL, PSL, and GSL, while assigning a Neutral rating to MBFSL.**
- **BFL** is strategically placed for robust growth and market share gains, driven by expanded direct reach, improved capacity utilization, enhanced brand visibility, and diversification of its product portfolio. We forecast a revenue, EBITDA, and APAT (Ex-PLI) CAGR of 15%, 29%, and 39%, respectively, over FY25-28. **We**

BIKAJI

TP of 900 (+22%)

GOPAL NAMKEEN

TP of 400 (+25%)

Yellow Diamond

TP of 1,500 (+25%)

MRS. BECTOR'S CREMICA | ENGLISH OVEN

TP of 280 (+13%)

initiate coverage on BFL with a BUY rating and a DCF-based TP of INR900, implying a P/E multiple of 55x on FY28E earnings.

- **GSL** is likely to deliver strong revenue growth driven by product diversification beyond Gathiya. However, focused distribution expansion in key markets and a recovery in demand from core markets need to be monitored. We project a revenue, EBITDA, and APAT CAGR of 12%, 23%, and 23%, respectively, over FY25-28. **We initiate coverage on GSL with a BUY rating and a DCF-based TP of INR400, implying a P/E multiple of 40x on FY28E earnings.**
- **PSL** has experienced a phase of underperformance; however, we anticipate a strong turnaround driven by 1) plant consolidation and automation to enhance cost efficiency and 2) strategic improvements in the distribution model to optimize channel margins and expand market reach. We project a revenue and EBITDA CAGR of 11% and 57%, respectively, over FY25-28. **We initiate coverage on PSL with a BUY rating and a DCF-based TP of INR1,500, implying a P/E multiple of 45x on FY28E earnings.**
- **MBFSL** is one of the leading players in India's premium biscuit market, with a 64% domestic portfolio and 36% international. We expect its revenue, EBITDA, and APAT to clock a CAGR of 13%, 17%, and 21%, respectively, over FY25-28, although its valuation appears elevated. **We initiate coverage on MBFSL with a NEUTRAL rating and a DCF-based TP of INR280, implying a P/E multiple of 34x on FY28E earnings.** This represents ~30% discount to BRIT, reflecting its high export dependence, which accounts for around 36% of sales.
- **Key risks: 1**) Weak macroeconomic conditions may dampen consumer spending, 2) volatility in raw materials affecting costs and margins, 3) intensifying competition from both organized and unorganized players, and 4) price wars and competitive pressure may adversely impact profitability.

Relative valuation comparison of consumer - processed foods companies

Companies	Mcap (INR b)	CMP (INR)	TP (INR)	Upside (%)	Rating	EPS (INR)			P/E (x)			EV/EBITDA (x)			RoE (%)		
						FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Bikaji Foods	183	736	900	22	BUY	9.3	12.2	16.2	78.9	60.2	45.4	42.4	35.3	31.7	15.6	17.5	19.9
Gopal Snacks	39	319	400	25	BUY	4.5	6.5	10.0	70.8	48.8	31.9	36.9	27.9	20.0	13.1	16.9	22.3
Prataap Snacks	28	1201	1500	25	BUY	7.9	18.8	33.4	152.6	63.7	35.9	30.8	21.3	15.0	2.7	6.2	10.1
Mrs Bectors	84	248	290	13	NEUTRAL	5.0	6.5	8.2	49.9	38.0	30.2	27.4	22.4	18.7	12.5	14.8	16.5

Source: MOFSL

6 January 2026

Company Update | Sector: Logistics & Ports

Adani Ports & SEZ

BSE SENSEX	S&P CNX
85,063	26,179

adani Ports and Logistics

Stock Info

Bloomberg	ADSEZ IN
Equity Shares (m)	2304
M.Cap.(INRb)/(USDb)	3182.3 / 35.3
52-Week Range (INR)	1549 / 1011
1, 6, 12 Rel. Per (%)	-2/1/16
12M Avg Val (INR M)	3384
Free float (%)	32.0

Financials Snapshot (INR b)

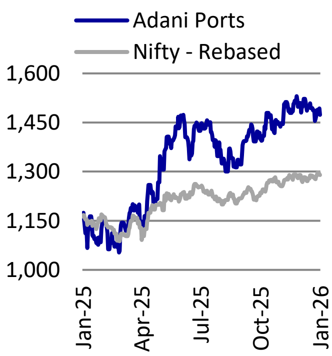
Y/E March	2026E	2027E	2028E
Net Sales	366	411	456
EBITDA	220	250	277
Adj. PAT	135	158	178
EBITDA Margin (%)	60.2	60.7	60.8
Adj. EPS (INR)	63	73	82
EPS Gr. (%)	24.9	17.0	12.3
BV/Sh. (INR)	340	403	473
Ratios			
Net D/E (x)	0.5	0.4	0.3
RoE (%)	19.9	19.7	18.8
RoCE (%)	13.5	14.2	14.2
Payout (%)	11.2	9.6	8.5
Valuations			
P/E (x)	25.0	21.3	18.9
P/BV (x)	4.6	3.9	3.3
EV/EBITDA (x)	16.7	14.6	13.0
Div. Yield (%)	0.5	0.5	0.5
FCF Yield (%)	2.1	2.2	2.0

Shareholding Pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	65.9	65.9	65.9
DII	15.0	15.1	13.3
FII	13.6	13.5	15.2
Others	5.5	5.5	5.6

FII includes depository receipts

Stock Performance (1-year)



CMP: INR1,473 TP: INR1,800 (+22%) Buy

Healthy volume growth continues in containers; closure of NQXT acquisition to support volumes ahead

- In Dec’25, Adani Ports & SEZ (APSEZ) completed the acquisition of the North Queensland Export Terminal (NQXT), Australia. NQXT has a contracted volume of 40mmt under a take-or-pay agreement, providing a sustainable cash flow from the port.
- APSEZ has revised its FY26 EBITDA guidance to INR223.5-233.5b from the earlier range of INR210-220b, and cargo volume to 545-555mmt from the previous estimate of 505-515mmt.
- APSEZ has issued 143.8m shares to Carmichael Rail and Port Singapore Holdings Pte Ltd (Promoter entity) as a part of the non-cash transaction, leading to an increase in promoter stake by 2.12%, from 65.89% to 68.02% as of Dec’25.
- In Dec’25, APSEZ reported a 9% YoY growth in cargo volumes, supported by an 18% rise in container volumes (driven by international volume and operationalization of new port). In 3QFY26, volumes grew ~10%, in line with our estimate. Total cargo handled by APSEZ in Dec’25/3QFY26 stood at 41.9/123.1mmt, while YTD volumes reached ~367mmt (up 11%), with container volumes recording a growth rate of ~21%.
- Indian port volumes remained healthy in Dec’25, with volumes handled at major ports standing at 81.6mmt, up ~13% YoY. Container cargo at major ports increased ~7% YoY to 18.8mmt. The growth in volume was supported by a rise in iron ore and coking coal volume by 38% and 63%, respectively. In 3QFY26, Indian port volumes grew by ~13% YoY, with petroleum products/coal/containers accounting for ~30%/~20%/~18% of the total cargo mix, growing ~14%/~5%/11%, respectively. On a YTD basis, volumes rose ~8% YoY.
- With an improvement in earnings visibility, driven by the acquisition of NQXT and expansion of integrated end-to-end offerings, APSEZ captures higher customer wallet share and builds cargo stickiness, while its diversified and scalable model underpins sustainable growth. This positions APSEZ to achieve its goal of becoming India’s largest integrated transport utility by 2029, with logistics and marine emerging as key growth engines alongside its dominant ports franchise. **We reiterate our BUY rating on the stock with a revised TP of INR1,800 (premised on 16x FY28E EV/EBITDA).**

Scale leadership and rising market share underpin long-term growth visibility

- APSEZ operates the largest private port network in India, with 15 ports and terminals across the west, south, and east coasts, offering a total capacity of 633mmt, along with four international ports in Israel, Sri Lanka, Tanzania, and Australia.
- APSEZ’s domestic market share rose to 28.1% as of Sep’25, from 27.4% in Sep’24. Management highlighted that its domestic port volume growth over the past decade has been nearly three times the industry growth rate.
- The container market share has also expanded steadily to 45.9% from 36% during Mar’20-Sep’25. Key capacity expansions, such as the automated Colombo West International Terminal and new berths at Dhamra, along with the rapid ramp-up of Vizhinjam, are strengthening APSEZ’s growth pipeline.

- Looking ahead, APSEZ maintains its target of 850mmt of domestic and 150mmt of international cargo volumes by 2030, with deeper integration into DFC-linked hinterland corridors and industrial clusters driving long-term growth.

Logistics business – Accelerating the shift to a unified logistics ecosystem

- As APSEZ aims to become India's largest integrated transport utility company by 2029, it is strengthening its capabilities across all logistics segments (ports, CTO, warehousing, last-mile delivery, ICDs, etc.). This enables the company to offer end-to-end services, capture a higher wallet share, and ensure cargo volumes remain sticky.
- Adani Logistics Limited (ALL) has expanded its services to cover container train operations, container handling in logistic parks, and warehouses, offering storage and trucking solutions. With 12 multi-modal logistics parks, 132 trains, 3.1m sq. ft. of warehousing space, and 1.3mmt of grain silos, ALL aims to establish a nationwide presence by further developing logistics parks and warehouses.
- With significant capital investments planned for trucking operations—INR10-15b in FY26 and INR50b by FY30—APSEZ maintains a hybrid model, owning 937 trucks and operating over 26,000 via third parties. It is also expanding value-added services like freight forwarding to improve RoCE.

Marine services: A swiftly scaling high-margin growth engine

- Marine operations have emerged as another high-growth vertical within APSEZ, with a diversified fleet of 127 vessels (excluding 46 vessels operated by Adani Harbor across the APSEZ ports), including tugs, anchor handling tug supply vessels, multipurpose support vessels, workboats, and barges.
- The business has been strengthened by acquisitions such as Ocean Sparkle in 2022 and Astro Offshore in 2024, along with the establishment of TAHID to manage international operations in the MEASA region.
- In 2QFY26, marine revenue jumped 237% YoY to INR6.4b, with EBITDA surging to ~INR3.4b and margins expanding to 52.7%. The surge was driven by vessel additions, integration of acquired entities, and higher demand from Tier-1 customers.
- The marine business's RoCE improved to 15% in 1HFY26 from 13% in FY25.
- Management is aiming to double its revenue from INR11.4b in FY25 (INR11.8b achieved in 1HFY26), positioning the segment as a profitable and capital-efficient business that complements port operations while extending APSEZ's reach across global shipping routes.

Valuation and view

- With strong cash flows, a healthy cash balance of INR130b, and a net debt-to-EBITDA ratio of 1.8x, APSEZ is well-positioned for further expansion. Capacity enhancements at key ports, ongoing infrastructure projects, and global port acquisitions provide visibility for steady growth in FY26 and beyond.
- APSEZ's diversified cargo mix and ongoing infrastructure investments are expected to support its target of 505-515mmt (ex-NQXT) cargo handling in FY26. We expect APSEZ to report 8% growth in cargo volumes over FY25-28E. This would drive a CAGR of 15%/15%/18% in revenue/EBITDA/PAT over FY25-28E. We reiterate our BUY rating with a revised TP of INR1,800 (premised on 16x FY28E EV/EBITDA).

6 January 2026

Company Update | Sector: Retail

Devyani International

BSE SENSEX	S&P CNX
85,063	26,179

CMP: INR139 TP: INR180 (+30%) Buy

DEVYANI INTERNATIONAL LIMITED

Stock Info

Bloomberg	DEVYANI IN
Equity Shares (m)	1232
M.Cap.(INRb)/(USDb)	171 / 1.9
52-Week Range (INR)	210 / 122
1, 6, 12 Rel. Per (%)	1/-23/-41
12M Avg Val (INR M)	517
Free Float (%)	38.6

Financials Snapshot (INR b)

Y/E Mar	2025E	2026E	2027E
Sales	56.3	63.7	70.8
Sales Gr. (%)	13.7	13.1	11.2
EBITDA	8.3	10.8	13.3
Margins (%)	14.8	17.0	18.8
Adj. PAT	-0.1	1.4	2.7
Adj. EPS (INR)	-0.1	1.2	2.2
EPS Gr. (%)	-133.6	LP	88.9
BV/Sh.(INR)	5.1	3.9	3.5
Ratios			
RoE (%)	-0.9	26.0	59.2
RoCE (%)	4.1	7.7	10.6
Valuations			
P/E (x)	-2210.6	119.3	63.1
P/BV (x)	27.4	35.7	39.3
EV/Sales (x)	3.1	2.7	2.9
Pre Ind-AS EV/EBITDA (x)	38.3	25.8	19.1

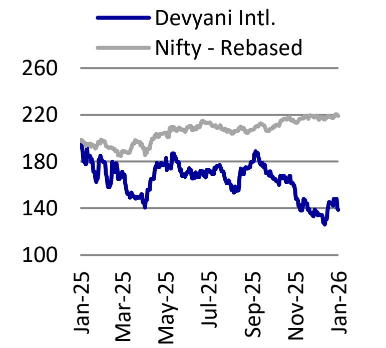
***Pre merger**

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	61.4	62.6	62.7
DII	19.8	18.1	15.4
FII	6.6	9.4	11.2
Others	12.3	9.9	10.7

FII Includes depository receipts

Stock Performance (1-year)



Strategic consolidation of Yum! Brands' India operations

- **Devyani International (DIL) and Sapphire Foods India (SAPPHIRE) have approved a scheme of arrangement for the merger of SAPPHIRE into DIL. The transaction consolidates Yum! Brands' India operations under a single listed entity. The merger will be executed through a share swap, with 177 equity shares of DIL to be issued for every 100 equity shares of SAPPHIRE. Before the scheme becomes effective, SAPPHIRE's promoter, Sapphire Foods Mauritius, will divest its ~18.5% equity stake in SAPPHIRE to DIL's group company, Arctic International.**
- **The merger is aimed at unlocking scale benefits, improving unit economics through operating leverage and revised commercial terms, and strengthening execution across brands and geographies. After integration, the combined entity is expected to benefit from faster store expansion, procurement efficiencies, corporate overhead rationalization, and improved cash-flow generation. The merged company will have annualized revenue of ~INR78b (similar to JUBI) and a network of ~3,000 stores.**
- **As part of the transaction, DIL will acquire 19 KFC restaurants in Hyderabad for ~INR900m and make a one-time payment of ~INR3.2b to Yum! India for merger approval and additional territory rights. The merger integration is expected to be complete by the end of FY27.**
- **The merger is expected to deliver recurring annual synergies of ~INR2.2b, driven by lower Pizza Hut operating costs, reduction in overall corporate overheads, and other operational efficiencies. As per the company, ~60% of synergies (~INR1.1b) will be realized in the first year after the merger and the full benefits (INR2-2.25b) from the second year onward. We estimate an EBITDA gain of ~INR500m in FY28, considering weak QSR industry performance and any delay in occurring synergy benefits.**
- **The merged entity, at 25x EV/EBITDA (pre-IND AS) on FY28E, gives a per share value of INR180 (similar to our current TP).**

Deal structure and key terms

- Under the proposed scheme of arrangement, SAPPHIRE will be merged into DIL through a share-swap arrangement, wherein SAPPHIRE shareholders will receive 177 equity shares of DIL for every 100 equity shares of SAPPHIRE. Before the scheme becomes effective, SAPPHIRE's promoter, Sapphire Foods Mauritius, will divest its ~18.5% equity stake in SAPPHIRE to DIL's group company, Arctic International.
- Yum! Brand has agreed to revised commercial arrangements to support long-term growth of the combined platform. These include enhancements of certain waivers for the KFC and Pizza Hut brands to improve alignment on store expansion and sustainable growth.
- In addition, DIL will acquire 19 KFC restaurants in Hyderabad from Yum! India for a lumpsum consideration of ~INR900m. DIL will make a one-time payment of ~INR3.2b to Yum! India for merger approval and additional territory rights. While these payments entail near-term cash outflows, they are expected to enhance long-term strategic outlook.

Synergy benefits from the proposed merger

- The proposed merger is expected to generate meaningful strategic and financial synergies by consolidating KFC and Pizza Hut operations under a single, scaled operating platform, creating one of the largest QSR players in India with an expanded national footprint (excluding captive markets).
- The combined entity is expected to benefit from a unified brand and consumer strategy, improved execution consistency, and accelerated store rollout. Operational synergies are anticipated from integration of procurement, supply chain, technology, finance, and management functions, resulting in improved bargaining power with vendors, landlords, and service partners.
- The merger integration is expected to be complete by the end of FY27. Management expects ~60% (~INR1.1b) of the targeted synergies to be realized in the first year after the merger, and full run-rate synergies of INR2.1-2.2b achievable from the second full year of integrated operations. We model ~INR500m of synergy benefits in FY28.

Changes in post-merger operational functions

- For PH, DIL will be taking over functions like marketing, innovation, technology and supply chain. For KFC, technology and supply chain management will transition to the merged entity, while marketing and innovation will continue to be driven by Yum! Brands.
- DIL has already started hiring talent across functions. It has also shortlisted a global technology vendor as their tech partner to revamp the web and app ecosystem and to improve the digital journey and consumer experience. DIL expects all key functions to be fully operational by Jun'26.
- All the incentives from Yum! Brand are availed for 10 years.

Valuation and view

- The transaction consolidates KFC and Pizza Hut operations in India under a single operator. The merged entity will operate over 3,000 stores globally with an annualized turnover of ~INR78b (similar to JUBI), positioning it among the largest multi-brand QSR companies in India. The merger enhances long-term growth visibility and is expected to unlock significant synergies through improved operating leverage, more efficient capital allocation, greater scale benefits, and stronger execution across brands and geographies.
- Although the one-time fee payable to Yum! Brands amounts to INR4.1b (INR3.2b + INR0.9b), the merger is expected to generate recurring annual synergies of ~INR2.2b. As per the company, around 60% of these synergies are likely to be realized in the first year after the merger and the full run-rate is expected from the second year. Although the upfront payment may appear near-term negative, we view the transaction as structurally positive given the quantum of recurring synergies and the creation of a single pan-India QSR platform.
- For FY28, the first year after the merger, we estimate an EBITDA gain of ~INR500m, driven primarily by improvement in the Pizza Hut business and savings in corporate overheads. Management expects Pizza Hut to turn profitable at the brand contribution level in the first year of integration, with margins improving to low double-digit levels over time. Accordingly, we model Pizza Hut ROM at ~5% in FY28 (post-merger) vs. -1% FY26E, and corporate overhead savings of 50bp.
- The merged entity, at 25x EV/EBITDA (pre-IND AS) on FY28E, gives a per share value of INR180 (similar to our current TP).

6 January 2026

Update | Sector: Retail

Titan Company

BSE SENSEX	S&P CNX
85,063	26,179

Financials Snapshot (INR b)

Y/E Mar	2026E	2027E	2028E
Sales	757.1	873.7	1,002.5
Sales Gr. (%)	25.2	15.4	14.7
EBITDA	81.5	94.5	108.9
EBITDA Margin. (%)	10.8	10.8	10.9
Adj. PAT	50.5	59.9	70.7
Adj. EPS (INR)	56.8	67.2	79.5
EPS Gr. (%)	34.3	18.4	18.2
BV/Sh.(INR)	170.4	217.4	273.1
Ratios			
RoE (%)	37.7	34.7	32.4
RoCE (%)	17.4	17.8	18.1
Payout (%)	30.0	30.0	30.0
Valuation			
P/E (x)	71.3	60.2	51.0
P/BV (x)	23.8	18.6	14.8
EV/EBITDA (x)	44.1	38.5	32.6
Div. Yield (%)	0.4	0.5	0.6

CMP: INR4,112 TP: INR4,650 (+13%) Buy

Strong revenue growth; better than expectations

TTAN released its pre-quarterly update for 3QFY26. Here are the key highlights:

- Consumer businesses recorded ~40% YoY growth.
- The company added 56 net new stores during the quarter, expanding its combined retail network to 3,433 stores.

Jewelry division

- The jewelry portfolio delivered ~41% YoY (est. 28%) growth, supported by strong festive and wedding demand.
- Caratlane reported 42% YoY (est. 30%) revenue growth.
- Growth was largely led by ASP growth, with higher gold prices offsetting largely flat buyer growth.
- An attractive gold exchange offer helped to sustain consumer engagement despite high gold prices and extended demand beyond the festive period.
- Gold coin sales nearly doubled YoY, reinforcing their positioning as a preferred investment product.
- The plain gold jewelry segment grew in the high-thirties, driven by preference for design-led and premium aesthetic offerings during the festive and wedding season.
- Studded jewelry posted its best performance in FY26, clocking growth in mid-twenties, supported by healthy buyer growth.
- Like-to-like (secondary) sales across all jewelry retail formats recorded growth in low-thirties, indicating broad-based demand momentum.
- Toward the end of the quarter, the company launched beYon, its lab-grown diamond jewelry brand, expanding its presence in the evolving jewelry category. The brand is positioned to address demand for affordable, everyday diamond-studded jewelry, driven by self-expression and styling needs.
- The division added 47 net new stores in India, including 10 Tanishq, 11 Mia, 1 Zoya, 1 beYon and 24 CaratLane stores.

Watches & Wearables division

- The division reported ~13% YoY growth (est. 20%), primarily driven by strong performance in analog watches.
- Analog watches recorded ~17% YoY growth, supported by healthy festive demand.
- Premiumization trends led to solid double-digit growth for the Titan brand, aided by strong volume growth in the festive period.
- Sonata and Fastrack witnessed strong consumer traction, delivering robust double-digit value growth, supported by healthy volume momentum.
- The Smart Watch segment declined ~26% YoY, due to lower volumes, while ASPs remained largely flat YoY.
- The division added 22 net new stores, including 9 Titan World, 3 Helios, 1 Helios Luxe and 9 Fastrack stores.

Eyecare division

- The division delivered ~16% YoY growth (est. 9%), with both international brands and house brands contributing meaningfully to the overall mix.
- Growth in international brands was driven by strong demand for sunglasses and prescription lenses.
- E-commerce remained a key growth lever, supporting higher omni-channel sales across the division.
- Runway, the premium sunglass destination, added 2 new stores in 3Q.
- As part of network optimization at Titan Eye+, the division opened 11 new stores, renovated 20 stores, and closed 30 stores during the period.

Emerging businesses (Fragrances & Fashion Accessories and Indian Dress Wear)

- Fragrances recorded ~22% YoY growth, driven by double-digit volume growth in Fastrack and Skinn, with ASPs largely flat YoY.
- Women's Bags grew ~111% YoY, led by nearly twofold volume growth and healthy double-digit ASP growth across Fastrack and Irth.
- In Fashion Accessories, the e-commerce channel drove the festive-led uptick and contributed meaningfully to overall sales.
- Taneira sales declined ~6% YoY; despite double-digit ASP growth across sarees and ready-to-wear, lower volumes outweighed pricing benefits, resulting in an overall decline.
- Irth added 2 new stores during the quarter, located in Delhi and Kolkata.

International business

- The international businesses, primarily comprising jewelry (Tanishq, Mia and CaratLane), delivered ~81% YoY growth, driven by strong performance across GCC, Singapore and North America.
- During the quarter, Tanishq added 2 new stores in North America, with one store each in Boston and Orlando.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	**1,32,660**	**1,45,340**	**1,77,400**	**1,49,160**	**1,65,230**	**1,87,250**	**2,32,707**	**1,72,022**	**6,04,560**	**7,57,119**
YoY change (%)	11.5	16.0	25.2	19.4	24.6	28.8	31.2	15.3	18.3	25.2
Gross Profit	**29,300**	**33,020**	**39,100**	**34,010**	**37,120**	**40,160**	**54,686**	**45,957**	**1,35,430**	**1,77,923**
Margin (%)	22.1	22.7	22.0	22.8	22.5	21.4	23.5	26.7	22.4	23.5
Total Exp	1,20,190	1,30,080	1,58,130	1,33,790	1,46,930	1,68,500	2,08,022	1,52,313	5,42,190	6,75,665
EBITDA	**12,470**	**15,260**	**19,270**	**15,370**	**18,300**	**18,750**	**24,684**	**19,709**	**62,370**	**81,454**
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	1,640	1,710	1,750	1,830	1,840	1,890	1,900	1,923	6,930	7,553
Interest	2,300	2,400	2,310	2,520	2,710	2,770	2,633	2,461	9,530	10,575
Other Income	1,200	1,220	1,280	1,160	1,050	1,120	1,100	1,250	4,860	4,520
PBT	**9,730**	**12,370**	**16,490**	**12,180**	**14,800**	**15,210**	**21,251**	**16,575**	**50,770**	**67,846**
Tax	2,580	3,064	4,034	3,470	3,890	4,020	5,419	3,972	13,147	17,301
Rate (%)	26.5	24.8	24.5	28.5	26.3	26.4	25.5	24.0	25.9	25.5
Adjusted PAT	**7,150**	**9,307**	**12,456**	**8,710**	**10,910**	**11,190**	**15,832**	**12,604**	**37,623**	**50,545**
YoY change (%)	-5.4	1.7	18.3	13.0	52.6	20.2	27.1	44.7	7.6	34.3
Extraordinary Income	0	2,277	1,986	0	0	0	0	0	4,263	0
Reported PAT	7,150	7,030	10,470	8,710	10,910	11,190	15,832	12,604	33,360	50,545

E: MOFSL Estimates

Godrej Consumer Products

BSE SENSEX	S&P CNX
85,063	26,179

Financials Snapshot (INR b)

Y/E March	2026E	2027E	2028E
Sales	157.5	176.6	194.9
Sales Gr. (%)	9.7	12.1	10.4
EBITDA	31.3	37.5	42.4
EBITDA Margins (%)	19.9	21.2	21.7
Adj. PAT	21.9	27.1	31.2
Adj. EPS (INR)	21.4	26.5	30.5
EPS Gr. (%)	15.6	23.7	15.1
BV/Sh. (INR)	122.6	127.5	134.5
Ratios			
RoE (%)	17.9	21.2	23.3
RoCE (%)	15.6	19.3	21.9
Payout (%)	102.7	90.6	85.3
Valuations			
P/E (x)	54.9	44.4	38.6
P/BV (x)	9.6	9.2	8.7
EV/EBITDA (x)	39.0	32.4	28.4
Div. Yield (%)	1.9	2.0	2.2

CMP: INR1,254 TP: INR1,450 (+16%) Buy

Performance better than expected

Godrej Consumer Products (GCPL) released its pre-quarterly update for 3QFY26. Following are the key takeaways:

India Business

- Demand conditions in India improved progressively during the quarter.
- Management remains confident of a gradual consumption recovery over the next few quarters, driven by easing inflation and better affordability following lower GST rates.
- Standalone Business (India):
  - Standalone business is expected to deliver double-digit revenue growth (est: 8%; 3% in 3QFY25), with close to double-digit underlying volume growth (UVG) (est: 8%; flat in 3QFY25), albeit on a supportive base.
  - EBITDA margin is expected to revert to its normal level (24-26%), supported by benign input costs, cost discipline, calibrated pricing, and operating leverage (est: 24.4%; 22.7% in 3QFY25).

Segment Performance

- **Home Care:**
  - The home care segment remained the key growth driver.
  - The segment is expected to deliver double-digit value growth, driven by strong consumer demand and effective in-market execution.
- **Personal Care:**
  - The segment is expected to deliver mid-single-digit value growth, mainly driven by a recovery in the soaps category.

International Business

- **Indonesia:**
  - Competitive pricing pressures continued across key categories during the quarter.
  - Early signs of stabilization are visible, and management expects improvements in revenue and profitability from FY27 onwards.
- **GAUM (Godrej Africa, USA & Middle East):**
  - The cluster is expected to deliver strong and consistent topline and bottom-line growth.
  - It is expected to deliver double-digit revenue and profit growth in line with GCPL's FY26 guidance.

Consolidated Business

- Consolidated business is expected to deliver close to double-digit rates in INR terms (est: 10%; 3% in 3QFY25) and double-digit EBITDA growth (est: 14%; -16% in 3QFY25).

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

6 January 2026

Update | Sector: Consumer

Jubilant Foodworks

BSE SENSEX	S&P CNX
85,063	26,179

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	93.8	107.0	121.8
Sales Gr. (%)	15.2	14.1	13.8
EBITDA	18.5	21.5	25.1
EBITDA Margin (%)	19.7	20.1	20.6
Adj. PAT	3.5	5.4	7.0
Adj. EPS (INR)	5.3	8.1	10.7
EPS Gr. (%)	48.3	53.2	31.4
BV/Sh.(INR)	30.4	30.8	33.3
Ratios			
RoE (%)	17.4	26.4	32.0
RoCE (%)	10.9	12.9	15.2
Valuations			
P/E (x)	104.5	68.2	51.9
P/BV (x)	18.2	18.0	16.6
EV/EBITDA Pre- Ind AS (x)	27.6	23.4	19.6
EV/Sales (x)	4.0	3.4	3.0

CMP: INR547 TP: INR635(+16%) Neutral

Revenue and LFL growth – Below estimates

Key highlights from Jubilant Foodworks' (JUBI) 3QFY26 pre-quarterly update are as follows:

Revenue and LFL growth

- In 3QFY26, consolidated revenue grew by ~13% YoY to INR24.4b.
- Standalone revenue grew by 11.8% YoY to INR18b (est. 14.5% in 3QFY26, 18.9% in 3QFY25).
- Domino's India LFL grew at 5% (est. 6.5% in 3QFY26, 12.5% in 3QFY25).
- Domino's Turkey LFL (Post-IAS-29) grew by 6.3%.

Stores expansion

- During the quarter, net 114 stores were added to the JFL group network, taking the total store count to 3,594 by the end of 3QFY26.
- Domino's India opened 75 new stores, taking the total count to 2,396.
- Domino's Turkey opened 15 new stores, taking the total store count to 783.

Quarterly Standalone Perf. (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
No of stores (Dominos)	**2,029**	**2,079**	**2,139**	**2,179**	**2,240**	**2,321**	**2,391**	**2,429**	**2,179**	**2,429**
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

CreditAccess Grameen

BSE SENSEX	S&P CNX
85,063	26,179

Financials Snapshot (INR b)

Y/E March	FY26E	FY27E	FY28E
NII	39.3	43.9	52.5
Total Income	42.3	46.9	55.1
PPoP	28.5	31.2	37.1
PAT	8.1	13.0	17.1
EPS (INR)	50.5	81.3	107
EPS Gr. (%)	52	61	32
BV (INR)	486	567	674
Ratios (%)			
NIM	15.5	15.1	15.1
C/I ratio	32.6	33.4	32.6
Credit cost	6.6	4.5	3.9
RoA	2.8	3.9	4.4
RoE	11.0	15.4	17.3
Valuations			
P/E (x)	26.4	16.4	12.4
P/BV (x)	2.7	2.3	2.0

CMP: INR1,328 — Buy

AUM up 7% YoY; improvement in new PAR accretion

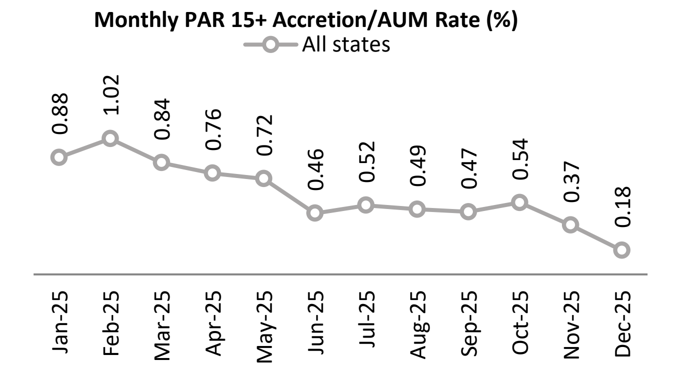
PAR 15+ accretion trend improves across operating geographies

- AUM grew ~7% YoY and ~2.6% QoQ to INR266b as of Dec'25 (in line with our estimate). This includes impact of INR2.59b of write-offs (incl. accelerated write-offs) in 3QFY26.
- The share of Karnataka in AUM stood at INR80b as of Dec'25 vs. INR79b as of Sep'25, while AUM in other states stood at INR186b as of Dec'25 vs. INR180b as of Sep'25.
- Disbursements grew 14% YoY and ~9% QoQ to INR58b in 3QFY26. Dec'25 disbursements rose 26% MoM.
- During the quarter, the company added 210k+ new borrowers and opened 15 new branches (165 new branches added in 9MFY26).

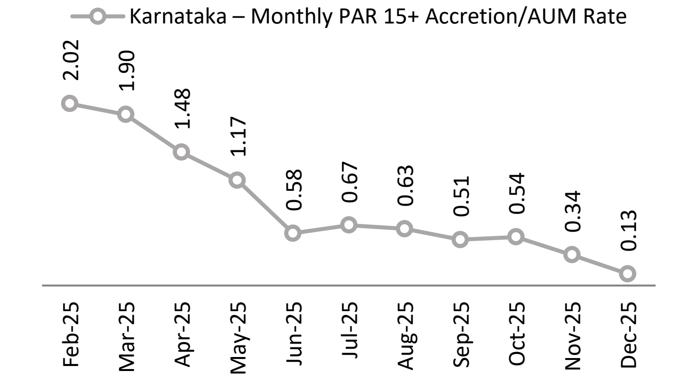
Asset quality as of Dec'25

- PAR 15+ accretion/AUM in Karnataka improved from 1.9% in Mar'25 to 0.13% in Dec'25.
- Monthly PAR 15+ accretion/AUM rate declined to 0.18% in Dec'25 vs. 0.95% in Dec'24, driven by strong pull-back in new PAR accretion since Nov'25.
- Asset quality has normalized across geographies, with X-Bucket CE of 99.71% in Dec'25.
- Karnataka emerges as one of the best performing states, returning to its earlier asset quality trends.
- PAR 0-30 shrank, led by lower new PAR accretion, while subsequent PAR buckets witnessed continued forward flows.

Monthly PAR 15+ (all states) continues to improve



Monthly PAR 15+ in Karnataka improves significantly



Trends in asset quality for the last 10 quarters

Particulars (%)	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026
PAR 0+	1.3	1.8	1.7	2.5	4.9	6.8	6.9	5.9	4.7	4.4
PAR 30+	0.9	1.2	1.4	1.8	3.3	5.1	5.5	4.9	3.7	3.8
PAR 60+	0.7	1	1.2	1.4	2.4	3.8	4.3	4.1	3.1	3.4
PAR 90+	0.6	0.8	0.9	1.1	1.7	2.6	3.3	3.3	2.5	2.9

6 January 2026

Update | Sector: Consumer

Senco Gold

BSE SENSEX	S&P CNX
85,063	26,179

Financials Snapshot (INR b)

Y/E March	2026E	2027E	2028E
Sales	73.4	85.3	98.8
Sales growth (%)	16.0	16.2	15.9
EBITDA	5.9	6.4	7.4
EBITDA Margin (%)	8.0	7.5	7.5
Adj. PAT	2.9	3.0	3.7
EPS (INR)	17.6	18.3	22.4
EPS Gr. (%)	42.3	3.8	22.9
BV/Sh. (INR)	136.3	152.2	171.8
Ratios			
Debt/Equity	0.5	0.7	0.5
RoE (%)	13.7	12.7	13.9
RoIC (%)	12.2	11.3	11.7
Valuations			
P/E (x)	18.4	17.7	14.4
EV/EBITDA (x)	4.3	4.6	3.5

CMP: INR323 TP: INR365 (+13%) Neutral

Robust show; store expansion on track

SENCO released its pre-quarterly update for 2QFY26. Here are the key takeaways:

Gold price trends

- Gold prices rose ~23% QoQ and ~65% YoY (on average) in 3Q, leading to major demand from global central banks and investment-led demand for ETFs, but muted volume growth.
- The gold price hit the highest level of INR140,000/10gm in 3QFY26, as against INR117,000 in 2QFY26 and INR79,800 in 3QFY25.

Financial and operational performance

- In 3QFY26, SENCO achieved a robust growth of 51% YoY (est. 17%; 23.8% in 3QFY25). The retail business grew ~49% with SSSG of ~39%.
- With 6.5% growth in 2Q (much slower than peers) and 28% in 1Q (given quarterly volatility), it implies ~31% growth in 9MFY26 with SSSG of ~21%.
- The strong 9MFY26 performance was led by targeted festive campaigns, new design launches and intensive customer engagement during Dhanteras & Diwali, wedding buying and shift of 2Q demand to the festive season.
- Diamond jewelry sales growth remained strong at ~36% YoY in 3Q and ~34% in 9MFY26.
- TTM revenue has reached ~INR80b, reflecting consistent YoY growth, loyal customer base and strong brand positioning.

Store expansion and network growth

- SENCO launched 4 new franchise showrooms, taking the total showroom network to 196 (including 8 Sennes and 2 international showrooms).
  - The newly opened franchise showrooms are located in Hazaribagh (JH), Etawah (UP), Burdwan (WB) and Bikaner (RJ).
- During 9MFY26, SENCO launched 11 franchise-owned and 5 company-owned stores.

Outlook

- Senco has successfully navigated the peak festive demand of 3Q and continues to optimize its inventory more toward a lightweight and budget-friendly product range due to rising gold prices.
- It is prepared for the upcoming 4Q wedding season, Valentine's Day, International Women's Day, and other local festivals. It is targeting 18-20% growth in the studded category through curated collections.
- SENCO is on track to achieve its FY26 target of opening 20 new showrooms, and plans to launch another 3 to 4 showrooms under the COCO and FOCO models to achieve the milestone of 200 showrooms. Moreover, it has a robust pipeline for 1HFY27.
- The company is confident of achieving 25%+ revenue growth in FY26, higher than its earlier guidance of 18-20% growth.

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**	**194**	**174**	**194**
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
PAT	**513**	**121**	**335**	**624**	**1,047**	**488**	**796**	**551**	**1,593**	**2,882**

E: MOFSL Estimates

CSB Bank : Strategic focus is on building SME, wholesale, and retail segments; Pralay Mondal, MD & CEO

- Strategic focus is on building SME, wholesale, and retail segments
- Gold loans remain opportunistic, real play is broadening the book across segments
- LTV Is now under 60% and we are sitting on a comfortable cushion
- Ready to laumch new products are we scale up the bank

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- FY26 advances growth guidance raised to 12-15% from 12% earlier
- Net interest margin will remain under pressure due to rate cuts

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- Lower coft of funds going ahead
- Hiked FY26 Gold loan growth guidance to 30-35%

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- The facility would add around more than $2.50/bbl to GRMs once fully utilised
- We will double EBITDA in next 5 years

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