motilal oswal
Financial Services

30 January 2026
MORNING INDIA

Market snapshot

Equities - India	Close	Chg .%	CY25.%
Sensex	82,566	0.3	9.1
Nifty-50	25,419	0.3	10.5
Nifty-M 100	58,541	0.2	5.7
Equities-Global	**Close**	**Chg .%**	**CY25.%**
S&P 500	6,969	-0.1	16.4
Nasdaq	23,685	-0.7	20.4
FTSE 100	10,172	0.2	21.5
DAX	24,309	-2.1	23.0
Hang Seng	9,553	0.4	22.3
Nikkei 225	53,376	0.0	26.2
Commodities	**Close**	**Chg .%**	**CY25.%**
Brent (US$/Bbl)	70	0.0	-15.7
Gold ($/OZ)	5,507	1.7	64.6
Cu (US$/MT)	12,985	0.0	43.9
Almn (US$/MT)	3,252	0.0	17.5
Currency	**Close**	**Chg .%**	**CY25.%**
USD/INR	92.0	0.2	5.0
USD/EUR	1.2	0.0	13.4
USD/JPY	153.3	-0.1	-0.3
YIELD (%)	**Close**	**1MChg**	**CY25 chg**
10 Yrs G-Sec	6.7	0.00	-0.2
10 Yrs AAA Corp	7.4	0.00	0.1
Flows (USD b)	**29-Jan**	**MTD**	**CYTD**
FIIs	0.05	-2.58	-18.8
DIIs	0.37	9.22	90.1
Volumes (INRb)	**29-Jan**	**MTD***	**CYTD***
Cash	1,498	1234	1234
F&O	89,209	3,27,334	3,27,334

Note: Flows, MTD includes provisional numbers. *Average

Today's top research idea

EcoScope: Economic Survey 2026: Blueprint for the next growth levers

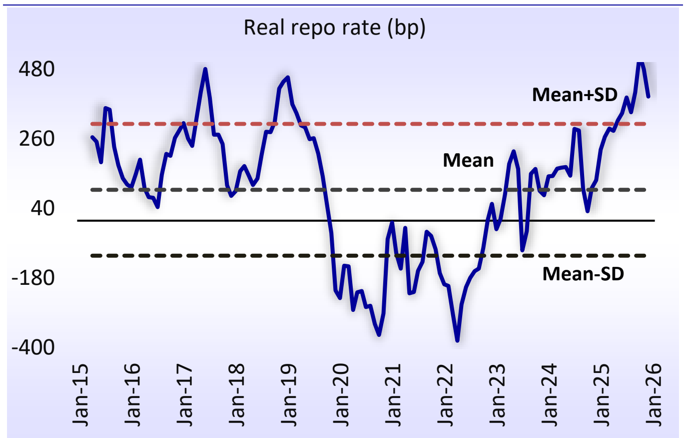
- Ahead of the FY27 Union Budget, India's Economic Survey 2026, tabled on Jan. 29, highlights persistent geopolitical risk and a more fragmented global order.
- The survey emphasizes that the best best-case scenario for the world in 2026 is 'business as in 2025', with FY27 shaping up as a year of adjustment for India as GST rationalisation, deregulation and compliance simplification gather pace. It outlines a three-level approach to identify priority sectors and strengthen supply-chain resilience.
- Traditional sectors such as pharmaceuticals, textiles, infrastructure and energy remain important, while defence, shipbuilding, electronics and critical minerals are highlighted as key strategic areas.
- The Survey warns that geopolitical risks may persist, strengthening the case for a "Swadeshi" approach focused on domestic capability building.

Research covered

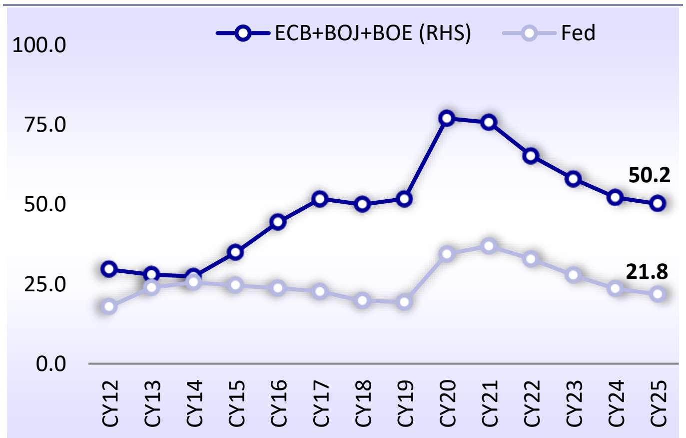
Cos/Sector	Key Highlights
EcoScope	a) Economic Survey 2026: Blueprint for the next growth levers
	b) FOMC Jan'26: A clear pause for some time
Other Updates	ITC | Vedanta | Tata Motors | Canara Bank | Lodha | Dabur India | Swiggy | Aurobindo | Dixon Technology | Phoenix Mills | Colgate-Palmolive | Nippon Life Ind. | Balkrishna Inds | Voltas | Star Health | Manappuram Fin. | Piramal Pharma | NSDL | Craftsman Auto | Five-Star Bus.Fi | A B Real Estate | Niva Bupa Health | Arvind Fashions | MAS FINANC SER | Quess Corp | Go Fashion | Rural Electrification Corp | One 97 Communications | Coromandel Inter. | Prestige Estates | Container Corpn. | Blue Star | Syrma SGS Tech. | ACME Solar Hold. | Indian Energy Ex | Indegene | MTAR Technologie | Equitas Small Finance Bank | Automobiles

Chart of the Day: EcoScope (FOMC Jan'26: A clear pause for some time)

Real repo rate at a seven-year high in India



Central bank balance sheet (% of GDP)



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Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

In the news today

Kindly click on textbox for the detailed news link

1

Eco Survey sees FY27 GDP growth at 6.8-7.2% as demand, investment pick up

The Economic Survey has projected real gross domestic product (GDP) growth in 2026-27 (FY27) in the range of 6.8–7.2 per cent, with domestic demand and investment expected to gain strength amid an uncertain economic environment.

2

CEA recommends rationalising tax on debt-assets

The development of debt instruments like corporate bonds, as an investment avenue, would “reduce capital costs, mobilise savings efficiently, and offer households reliable income-generating products,” wrote the Chief Economic Advisor V. Anantha Nageswaran.

3

HAL wins ₹1,800-crore order from Pawan Hans to supply 10 Dhruv NG helicopters

Hindustan Aeronautics Ltd (HAL) said it signed a contract with Pawan Hans Ltd for the supply of 10 Dhruv NG helicopters, including associated spares and accessories, at an estimated value exceeding ₹1,800 crore.

4

Govt moves to curb cheap penicillin drug imports for the next one year

The government has amended the import policy for select penicillin-based products, imposing restrictions on low-priced imports of Penicillin G-potassium, Amoxicillin Trihydrate and 6-APA for a period of one year.

5

Nalwa Aero inks pact with 3 helicopter players to launch low-cost air taxis

Aviation tech firm Nalwa Aero said it has signed an initial pact with helicopter operators Global Vectra Helicorp, Pawan Hans Ltd and Himalayan Heli Services to launch electric air taxi (eVTOL) services, offering fares as low as Rs 200 per passenger on select routes.

6

ACKO Life Insurance to exclusively focus on pure protection products

ACKO Life Insurance on Thursday said the company will focus exclusively on “pure protection” products as it seeks to address rising mis-selling and widening under-insurance in India.

Economic Survey 2026: Blueprint for the next growth levers

Ahead of the presentation of the FY27 Union Budget scheduled for Feb 1, the Finance Minister on Jan 29 tabled the 2026 Economic Survey. The survey assumes utmost significance not only to assess the growth assumptions[1] but also to understand the state of the Indian economy at a time of geopolitical complexity and changes in the world order on flows and sectors. The survey rightly identifies the growing risks and vulnerabilities and the increasing importance of some sectors over the others.

The survey emphasizes that the best-case scenario for the world in 2026 is 'business as in 2025'. For India, FY27 is expected to be a year of adjustment, as firms and households adapt to GST rationalization, faster progress on deregulation, and simplification of compliance requirements across sectors amid a globally challenging environment.

In a three-tiered framework, the survey has highlighted sectors that are of strategic importance or are highly concentrated in the global supply chain and require diversification/import substitution. These are sectors with -

1. **Critical vulnerabilities with high strategic urgency, such as defense-critical systems, core infrastructure inputs, energy security components, public health essentials, and foundational industrial technologies.**
2. **Economically feasible capabilities with strategic payoffs, such as goods where domestic production is economically feasible at reasonable cost, but imports persist due to various reasons. Cranes, industrial machinery, EV drivetrains, and medical devices (non-critical) are among others.**
3. **Low strategic urgency or high-cost substitution, such as TBMS, rail signaling, defense electronics, and electrolyzers.**

Our view: The upcoming budget will be realistic but ambitious in outlook. The focus would rightly be on "Swadeshi as it is both inevitable and necessary" in the current landscape.

Risks highlighted: The situation remains fragile and India will have to be prepared for a prolonged period of geopolitical uncertainties and conflicts.

Against this backdrop, we have highlighted emerging themes and sectors that the survey is focusing on:

- **Traditional core sectors: Pharmaceuticals, textiles, infrastructure, and energy**
- **Strategic emerging sectors: Defense, shipbuilding, electronics and critical minerals**

FOMC Jan'26: A clear pause for some time

- **The Fed kept interest rates unchanged (in line with expectations) at 3.50%–3.75%, signaling a pause after three consecutive cuts, with policy now close to neutral and future moves fully data-dependent. The focus of markets has clearly shifted to the increased likelihood of another US government shutdown and the selection of the next Fed leader—the choice is now between Warsh and Rieder.**
- **With no new projections or dot plot, Powell indicated that the central bank is 'well-positioned' to wait for clearer signals on inflation and employment.**
- **Rate markets still price in about a 60% chance of two 25bp cuts later this year (probably in June/July), but confidence has weakened, leaving investors focused on upcoming jobs and inflation data rather than Fed guidance.**
- **Going ahead, the Fed is likely to remain on hold for longer unless there is a clear slowdown in job growth or faster disinflation. With the GDP nowcast tracking above 5% for 4QCY25, the overall growth outlook appears strong amid contained price pressures.**
- **For India, we expect the RBI to cut rates by 25bp in Feb'26, as growth is likely to moderate in 2HFY26, even if inflation remains broadly contained.**

Rate decision

1. The FOMC voted 10-2 to maintain the current interest rate in the target range of 3.50% to 3.75%, ending a streak of three consecutive quarter-point cuts. Governors Stephen Miran and Christopher Waller dissented, favoring a 25bp cut.
2. Powell indicated the central bank is 'well-positioned' to wait for clearer signals on inflation and employment, emphasizing that the path forward is data-dependent, with no preset course for future rate adjustments.
3. He further added that the current policy stance is appropriate, and the policy rate is now within the plausible range of the estimated neutral interest rate.
4. The Fed is maintaining its balance sheet operations to ensure ample reserves in the banking system after officially ending quantitative tightening (QT) in Dec'25.

Macro outlook

1. **Growth:** The Fed upgraded its assessment of economic activity from 'moderate' to expanding at a 'solid pace' and noted that the unemployment rate has shown signs of stabilization, with job gains remaining low.
2. **Inflation remains 'somewhat elevated',** primarily due to the effects of tariffs. Powell expects tariff-related price pressures to peak and then recede around mid-2026, which could allow for policy easing later in the year.

Market reaction: Muted

1. Markets reacted with little enthusiasm, as the Fed's decision was fully expected. Equities ended largely flat, while bond yields moved in a narrow range, reflecting comfort with the view that policy is now close to neutral.
2. Rate markets still price roughly a 60% probability of two 25bp cuts later this year (June/July), but conviction is fading. Overall, the response was one of indifference rather than relief or concern, with investors waiting for fresh cues from economic data, especially jobs and inflation, rather than the Fed.

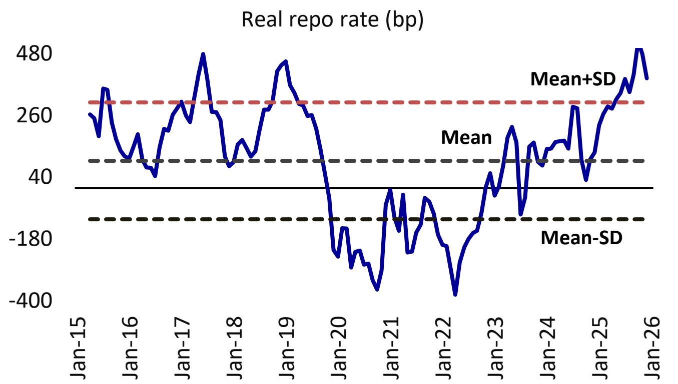
Outlook: Fed unlikely to cut rates in 1HCY26

1. Going forward, markets are likely to remain range-bound and data-driven. With the Federal Reserve signaling patience and policy rates close to neutral, investors will look to labor market and inflation data to determine the timing and extent of any further easing.
2. Unless there is a clear slowdown in job growth or a sharper disinflation trend, the Fed is likely to stay on pause for an extended period.

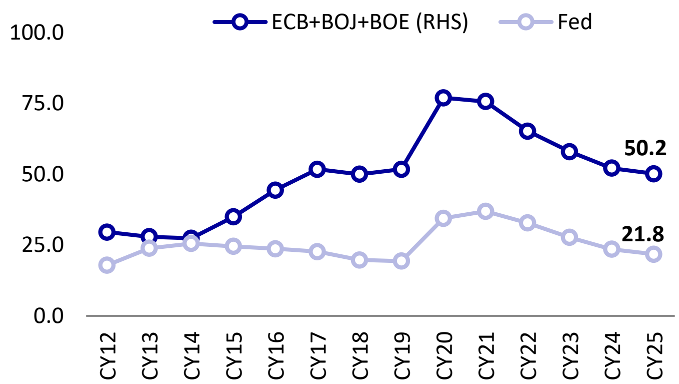
Implications for India

1. The pause in US policy rates signals a shift from active easing to patience, keeping global financial conditions stable but not loose. For India, this reduces the risk of abrupt capital outflows, supports currency stability, and helps contain external financing pressures, even as global yields remain relatively elevated.
2. Domestically, India's macro fundamentals remain supportive. Inflation is within the RBI's comfort zone, while real rates are still restrictive, giving policymakers some flexibility. That said, growth momentum is uneven, and external uncertainties—especially around global trade and demand—continue to cloud the outlook for exports and private investment.
3. With inflation under control and real rates still high, the RBI has room to support growth but is likely to ease policy gradually and cautiously. We expect the RBI to cut rates by 25bp in Feb'26 as growth is likely to moderate in 2HFY26, even if inflation remains broadly contained.

Real repo rate at a seven-year high in India



Central bank balance sheet (% of GDP)



ITC

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	ITC IN
Equity Shares (m)	12527
M.Cap.(INRb)/(USDb)	3991.8 / 43.4
52-Week Range (INR)	472 / 318
1, 6, 12 Rel. Per (%)	-19/-24/-36
12M Avg Val (INR M)	7514

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	819.9	870.9	929.8
Sales Gr. (%)	6.8	6.2	6.8
EBITDA	271.7	270.6	291.7
EBITDA Mrg. %	33.1	31.1	31.4
Adj. PAT	207.8	207.0	222.8
Adj. EPS (INR)	16.6	16.5	17.8
EPS Gr. (%)	3.8	-0.4	7.6
BV/Sh.(INR)	57.6	58.7	61.1
Ratios			
RoE (%)	29.2	28.4	29.7
RoCE (%)	28.7	28.0	29.3
Payout (%)	90.0	90.0	90.0
Valuations			
P/E (x)	19.2	19.3	17.9
P/BV (x)	5.5	5.4	5.2
EV/EBITDA (x)	17.7	17.7	16.3
Div. Yield (%)	4.7	4.7	5.0

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	0.0	0.0	0.0
DII	48.9	47.4	44.9
FII	36.1	37.4	40.2
Others	15.0	15.2	14.9

FII Includes depository receipts

CMP: INR319 **TP: INR365 (+15%)** **Neutral**

Healthy performance but non-event after tax hike

- ITC continued to deliver a healthy performance in core segments in 3QFY26. Consol. gross cigarette sales grew 8% YoY (est. 7%) and volume rose ~6.5% (vs. est. 6%). The premium cigarette segment continued to outperform. Cigarette EBIT grew by 5.7% YoY (est. 6.4%). EBIT margin contracted 140bp YoY to 56.7% (est. 57.7%), impacted by high leaf tobacco prices.
- Consol. FMCG segment sales grew 12.6% YoY. A recovery was seen in notebooks despite pressure from low-priced imports and local competition. The FMCG segment recorded mid-to-high single digit volume growth. Snacks, Noodles, and Biscuits delivered double-digit revenue growth. ITC GST-related trade disruption normalized by late Oct'25. EBIT was up 40% YoY and EBIT margin expanded by 140bp YoY to 7.3% (est. 7.5%).
- Agri business sales grew 6% YoY to INR38.6bn (est. INR43.5b). EBIT margin contracted by 80bp YoY to 12.8% (est. 9%).
- Paper business is gradually seeing recovery but full benefits will start visible from 4QFY26 onward. Revenue grew 3% YoY, while EBIT margin contracted 60bp YoY to 8.6% (est. 9%). Going ahead, wood prices are expected to ease further on improved availability; 3Q did not fully capture this benefit, and prices are now below 3Q levels. Underlying EBIT margin has already reached double digits (10%) in 3Q. EBIT margin is expected to keep growing in the coming quarters.
- The recently announced changes in GST and excise duty have led to a steep increase in cigarette taxes, effective 1st Feb'26. We downgraded ITC from BUY to Neutral after the announcement. The stock has corrected ~20% since the announcement on 1st Jan'26. Earnings pressure on cigarettes would take away the near-term catalysts (soft tobacco prices, recovery in FMCG and Paper) and comfort on valuation. ITC has a full cigarette portfolio to better navigate the tax increase, but competitive pressure from illicit cigarettes will take a toll on the formal cigarette industry. We maintain our Neutral rating on ITC with **our SoTP-based TP of INR365 (implying 21x Dec'27E EPS).**

Cigarette volume up ~6.5%; FMCG grows ahead of peers

- **Consolidated performance:** ITC's 3Q net revenue grew 7% YoY to INR200.5b (est. INR207b). Gross margin improved 40bp YoY to 58% (est. 57.5%). EBITDA margin improved 50bp YoY to 34.3% (est. 32.7%). EBITDA grew 8% YoY to INR68.8b (est. INR67.8b). PBT/APAT grew 7%/10% YoY.
- **Cigarette volume rises 6.5%, with 6% EBIT growth:** Consol. gross cigarette sales grew 8.2% YoY to INR96.8b (est. INR95.7b). Standalone gross cigarette sales rose 8% YoY to INR87.9b. Cigarette volume is likely to have grown 6.5% (est. 6%). Strong performance in differentiated and premium offerings supported the growth. EBIT grew by 5.7% YoY to INR54.9b (est. INR55.2b). Cigarette EBIT margin contracted 140bp YoY to 56.7% (est. 57.7%). Leaf tobacco consumption cost remains elevated. However, ITC saw moderation in procurement prices in the current crop cycle.

- **FMCG – Others:** Consolidated FMCG-Others sales grew 12.6% YoY to INR61.1b (est. INR59.2b), driven by staples, biscuits, noodles, dairy, premium personal wash, home care & agarbattis. There are early signs of recovery in notebooks, despite pressure from low-priced imports and local players. EBIT grew 40% YoY to INR4.5b (est. INR4.4b). EBIT margin expanded by 140bp to 7.3% (est. 7.5%). Prices of major commodities (viz. edible oil, wheat, maida, cocoa, soap noodles etc.) were largely stable during 3Q. Calibrated pricing actions, premiumisation, and focused cost-management initiatives drove margin expansion.
- **Agri business** sales grew by 6% YoY to INR38.6b (est. INR43.5b). EBIT was flat YoY at INR5b. EBIT margin contracted by 80bp YoY to 12.8% (est. 9%).
- **Paperboard** business sales grew 3% YoY to INR22b (est. INR23b). EBIT declined 4% YoY to INR1.9b and EBIT margin contracted 60bp YoY to 8.6% (est. 9%). Underlying EBIT rose 11%, with underlying EBIT margin in double digits (~10%).
- In 9MFY26, ITC's revenue/EBITDA/APAT grew 5%/3%/5%.

Valuation and view

- There are no material changes to our EPS estimates for FY26-28.
- ITC's core cigarette business saw steady performance in 3Q and FMCG business saw a healthy performance with strong growth in operating profit. The recently announced changes in GST and excise duty have led to a steep increase in cigarette taxes, effective 1st Feb'26. We downgraded ITC from BUY to Neutral after the announcement. The stock has corrected ~20% since the announcement on 1st Jan'26. Earnings pressure on cigarettes would take away the near-term catalysts (soft tobacco prices, recovery in FMCG and Paper) and comfort on valuation. ITC has a full cigarette portfolio to better navigate the tax increase, but competitive pressure from illicit cigarettes will take a toll on the formal cigarette industry.
- We maintain our Neutral rating on ITC with **our SoTP-based TP of INR365 (implying 21x Dec'27E P/E).**

Consol. Quarterly Performance (Reported) (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY25	Var.
	1Q	2Q	3Q	4Q	1Q*	2Q*	3Q	4QE			3QE*	
Est. cigarette vol. gr. (%)	**3.0**	**3.5**	**6.0**	**5.0**	**6.0**	**6.0**	**6.5**	**-7.0**	**4.4**	**2.9**	**6.0**	
Net Sales	**184.6**	**207.4**	**187.9**	**187.7**	**214.9**	**195.0**	**200.5**	**209.4**	**767.5**	**819.9**	**207.1**	-3.2%
YoY change (%)	7.5	16.7	4.3	4.7	16.5	-6.0	6.7	11.6	8.3	6.8	10.2	
Gross Profit	**111.7**	**115.9**	**108.3**	**110.3**	**112.6**	**113.6**	**116.3**	**119.9**	**446.2**	**462.4**	**119.1**	
Margin (%)	60.5	55.9	57.6	58.8	52.4	58.3	58.0	57.2	58.1	56.4	57.5	
EBITDA	**67.5**	**67.6**	**63.6**	**65.2**	**68.2**	**66.9**	**68.8**	**68.0**	**263.9**	**271.7**	**67.8**	1.5%
Growth (%)	1.2	4.8	-2.2	-1.6	1.0	-1.0	8.2	4.3	0.5	2.9	6.5	
Margins (%)	36.6	32.6	33.9	34.7	31.7	34.3	34.3	32.5	34.4	33.1	32.7	
Depreciation	5.0	5.2	4.2	4.1	4.2	4.3	4.3	4.8	18.5	17.7	4.5	
Interest	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.0	0.5	0.5	0.2	
Other Income	6.9	6.2	6.0	6.4	6.8	5.8	5.7	8.8	25.5	27.3	6.9	
PBT	**69.3**	**68.4**	**65.3**	**67.4**	**70.6**	**68.2**	**70.1**	**72.1**	**270.4**	**280.7**	**69.9**	0.2%
Tax	17.6	17.9	17.3	16.8	17.8	17.9	17.4	17.5	69.6	70.7	17.6	
Rate (%)	25.4	26.2	26.4	24.9	25.3	26.3	24.8	24.3	25.7	25.2	25.2	
Adj PAT	**50.9**	**49.9**	**47.3**	**50.7**	**52.4**	**50.6**	**51.9**	**52.4**	**198.9**	**207.8**	**51.7**	0.4%
YoY change (%)	-0.2	2.0	-11.4	-0.9	3.0	1.3	9.8	3.2	-2.8	4.4	9.4	
Reported PAT	**50.9**	**49.9**	**47.3**	**50.7**	**52.4**	**51.3**	**49.3**	**52.4**	**199.9**	**207.8**	**51.7**	-4.7%

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

Vedanta

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	VEDL IN
Equity Shares (m)	3910
M.Cap.(INRb)/(USDb)	2996.7 / 32.6
52-Week Range (INR)	770 / 362
1, 6, 12 Rel. Per (%)	31/72/68
12M Avg Val (INR M)	5368
Free float (%)	43.6

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	1,735	1,861	1,993
EBITDA	529.2	599.3	643.9
EBITDA margin	30.5	32.2	32.3
APAT	226.2	226.3	254.4
Adj. EPS (INR)	57.8	57.9	65.1
EPS Gr (%)	66.4	0.0	12.4
BV/Sh. (INR)	137.4	173.9	217.5
Ratios			
Net D:E	0.8	0.4	0.1
RoE (%)	47.6	37.2	33.2
RoCE (%)	30.6	31.4	30.4
Payout (%)	37.0	37.0	32.9
Valuations			
P/E (x)	13.3	13.3	11.8
P/BV	5.6	4.4	3.5
EV/EBITDA (x)	8.3	7.1	6.4
Div. Yield (%)	2.8	2.8	2.8
FCF Yield (%)	7.6	9.9	11.3

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	56.4	56.4	56.4
DII	15.4	16.3	15.6
FII	12.2	11.2	12.1
Others	16.0	16.1	15.9

FII includes depository receipts

CMP: INR766 TP: INR810 (+6%) Neutral

In-line earnings supported by favorable prices and better volume; strong near-term outlook

Consolidated result highlights

- Vedanta Limited (VEDL) reported a consolidated revenue of INR467b (+19% YoY and +17% QoQ) against our est. of INR435b, driven by higher LME, better volume, and forex gains in 3QFY26.
- Consolidated EBITDA stood at INR152b (+37% YoY and +33% QoQ), against our est. of INR143b, driven by lower costs and favorable LME. EBITDA margin for 3QFY26 stood at 32.5% compared to 28.6% in 2QFY26 and 28.4% in 3QFY25.
- APAT for the quarter stood at INR79.7b (+125% YoY) vs our est. of INR56.7b.
- In 9MFY26, revenue stood at INR1,243b (+11% YoY), whereas EBITDA was INR365b (+18% YoY) and APAT rose 44% YoY to INR145b.
- Net debt stood at INR606b as of Dec'25, translating to net debt/EBITDA of 1.23x in 3QFY26 vs 1.40x in 3QFY25.

Segmental result highlights

Aluminum:

- VEDL produced 620kt of aluminum, registering a growth of 1% YoY and flat QoQ, whereas the alumina production from Lanjigarh refinery grew 57% YoY and 22% QoQ to 794kt in 3QFY26.
- As expected, revenue came in line at INR169b (+10% YoY and +8% QoQ), whereas EBITDA grew 55% YoY and 27% QoQ to INR70b vs our est. of INR71.5b in 3QFY26.
- Aluminum's cost of production (CoP) stood at USD1,674/t, down 11% YoY and 8% QoQ during the quarter.

Zinc India (HZL):

- During 3QFY26, revenue stood at INR110b (+28% YoY and QoQ), which was 10% above our estimates. The growth was driven by favorable commodity prices and volume recovery.
- EBITDA came at INR61b (+35% YoY and +36% QoQ) against our estimate of INR54b during the quarter. EBITDA margin stood at 55.1% in 3QFY26 vs 52% in 2QFY26 and 52.2% in 3QFY25. The increase was primarily led by favorable metal prices and the lower cost of production.
- Zinc CoP (ex-royalty) stood at USD940/t in 3Q (-10% YoY and -5% QoQ), led by lower power cost, increased by-product NSR, and better volume output offsetting the higher mine development cost.
- APAT stood at INR39b (+46% YoY and +48% QoQ) vs our est. of INR34b.
- Mined metal for the quarter stood at 276kt (+4% YoY and +7% QoQ), driven by higher ore production.

- Refined metal production stood at 270kt (+4% YoY and +9% QoQ) in 3QFY26, driven by the commissioning of Chanderiya & Dariba debottlenecking projects, along with a ramp-up of 160ktpa roaster at Debari.
- Refined zinc production was 221kt (+8% YoY and +10% QoQ), while refined lead production stood at 49kt (-11% YoY and +9% QOQ) due to lower pyro plant availability. Salable silver production declined 1% YoY and increased 10% QoQ to 158kt, in line with lead production.

Zinc International:

- Mined metal production rose 28% YoY and flat QoQ to 59kt, driven by higher milled tons and better lead grades.
- Revenue stood at INR13b (+24% YoY and +5% QoQ), whereas EBITDA came at INR4.2b (+17% YoY and +11% QoQ), led by better volume and favorable prices. CoP grew 38% YoY and 11% QoQ to USD1,632/t in 3QFY26.

Copper:

- Copper cathodes production stood at 45kt, flat YoY and 12% QoQ in 3QFY26.
- Revenue stood at INR86b (+49% YoY and +31% QoQ), led by favorable LME, while reported EBITDA loss was INR160m in 3QFY26, against the loss of INR130m in 2QFY26.

Iron Ore:

- Iron ore sales stood at 1.3mt, down 19% YoY (+86% QoQ), and Pig iron sales rose 9% YoY (-11% QoQ) to 230kt in 3QFY26.
- Revenue stood at INR19.5b (+5% YoY and +35% QoQ), while EBITDA came at INR2.8b, down 24% YoY (+163% QoQ), during the quarter.

Valuation and view

- VEDL’s 3QFY26 operational performance came largely as expected, supported by better volumes and favorable LME prices. We increase our FY26 revenue, EBITDA, and PAT estimates by 4%, 3%, and 22%, factoring in the strong earnings in 3QFY26. We also increase our FY27/28 EBITDA estimate by 5%, led by a stronger near-term outlook.
- Capex plans are progressing well and will likely lead to further cost savings. Management targets to maintain strong growth in earnings, led by the upcoming capacity, which will produce higher VAP products. VEDL remains firm on its deleveraging plans, and going forward, higher cash flows will support both its expansion plans and deleveraging efforts.
- **The stock currently trades at 7x EV/EBITDA and 4.4x P/BV on the FY27 estimate. We reiterate our Neutral rating on the stock with a SoTP-based TP of INR810.**

Quarterly performance – VEDL Consolidated (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Vs.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	Est.%
Net Sales	**357.6**	**376.3**	**391.2**	**404.6**	**378.2**	**398.7**	**466.5**	**491.8**	**1,529.7**	**1,735.2**	**434.6**	**7.3**
Change (YoY %)	6.0	10.1	10.1	13.9	5.8	5.9	19.3	21.6	10.1	13.4		
Change (QoQ %)	0.7	5.2	3.9	3.4	(6.5)	5.4	17.0	5.4				
EBITDA	**99.5**	**98.3**	**111.0**	**114.7**	**99.2**	**114.0**	**151.7**	**164.4**	**423.4**	**529.2**	**143.2**	**6.0**
Change (YoY %)	54.9	46.3	30.2	30.8	(0.3)	16.0	36.6	43.4	39.1	25.0		
Change (QoQ %)	13.4	(1.2)	13.0	3.3	(13.5)	14.9	33.1	8.4				
As % of Net Sales	27.8	26.1	28.4	28.3	26.2	28.6	32.5	33.4	27.7	30.5	32.9	
Finance cost	22.2	26.7	24.4	25.8	20.3	21.1	21.8	20.0	99.1	83.1		
DD&A	27.3	27.0	26.8	29.9	28.2	28.7	27.3	29.4	111.0	113.5		
Other Income	9.3	13.0	6.8	7.6	9.9	6.0	7.4	5.5	36.8	28.7		
PBT (before EO item)	**59.3**	**57.7**	**66.6**	**66.6**	**60.5**	**70.2**	**110.1**	**120.5**	**250.1**	**361.3**	**101.6**	**8.3**
EO exp. (income)	-	(18.7)	-	-	-	20.7	2.2	-	(18.7)	(22.9)		
PBT (after EO item)	**59.3**	**76.3**	**66.6**	**66.6**	**60.5**	**49.5**	**107.9**	**120.5**	**268.8**	**270.0**		
Total Tax	8.3	20.3	17.9	17.0	16.0	14.7	29.8	39.4	63.4	99.8		
% Tax	14.0	26.6	26.8	25.5	26.4	29.7	27.6	32.7	23.6	37.0		
PAT before MI and Asso.	**51.0**	**56.0**	**48.8**	**49.6**	**44.6**	**34.8**	**78.1**	**81.1**	**205.3**	**238.6**		
Profit from Asso.	-	-	-	0.0	-	(0.0)	-	-	0.0	(0.0)		
Minority interest	14.9	12.5	13.3	14.8	12.7	16.8	-	(0.0)	55.5	29.5		
PAT after MI and Asso.	**36.1**	**43.5**	**35.5**	**34.8**	**31.9**	**18.0**	**78.1**	**81.1**	**149.9**	**209.0**		
APAT	**36.1**	**29.5**	**35.5**	**34.8**	**31.9**	**33.5**	**79.7**	**81.1**	**135.9**	**226.2**	**56.7**	**40.7**
Change (YoY %)	319.5	504.8	76.2	121.8	(11.7)	13.4	124.8	133.0	175.6	66.4		
Change (QoQ %)	129.8	(18.2)	20.2	(1.8)	(8.6)	5.0	138.3	1.8				

Sources: MOFSL, Company

Quarterly performance - HZL (INR b)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Vs.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	Est.%
Mine prodn. (kt)	**263**	**256**	**265**	**311**	**265**	**258**	**276**	**291**	**1,095**	**1,090**	**276**	
Sales												
Zinc refined (kt)	211	198	201	218	201	202	221	226	827	850		
Lead refined (kt)	51	63	55	56	48	45	49	51	225	193		
Silver (tonnes)	167	184	160	177	145	147	158	160	687	610		
Net Sales	**81.3**	**82.5**	**86.1**	**90.9**	**77.7**	**85.5**	**109.8**	**115.2**	**340.8**	**388.2**	**99.7**	**10.1**
Change (YoY %)	11.6	21.5	17.8	20.4	(4.4)	3.6	27.5	26.8	17.8	13.9		
Change (QoQ %)	7.7	1.5	4.4	5.5	(14.5)	10.0	28.4	4.9				
EBITDA	**39.5**	**41.2**	**45.0**	**48.2**	**38.6**	**44.5**	**60.5**	**66.3**	**173.9**	**209.9**	**54.3**	**11.4**
Change (YoY %)	17.9	31.3	27.8	32.1	(2.2)	7.8	34.6	37.6	27.3	20.7		
Change (QoQ %)	8.1	4.5	9.1	7.1	(19.9)	15.2	36.2	9.5				
As % of Net Sales	48.5	50.0	52.2	53.0	49.7	52.0	55.1	57.6	51.0	54.1		
Finance cost	2.6	3.0	2.9	2.5	2.4	2.6	2.0	2.4	11.0	9.4		
DD&A	8.4	8.8	9.1	10.1	9.1	8.8	9.5	10.0	36.4	37.4		
Other Income	2.7	2.7	2.2	2.3	2.8	2.4	2.9	2.8	9.8	10.9		
PBT (before EO item)	**31.1**	**32.1**	**35.3**	**37.8**	**29.9**	**35.4**	**52.1**	**56.7**	**136.4**	**174.0**		
EO exp. (income)	-	(0.8)	-	-	-	-	0.3	-	(0.8)	0.3		
PBT	**31.1**	**31.3**	**35.3**	**37.8**	**29.9**	**35.4**	**52.3**	**56.7**	**135.5**	**174.3**	**44.7**	**17.0**
Total Tax	7.7	8.0	8.5	7.8	7.5	8.9	13.1	14.6	32.0	44.2		
% Tax	24.7	25.7	24.1	20.6	25.2	25.2	25.1	25.8	23.6	25.4		
Reported PAT	**23.5**	**23.3**	**26.8**	**30.0**	**22.3**	**26.5**	**39.2**	**42.1**	**103.5**	**130.1**		
Adjusted PAT	**23.5**	**24.1**	**26.8**	**30.0**	**22.3**	**26.5**	**38.9**	**42.1**	**104.4**	**129.8**	**33.7**	**15.6**
Change (YoY %)	19.4	39.4	32.1	47.4	(4.7)	9.9	46.2	40.2	33.4	25.6		
Change (QoQ %)	15.1	(0.8)	15.1	12.1	(25.6)	18.6	47.8	7.5				

Sources: MOFSL, Company

30 January 2026

3QFY26 Results Update | Sector: Automobile

Tata Motors

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	TMCV IN
Equity Shares (m)	3680
M.Cap.(INRb)/(USDb)	1731.4 / 18.8
52-Week Range (INR)	476 / 306
1, 6, 12 Rel. Per (%)	17/-/-
12M Avg Val (INR M)	6159

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Net Sales	746	823	893
EBITDA	96.7	107.8	117.1
Adj. PAT	64.7	71.7	79.3
Adj. EPS (INR)	17.6	19.5	21.5
EPS Gr. (%)	6	11	10
BV/Sh. (INR)	38.6	55.6	74.2
Ratios			
Net D/E (x)	-0.1	-0.2	-0.3
RoE (%)	57.0	41.4	33.2
RoCE (%)	34.8	33.0	28.4
Payout (%)	11.4	12.8	13.9
Valuations			
P/E (x)	26.7	24.1	21.8
P/BV (x)	12.2	8.4	6.3
EV/EBITDA (x)	17.2	14.9	13.3
Div. Yield (%)	0.4	0.5	0.6

CMP: INR470 TP: INR431 (-8%) Neutral

Earnings miss estimates led by input cost pressure

Market share loss in CVs remains key concern

- Tata Motors (TMCV) 3QFY26 PAT at INR15.9b was below our est. of INR18.4b due to lower-than-expected margin at 12.8% (est. 13.2%). Margin pressure was caused by higher input costs.
- The key concern for TMCV has been its gradual loss of market share across key segments. Further, its recent acquisition of Iveco would expose it to the ongoing global macro uncertainties, thereby driving a potential de-rating, if demand does not improve anytime soon. We have already factored in a pick-up in domestic CV demand in our estimates (we estimate 9% volume CAGR over FY25-28E). We also factor in margins to remain stable at 13% over FY25-28E. However, after the recent rally, the stock at 24.1x FY27E and at 21.8x FY28E EPS appears fairly valued. Maintain Neutral with a TP of INR431 per share – we value the core business at 13x Dec'27E EV / EBITDA (in line with peers) and add INR13 per share for its stake in Tata Capital.

Earnings below estimates due to input cost pressure

- Standalone 3Q revenue was in line with our estimate and up ~20% YoY at INR204b, primarily led by 21% YoY volume growth. However, ASPs declined 1% QoQ to INR1.7m per vehicle.
- EBITDA margin at 12.8% was slightly below our estimate of 13.2% due to input cost pressure.
- Led by strong revenue growth, EBITDA was up 29% YoY at INR26.1b (below est. of INR 27.5b).
- The company incurred INR15.5b in extraordinary expenses – INR9.6b in demerger costs, INR6b for new labor code provisions and INR820m in acquisition expenses.
- Adjusted for these, PAT grew 10% YoY to INR15.9b (below est. of INR18.4b).

Highlights from the management commentary

- Management expects 4QFY26 to be the strongest quarter, supported by pick-up in infrastructure spending, execution of government bus orders and continued truck recovery. Management also expects to sustain the demand momentum in 1HFY27, albeit over a low base.
- Market leadership was intact with a 35.5% domestic CV market share, supported by sharp recovery in HCV share to 58.2% (53.9% in FY25), steady ILMCV share at 40.0% and stable SCV share of 26.3%.
- Investment spending remained disciplined at INR5.5b in 3Q and INR20b in 9MFY26. TMCV delivered a strong FCF of INR47.5b in Q3, supported by strong operating leverage and disciplined working capital management. Net cash position strengthened to INR39b as of 9MFY26.
- TMCV launched 17 next-generation trucks in Jan'26, with all models compliant with stringent European ECE R29-03 safety standards.

Valuation and view

- The industry's pricing discipline has certainly been commendable over the last 12 months, with all CV players witnessing improvement in margins. Further, while the CV industry demand has picked up after GST rate cuts, the key concern for TMCV has been its gradual loss of market share across key segments. Particularly worrisome is the market share loss in LCV goods from a high of 40% in FY22 to 28% now (down 220bp YoY YTD).
- Further, its recent acquisition of Iveco would expose it to the ongoing global macro uncertainties, thereby driving a potential de-rating if the demand environment does not improve anytime soon. Iveco has lowered its CY25 guidance thrice in the last three quarters given the macro uncertainty in its key regions. Further, a week ago, management slashed its FCF guidance to EUR60m from its initial estimate of EUR400-450m set in 1Q. Given the lack of visibility in its financials and given that this acquisition will initially be funded with a debt of EUR3.8b, we refrain from giving any incremental value to Iveco at this stage.
- We have already factored in a pick-up in domestic CV demand in our estimates (we estimate 9% volume CAGR over FY25-28E). We also factor in margins to remain stable at 13% over our forecast period. However, after the recent rally, the stock at 24.1x FY27E and at 21.8x FY28E EPS appears fairly valued. Maintain Neutral with a TP of INR431 per share – we value the core business at 13x Dec'27E EV/EBITDA (in line with peers) and add INR13 per share for its stake in Tata Capital.

Tata Motors Commercial Vehicles: Quarterly Performance (Standalone) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	
Net Operating income	**178,980**	**155,180**	**170,400**	**249,700**	**156,820**	**168,610**	**204,040**	**216,665**	**754,260**	**746,135**	**207,988**	**-1.9**
Change (%)	4.9	-23.0	-15.6	15.4	-12.4	8.7	19.7	-13.2	-4.6	-1.1	11.5	
RM Cost (% of Sales)	67.7	67.9	68.8	67.6	67.1	69.0	69.9	69.0	67.9	68.9	69.2	
Staff Costs (% of sales)	6.7	7.4	6.5	5.1	7.4	6.9	5.6	5.4	3.8	-1.7	6.2	
Other Exp (% of sales)	14.0	14.1	12.9	12.4	13.4	11.8	11.6	11.3	14.1	12.0	11.4	
EBITDA	**20,790**	**16,530**	**20,150**	**37,220**	**18,900**	**20,830**	**26,060**	**30,931**	**88,500**	**96,721**	**27,518**	**-5.3**
EBITDA Margins (%)	11.6	10.7	11.8	14.9	12.1	12.4	12.8	14.3	11.7	13.0	13.2	-45.8
Change (%)	30	-21	-10	44	-9	26	29	-17	4	9	20.7	
Non-Operating Income	830	1,760	3,060	-1,630	2,450	2,780	2,720	2,904	4,020	10,854	2,500	**8.8**
Interest	1,620	2,110	2,200	-420	1,740	1,860	1,430	1,472	5,510	6,502	1,890	
Depreciation & Amort.	4,870	4,840	4,880	5,870	4,230	4,120	4,170	4,257	20,460	16,777	4,200	
PBT before EO Exp	**15,350**	**11,220**	**16,030**	**30,070**	**16,350**	**17,570**	**23,180**	**28,106**	**66,490**	**85,206**	**23,928**	**-3.1**
EO Exp/(Inc)	0	330	240	0	100	23,660	15,450	0	0	39,210	0	
PBT after EO Exp	**15,350**	**10,890**	**15,790**	**30,070**	**16,250**	**-6,090**	**7,730**	**28,106**	**66,490**	**45,996**	**23,928**	**-67.7**
Tax	2,763	4,460	1,620	2,980	2,140	4,120	2,120	6,957	5,170	15,337	5,503	
Effective Tax Rate (%)	18.0	41.0	10.3	9.9	13.2	23.4	27.4	24.8	7.8	33.3	23.0	
PAT	**12,587**	**6,430**	**14,170**	**27,090**	**14,110**	**-10,210**	**5,610**	**21,149**	**61,320**	**30,659**	**18,424**	**-69.6**
Change (%)	0	0	0	34	12	-259	-60	-22	16	-50	30.2	
Adj PAT	**12,587**	**6,760**	**14,410**	**27,090**	**14,210**	**13,450**	**15,908**	**21,149**	**61,320**	**64,718**	**18,424**	**-13.7**
Change (%)	34.5	-55.7	-13.0	29.0	12.9	99.0	10.4	-21.9	0.3	5.5	30.2	

E: MOFSL Estimates

Financials restated wef FY25, hence prior year financials not comparable

Canara Bank

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	CBK IN
Equity Shares (m)	9071
M.Cap.(INRb)/(USDb)	1363.5 / 14.8
52-Week Range (INR)	161 / 79
1, 6, 12 Rel. Per (%)	2/34/54
12M Avg Val (INR M)	3293

Financials & Valuations (INR b)

Y/E March	FY25	FY26E	FY27E
NII	370.7	369.8	434.9
OP	313.9	346.7	363.8
NP	170.3	192.3	197.8
NIM (%)	2.4	2.2	2.3
EPS (INR)	18.8	21.2	21.8
EPS Gr. (%)	17.0	12.9	2.9
BV/Sh. (INR)	106	119	132
ABV/Sh. (INR)	99	113	126
RoA (%)	1.1	1.1	1.0
RoE (%)	19.9	19.3	17.8
Valuations			
P/E (x)	8.0	7.1	6.9
P/BV (x)	1.4	1.3	1.1
P/ABV (x)	1.5	1.3	1.2

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	62.9	62.9	62.9
DII	10.5	12.2	11.7
FII	14.6	11.9	11.1
Others	12.0	12.9	14.2

CMP: INR150 TP: INR175 (+16%) Buy

NII inline; stake sale gains drive earnings beat

NIMs contracted 5bp QoQ to 2.45%

- Canara Bank (CBK) reported 3QFY26 standalone PAT at INR51.6b (26% YoY/ 8% QoQ, 15% higher than MOFSLe) amid stake sale gains, which resulted in pre-tax profit of INR19.3b.
- NII stood flat at 1% YoY/ 1% QoQ, reaching INR92.5b (largely in line). Margins moderated 5bp QoQ to 2.45% vs our est. of 2.48%.
- Loan book grew 15% YoY/ 4% QoQ to INR11.7t, while deposits grew 12.9% YoY/1.4% QoQ to INR15.2t. CASA deposits grew 9.3% YoY/declined 3.7% QoQ. As a result, CASA ratio moderated 117bp QoQ to 29.5%.
- Slippages declined to INR18.9b (INR21b in 2QFY26). GNPA/NNPA ratio, thus, improved 27bp/9bp QoQ to 2.08%/0.45%, respectively. PCR improved to 78.6% (up 118bp QoQ).
- **We fine-tune our earnings estimates and project CBK to deliver FY27E RoA/RoE of 1.03%/17.8%. Reiterate BUY with a revised TP of INR175 (based on 1.2x Sep'27E ABV+ INR12 for subs).**

Business growth healthy; asset quality improves

- 3Q PAT grew 26% YoY to INR51.6b (15% beat), amid stake sale gains (pre-tax: INR19.3b). NII stood flat at 1% YoY/ 1% QoQ, reaching INR92.5b (largely in line). Margins moderated 5bp QoQ to 2.45% vs our est. of 2.48%.
- Other income grew 36% YoY/12% QoQ to INR78.9b (18% higher than MOFSLe), amid stake sale gains of Can AMC and Can HSBC Life. Total revenue, thus, grew 15% YoY (6% beat).
- Operating expenses grew 13% YoY/5.6% QoQ to INR80.3b (4% higher) due to two one-off items: IPO-related expenses of INR0.8b and employee benefit expenses of INR0.8b. Additionally, the bank recognized INR1b in technology-related expenses. Thus, C/I ratio stood at 46.8% in 3QFY26. PPoP grew 16% YoY/6% QoQ to INR 91.2b (7% beat). Provisions came in at INR24.1b (in line, up 2.6% QoQ).
- Loan book grew by a healthy 14.6% YoY/3.8% QoQ, led by robust growth in the retail segment at 31% YoY/8.8% QoQ. Within this, vehicle loans grew 26% YoY/7.4% QoQ. Deposits grew 12.9% YoY/1.4% QoQ to INR15.2t. CASA deposits grew 9.3% YoY/declined 3.7% QoQ. As a result, CASA ratio moderated 117bp QoQ to 29.5%. CD ratio increased to 77.1%.
- Slippages declined to INR18.9b (INR21b in 2QFY26). GNPA/NNPA ratio, thus, improved 27bp/9bp QoQ to 2.08%/0.45%, respectively. PCR improved to 78.6% (up 118bp QoQ).
- Reported credit cost stood at 0.64%. SMA book increased to 0.69% in 3QFY26 from 0.65% in 2QFY26. SMA-1 increased due to the Kaleshwaram irrigation project being classified under SMA-1; however, the bank does not expect this to slip further.

Highlights from the management commentary

- Stage 1 and Stage 3 exposures have a similar impact under ECL. The total transition impact of ECL across Stage 1, 2, and 3 is estimated at INR100b.
- The bank is comfortable with the transition, supported by improving slippage trends. The total SMA book stands at INR356.04b, while the slippage ratio at 0.64% is among the best in the industry.
- NIMs remain lower than peers due to repo rate cuts and the fact that 49% of the loan book is repo-linked. Consequently, yields declined 6bp, while the cost of funds reduced 4bp. With improving CASA and RAM growth, the bank expects to manage NIMs better.
- Slippages during the quarter stood at INR19b, comprising INR7.89b from agriculture, INR7.39b from MSME, and INR2.94b from retail, with no slippages from corporate accounts.

Valuation and view

CBK reported a mixed quarter with net earnings reporting a beat led by stake sale gains of INR19.35b, while margins contracted 5bp QoQ. NII stood in line, and the bank believes that NIM is close to bottoming out. Loan growth was healthy, driven by robust growth in the retail segment, while deposit growth was modest, with the CASA ratio moderating slightly. Asset quality improved, with slippages too witnessing a reduction, leading to a controlled credit cost for the bank. CBK expects the ECL transition impact to be ~INR100b across stages 1,2 and 3. **We fine-tune our earnings estimates and project CBK to deliver FY27E RoA/ RoE of 1.03%/17.8%. Reiterate BUY with a revised TP of INR175 (based on 1.2x Sep'27E ABV+ INR12 for subs).**

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E	FY26E	V/S our
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	`
Net Interest Income	**91.7**	**93.2**	**91.5**	**94.4**	**90.1**	**91.4**	**92.5**	**95.7**	**370.7**	**369.8**	**95.6**	**(3)**
% Change (Y-o-Y)	5.8	4.6	-2.9	-1.4	-1.7	-1.9	1.1	1.4	1.4	-0.3	4.5	
Other Income	53.2	49.8	58.0	63.5	70.6	70.5	79.0	69.5	224.5	289.6	66.8	18
Total Income	**144.9**	**143.0**	**149.5**	**157.9**	**160.7**	**162.0**	**171.5**	**165.2**	**595.2**	**659.4**	**162.4**	**6**
Operating Expenses	68.7	66.4	71.1	75.1	75.2	76.1	80.3	81.2	281.3	312.7	77.4	4
Operating Profit	**76.2**	**76.5**	**78.4**	**82.8**	**85.5**	**85.9**	**91.2**	**84.0**	**313.9**	**346.7**	**84.9**	**7**
% Change (Y-o-Y)	0.2	0.5	15.2	12.1	12.3	12.2	16.4	1.5	6.7	10.4	8.4	
Other Provisions	22.8	22.5	24.0	18.3	23.5	23.5	24.1	23.2	87.6	94.4	24.9	(3)
Profit before Tax	**53.3**	**54.0**	**54.4**	**64.5**	**62.0**	**62.3**	**67.1**	**60.9**	**226.3**	**252.3**	**60.0**	**12**
Tax	14.3	13.9	13.3	14.5	14.5	14.6	15.5	15.4	56.0	60.0	15.3	2
Net Profit	**39.1**	**40.1**	**41.0**	**50.0**	**47.5**	**47.7**	**51.6**	**45.4**	**170.3**	**192.3**	**44.8**	**15**
% Change (Y-o-Y)	10.5	11.3	12.3	33.1	21.7	18.9	25.6	-9.2	17.0	12.9	9.1	
Operating Parameters												
Deposit (INR b)	13,352	13,473	13,469	14,569	14,677	15,003	15,213	15,909	14,569	15,909	15,562	
Loan ((INR b)	9,464	9,840	10,237	10,492	10,736	11,301	11,728	11,918	10,492	11,918	11,541	
Deposit Growth (%)	12.0	9.3	6.6	11.0	9.9	11.4	12.9	9.2	11.0	9.2	13.6	
Loan Growth (%)	10.7	10.3	11.2	12.6	13.4	14.8	14.6	13.6	12.6	13.6	12.7	
Asset Quality												
Gross NPA (%)	4.1	3.7	3.3	2.9	2.7	2.5	2.1	2.0	2.9	2.0	2.3	
Net NPA (%)	1.2	1.0	0.9	0.7	0.6	0.6	0.5	0.4	0.7	0.4	0.5	
PCR (%)	71.0	74.1	74.1	76.7	77.1	77.4	78.6	78.4	76.6	78.4	77.2	

E: MOFSL Estimates

Lodha Developers

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	LODHA IN
Equity Shares (m)	998
M.Cap.(INRb)/(USDb)	950.3 / 10.3
52-Week Range (INR)	1534 / 864
1, 6, 12 Rel. Per (%)	-9/-26/-26
12M Avg Val (INR M)	1859

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	174.2	192.2	194.9
EBITDA	49.6	54.8	55.6
EBITDA Margin (%)	28.5	28.5	28.5
PAT	34.3	37.7	39.6
EPS (INR)	34.4	37.8	39.7
EPS Gr. (%)	24.3	9.9	5.1
BV/Sh. (INR)	232.4	266.0	301.5
Ratios			
RoE (%)	15.8	15.2	14.0
RoCE (%)	14.0	13.8	13.1
Payout (%)	12.4	11.2	10.7
Valuations			
P/E (x)	27.6	25.1	23.9
P/BV (x)	4.1	3.6	3.2
EV/EBITDA (x)	19.9	17.4	16.9
Div yld (%)	0.4	0.4	0.4

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	71.9	71.9	72.0
DII	3.2	2.7	2.6
FII	23.5	24.1	24.5
Others	1.5	1.3	0.9

CMP: INR951 TP: INR1,335 (+41%) Buy

Launches set to gain momentum in 4QFY26

Achieves 235% of the guided FY26 BD in 9MFY26

- In 3QFY26, Lodha Developers' (LODHA) presales rose 25%/23% YoY/QoQ to INR56.2b (9% below estimates). In 9MFY26, they rose 14% YoY to INR146.4b.
- The company launched 1.9msf of area with INR96b of GDV worth of projects.
- Collections declined 17% YoY to INR35.6b (33% below estimates) due to one-off inflows from large land and office sales that occurred in the same period last year, while showing a 2% sequential increase. In 9MFY26, collections dipped 1% YoY to INR99.3b.
- The company has initiated its pilot entry into the NCR through two JDA projects in Gurugram with a combined GDV of INR36b, reflecting a risk-calibrated capital deployment strategy. The move marks its entry into India's second-largest housing market, which remains fragmented with limited presence of trusted developers, and enables LODHA to address nearly 80% of housing demand across the top seven cities.
- Five new projects in MMR, NCR, and Bengaluru with a GDV of INR338b were added in 3QFY26. This led to a total GDV of INR588b (11 projects) acquired by the company in 9MFY26, thus surpassing guidance by 2.4x.
- Net debt increased ~INR8b to INR61.7b in 3QFY26, but remained below the ceiling of 0.5x net Debt/Equity.
- **P&L performance:** LODHA reported revenue of INR46.7b, +14%/+23% YoY/QoQ (8% below estimates). In 9MFY26, it reported INR119.6b in revenue, up 25% YoY.
- EBITDA (excl. other income) rose 8% YoY/28% QoQ to INR14.2b (in line with our estimates). Reported EBITDA margin stood at 30.3%. According to management, the embedded EBITDA margin for presales stood at ~32% in 3Q. Adjusted EBITDA (excluding interest charge-off and capitalized interest) stood at INR14.9b, at a margin of 31.9%. In 9MFY26, EBITDA stood at INR35.1b, up 27% YoY with a margin of 29%. The embedded EBITDA margin for presales stood at ~33%. Adjusted EBITDA (excluding interest charge-off and capitalized interest) stood at INR40b, at a margin of 33%.
- Reported PAT came in at INR9.6b, up 1% YoY and 21% QoQ (7% below estimates), while adjusted PAT came in at INR9.6b, up 2% YoY with a 22% margin. In 9MFY26, reported and adjusted PAT rose 31%/32% YoY to INR24.2b/INR24.3b, respectively, with a 20% adjusted PAT margin.

Key highlights from the management commentary

- Demand remains strong with steady conversions and improving price traction, while non-launch sales continue to anchor near-term performance. Weekly sales are targeted to scale up materially by end-FY26, supported by a healthy launch mix and rising contribution from the premium and luxury segments.

- Launch execution remains robust across MMR, Pune, Bangalore, and upcoming NCR projects, with newer geographies transitioning from pilot to growth phases. Townships, data centers, and digital infrastructure are emerging as meaningful medium-term drivers, aided by improving connectivity and strong anchor tenant interest.
- The annuity portfolio is scaling steadily, with rental income targeted to reach INR5b by end-FY26 and INR15b over the longer term, improving balance sheet visibility. Leasing momentum, data-center scale-up, and disciplined capital allocation are positioning the company to progress toward a net debt-free profile.

Valuation and view

- The company has delivered steady performance across its key parameters, and as it prepares to capitalize on strong growth and consolidation opportunities, we expect this consistency in operational performance to continue.
- At Palava, LODHA has a development potential of 600msf. However, we assume that a portion of this would be monetized through industrial land sales. We value 250msf of residential land to be monetized at INR637b over the next three decades.
- We use a DCF-based method for the ex-Palava residential segment and arrive at a value of ~INR544b, assuming a WACC of 11.1%.
- In the current phase of market-wide valuation compression within the real estate sector, we have rationalized our valuation methodology for LODHA by removing the previously assigned premium to NAV. This is a normalization of valuation rather than any change in fundamentals, which continue to remain strong.
- **Reiterate BUY with a revised TP of INR1,335.**

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	3QE Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3Q Est.	(%/bp)
Gross Sales	**28,465**	**26,257**	**40,830**	**42,243**	**34,917**	**37,985**	**46,725**	**54,547**	**1,37,795**	**1,74,174**	**50,707**	**-8**
YoY Change (%)	76	50	39	5	23	45	14	29	33.6	26.4	24.2	
Total Expenditure	20,897	19,211	27,771	30,036	25,073	26,897	32,574	39,990	97,915	1,24,534	36,256	
EBITDA	**7,568**	**7,046**	**13,059**	**12,207**	**9,844**	**11,088**	**14,151**	**14,556**	**39,880**	**49,639**	**14,452**	**-2**
Margins (%)	26.6	26.8	32.0	28.9	28.2	29.2	30.3	26.7	28.9	28.5	28.5	
Adj. EBITDA (as per co.)	**9,600**	**9,600**	**15,900**	**14,600**	**12,000**	**13,100**	**14,900**	**9,639**	**49,700**	**52,100**	**14,452**	**3**
Margins (%)	33.7	36.6	38.9	34.6	34.4	34.5	31.9	17.7	36.1	29.9	28.5	
Depreciation	604	665	672	778	659	714	975	868	2,719	3,216	901	
Interest	1,172	1,365	1,441	1,517	1,478	1,565	1,850	1,701	5,495	6,594	1,581	
Other Income	718	589	636	1,960	1,330	804	1,029	1,148	3,903	4,311	1,196	
PBT before EO expense	**6,510**	**5,605**	**11,582**	**11,872**	**9,037**	**9,613**	**12,355**	**13,135**	**35,569**	**44,140**	**13,167**	**-6**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**6,510**	**5,605**	**11,582**	**11,872**	**9,037**	**9,613**	**12,355**	**13,135**	**35,569**	**44,140**	**13,167**	**-6**
Tax	1,747	1,368	2,137	2,637	2,284	1,710	2,854	2,942	7,889	9,790	2,920	
Rate (%)	26.8	24.4	18.5	22.2	25.3	17.8	23.1	22.4	0.2	0.2	22.2	
Minority Interest & Profit/Loss of Asso. Cos.	10	8	1	18	6	16	-68	83	37	37	10	
Reported PAT	**4,753**	**4,229**	**9,444**	**9,217**	**6,747**	**7,887**	**9,569**	**10,110**	**27,643**	**34,313**	**10,236**	**-7**
Adj PAT (as per co.)	**4,800**	**4,200**	**9,400**	**9,200**	**6,800**	**7,900**	**9,600**	**10,013**	**27,600**	**34,313**	**10,236**	**-6**
YoY Change (%)	182	100	65	37	42	88	2	9	70.4	24.3	8.9	
Margins (%)	16.9	16.0	23.0	21.8	19.5	20.8	20.5	18.4	20.0	19.7	20.2	**36bp**

E: MOFSL Estimates

Dabur

Estimate changes	⟷
TP change	⟷
Rating change	⟷

Bloomberg	DABUR IN
Equity Shares (m)	1774
M.Cap.(INRb)/(USDb)	905.4 / 9.8
52-Week Range (INR)	577 / 420
1, 6, 12 Rel. Per (%)	6/-4/-11
12M Avg Val (INR M)	1301

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	132.3	143.0	153.2
Sales Gr. (%)	5.3	8.1	7.1
EBITDA	24.9	27.6	30.0
EBITDA mrg. (%)	18.8	19.3	19.6
Adj. PAT	19.1	21.6	23.5
Adj. EPS (INR)	10.8	12.2	13.2
EPS Gr. (%)	6.0	12.8	8.9
BV/Sh.(INR)	65.3	67.1	68.4
Ratios			
RoE (%)	17.1	18.4	19.5
RoCE (%)	15.9	16.9	17.9
Payout (%)	88.2	90.5	94.5
Valuation			
P/E (x)	47.2	41.9	38.5
P/BV (x)	7.8	7.6	7.4
EV/EBITDA (x)	32.8	29.3	26.7
Div. Yield (%)	1.9	2.2	2.5

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	66.2	66.2	66.3
DII	18.4	17.4	14.9
FII	10.1	10.9	13.3
Others	5.3	5.5	5.5

FII Includes depository receipts

CMP: INR510 TP: INR535 (+5%) Neutral

Uninspiring volume delivery; HPC outperforms

- Dabur's (DABUR) 3QFY26 performance was broadly in line with our expectations. Consolidated revenue grew ~6% YoY. India business revenue grew 6% YoY, with volume growth at 3% (est: 5%). Oct witnessed GST transition-led trade disruption, which improved mid-November onwards. Overall, the quarter appeared neutral from the GST destocking and restocking point of view. Compared to other FMCG peers, DABUR's volume growth performance was slightly weaker. Rural continued to grow ahead of urban, while the gap narrowed from 600bp (last year) to 300bp, led by a recovery in urban. That said, DABUR expects 4QFY26 revenue to be in high single digits.
- Home & personal care revenue rose 11%, backed by hair care and oral care. The healthcare portfolio posted ~3% growth. F&B declined 1% YoY. Management expects better performance in beverages in 4Q, aided by improved seasonality and inventory normalization. The international business grew 7.5% YoY in cc terms and 11% in INR terms.
- GM expanded 30bp YoY to 48.4% (inline), and EBITDA margin rose 30bp YoY to 20.6% (inline). RM costs remained inflationary in 3Q. Management expects to take a ~2% weighted average price increase in 4Q, with the benefit flowing into FY27. We build a modest margin expansion and expect EBITDA margin to be ~19.5% for FY27/FY28E.
- In line with trends seen in the past couple of years, DABUR continues to deliver muted sales growth, despite a favorable base. The performance remains impacted by weak demand, GT channel disruption, and unfavorable seasonality. While a part of 3QFY26 was impacted by GST-led disruption, management's commentary of a modest improvement for 4QFY26 and FY27 was uninspiring even on a soft base. DABUR's consistent weak execution despite macros turning positive is concerning, in our view. The stock has remained in a similar range over the last five years. **We reiterate our Neutral rating on the stock with a TP of INR535 (based on 40x Dec'27E EPS).**

In-line performance; HPC's outperformance

- **Revenue continues to grow in mid-single digits:** DABUR's 3QFY26 consolidated sales grew 6% (Est:7.5%) to INR35.6b (est. INR36b). India business revenue grew 6% YoY. India business volume growth stood at 3%. (est. 5%).
- **HPC business grew ~11% YoY:** Hair care grew in double digits, with hair oil growing 19.1%. Toothpastes recorded ~10% growth YoY, leading to oral care growth of high-single digit. Skin care grew in mid-single digit, while Home care grew in low-single digit YoY in 3QFY26.

- **Healthcare portfolio up ~3% YoY:** Health supplements grew 2.7% YoY (3.3% - excl. the impact of discontinued brands – Baby Super Pants and Vedic Tea). Dabur honey reported ~10% growth YoY, while Chyawanprash sales remained muted due to inventory liquidation at the trade level. Digestives and OTC & Ethicals grew in mid-single digit.
- **Foods and beverages declined ~1%:** The culinary portfolio grew in double digits, led by coconut milk, edible oils, and fats. Beverages grew ~5% in 3Q despite winter seasonality. Management expects better performance in the summer season, aided by improved seasonality and inventory normalization. The Badshah business performed well, with domestic growth in high single digit.
- International growth was at 7.5% in CC terms and 11% in INR terms. The growth was led by Turkey, MENA, US, and Bangladesh.
- **Flattish margins:** Gross margin expanded 30bp YoY to 48.4% (est. 48.8%), given inflationary RM prices. Employee expenses rose 5%, ad spends increased 5%, and other expenses rose 8% YoY. EBITDA margin expanded 30bp YoY to 20.6% (est. 20.5%).
- In 9MFY26, net sales, EBITDA, and APAT grew 4%, 5% and 6%, respectively.

Highlights from the management commentary

- Demand trends in India have shown improvement, aided by GST reduction initiatives, although October was disrupted due to GST-related trade disruptions. November saw a partial impact, while improvement was seen in December.
- Rural demand continued to outperform urban demand for the eighth consecutive quarter, with data showing a ~330bp growth gap (vs ~600 bps earlier).
- **In 4Q, revenue growth is expected to be in high single digits (broadly in line with or slightly better than 3Q).**
- **Management expects to take a ~2% weighted average price increase in 4Q, with the benefit flowing into FY27.**
- Management expects growth in FY27 to be more volume-led, supported by easing inflation.

Valuation and view

- We largely maintain our EPS estimates for FY26-FY28E.
- The company has been witnessing muted sales growth over the past two years. After delivering 1.3% growth in FY25, revenue growth improved modestly to 4% in 9MFY26. Management is guiding for high-single-digit growth in 4QFY26 with a gradual improvement in FY27.
- We remain positive on consumption recovery, supported by improving macros. However, DABUR's consistent weak execution despite macros turning positive is concerning, in our view. The stock has remained in a similar range over the last five years. **We reiterate our Neutral rating on the stock with a TP of INR535 (based on 40x Dec'27E EPS).**

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY25				FY26				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Domestic FMCG vol. growth (%)	**5.2**	**-7.0**	**1.2**	**-5.0**	**-1.0**	**2.0**	**3.0**	**14.0**	**-1.4**	**4.5**	**5.0**	
Net sales	**33,491**	**30,286**	**33,553**	**28,301**	**34,046**	**31,913**	**35,587**	**30,759**	**1,25,631**	**1,32,305**	**36,057**	**-1.3%**
YoY change (%)	7.0	-5.5	3.1	0.6	1.7	5.4	6.1	8.7	1.3	5.3	7.5	
Gross profit	**16,005**	**14,943**	**16,124**	**13,211**	**16,013**	**15,778**	**17,218**	**14,498**	**60,282**	**63,506**	**17,596**	**-2.2%**
Margin (%)	47.8	49.3	48.1	46.7	47.0	49.4	48.4	47.1	48.0	48.0	48.8	
EBITDA	**6,550**	**5,526**	**6,819**	**4,269**	**6,678**	**5,881**	**7,341**	**4,973**	**23,163**	**24,873**	**7,392**	**-0.7%**
Margins (%)	19.6	18.2	20.3	15.1	19.6	18.4	20.6	16.2	18.4	18.8	20.5	
YoY growth (%)	8.3	-16.4	2.1	-8.6	2.0	6.4	7.7	16.5	-3.5	7.4	8.4	
Depreciation	1,091	1,110	1,086	1,169	1,141	1,154	1,172	1,194	4,456	4,661	1,194	
Interest	327	474	442	393	346	397	311	421	1,635	1,475	375	
Other income	1,294	1,515	1,280	1,412	1,440	1,401	1,406	1,456	5,501	5,703	1,400	
PBT	**6,427**	**5,457**	**6,571**	**4,119**	**6,630**	**5,731**	**7,265**	**4,814**	**22,573**	**24,440**	**7,223**	**0.6%**
Tax	1,481	1,284	1,418	992	1,543	1,282	1,575	1,587	5,175	5,987	1,769	
Rate (%)	23.0	23.5	21.6	24.1	23.3	22.4	21.7	33.0	22.9	24.5	24.5	
Adjusted PAT	**5,084**	**4,333**	**5,306**	**3,284**	**5,222**	**4,608**	**5,795**	**3,448**	**18,006**	**19,110**	**5,615**	**3.2%**
YoY change (%)	7.7	-17.2	1.6	-8.2	2.7	6.4	9.2	5.0	-4.0	6.1	5.8	

E: MOFSL Estimates

Swiggy

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	SWIGGY IN
Equity Shares (m)	2494
M.Cap.(INRb)/(USDb)	904.4 / 9.8
52-Week Range (INR)	474 / 297
1, 6, 12 Rel. Per (%)	-15/-23/-33
12M Avg Val (INR M)	5633

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
GOV	345.9	405.7	473.6
Net Sales	229.4	282.9	348.6
Change (%)	50.7	23.3	23.2
EBITDA	-33.5	-19.2	4.9
EBITDA margin (%)	-14.6	-6.8	1.4
Adj. PAT	-43.7	-26.1	-4.0
PAT margin (%)	-19.0	-9.2	-1.2
RoE (%)	-32.25	-16.30	-2.67
RoCE (%)	-30.16	-16.72	-4.55
EPS	-17.10	-10.22	-1.58
EV/ Sales	3.1	2.6	2.1
Price/ Book	5.0	5.5	5.5

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	0.0	0.0	0.0
DII	22.5	16.0	7.8
FII	22.0	19.1	6.2
Others	55.5	64.9	86.1

FII includes depository receipts

CMP: INR328 TP: INR440 (+34%) Buy

Divergent approach amid intense competition

Measured MTU addition might hamper QC GOV growth

- Swiggy delivered a revenue of INR61.5b in 3QFY26 (up 54.6% YoY) vs. our estimate of INR57.7b. The food delivery (FD) business's GOV grew 20.5% YoY, whereas the contribution margin (CM) remained improved 30bp QoQ at 7.6%. FD's adj. EBITDA as a % of GOV margin improved 20bp QoQ to 3.0% vs. our est. of 2.9%.
- Instamart's GOV was INR79.3b (up 103% YoY) vs. our estimate of INR80.4b. The contribution margin expanded 9bp QoQ to -2.5%. Adjusted EBITDA as a % of GOV was -11.4% (-12.1% in 2Q), below our estimate of -9.9%.
- Overall, Swiggy's net loss increased 31% YoY to INR10.5b.
- For 9MFY26, its revenue/adj. EBITDA loss grew 54%/88% YoY. For 4QFY26, we expect its revenue to grow 42**%**, while the adjusted EBITDA loss is likely to **decline 22% YoY.** We value the FD business at 35x FY27E EV/EBITDA and QC using DCF. We reiterate our **BUY rating with a TP of INR440, implying a potential upside of 34%.**

Our view: CM breakeven contingent on competitive intensity

- **Competitive intensity a key overhang:** The quick commerce industry continues to see aggressive discounting and incentive-led irrational competition. While Swiggy has consciously stayed away from very low-AOV, discount-led orders, this has moderated order growth. MTU growth in the quarter was modest at ~5.5% QoQ, supported by marketing and assortment expansion. We have also moderated our MTU growth assumptions going forward, as customer switching remains high and user additions across the industry continue to be driven by short-term incentives. We believe this could cap near-term GOV growth. We are expecting GOV growth of 78%/66% YoY in 4QFY26/1QFY27.
- **Contribution margin trajectory intact, though timing uncertain:** Management continues to guide to contribution breakeven in quick commerce by 1QFY27, supported by AOV expansion, advertising growth, and operating leverage on an under-utilized network. While these drivers remain in place, the timing of breakeven remains contingent on competitive actions, particularly around discounting and fee waivers. Accordingly, we have conservatively built in a contribution margin breakeven in 2QFY27, factoring in continued competitive pressure over the next few quarters.
- **Food delivery GOV growth encouraging, margins holding up:** Food Delivery GOV grew ~20% YoY, with a steady recovery in order growth through FY26 and continued MTU additions driven by new propositions and cross-usage from other verticals. While take-rates were impacted by Swiggy One expansion, contribution margins improved sequentially on the back of better fleet utilization, AOV expansion, and operating leverage. We see Food Delivery as a stabilizing business in the overall portfolio, with no material structural concerns at this stage.

- **Valuations offer comfort despite near-term risks:** Despite the ongoing competitive intensity, we believe Swiggy's valuation offers relative comfort. Our implied EV/GMV multiple of ~0.4x FY27E for quick commerce represents a ~60% discount to Eternal's ~1.1x. We expect this valuation gap to narrow over time as Swiggy demonstrates sustained improvement in unit economics and cash burn reduction. However, rising competition could push out industry-wide profitability, with Swiggy facing the risk of slower GOV growth. We therefore cut our earnings estimates by ~10-20% for FY27–28E to reflect this risk.

Valuation and view

- We believe near-term growth in quick commerce could be lower for Instamart due to aggressive competition, but improving unit economics through higher AOVs, better store utilization, and controlled reinvestment provides visibility on gradual margin improvement.
- At this level, Swiggy's valuation offers support despite elevated competitive intensity. Steady improvements in AOV, dark store throughput, alongside stable Food Delivery growth, could help narrow the valuation gap with peers over time, subject to a more rational competitive environment.
- We value the FD business at 35x FY27E EV/EBITDA and QC using DCF. **We reiterate our BUY rating with a TP of INR440, implying a potential upside of 34%.**

Beat on FD GOV growth, but miss on Instamart's adj. EBITDA margin

- Swiggy reported a 3QFY26 net revenue of INR61.5b (+10.9%/54.6% QoQ/YoY). vs our estimate of INR 57b.
- Food delivery GOV stood at INR89.5b (up 4.8%/20.5% QoQ/YoY) vs our estimate of INR 86.2b.
- Instamart GOV came in at INR79.3b (up 103% YoY) vs our estimate of INR80.4b. Dark store rollouts with 34 new active Dark stores in 3Q.
- For food delivery, adjusted EBITDA as a % of GOV margin was up 20bp QoQ at 3.0% vs. our estimate of 2.9%.
- Instamart adjusted EBITDA as a % of GOV was -11.4% (-12.1% in 2Q) vs. our estimate of -9.9%.
- Consol. Adj. EBITDA came in at negative INR7.1b.
- Instamart posted a contribution margin of -2.5% (-2.6% in 2Q) vs. our est. of -1.4%.
- Swiggy reported a net loss of INR10.5b (est. INR8.9b), an increase of 31% YoY.

Key highlights from the management commentary

- **Food Delivery (FD):** During the quarter, while advertising continued to grow healthily during the festive season, the overall take-rate dipped due to a significant expansion in the subscriber base of the horizontal program Swiggy One. This reduced overall consumer fees and improved affordability.
- The company maintains its Adjusted EBITDA margin guidance of 4.5–5% of GOV and intends to make steady progress towards it through a combination of contribution margin expansion and operating leverage.
- AOV continues to inch up, as premiumization and inflation more than offset affordability initiatives.
- Bolt and 99-store together now account for well over a fifth of Food Delivery platform volumes.

- The company maintains its guidance of 18–20% YoY GOV growth in Food Delivery.
- Management noted increasing confidence in momentum and indicated a bias towards the upper end of the guidance range, subject to one more quarter of observation.
- **QC:** The network is currently underutilized and has sufficient capacity to support over 2x current GOV, along with further assortment expansion for the current addressable market.
- Order growth in recent quarters was impacted by Maxxsaver-led cannibalization (larger carts replacing smaller ones) and the deliberate weaning away from low-AOV orders. This effect was amplified in Q3 due to competitive actions that the company chose not to participate in.
- Management views growth and contribution margin as separate paths. Growth has been impacted by market irrationality, which has affected all players and has already been factored into contribution margin guidance.
- Over the next two quarters, management expects to deliver ~250 bps improvement in contribution margin through structural reversals and disciplined investment choices.
- Management indicated that current investment levels represent the peak, with a gradual reduction expected alongside operating leverage benefits.

Valuation and view

- We believe near-term growth in quick commerce could be lower for Instamart due to aggressive competition, but improving unit economics through higher AOVs, better store utilization, and controlled reinvestment provides visibility on gradual margin improvement.
- At this level, Swiggy’s valuation offers support despite elevated competitive intensity. Steady improvements in AOV, dark store throughput, alongside stable Food Delivery growth, could help narrow the valuation gap with peers over time, subject to a more rational competitive environment.
- We value the FD business at 35x FY27E EV/EBITDA and QC using DCF. **We reiterate our BUY rating with a TP of INR440, implying a potential upside of 34%.**

Consolidated - Quarterly Earnings Model (INR m)

Y/E march	FY25				FY26E				FY25	FY26	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QFY26	(% / bp)
Revenue (net of delivery)	**32,222**	**36,015**	**39,931**	**44,100**	**49,620**	**55,610**	**61,480**	**62,666**	**1,52,268**	**2,29,416**	**57,774**	**6.4**
YoY Change (%)	34.8	30.3	31.0	44.8	54.0	54.4	54.0	42.1	35.4	50.7	44.7	930bp
Inventory of traded goods	11,954	13,874	15,650	18,538	20,640	23,420	27,460	28,970	60,015	1,00,490	24,943	10.1
Employee Expenses	5,892	6,073	6,568	6,956	6,860	6,900	6,730	7,330	25,489	27,820	7,016	-4.1
Delivery expenses	10,460	10,949	11,269	11,614	13,130	14,260	15,330	18,240	44,292	60,960	17,747	-13.6
Gross Profit	**3,916**	**5,119**	**6,444**	**6,992**	**8,990**	**11,030**	**11,960**	**8,127**	**22,472**	**40,107**	**8,068**	**48.2**
Margins (%)	12.2	14.2	16.1	15.9	18.1	19.8	19.5	13.0	14.8	17.5	14	550bp
Advertisement and sales promotion	4,454	5,371	7,515	9,777	10,360	10,390	11,080	10,258	27,117	42,088	9,668	14.6
Others	4,905	5,290	6,185	6,833	8,160	8,620	8,700	6,068	23,213	31,548	6,403	35.9
EBITDA	**-5,442**	**-5,542**	**-7,257**	**-9,618**	**-9,530**	**-7,980**	**-7,820**	**-8,199**	**-27,858**	**-33,529**	**-8,002**	**NA**
Margins (%)	-16.9	-15.4	-18.2	-21.8	-19.2	-14.3	-12.7	-13.1	-18.3	-14.6	-13.9	110bp
Depreciation	1,217	1,309	1,540	2,057	2,880	3,040	3,130	2,507	6,123	11,557	2,022	54.8
Interest	198	231	256	322	410	480	550	450	1,006	1,890	200	175.0
Other Income	879	848	1,028	1,207	870	590	960	960	3,962	3,380	1,300	-26.2
PBT before EO expense	**-5,978**	**-6,233**	**-8,024**	**-10,790**	**-11,950**	**-10,910**	**-10,540**	**-10,196**	**-31,025**	**-43,596**	**-8,924**	**NA**
Tax	0	0	0	0	0	0	0	0	0	0	0	NA
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	NA	0.0	0bp
Adj PAT	**-5,978**	**-6,233**	**-8,024**	**-10,790**	**-11,950**	**-10,910**	**-10,540**	**-10,196**	**-31,025**	**-43,596**	**-8,924**	**NA**
Extra-Ord expense	132	21	-35	0	0	0	100	0	118	100	0	
Minority Interest & Profit/Loss of Asso. Cos.	1	1	1	22	10	10	10	0	26	30	0	
Reported PAT	**-6,111**	**-6,255**	**-7,991**	**-10,812**	**-11,960**	**-10,920**	**-10,650**	**-10,196**	**-31,169**	**-43,726**	**-8,924**	**19.3**
YoY Change (%)	NA	NA	NA	NA	NA	NA	NA	NA	33%	40%	NA	NA
Margins (%)	-19.0	-17.4	-20.0	-24.5	-24.1	-19.6	-17.3	-16.3	-20.5	-19.1	-15.4	NA

29 January 2026

Company Update | Healthcare

Aurobindo Pharma

BSE SENSEX	S&P CNX
82,566	25,419

AUROBINDO

Stock Info

Bloomberg	ARBP IN
Equity Shares (m)	581
M.Cap.(INRb)/(USDb)	668.3 / 7.3
52-Week Range (INR)	1279 / 994
1, 6, 12 Rel. Per (%)	-2/-3/-10
12M Avg Val (INR M)	1379
Free float (%)	48.2

Financials Snapshot (INR b)

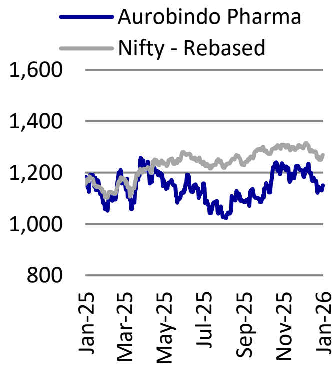
Y/E MARCH	FY26E	FY27E	FY28E
Sales	326.5	366.2	408.0
EBITDA	69.6	80.2	90.6
Adj. PAT	36.0	45.1	52.6
EBIT Margin (%)	15.9	16.7	17.3
Cons. Adj. EPS (INR)	61.9	77.7	90.6
EPS Gr. (%)	1.5	25.4	16.6
BV/Sh. (INR)	620.2	693.8	778.4
Ratios			
Net D:E	-0.1	-0.2	-0.2
RoE (%)	10.5	11.8	12.3
RoCE (%)	9.3	10.8	11.5
Payout (%)	6.5	5.2	6.6
Valuations			
P/E (x)	18.6	14.8	12.7
EV/EBITDA (x)	9.3	7.6	6.4
Div. Yield (%)	0.3	0.3	0.5
FCF Yield (%)	3.6	5.4	4.6
EV/Sales (x)	2.0	1.7	1.4

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	51.8	51.8	51.8
DII	27.7	27.6	25.2
FII	13.9	14.2	16.3
Others	6.6	6.4	6.7

FII Includes depository receipts

Stock Performance (1-year)



CMP: INR1,151 TP: INR1,430 (+24%) Buy

Pen-G policy tailwind kicks in

INR5.5b–6.6b EBITDA upside over the next 12 months

- **Minimum import duties on Pen-g, 6-APA, and amoxicillin sales are expected to boost Aurobindo Pharma's (ARBP) overall performance over the next one year.**
- **We build in an INR5.5b-INR6.6b EBITDA, including PLI income, from this project over the next 12M.**
- **ARBP is implementing multiple growth drivers by building a product pipeline for developed markets as well as capacities across the manufacturing value chain. It has the highest ANDA filings for the US market in the India-listed space. While the goal is to have compliance in place for successful product approvals across sites, the resolution of regulatory issues at Eugia – III remains the key for injectable launches.**
- **Overall, we expect a 21% earnings CAGR over FY26-28 on the back of: a) biosimilars/EU prospects, and b) benefits from PLI-led PENG-project and the integration of Lannett. We value ARBP at 16x 12M forward earnings to arrive at a TP of INR1,430. Reiterate BUY.**

Minimum import price on PEN-G, 6-APA, and Amoxicillin salts

- Based on a recent notification from the Director General of Foreign Trade (DGFT), imports of Penicillin-g for domestic consumption are restricted at values less than INR2,216 (USD24) per kg for the next one year.
- Similarly, imports of 6-APA for domestic consumption are restricted at values less than INR3,405 (USD37) per kg. Amoxicillin sales are also restricted at values less than INR2,733 (USD29.7) per kg.
- This policy was long-awaited to protect domestic antibiotic makers from international companies supplying at much lower prices. Pen-G serves as the backbone for widely-used antibiotics, such as Amoxicillin and Ampicillin, which are critical to India's primary healthcare system. The dependence was entirely on imports for these fermentation-based inputs.

Advantage ARBP

- ARBP participated in the PLI scheme launched by the government of India in 2020. The company invested INR35b in a large-scale penicillin manufacturing complex in Kakinada, with reported allocations of INR27b for Pen-G and INR8b for 6-APA.
- ARBP commenced commercial Pen-G operations in Jul'25 after receiving regulatory approvals; the ramp-up is progressing as planned, with anticipation of meaningful profitability.
- Facility capacities stand at 15,000MT p.a. for Pen-G and 5,400MT for 6-APA. Of the planned 15,000MT of Pen-G output, 3,000MT is earmarked for domestic sales, while 12,000MT will be converted into ~6,000MT of 6-APA used in antibiotics such as amoxicillin, ampicillin, piperacillin, sulbactam, and tazobactam.
- The domestic demand for PEN-G equivalent is 12000-13000TPA. The entire demand of 6-APA of about 4000 TPA is met from imports, and ARBP can fulfill the entire domestic demand. The domestic demand for Amoxicillin salts is 4000TPA.

- The minimum import duty on these products and the availability of manufacturing capacity would not only enable domestic sales but also drive better economic viability on investment in this PLI project.

Valuation and view

- The implementation of the minimum import price provides an overall benefit of INR5.5b-INR6.6b, comprising economies of scale and production-linked income from the government of India. In addition, the import of 6-APA is expected to shift to domestic production to a great extent, paving the way for 'Atma-nirbhar Bharat'.
- Based on new approvals and market share gains in the US market, superior execution in EU markets, and the implementation of the PEN-G project under the PLI scheme, we expect a 9%/14%/21% CAGR in revenue/EBITDA/PAT over FY26-28. We value ARBP at 16x 12M forward earnings to arrive at a TP of INR1,430. Reiterate BUY.

Valuation snapshot

Company	Reco	MCap	EPS (INR)			EPS Growth YoY (%)			P/E (x)			EV/EBITDA (x)			ROE (%)		
		(USD b)	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Ajanta Pharma	Buy	3.7	83.0	99.7	111.7	11.1	20.0	12.1	32.5	27.0	24.1	23.6	19.7	18.7	24.9	24.8	23.2
Alembic Pharma	Neutral	1.6	36.2	44.9	53.7	24.1	24.1	19.7	21.1	17.0	14.2	13.2	11.0	9.1	12.8	14.2	14.9
Alkem Lab	Neutral	7.4	197.0	185.8	207.3	8.8	-5.7	11.6	29.0	30.7	27.5	25.5	21.9	20.1	18.4	15.5	15.6
Aurobindo Pharma	Buy	7.3	61.9	77.7	90.6	1.5	25.4	16.6	18.6	14.8	12.7	9.3	7.6	6.4	10.5	11.8	12.3
Biocon	Buy	5.4	3.0	7.1	9.4	97.4	139.4	32.4	123.4	51.5	38.9	18.7	15.0	12.7	2.2	5.1	6.4
Cipla	Neutral	11.7	54.0	53.6	61.6	-14.0	-0.7	14.9	24.5	24.6	21.4	16.9	16.4	13.7	12.4	11.1	11.5
Divi's Lab.	Neutral	17.9	91.1	114.9	137.0	12.2	26.1	19.3	66.3	52.6	44.1	47.9	38.6	32.0	15.3	17.2	18.1
Dr Reddy's Labs	Neutral	11.1	66.2	66.1	68.5	-1.7	-0.1	3.7	18.3	18.3	17.6	11.8	10.1	9.1	15.2	13.4	12.3
ERIS Lifescience	Neutral	2.0	36.0	50.8	61.1	40.4	41.3	20.2	37.3	26.4	22.0	17.3	14.3	12.2	16.1	19.5	19.6
Gland Pharma	Buy	3.0	57.5	71.4	83.3	35.7	24.1	16.6	31.3	25.2	21.6	16.7	13.6	11.4	9.9	11.0	11.5
Glenmark Pharma.	Buy	6.1	19.1	77.5	87.4	-60.0	305	12.8	104.0	25.7	22.7	38.7	16.1	13.9	5.9	21.2	19.7
Glaxosmit Pharma	Neutral	4.5	61.3	70.6	79.8	13.7	15.1	13.1	38.5	33.5	29.6	29.4	25.3	21.7	41.2	36.8	32.7
Granules India	Buy	1.5	23.9	32.0	39.0	23.8	34.2	21.7	24.0	17.9	14.7	12.8	10.3	8.6	14.8	17.1	17.6
Ipca Labs.	Buy	4.0	42.8	52.0	61.6	19.1	21.4	18.5	34.6	28.5	24.1	19.8	16.3	13.5	14.7	15.7	16.2
Laurus Labs	Buy	5.9	15.9	17.8	21.3	174.1	11.9	19.8	61.1	54.6	45.5	31.8	28.1	24.2	17.3	16.8	17.4
Lupin	Neutral	10.5	102.9	100.1	102.6	43.0	-2.7	2.5	20.7	21.3	20.8	12.8	12.7	11.8	23.4	18.3	15.9
Mankind Pharma	Buy	9.5	45.6	59.3	72.1	-8.8	30.0	21.5	46.1	35.4	29.2	25.9	21.1	17.8	12.5	14.6	15.8
Piramal Pharma	Buy	2.2	-1.5	1.0	2.8	PL	LP	169.6	NM	147.5	54.7	26.3	19.7	16.1	-2.5	1.7	4.5
Rubicon Research	Buy	1.2	13.6	18.3	24.6	66.8	35	33.9	49.8	37.0	27.6	29.4	23.3	18.1	25.6	22.5	24.4
Sun Pharma	Buy	42.0	49.2	57.5	64.7	4.4	16.8	12.6	32.3	27.7	24.5	22.0	18.6	15.9	15.4	16.0	15.8
Torrent Pharma.	Neutral	14.6	69.4	83.8	103.2	20.2	20.7	23.2	56.5	46.8	38.0	31.9	27.1	22.5	28.2	28.4	29.1
Zydus Lifesciences	Neutral	9.8	44.6	44.7	48.9	-3.0	0.0	9.4	19.9	19.9	18.2	12.8	12.4	11.2	17.1	14.8	14.2

29 January 2026

3QFY26 Results Update | Sector: Capital Goods

Dixon Technologies

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	DIXON IN
Equity Shares (m)	61
M.Cap.(INRb)/(USDb)	627.3 / 6.8
52-Week Range (INR)	18472 / 9990
1,6,12 Rel. Per (%)	-11/-41/-39
12M Avg Val (INR M)	6268

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	498.7	759.6	877.1
EBITDA	19.3	26.8	37.5
EBITDA Margin (%)	3.9	3.5	4.3
PAT	8.9	11.4	17.6
EPS (INR)	148.3	189.5	292.2
EPS Growth (%)	26.5	27.8	54.2
BV/Share (INR)	614.5	794.0	1,075.3
Ratios			
Net D/E	-0.2	-0.2	-0.4
RoE (%)	26.6	26.9	31.3
RoCE (%)	34.5	38.2	42.1
Payout (%)	7.3	5.3	3.8
Valuations			
P/E (x)	69.7	54.6	35.4
P/BV (x)	16.8	13.0	9.6
EV/EBITDA (x)	32.2	23.1	16.1
Div Yield (%)	0.1	0.1	0.1

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	28.8	28.9	32.4
DII	29.1	28.9	22.6
FII	18.7	20.7	23.2
Others	23.4	21.5	21.7

FII includes depository receipts

CMP: INR10,337 TP: INR16,700 (+62%) Buy

Uncertain times

- **Dixon's 3QFY26 revenue/EBITDA came in line with our estimates, though the quarter's performance was impacted by weak demand in the smartphone industry due to challenges related to higher memory prices and channel inventory. Issues related to higher memory prices are likely to persist for another few quarters, which could weigh on mobile volumes in the upcoming quarters. The company's efforts on backward integration are progressing in line with schedule and it has also received ECMS approval for camera module and electro transceivers. Approval for Vivo JV has seen delays and the company is hopeful of getting these approvals during this quarter. Considering the current weakness in smartphone volumes and expectations of lower margins in FY27, we cut our estimates by 23%/9% for FY27/FY28 and arrive at a revised TP of INR16,700, based on 2-year forward DCF, implying a target P/E multiple of 55x. Retain BUY as the stock price correction of nearly 46% from the high bakes in these uncertainties.**

In-line revenue and EBITDA, beat on PAT

During 3QFY26, Dixon reported in-line revenue and EBITDA, while PAT beat our estimates. Consolidated revenue grew 2% YoY to INR106.7b. Absolute EBITDA grew by 6% YoY to INR4.1b (in line), while margins expanded 20bp YoY to 3.9% (est. 3.8%). Adj. PAT rose 6% YoY to INR1.8b (12% beat). After including the fair value gain on Dixon's stake in Aditya Infotech and gain on the transfer of its lighting business undertaking, reported PAT stood at INR2.9b, up 68% YoY. For 9MFY26, revenue/EBITDA/PAT grew 34%/37%/26% and margin expanded 10bp YoY to 3.8%. Among segments, mobile demand remained subdued due to an increase in memory prices; consumer electronics demand moderated due to post-Diwali seasonality; and home appliances grew 13% YoY.

Mobile demand affected by higher memory pricing

The mobile segment continued to face demand-related headwinds during the quarter, largely driven by elevated memory prices, inventory correction at the brand level, and affordability pressures in the low and mid-end smartphone segments. Revenue increased 5% YoY to INR97.5b in 3Q, EBITDA grew 9% YoY to INR3.5b, and margin expanded 10bp YoY to 3.6%. Smartphone volumes stood at ~6.9m units in 3Q and ~27m units in 9MFY26, while 4Q volumes are expected to be in the range of 7.0-7.5m. Motorola remained a key export customer, with mobile exports at INR40-45b in 9MFY26, which is expected to rise to INR55-60b for the full year. Ismartu contributed exports of 1.2-1.5m units. The Longcheer JV has received PN3 approval, with the formal agreement expected to be signed by mid-Feb'26 and an initial capacity of ~18m units targeted once the facility becomes operational in 2QFY27. The Vivo JV approval remains pending but is at an advanced stage, with operations expected to commence 45-60 days after approval, implying some timing risk to early FY27. While input cost inflation remains a pass-through for the company, higher BOM costs and supply tightness are creating demand uncertainty, limiting volume visibility until memory prices

Telecom and IT hardware scaling up well

Within the broader EMS portfolio, Dixon continues to scale up its IT hardware and telecom operations. The Chennai facility has stabilized production of laptops and AIOs for HP and Asus, with desktop manufacturing set to begin in 4QFY26. Discussions are underway to add tablets, servers, and memory/SSD manufacturing through the Inventec JV to deepen localization and support margins. In telecom, demand remained healthy across routers and set-top boxes, alongside the commencement of manufacturing of complex microwave backhaul radios for a US customer, marking a move up the value chain beyond CPE devices. Management has guided for IT hardware revenue of ~INR15b in FY26, which will be ramped up to INR35b-40b in FY27 on the back of a strong order book. Telecom revenue is expected to be around INR52b in FY26, supported by increasing localization of mechanicals, plastics, and adapters.

Consumer electronics and home appliances to provide stability beyond mobile

Outside mobile, consumer electronics saw temporary softness due to post-festive seasonality and elevated channel inventories, while the company remained focused on premium large-screen and smart TV models. In refrigerators, 3Q was seasonally weak amid the transition to new energy efficiency norms, though Dixon expanded its portfolio with 50L and 100L models, introduced a 170-litre low-cost refrigerator with healthy export and domestic traction, and commenced a 375,000sqft capacity expansion. Washing machines continued to perform well, with margins at 11.5%, supported by full ODM capabilities, while the front-load facility at Tirupati is ready, with mass production expected in 2QFY27. The lighting business delivered strong double-digit growth, led by the Signify JV and market share gains. Demand in consumer electronics and home appliances is expected to recover from 1QFY27 as inventories normalize and new capacities and products ramp up.

Backward integration progressing as planned

Backward integration continues to gain momentum, with Q Tech reporting ~INR4b in revenue in 3QFY26 and operating at ~40m camera module volumes in FY26. Dixon is expanding capacities to ~180-190m units over the next 8-9 months to deepen localization and improve margins. The HKC display module facility has been fully constructed, with initial equipment covering ~2m units per month of mobile displays and ~2m units per annum for notebook and automotive displays already received, with trials targeted in 1QFY27 and mass production in 2QFY27, independent of PN3 approval.

Received ECMS approval for two entities and waiting for more to come

The company had filed for component PLI with an investment commitment of INR30b over three years for displays, camera modules, lithium-ion batteries, SFPs, mechanical enclosures, etc. With this, it would remain focused on backward integration. It has already received ECMS approval for camera module and optical transceiver (SFP). Approvals for display application and optical transceiver, among others, are awaited in upcoming tranches of ECMS approvals.

Financial outlook

We cut our estimates by 23%/9% for FY27/FY28 to factor in the weakness in smartphone volumes and expectations of lower margins in FY27. We thus expect a CAGR of 31%/35%/36% in revenue/EBITDA/PAT over FY25-FY28. We expect EBITDA margin of 3.9%/3.5% for FY26/FY27, while it is expected to increase to 4.3% in FY28 as backward-integration initiatives start factoring in after PLI.

Valuation and view

The stock is currently trading at 54.6x/35.4x P/E on FY27/28E earnings. **We reiterate our BUY rating on the stock with a revised DCF-based TP of INR16,700,** implying a target P/E multiple of 55x. **Retain BUY** as the stock price correction of nearly 46% from the high bakes in these uncertainties.

Key risks and concerns

The key risks to our estimates and recommendations would come from the lower-than-expected growth in the market opportunity, loss of relationships with key clients, increased competition, and limited bargaining power with clients.

Consolidated - Quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Est
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	Var (%)
Gross Sales	**65,798**	**1,15,341**	**1,04,537**	**1,02,925**	**1,28,357**	**1,48,550**	**1,06,716**	**1,15,053**	**3,88,601**	**4,98,676**	**1,07,408**	**-1**
YoY Change (%)	101.1	133.3	117.0	121.0	95.1	28.8	2.1	11.8	119.7	28.3	2.7	
Total Expenditure	63,319	1,11,077	1,00,632	98,498	1,23,533	1,42,937	1,02,571	1,10,319	3,73,525	4,79,360	1,03,332	-1
EBITDA	**2,479**	**4,264**	**3,905**	**4,428**	**4,824**	**5,613**	**4,145**	**4,735**	**15,076**	**19,316**	**4,076**	**2**
YoY Change (%)	88.0	114.4	111.8	142.7	94.6	31.7	6.1	6.9	116.1	28.1	4.4	
Margins (%)	3.8	3.7	3.7	4.3	3.8	3.8	3.9	4.1	3.9	3.9	3.8	
Depreciation	545	660	746	859	927	963	990	1,023	2,810	3,903	936	6
Interest	293	379	409	463	326	384	429	528	1,544	1,667	417	3
Other Income	82	-57	65	113	17	30	60	206	202	313	108	-44
PBT before EO expense	**1,723**	**3,167**	**2,816**	**3,219**	**3,588**	**4,297**	**2,786**	**3,389**	**10,924**	**14,059**	**2,831**	**-2**
Extra-Ord expense	0	2,096	0	2,504	0	4,927	1,253	497	4,600	6,677	0	
PBT	**1,723**	**5,263**	**2,816**	**5,723**	**3,588**	**9,224**	**4,039**	**3,886**	**15,524**	**20,737**	**2,831**	**43**
Tax	400	1,172	689	1,111	855	1,779	911	1,015	3,372	4,560	691	32
Rate (%)	23.2	22.3	24.5	19.4	23.8	19.3	22.6	26.1	21.7	22.0	24.4	
MI & P/L of Asso. Cos.	-14	193	415	604	483	746	255	551	1,197	2,034	510	-50
Reported PAT	**1,337**	**3,899**	**1,712**	**4,008**	**2,250**	**6,700**	**2,873**	**2,320**	**10,955**	**14,142**	**1,631**	**76**
Adj PAT	**1,337**	**2,143**	**1,712**	**1,845**	**2,250**	**2,475**	**1,822**	**2,387**	**7,059**	**8,933**	**1,631**	**12**
YoY Change (%)	94.3	99.7	77.5	93.9	68.3	15.5	6.4	29.3	92.0	26.5	-4.7	
Margins (%)	2.0	1.9	1.6	1.8	1.8	1.7	1.7	2.1	1.8	1.8	1.5	

Phoenix Mills

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	PHNX IN
Equity Shares (m)	358
M.Cap.(INRb)/(USDb)	603.2 / 6.6
52-Week Range (INR)	1993 / 1403
1, 6, 12 Rel. Per (%)	-7/9/-1
12M Avg Val (INR M)	1132

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	43.6	50.2	62.2
EBITDA	25.7	30.0	38.4
EBITDA (%)	58.8	59.7	61.7
PAT	11.2	15.2	22.6
EPS (INR)	31.4	42.4	63.3
EPS Gr. (%)	14.1	35.1	49.3
BV/Sh. (INR)	320.7	360.1	420.4
Ratios			
Net D/E	0.5	0.4	0.2
RoE (%)	10.3	12.5	16.2
RoCE (%)	11.3	12.6	15.6
Payout (%)	9.5	7.1	4.7
Valuations			
P/E (x)	53.5	39.6	26.6
P/BV (x)	5.2	4.7	4.0
EV/EBITDA (x)	25.5	21.6	16.4
Div Yield (%)	0.2	0.2	0.2

Shareholding Pattern (%)

As on	Dec-25	Sep-25	Dec-24
Promoter (%)	47.3	47.3	47.3
DII (%)	15.3	15.5	13.0
FII (%)	33.9	33.5	35.7
Others (%)	3.6	3.8	4.1

CMP: INR1,687 TP: 2,045 (+22%) Buy

Robust consumption and leasing with strong residential sales and higher hotel occupancy

Consumption rises 17% YoY in 9MFY26

- Phoenix Mills (PHNX) reported a revenue of INR11.2b, +15%/+1% YoY/QoQ (9% below our estimates), while EBITDA came in at INR6.6b, +19%/-2% YoY/QoQ (7% below). Margin was 58.5%, +184bp/-126bp YoY/QoQ (84bp above our estimate). In 9MFY26, revenue was INR31.9b, +14% YoY, while EBITDA stood at INR18.9b, up 18% YoY. Margin was 57.2%, up 192bp YoY.
- Adj. PAT stood at INR2.8b, +4%/-9% YoY/QoQ (36% below our estimate due to a higher share of associate profits). PAT margin stood at 24.6%. In 9MFY26, Adj. PAT stood at INR8.2b, up 15% YoY, with margins at 25.7%.

Retail witnesses strong consumption

- In 3QFY26, consumption increased 20% YoY to INR48b, while it grew 17% YoY to INR121b in 9MFY26. Newer malls – Phoenix Mall of the Millennium (Pune) and Phoenix Mall of Asia (Bengaluru) continued to scale up well.
- Consumption growth in 3QFY26 remained robust, underscoring resilient demand, even as select assets continued to undergo planned revamp and premiumization initiatives aimed at enhancing portfolio performance over the medium term.
- The company has initiated the pilot of the Gourmet Village concept at Phoenix Palladium, and it is now set to scale across other centers.
- The company reported rental income of INR5.7b, up 13% YoY. In 9MFY26, rental income stood at INR16.1b, up 10% YoY.
- Retail EBITDA stood at INR5.9b in 3QFY26, up 16% YoY. In 9MFY26, it stood at INR16.7b, up 10% YoY.

Office occupancy flat, while Hospitality occupancy rises

- **Commercial performance:** Gross leasing of ~1.2msf was completed as of 9MFY26 for assets at Mumbai, Pune, Bengaluru, and Chennai.
- In 3QFY26, occupancy for operational assets in Mumbai and Pune was up 10% vs 4QFY25 and flat vs QoQ to 77%.
- Millennium Towers 1 and 2 in Pune received Occupation Certificates in 3QFY26, while Millennium Tower 3 had received its Occupation Certificate earlier in March 2025.
- Excluding Millennium Towers 1 and 2, leased occupancy across new developments in Pune, Bengaluru, and Chennai was 41%, with advanced-stage leasing discussions offering strong visibility on further ramp-up.
- Income from commercial offices in 3QFY26 stood at INR560m, +5% YoY, and EBITDA came in at INR360m, +6% YoY. Margins stood at 63%. In 9MFY26, income stood at INR1.6b, up 3% YoY, and EBITDA came in at INR1.0m, +5% YoY. EBITDA margin stood at 64%.
- **Hospitality:** St. Regis – For 3QFY26, the occupancy stood at 86% vs 85% in 2QFY26. In 9MFY26, it stood at 85%.

- For 3QFY26, ARR stood at INR24,131, up 8% YoY, and RevPAR stood at INR20,772, up 10% YoY. In 9MFY26, ARR stood at INR20,168, up 8% YoY, and RevPAR stood at INR17,082, up 8% YoY.
- Total income in 3QFY26 for St. Regis was INR1.6b, up 7% YoY. EBITDA stood at INR800m, up 11% YoY, with margins of 50%. In 9MFY26, total income stood at INR3.9b, up 4% YoY. EBITDA stood at INR1.9b, up 10% YoY, with margins of 48%.
- **Marriott, Agra:** For 3QFY26, occupancy stood at 87% vs 60% QoQ. In 9MFY26, it stood at 73%.
- For the quarter, ARR stood at INR7,180, down 4% YoY, while RevPAR was up 1% YoY to INR6,249. In 9MFY26, ARR stood at INR5,502, down 2% YoY, and RevPAR stood at INR3,991, up 1% YoY.
- Total income in 3QFY26 for Marriott was INR194m, down 1% YoY. EBITDA stood at INR77m, up 5% YoY, with a margin of 40%. In 9MFY26, total income was INR392m, up 2% YoY. EBITDA stood at INR97m, up 2% YoY, with a margin of 25%.

Valuation and view

- While new malls continue to ramp up well, PHNX is implementing measures to accelerate consumption at mature malls. These initiatives, along with a further increase in trading occupancy, will help PHNX sustain healthy traction in consumption.
- We have reduced revenue estimates in FY26 to show moderation and to reflect a more normalized run rate following a period of strong performance, while underlying consumption and leasing trends remain healthy.
- The company's acquisition of the remaining 49% stake in Island Star Mall Developers (ISMDPL) strengthens its high-quality retail asset portfolio, unlocking long-term value. The transaction is expected to be earnings-accretive from year one with significant upside as rental income stabilizes and the 2.71msf incremental FSI potential is developed over the medium term.
- **We reiterate our BUY rating with a revised TP of INR2,045, implying an upside potential of 22%.**

Financial Performance

Y/E March	FY25				FY26E						FY26E	Var. %
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY25	FY26E	3Q est	
Gross Sales	**9,041**	**9,180**	**9,751**	**10,163**	**9,530**	**11,154**	**11,212**	**11,753**	**38,136**	**43,649**	**12,290**	-9%
YoY Change (%)	11.5	4.9	-1.1	-22.2	5.4	21.5	15.0	15.6	-4.1	14.5	26.0	
Total Expenditure	3,731	4,003	4,223	4,567	3,887	4,485	4,649	4,945	16,524	17,966	5,199	
EBITDA	**5,310**	**5,177**	**5,528**	**5,597**	**5,643**	**6,669**	**6,563**	**6,808**	**21,612**	**25,683**	**7,091**	-7%
Margins (%)	58.7	56.4	56.7	55.1	59.2	59.8	58.5	57.9	56.7	58.8	57.7	84bps
Depreciation	775	775	813	902	934	912	863	821	3,265	3,531	918	
Interest	1,031	1,031	1,029	941	951	919	1,023	1,591	4,032	4,485	1,166	
Other Income	383	371	304	451	315	308	473	229	1,509	1,325	360	
PBT before EO expense	**3,887**	**3,741**	**3,991**	**4,204**	**4,072**	**5,145**	**5,149**	**4,625**	**15,824**	**18,992**	**5,367**	-4%
Extra-Ord expense	-5	0	160	-27	0	0	-250	0	127	-250	0	
PBT	**3,882**	**3,741**	**4,151**	**4,177**	**4,072**	**5,145**	**4,900**	**4,625**	**15,951**	**18,742**	**5,367**	-9%
Tax	747	835	641	712	873	1,317	1,218	715	2,936	4,123	988	
Rate (%)	19.3	22.3	15.4	16.9	21.4	25.6	24.9	15.5	18.4	22.0	18.4	
MI & P/L of Asso. Cos.	809	725	862	777	792	788	923	882	3,173	3,386	95	
Reported PAT	**2,326**	**2,181**	**2,648**	**2,688**	**2,407**	**3,040**	**2,758**	**3,028**	**9,842**	**11,233**	**4,284**	-36%
Adj PAT	**2,326**	**2,181**	**2,648**	**2,693**	**2,407**	**3,040**	**2,758**	**3,028**	**9,842**	**11,233**	**4,284**	-36%
YoY Change (%)	-3.3	-13.7	-5.2	-17.6	3.5	39.4	4.2	12.5	-10.5	14.1	61.8	
Margins (%)	25.7	23.8	27.2	26.5	25.3	27.3	24.6	25.8	25.8	25.7	34.9	-1026bps

Source: Company, MOFSL

Colgate

Estimate change	↔
TP change	↓
Rating change	↔

Bloomberg	CLGT IN
Equity Shares (m)	272
M.Cap.(INRb)/(USDb)	574.6 / 6.2
52-Week Range (INR)	2975 / 2032
1, 6, 12 Rel. Per (%)	4/-7/-32
12M Avg Val (INR M)	1267

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	59.9	64.1	68.6
Sales Gr. (%)	-0.8	7.0	7.1
EBITDA	18.8	20.7	22.6
EBITDA Margin (%)	31.5	32.3	32.9
Adj. PAT	13.6	15.0	16.5
Adj. EPS (INR)	50.2	55.3	60.8
EPS Gr. (%)	-2.4	10.3	9.8
BV/Sh.(INR)	58.4	58.7	62.4
Ratios			
RoE (%)	83.9	94.5	100.3
RoCE (%)	83.7	94.3	100.1
Payout (%)	105.7	99.4	93.8
Valuation			
P/E (x)	42.1	38.2	34.7
P/BV (x)	36.2	36.0	33.8
EV/EBITDA (x)	29.9	27.1	24.8
Div. Yield (%)	2.5	2.6	2.7

Shareholding Pattern (%)

As of	Dec-25	Sep-25	Dec-24
Promoter	51.0	51.0	51.0
DII	13.8	12.2	6.8
FII	15.2	17.2	23.7
Others	20.0	19.6	18.4

FII includes depository receipts

CMP: INR2,113 TP: INR2,450 (+16%) Buy

Soft volume delivery; expect a better display in FY27

- Colgate's (CLGT) delivered 2% YoY revenue growth to INR14.9b (est. INR14.9b) in 3QFY26, clocking positive growth after three consecutive quarters of decline. Toothpaste volume remained soft and contracted by ~2% (est. +1%, around -5% in 2QFY26). The price hike taken earlier helped Colgate deliver good revenue growth, but it was much lower than Dabur's toothpaste growth of 10% YoY.
- The growth momentum improved across both urban and rural trade channels during the quarter, indicating a recovery from the disruption caused by the revised GST rate implementation. CLGT continued to focus on premiumization and investing in its brands, resulting in the premium portfolio delivering better revenue growth.
- Gross margin was flat YoY at 70% (est. 69.5%). EBITDA margin contracted 130bp YoY to 29.7% (est. 30.8%). EBITDA declined by 3% YoY to INR4.4b.
- CLGT's performance has been relatively weak over the past 4-5 quarters, marked by muted revenue growth (lagging the industry) and margin contraction. However, following the reduction in the GST rate on the entire oral care portfolio from 18% to 5%, which benefitted nearly 95% of the company's portfolio, we believe CLGT will see gradual growth recovery in the ensuing quarters.
- We model revenue, EBITDA, and APAT CAGR of 7%, 9%, and 10% over FY26-28E. The stock has been corrected by ~25% over the past 12 months. The stock is trading at a valuation of 38x and 35x P/E for FY27 and FY28. **We reiterate our BUY rating with a TP of INR2,450 (based on 40x Dec'27).**

In-line performance; volume weakness persists

- **In-line sales performance:** Colgate's revenue grew by 2% YoY to INR14.9b (est. INR14.9b), marking a return to growth after three consecutive quarters of decline. Toothpaste volume contracted by 2% in 3QFY26.
- **Contraction in EBITDA margins** – Gross margins remained largely flat YoY at 70% (est. 69.5%). Gross profit was up by 2% YoY. Employee expenses rose 8% YoY, ad spending was up 3% YoY, and other expenses were up 6%. EBITDA declined 3% YoY to INR4.4b (est. INR4.6b). EBITDA margin was contracted by 130bp YoY to 29.7% (est. 30.8%). There was also some impact of the inverted duty structure-related charge on EBITDA due to GST changes. Other income spiked 93% YoY to INR393mn, largely driven by interest income received on an income tax refund.
- **Low single-digit growth in profitability**: PBT rose 3% YoY to INR4.4b (est. INR4.4b). There are exceptional expenses of INR 83.9m that were recorded due to a one-time increase in employee benefit costs following the implementation of the new labor code. APAT grew 2% YoY to INR3.3b (est. INR3.2b).
- In 9MFY26, net sales, EBITDA, and APAT declined 3%, 7%, and 6%, respectively.

Key highlights from the management commentary

- The growth momentum improved across both urban and rural trade channels during the quarter, indicating a recovery from the disruption caused by the revised GST rate implementation.
- Brand investments were accelerated to further strengthen the premiumization strategy in the oral care category.
- Going forward, growth momentum is likely to accelerate, aided by improving demand and a strong focus on superior on-ground execution.
- The company continued to advance its innovation agenda with the successful launch of Colgate Visible White Purple Serum in 3Q.
- The Visible White Purple Serum is a first-of-its-kind whitening booster designed to enhance daily oral care routines. It leverages advanced color-correction technology to neutralize yellow tones and provide consumers with an instant, on-demand brightening effect.
- The company improved accessibility of its premium teeth-whitening portfolio by introducing a 60g access pack of the Visible White Purple toothpaste.

Valuation and view

- We cut our EPS estimates by ~2% each for FY27 and FY28.
- CLGT's performance has been relatively weak over the past 4-5 quarters, due to muted revenue growth (lagging the industry) and margin contraction. However, following the reduction in the GST rate on the entire oral care portfolio from 18% to 5%, which benefitted nearly 95% of the company's portfolio, we believe CLGT will see gradual growth recovery in the ensuing quarters.
- CLGT remains focused on driving sustainable revenue growth through multiple levers: 1) launching science-backed, premium innovations to enhance realizations, 2) expanding category reach through increased marketing and consumer education, 3) deepening rural penetration to drive frequency and new user addition, and 4) broadening its presence in personal care to reduce dependence on the slower-growing oral care category.
- The stock has been corrected by ~25% over the past 12 months. The stock is trading at a comfortable valuation of 38x and 35x P/E for FY27 and FY28. **We reiterate our BUY rating with a TP of INR2,450 (based on 40x Dec'27).**

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	(%)
Volume Gr %	**7.0**	**8.0**	**4.0**	**0.0**	**-3.0**	**-5.0**	**-2.0**	**1.0**	**4.8**	**-2.3**	**1.0**	
Net Sales (incldg. OOI)	**14,967**	**16,191**	**14,618**	**14,625**	**14,341**	**15,195**	**14,861**	**15,497**	**60,402**	**59,894**	**14,938**	-0.5%
YoY change (%)	13.1	10.1	4.7	-1.8	-4.2	-6.2	1.7	6.0	6.3	-0.8	2.2	
Gross Profit	**10,574**	**11,098**	**10,220**	**10,327**	**9,884**	**10,553**	**10,398**	**10,791**	**42,219**	**41,626**	**10,382**	0.2%
Gross margin (%)	70.6	68.5	69.9	70.6	68.9	69.5	70.0	69.6	69.9	69.5	69.5	
EBITDA	**5,083**	**4,974**	**4,544**	**4,980**	**4,526**	**4,654**	**4,420**	**5,236**	**19,581**	**18,837**	**4,601**	-3.9%
Margins (%)	34.0	30.7	31.1	34.1	31.6	30.6	29.7	33.8	32.4	31.5	30.8	
YoY growth (%)	21.6	3.2	-3.0	-6.4	-11.0	-6.4	-2.7	5.1	3.0	-3.8	1.3	
Depreciation	415	417	411	384	375	372	363	374	1,627	1,484	448	
Interest	10	12	11	11	10	10	10	18	43	48	12	
Financial other Income	234	195	204	191	179	150	393	204	824	926	220	
PBT	**4,893**	**4,740**	**4,325**	**4,776**	**4,320**	**4,423**	**4,441**	**5,049**	**18,734**	**18,232**	**4,361**	1.8%
Tax	1,253	1,354	1,097	1,226	1,113	1,148	1,118	1,210	4,930	4,589	1,099	
Rate (%)	25.6	28.6	25.4	25.7	25.8	25.9	25.2	24.0	26.3	25.2	25.2	-0.1%
Adj PAT	**3,640**	**3,555**	**3,228**	**3,550**	**3,206**	**3,275**	**3,297**	**3,839**	**13,973**	**13,643**	**3,262**	1.1%
YoY change (%)	26.2	4.6	-2.2	-6.5	-11.9	-7.9	2.2	8.1	4.4	-2.4	1.1	
Reported PAT	**3,640**	**3,951**	**3,228**	**3,550**	**3,206**	**3,275**	**3,239**	**3,839**	**14,368**	**13,643**	**3,262**	

E: MOFSL Estimates

Nippon Life India AMC

Estimate change	↑
TP change	⟷
Rating change	⟷

Bloomberg	NAM IN
Equity Shares (m)	637
M.Cap.(INRb)/(USDb)	548.9 / 6
52-Week Range (INR)	987 / 456
1, 6, 12 Rel. Per (%)	1/4/41
12M Avg Val (INR M)	762

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
AAUM	6,754	8,103	9,730
MF Yield (bp)	39.4	37.9	36.4
Rev from Ops	27.0	31.1	35.9
Core PAT	13.1	15.4	17.8
PAT	15.6	18.3	20.7
PAT (bp as AAUM)	23	23	21
Core EPS	20.8	24.4	28.2
EPS	24.8	29.0	32.9
EPS Grw. (%)	22	17	13
BVPS	68	70	71
RoE (%)	37	42	47
Div. Payout (%)	95	95	95
Valuations			
Mcap/AUM (%)	8.0	6.7	5.6
P/E (x)	34.7	29.7	26.2
P/BV (x)	12.7	12.4	12.1
Div. Yield (%)	2.7	3.2	3.6

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	72.1	72.1	72.4
DII	14.5	13.0	13.0
FII	7.9	7.6	8.3
Others	5.6	7.3	6.3

FII Includes depository receipts

CMP: INR862 TP: INR1,060 (+23%) Buy

Strong performance led by better yields and opex control

- Nippon Life India AMC's (NAM) operating revenue grew 20%/7% YoY/QoQ to INR7.1b (in line) in 3QFY26. Yields came in at 40.2bp vs 41.3bp in 3QFY25 and 40.1bp in 2QFY26. For 9MFY26, revenue grew 18% to INR19.7b.
- Total opex grew 16% YoY to INR2.4b (6% lower than est.) in 3QFY26. As a result, EBITDA rose 22% YoY to INR4.7b (7% beat) for the quarter. This led to an EBITDA margin of 66.7% vs 65.6% in 3QFY25.
- PAT stood at INR4b in 3QFY26 (5% beat), up 37%/17% YoY/QoQ. PAT margins stood at 57.2% in 3QFY26 vs 50.2% in 3QFY25 and 52.3% in 2QFY26. For 9MFY26, PAT grew 16% to INR11.4b.
- Overall yields remained stable despite strong growth in lower-yielding ETFs, supported by a favorable mix shift within ETFs toward higher-yielding commodity products, particularly gold and silver ETFs.
- **We have increased our earnings estimates to reflect higher revenue driven by improved yields, along with lower expenses due to better operating cost performance. We reiterate our BUY rating on the stock with a TP of INR1,060, based on 38x FY28E Core EPS.**

Market share across categories continues to expand

- Overall MF QAAUM grew 23% YoY/7% QoQ to INR7t. Equity/ETFs/Index/ Debt Funds saw a YoY growth of 18%/39%/20%/28%.
- The share of Equity/ETF/Debt/Liquid in the overall QAUM stood at ~47.1%/29.9%/9.7%/10.1% in 3QFY26 vs 49%/26.4%/9.4%/11.9% in 3QFY25.
- NAM's market share for QAAUM rose 35bp YoY to ~8.7%, with the equity market share rising 11bp YoY to ~7.13%.
- ETF market share continues to surge, rising 217bp YoY to 20.3%, with NAM maintaining a dominant position in this space at 48% of overall industry folios and 51% of ETF trading volumes.
- SIP flows were robust during the quarter at INR109.8b compared to INR99.1b in 3QFY25 and INR107.2b in 2QFY26, reflecting a monthly SIP inflow of INR36.6b (+11% YoY). The SIP book grew to INR1.7t (+19% YoY).
- ~75% of NAM's SIPs category belongs to below INR10k by value.
- Operating expenses rose 16% YoY to INR2.4b, with opex as a % of AUM at 13.4% vs 14.2% in 3QFY25 and 13.9% in 2QFY26.
- Employee costs rose 25% YoY to INR1.3b (INR59.8m of one-time labor code impact). ESOP costs for the quarter stood at INR110m, of which INR60m pertained to the new scheme. ESOP costs are estimated at ~INR260m for FY27. Other expenses grew 7% YoY but declined 4% QoQ to INR821m.
- Other income came in at INR753m (up 4.9x/2.1x YoY/QoQ).
- Under the distribution mix, the retail share declined to 50% in 3QFY26 (vs. 54% in 2QFY26 and 52% in 3QFY25), while HNI/corporate share stood 37%/13%, respectively.
- Cumulative AIF commitments stood at INR89.2b (+28% YoY). During 3QFY26, INR2b was raised. The maiden private credit fund (NICO I) was fully deployed, and the second series (NICO II) has been launched.

- Offshore AUM grew 7% to INR162b under the managed category in 9MFY26, with inflows from Asia and Europe. Under the advisory segment, AUM declined to INR18b from INR21b.
- Offshore flows remain lumpy in nature. However, management highlighted increasing traction through initiatives such as Japan-focused fund launches, an Indian strategy under Japanese regulations, and the proposed AIF JV with DWS, with expectations of better outcomes over the next 2–3 years vs the past five years.
- On the Gift City front, two feeder funds are operational, with combined AUM growing 35% QoQ to USD41m. Future product pipeline includes Nippon India SHARP Equity Fund and Nippon India Digital Innovation Fund 2B.
- Digital channels accounted for 77% of new purchase transactions in 3QFY26.
- The company has 22.7m unique investors (largest), with over one-third of mutual fund investors having exposure to its schemes.

Key takeaways from the management commentary

- After the earlier rationalization across ~60% of equity AUM, management indicated a continued, gradual progress on commission optimization. Directionally, selective pass-throughs will be used to mitigate regulatory impacts.
- Management is highly bullish on the SIF opportunity, viewing it as a structurally important segment. Since its launch, the segment has already garnered ~INR30b–40b over the past 3–4 months and is led by a six-member team under Andrew Holland. The company's SIF strategy is clearly profitability-led rather than AUM-led.
- The Board approved a strategic collaboration with DWS Group, under which DWS intends to acquire up to a 40% minority stake in Nippon Life India AIF through fresh equity issuance. The partnership will also explore collaboration in passive products and global distribution.

Valuation and view

- NAM, being among the fastest-growing AMCs, continues to expand its market share across segments, especially in the passive segment, supported by robust flows, sustained investor stickiness, and new product launches. While yields are expected to decline at a relatively moderate pace, strong net flows are likely to cushion the impact on overall yields.
- We have increased our earnings estimates to reflect higher revenue driven by improved yields, along with lower expenses due to better operating cost performance. **We reiterate our BUY rating on the stock with a TP of INR1,060, based on 38x FY28E Core EPS.**

Quarterly Performance **(INR m)**

Y/E March	FY25				FY26				FY25	FY26E	3Q FY26E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE						
Revenue from Operations	5,050	5,713	5,879	5,665	6,066	6,581	7,053	7,290	22,307	26,990	6,919	1.9	20.0	7.2
Change YoY (%)	42.6	43.7	38.9	21.0	20.1	15.2	20.0	28.7	35.8	21.0	18			
Fees & Commission	179	192	187	159	186	198	196	217	718	797	210.0	-6.7	4.6	-1.0
Employee Expenses	1,051	1,069	1,065	1,105	1,226	1,233	1,335	1,286	4,290	5,080	1,331.1	0.3	25.3	8.3
Other expenses	655	708	770	750	772	855	821	896	2,883	3,344	962.3	-14.7	6.7	-4.0
Total Operating Expenses	1,886	1,969	2,022	2,014	2,185	2,286	2,352	2,399	7,891	9,221	2,503	-6.1	16.3	2.9
Change YoY (%)	24	26	23	13	16	16	16	19	21.5	16.9	24			
EBITDA	3,164	3,744	3,857	3,652	3,881	4,295	4,701	4,891	14,416	17,769	4,415	6.5	21.9	9.4
EBITDA Margin	62.7	65.5	65.6	64.5	64.0	65.3	66.7	67.1	64.6	65.8	63.8	-284 bps	105bps	139bps
Other Income	1,308	1,208	154	230	1,460	366	753	801	2,900	3,379	775	-2.9	388.4	105.7
Depreciation	68	74	77	86	84	88	109	109	306	391	90	20.6	40.2	23.0
Finance Cost	16	17	17	18	18	18	18	18	67	72	18	-1.7	7.3	-1.7
PBT	**4,388**	**4,861**	**3,917**	**3,778**	**5,239**	**4,555**	**5,328**	**5,564**	**16,943**	**20,686**	**5,082**	**4.8**	**36.0**	**17.0**
Tax Provisions	1,066	1,261	965	795	1,282	1,113	1,291	1,362	4,086	5,047	1,241	4.0		
Net Profit	**3,322**	**3,600**	**2,953**	**2,983**	**3,957**	**3,443**	**4,037**	**4,202**	**12,857**	**15,639**	**3,841**	**5.1**	**36.7**	**17.3**
Change YoY (%)	41.1	47.4	4.0	-12.9	19.1	-4.4	36.7	40.9	16.2	21.6	30.1			
Core PAT	2,331	2,705	2,836	2,801	2,854	3,166	3,467	3,597	10,674	13,084	3,255	6.5	22.2	9.5
Change YoY (%)	59.0	47.9	42.5	8.5	22.4	17.0	22.2	28.4	36	23	14.8			
Key Operating Parameters (%)														
Revenue / AUM (bps)	41.8	41.6	41.3	40.7	39.6	40.1	40.2	39.9	41.3	40.0	39.6	-65 bps	-101bps	15bps
Opex / AUM (bps)	15.6	14.3	14.2	14.5	14.3	13.9	13.4	13.1	14.6	13.7	14.3	91 bps	-77bps	-51bps
PAT / AUM (bps)	27.5	26.2	20.7	21.4	25.8	21.0	23.0	23.0	23.8	23.2	22.0	-106 bps	232bps	207bps
Cost to Operating Income Ratio	37.3	34.5	34.4	35.5	36.0	34.7	33.3	32.9	35.4	34.2	36.2	284 bps	-105bps	-139bps
EBITDA Margin	62.7	65.5	65.6	64.5	64.0	65.3	66.7	67.1	64.6	65.8	63.8	-284 bps	105bps	139bps
Tax Rate	24.3	25.9	24.6	21.0	24.5	24.4	24.2	24.5	24.1	24.4	24.4	20 bps	-40bps	-20bps
PAT Margin	65.8	63.0	50.2	52.7	65.2	52.3	57.2	57.6	57.6	57.9	55.5	-173 bps	702bps	493bps
Core PAT Margin	46.2	47.4	48.2	49.4	47.1	48.1	49.2	49.3	47.9	48.5	47.1	-210 bps	91bps	105bps
Opex Mix (%)														
Fees & Commission	9.5	9.8	9.3	7.9	8.5	8.7	8.3	9.0	9.1	8.6	8.4	6 bps	-93bps	-33bps
Employee Expenses	55.8	54.3	52.7	54.9	56.1	53.9	56.8	53.6	54.4	55.1	53.2	-358 bps	409bps	282bps
Others	34.7	36.0	38.1	37.2	35.3	37.4	34.9	37.3	36.5	36.3	38.4	353 bps	-316bps	-250bps
Key Parameters														
QAUM (INR b)	4,838	5,492	5,700	5,572	6,127	6,565	7,009	7,315	5,400	6,754	6,989	0.3	23.0	6.8

Balkrishna Industries

Estimate change	↓
TP change	⟷
Rating change	⟷

Bloomberg	BIL IN
Equity Shares (m)	193
M.Cap.(INRb)/(USDb)	457.2 / 5
52-Week Range (INR)	2916 / 2152
1, 6, 12 Rel. Per (%)	5/-16/-23
12M Avg Val (INR M)	683

Financials & valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	105.2	119.6	132.9
EBITDA	24.4	28.7	32.6
Adj. PAT	13.3	17.7	20.2
EPS (Rs)	68.7	91.3	104.6
EPS Growth (%)	-19.7	32.9	14.5
BV/Share (Rs)	590.5	663.8	748.4
Ratios			
RoE (%)	12.2	14.6	14.8
RoCE (%)	10.7	12.0	12.3
Payout (%)	23.2	19.7	19.1
Valuations			
P/E (x)	34.4	25.9	22.6
P/BV (x)	4.0	3.6	3.2
Div. yield (%)	0.7	0.8	0.8
FCF yield (%)	-0.8	0.4	1.2

Shareholding pattern (%)

As of	Dec-25	Sep-25	Dec-24
Promoter (%)	58.3	58.3	58.3
DII (%)	24.4	24.7	24.0
FII (%)	11.0	10.7	11.3
Others (%)	6.3	6.3	6.5

FII includes depository receipts

CMP: INR2,365 TP: INR2,229 (-6%) Neutral

Margins under pressure despite volume revival

Demand outlook remains uncertain in key markets

- Balkrishna Industries' (BIL) 3Q earnings at INR3.8b were above our estimate of INR2.8b, primarily due to MTM gains of INR360m and higher other income. However, despite a healthy pick-up in volume on a QoQ basis, its margin remained under pressure at 22.9% (vs. our est. of 23.1%) due to adverse mix and the impact of US tariffs.
- BIL continues to face demand headwinds in its key global markets. While the stock has underperformed in the recent past and valuations at 34.4x FY26E and 25.9x FY27E are not too demanding, its future target multiple is likely to depend on its ability to succeed in the new segments (TBR/PCR) – not only by capturing market share but by doing so without materially hurting core returns—which, in our view, is likely to be a challenge. We have not changed our target multiple for BIL yet and continue to value it at 22x Dec'27E. **Reiterate Neutral with a TP of INR2,229.**

Margins remain under pressure despite volume revival

- BIL's revenue grew 4.3% YoY to INR26.8b, coming in above our estimates of INR25.2b. The primary reason for the beat was volume growth of ~6% YoY to 80,620MT, which was ahead of our estimate of 75k MT.
- However, blended ASPs were down 1.2% YoY to ~INR333 per MT and below our estimate of INR 337 per MT.
- Gross profit margin was hit by a lower share of exports (India mix now at 36% of total volumes).
- As part of its employee cost, the company has recognized INR83.2m as a provision for the new labor code for the prior period.
- Adjusted for this, EBITDA dipped 4% YoY to INR6.1b (above our estimate of INR5.8b). Consequently, EBITDA margin contracted 200bp YoY (+140bp QoQ) to 22.9% (slightly below our estimate of 23.1%). Apart from the adverse mix, the margin was hit by the impact of tariffs on sales to the US (the Americas now at 14% of the mix).
- The MTM gain of INR360m boosted profitability in 3QFY26.
- PAT dipped 15% YoY to INR3.8b, above our estimate of INR2.8b, mainly due to MTM gains and higher-than-expected other income.
- The Board declared an INR4/share interim dividend, maintaining the payout despite a dip in PAT.
- BIL's revenue/EBITDA/PAT for 9MFY26 dipped 0.2%/10.2%/26.3% YoY to INR77.6b/INR17.7b/INR9.3b.

Key highlights from the management commentary

- The geopolitical and macroeconomic environment remains challenging, and hence, management refrained from giving any growth guidance for FY27E. However, given that the destocking in key regions was behind, BKT was able to ramp up volumes in key regions in 3Q.
- India continues to outperform other markets and currently makes up 35.8% of the regional mix for 9MFY26
- Currently, Indian exports to Europe attract ~4% customs duty. However, it is still not clear whether this will be reduced after the recently announced India-EU FTA.
- Average EURO/INR realization was ~INR97 for 3Q. Benefits from the euro appreciation were partly offset by forward hedging and a lower European sales mix.
- Overall, capex guidance for FY26E stands at about INR 25-26b.
- As of 9MFY26, gross debt stood at INR36.5b, cash and cash equivalents at INR30.1b, and net debt at INR6.4b.
-

Valuation and view

- BIL continues to face demand headwinds in its key global markets. Further, its foray into the PCR/TBR segments is likely to be closely monitored for: 1) the pace at which it gains material traction and 2) whether margins and returns will be materially dilutive in the long run. While the stock has underperformed in the recent past and valuations at 34.4x FY26E and 25.9x FY27E are not too demanding, its future target multiple is likely to depend on its ability to succeed in these new segments—not only by capturing market share, but by doing so without materially hurting core returns—which, in our view, is likely to be a challenge. We have not changed our target multiple for BIL yet and continue to value it at 22x Dec’27E. However, this may warrant a revision going forward if BIL’s returns plunge due to this foray. **Reiterate Neutral with a TP of INR2,229.**

Quarterly Earnings Model (Standalone)

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	3QE	VAR
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				(%)
Volumes (Ton)	**83,570**	**73,298**	**76,343**	**82,062**	**80,664**	**70,252**	**80,620**	**81,883**	**315,273**	**313,419**	**74,816**	**7.8**
YoY Change (%)	24.3	3.8	4.9	0.0	-3.5	-4.2	5.6	-0.2	7.7	-0.6	-2.0	
Realizations (INR '000/ton)	**328.1**	**336.3**	**336.8**	**345.8**	**342.1**	**330.3**	**332.8**	**332.0**	**336.7**	**334.4**	**336.8**	**-1.2**
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	-1.8	-1.2	-4.0	5.1	-0.7	0.0	
Net Revenues	**27,415**	**24,648**	**25,716**	**28,376**	**27,594**	**23,207**	**26,827**	**27,188**	**106,150**	**104,816**	**25,201**	**6.5**
YoY Change (%)	29.6	9.7	11.0	5.2	0.7	-5.8	4.3	-4.2	13.2	-1.3	-2.0	
EBITDA	**7,137**	**6,185**	**6,391**	**7,035**	**6,560**	**4,999**	**6,134**	**6,295**	**26,813**	**23,988**	**5,814**	**5.5**
Margins (%)	26.0	25.1	24.9	24.8	23.8	21.5	22.9	23.2	25.3	22.9	23.1	**-20bp**
YoY Change (%)	46.8	12.9	8.9	-0.9	-8.1	-19.2	-4.0	-10.5	15.0	-10.5	-9.0	
Depreciation	1,617	1,647	1,708	1,760	1,862	1,901	1,921	1,992	6,735	7,676	2,000	
Interest	143	404	150	490	290	319	420	333	1,252	1,362	340	
Forex loss/(gain)	-60	530	-1,120	580	1,540	10	-360	0	-68	1,190	0	
Other Income	830	1,048	240	550	1,042	709	768	780	2,668	780	280	
PBT before EI	**6,267**	**4,653**	**5,894**	**4,755**	**3,910**	**3,478**	**4,920**	**4,751**	**21,562**	**17,059**	**3,754**	**31.1**
Extra-Ord expense	0	0	0	0	0	0	83	0	0	83	0	
PBT	**6,267**	**4,653**	**5,894**	**4,755**	**3,910**	**3,478**	**4,837**	**4,751**	**21,562**	**16,976**	**3,754**	**28.9**
Rate (%)	23.8	24.9	25.4	23.8	26.6	23.7	22.4	23.3	24.5	23.5	24.5	
Adj PAT	**4,773**	**3,496**	**4,398**	**3,622**	**2,869**	**2,652**	**3,816**	**3,645**	**16,283**	**12,983**	**2,834**	**34.7**
YoY Change (%)	52.7	4.3	42.6	-25.8	-39.9	-24.1	-13.2	0.6	12.6	-20.3	-35.6	

E: MOFSL Estimates

Key Performance Indicators

Y/E March	FY25				FY26E				FY25	FY26E	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE
Volumes (Ton)	**83,570**	**73,298**	**76,343**	**82,062**	**80,664**	**70,252**	**80,620**	**81,883**	**315,273**	**313,419**	**74,816**
YoY Change (%)	24.3	3.8	4.9	0.0	-3.5	-4.2	5.6	-0.2	7.7	-0.6	-2.0
Realizations (INR '000/ton)	**328.1**	**336.3**	**336.8**	**345.8**	**342.1**	**330.3**	**332.8**	**332.0**	**336.7**	**334.4**	**336.8**
YoY Change (%)	4.2	5.6	5.8	5.2	4.3	-1.8	-1.2	-4.0	5.1	-0.7	0.0
Gross Margins (%)	53.1	52.5	52.4	51.2	51.5	50.1	50.5	50.5	52.3	50.7	51.0
EBITDA Margins (%)	26.0	25.1	24.9	24.8	23.8	21.5	22.9	23.2	25.3	22.9	23.1
Gross Profit (INR '000/ton)	174.2	176.7	176.6	177.1	176.2	165.6	168.2	167.7	176.1	169.5	171.8
EBITDA (INR '000/ton)	85.4	84.4	83.7	85.7	81.3	71.2	76.1	76.9	85.0	76.5	77.7

Voltas

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	VOLT IN
Equity Shares (m)	331
M.Cap.(INRb)/(USDb)	446.4 / 4.9
52-Week Range (INR)	1531 / 1135
1, 6, 12 Rel. Per (%)	0/-1/-18
12M Avg Val (INR M)	2035
Free float (%)	69.7

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	144.7	167.0	189.1
EBITDA	8.0	12.4	15.1
Adj. PAT	5.6	9.6	11.9
EBITA Margin (%)	5.5	7.4	8.0
Cons. Adj. EPS (INR)	17.0	29.0	36.1
EPS Gr. (%)	(33.3)	70.9	24.5
BV/Sh. (INR)	206.8	231.5	260.4
Ratios			
Net D:E	0.1	(0.0)	(0.1)
RoE (%)	8.2	12.5	13.9
RoCE (%)	9.5	12.6	13.6
Payout (%)	25.0	25.0	25.0
Valuations			
P/E (x)	79.5	46.5	37.3
P/BV (x)	6.5	5.8	5.2
EV/EBITDA (x)	56.4	35.9	29.2
Div Yield (%)	0.3	0.5	0.7
FCF Yield (%)	0.2	1.8	1.9

Shareholding pattern (%)

As of	Dec-25	Sep-25	Dec-24
Promoter	30.3	30.3	30.3
DII	37.9	35.8	34.6
FII	18.4	20.3	21.3
Others	13.4	13.6	13.8

FII includes depository receipts

CMP: INR1,349 TP: INR1,410 (+5%) Neutral

UCP beats estimates; strong margin in EMPS

Focusing on a balanced growth strategy amid cost pressures

- Voltas (VOLT)'s 3QFY26 revenue declined ~1% YoY to INR30.7b (in line), led by ~21%/9% YoY growth in the PES/UCP segments, while EMPS revenue dipped ~18% YoY. EBITDA declined ~10% YoY to INR1.8b (in line). OPM contracted 60bp YoY to 5.8% (in line). Adj. PAT dipped ~19% YoY to INR1.1b (~5% miss, due to lower other income and higher interest cost).
- Management indicated that UCP exit market share stood at 17.9% in Dec'25 vs. 18.5% in 2QFY26 and 15.8% in 4QFY25. It has seen strong primary billing, which is likely to help market share gains in 4QFY26E. The channel inventory is near 5-6 weeks, which is expected to be fully consumed by Mar'26. Margin is expected to improve sequentially, though guidance remains uncertain due to multiple moving parts, such as currency depreciation, commodity inflation, and the new BEE star-label transition.
- We cut our EBITDA/EPS by ~5%/6% for FY26E due to cost pressures but largely maintain our FY27-FY28E. **We reiterate our Neutral rating** on the stock with a TP of INR1,410, based on 45x FY28E EPS for the UCP segment, 20x FY28E EPS for the PES and EMPS (each), and INR20/sh for Voltbek.

UCP revenue increases ~9% YoY; UCP margin dips 2.1pp to 3.8%

- Consol. revenue/EBITDA/adj. PAT stood at INR30.7b/INR1.8b/INR1.1b (-1%/-10%/-19% YoY and +2%/+4%/-5% vs. est) in 3Q. Depreciation/interest costs grew ~15%/2x YoY, whereas 'other income' declined ~17%.
- Segmental highlights: **1) UCP** – Revenue increased ~9% YoY to INR19.2b, EBIT declined ~30% YoY to INR726m, while EBIT margin contracted 2.1pp YoY to 3.8% **2) EMPS** – Revenue declined 18% YoY to INR9.7b, EBIT grew ~44% YoY to INR817m, and EBIT margin surged 3.6pp YoY to 8.4%; **3) PES** – Revenue increased 21% YoY to INR1.6b, EBIT was flat YoY to INR368m, and EBIT margin contracted 4.9pp YoY to 23.5%.
- In 9MFY26, consol. revenue/EBITDA/adj. PAT stood at INR93.6b/INR4.3b/INR2.8b (-12%/46%/53% YoY). UCP/EMPS/PES segment revenue declined ~16%/5%/1% YoY to INR60.1b/INR28.6b/INR4.3b. UCP EBIT declined ~76% YoY to INR1.3b, and EBIT margin contracted 5.5pp YoY to 2.2%.

Key highlights from the management commentary

- The capacity utilization of the Pant Nagar plant is ~100%. The Chennai plant's capacity will be increased to 1.5m units within the next two months from 1m units at present, and this plant is expected to operate at ~75-80% in the upcoming summer season.
- The consolidated order book stood at INR61.0b, supported by a healthy pipeline in infrastructure, data centers, pharmaceuticals, and logistics parks.
- Market share continued to improve, with refrigerators at 6.2% YTD (6.8% exit-Nov'25) and washing machines at 8.2% YTD (10.2% exit-Nov'25). The focus remains on market share gains for VoltBeko and achieving break-even in the near future.

Valuation and view

- VOLT's Q3FY26 performance was largely in line with expectations, supported by a recovery in the UCP segment. Entering 4Q, it is focused on execution and seasonal readiness, with full alignment to the new BEE efficiency norms, refreshed RAC portfolios, and calibrated pricing. While margin improvement is expected sequentially, it focuses on optimizing cost while being cautious about the commodity inflation and currency depreciation.
- We estimate VOLT's revenue/EBITDA/PAT CAGR at 14%/38%/46% over FY26-28, albeit on a low base. We estimate the UCP revenue CAGR at ~15% over FY26-FY28. Estimate UCP margin to improve to 8.0%/8.5% in FY27/FY28 vs. 4.5% in FY26E (average 8.4% over FY23-25). The stock is trading fairly at 47x/37x FY27E/FY28E EPS. **We reiterate our Neutral rating on the stock with a TP of INR1,410, based on 45x FY28E EPS for the UCP segment, 20x FY28E EPS for the PES and EMPS (each), and INR20/sh for Voltbek.**

Quarterly Performance (Consolidated) (INR m)

	FY25				FY26E				FY25	FY26E	MOSL	Var.
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**	**4QE**			**3QE**	
Sales	**49,210**	**26,191**	**31,051**	**47,676**	**39,386**	**23,473**	**30,708**	**51,093**	**1,54,128**	**1,44,659**	30,187	**2**
Change (%)	46.5	14.2	18.3	13.4	(20.0)	(10.4)	(1.1)	7.2	23.5	(6.1)	(2.8)	
EBITDA	**4,238**	**1,622**	**1,974**	**3,328**	**1,785**	**704**	**1,773**	**3,729**	**11,162**	**7,991**	1,699	**4**
Change (%)	128.6	130.8	594.5	74.6	(57.9)	(56.6)	(10.2)	12.1	135.2	(28.4)	(13.9)	
As of % Sales	8.6	6.2	6.4	7.0	4.5	3.0	5.8	7.3	7.2	5.5	5.6	15
Depreciation	134	164	179	141	185	244	206	277	618	912	252	**(18)**
Interest	98	136	155	233	135	200	311	104	621	750	210	**48**
Other Income	803	1,055	591	797	821	646	488	1,107	3,245	3,062	750	**(35)**
PBT	**4,809**	**2,377**	**2,231**	**3,751**	**2,286**	**906**	**1,744**	**4,454**	**13,168**	**9,391**	1,987	**(12)**
Tax	1,165	726	599	1,075	621	226	313	1,375	3,565	2,535	532	**(41)**
Effective Tax Rate (%)	24.2	30.5	26.8	28.7	27.2	25.0	15.6	30.9	27.1	26.3	26.8	
Extra-ordinary Items	0	0	0	-	-	-	(265)	-	0	-265	-	
Share of profit of associates/JV's	(294)	(323)	(324)	(320)	(259)	(365)	(322)	(334)	(1,260)	(1,280)	(330)	**(3)**
Reported PAT	**3,350**	**1,328**	**1,308**	**2,357**	**1,406**	**315**	**845**	**2,745**	**8,343**	**5,310**	1,124	**(25)**
Change (%)	159.1	262.1	NA	102.4	(58.0)	(76.3)	(35.4)	16.4	231.1	-36.3	(14.0)	
Minority Interest	8	(12)	(14)	(53)	2	(28)	(5)	(40)	(71)	(71)	(14)	
Adj PAT	**3,342**	**1,340**	**1,321**	**2,410**	**1,405**	**343**	**1,077**	**2,784**	**8,414**	**5,608**	1,138	**(5)**
Change (%)	158.5	265.3	NM	132.2	(58.0)	(74.4)	(18.5)	15.5	251.5	-33.3	(14)	

Segmental revenue (INR m)

	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE	FY25	FY26E	3QE	Var. (%)
EMP & Services	9,491	8,799	11,902	11,375	9,218	9,662	9,742	12,602	41,568	41,224	12,735	(24)
Engineering products and services	1,608	1,467	1,297	1,321	1,354	1,391	1,566	1,439	5,693	5,749	1,362	15
Unitary cooling business	38,022	15,822	17,711	34,584	28,679	12,151	19,242	36,850	1,06,139	96,922	15,940	21
Others	89	103	141	395	135	270	158	202	728	765	150	5
Total	**49,210**	**26,191**	**31,051**	**47,676**	**39,386**	**23,473**	**30,708**	**51,093**	**1,54,128**	**1,44,659**	**30,187**	**2**
Segment PBIT												
EMP & Services	675	462	567	(17)	492	920	817	862	1,686	3,092	700	17
Engineering products and services	448	396	368	341	401	439	368	402	1,553	1,610	408	(10)
Unitary cooling business	3,270	1,162	1,043	3,448	1,044	(458)	726	3,050	8,923	4,361	558	30
Total PBIT	**4,394**	**2,020**	**1,978**	**3,771**	**1,937**	**902**	**1,911**	**4,314**	**12,163**	**9,063**	**1,667**	**15**
Segment PBIT (%)												
EMP & Services (%)	7.1	5.2	4.8	(0.2)	5.3	9.5	8.4	6.8	4.1	7.5	5.5	289
Engineering products and services (%)	27.9	27.0	28.4	25.8	29.6	31.6	23.5	27.9	27.3	28.0	30.0	(650)
Unitary cooling business (%)	8.6	7.3	5.9	10.0	3.6	(3.8)	3.8	8.3	8.4	4.5	3.5	27
Total PBIT (%)	**8.9**	**7.7**	**6.4**	**7.9**	**4.9**	**3.8**	**6.2**	**8.4**	**7.9**	**6.3**	**5.5**	**70**

Star Health

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	STARHEAL IN
Equity Shares (m)	588
M.Cap.(INRb)/(USDb)	264.8 / 2.9
52-Week Range (INR)	534 / 327
1, 6, 12 Rel. Per (%)	4/3/-7
12M Avg Val (INR M)	506

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
NEP	166.0	192.9	221.4
U/W Profit	-4.4	-2.1	-0.8
PBT	7.4	12.0	15.5
PAT	5.6	9.0	11.6
Ratios (%)			
Claims	69.2	69.0	69.0
Commission	15.7	15.7	15.7
Expense	15.6	14.5	13.8
Combined	100.5	99.2	98.5
RoE	7.6	11.2	12.8
EPS (INR)	9.5	15.3	19.7
EPS Growth (%)	-13.9	62.2	28.6
Valuations			
P/E (x)	47.6	29.3	22.8
P/BV (x)	3.5	3.1	2.7

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	58.0	58.0	57.7
DII	21.0	21.1	16.5
FII	14.1	13.5	17.5
Others	7.0	7.4	8.3

FII Includes depository receipts

CMP: INR450 TP: INR560 (+24%) Buy

Robust underwriting performance

- Star Health's (STARHEAL) net earned premium grew 12% YoY to INR42.5b (in line). For 9MFY26, NEP grew 11% YoY to INR123b.
- Claims ratio at 68.5% (vs our estimate of 70.5%) improved 290bp YoY, while net claims incurred grew 7% YoY to INR29.1b. Commission ratio at 15.6% (vs our est. of 16.3%) grew 150bp YoY, while net commission grew 36% YoY to INR6.8b (in line). Expense ratio at 17.9% (vs our est. of 15.6%) grew 20bp YoY, with employee expenses growing 27% YoY (labor code impact of INR165m), while other expenses grew 18% YoY.
- Better-than-expected claims and commission ratios, offset by a higher-than-expected expense ratio, led to a slightly better-than-expected combined ratio of 102.1% (our estimate of 102.4%), improving 120bp YoY. Excluding the impact of labor code (INR165m), the combined ratio would have been 101.7%, 70bp better than our estimates.
- Underwriting loss at INR1.2b was lower than our estimates. A slight miss in investment income at INR3.2b led to an in-line PAT of INR1.3b (-40% YoY). For 9MFY26, PAT declined 31% YoY to INR4b. PAT, excluding the one-time labor code impact, would have been at INR1.4b (-35% YoY), reflecting a 10% beat on our estimates.
- NEP growth was impacted by recalibration in the group health segment and is expected to improve going forward. The company is planning an annual price increase of ~10%, depending on the nature of the product.
- We have largely maintained our estimates, considering a strong underwriting performance, which has been offset by a decline in investment yields. We expect IFRS PAT to post a 26% CAGR over FY25-28. **We reiterate our BUY rating with a TP of INR560 (based on 21x FY28E IFRS PAT).**

Strong fresh business growth; IFRS profitability sees substantial rise

- Gross written premium at INR46.2b grew 22% YoY (in line), driven by a 23% YoY growth in retail health premium and offset by a 19% YoY decline in group health premium. For 9MFY26, GWP grew 9% YoY to INR127b.
- The underwriting loss for 3QFY26 came in at INR1.2b (vs. our estimate of INR1.5b), compared to the underwriting loss of INR0.5b in 3QFY25.
- Investment income declined 9% YoY to INR3.2b (7% below est.) in 3QFY26. Investment yield declined to 6.5% in 9MFY26 (8.3% in 9MFY25). AUM increased to INR192b from INR166.7b in 9MFY25, reflecting an improvement in investment leverage to 2.5x (2.3x in 9MFY25).
- The renewal premium ratio was 99% in 9MFY26 (vs. 94% in 9MFY25). Fresh business in the retail health segment grew 37% YoY.
- The solvency ratio was largely stable at 2.14x.
- According to IFRS accounting, insurance revenue grew 11% YoY to INR45.6b, while IFRS PAT grew 410% YoY to INR4.5b in 3QFY26. The IFRS loss ratio for 3QFY26 was at 68.9% (70.9% in 3QFY25). The IFRS combined ratio improved to 98.8% (101.7% in 3QFY25), driven by efficient claims management as well as operational efficiency.
- The IFRS retail loss ratio in 9MFY26 improved 20bp YoY to 69.4%, while the IFRS group health loss ratio improved to 80.6% (92.1% in 9MFY25).

- Retail business contributed 95% to STARHEAL's GWP. The retail health market share declined slightly to 31% during 9MFY26. The sum insured of fresh business increased 20% YoY to INR1.2m, as of 9MFY26.
- Agency dominates the channel mix, contributing 83%, followed by digital/banca/corporate at 9%/7%/1%. Agency contributed 67% to fresh GWP, with productivity improving 20% YoY to INR300,000 during 9MFY26, and agent base was at 819,000. Fresh GWP from the banca business declined 8% YoY during 9MFY26, while partnerships increased to 78. The digital channel experienced a strong 46% YoY growth in fresh business during 9MFY26.

Key takeaways from the management commentary

- The company continues to target mid-teen RoE, with long-term business already operating at these RoE levels.
- Fresh business through agency grew 35% YoY in 9MFY26, with 60% of fresh business originating from semi-urban and rural markets.
- Medical inflation remains elevated, with studies pegging it at 12–13% unless moderated by government interventions.

Valuation and view

- Premium growth in 3QFY26 remained strong at over 20%, driven by GST exemption and the resetting of base following the impact of 1/n. We remain optimistic about the overall prospects for STARHEAL, backed by: a) consistent growth in retail health, given its under-penetration and GST exemption, b) a strong push from the banca channel, and c) steady growth in specialized products and deepening presence. We believe STARHEAL can deliver long-term growth with the investments made in profitable channels and products.
- The IFRS claims ratio is likely to improve and stabilize at 69-70%, driven by the rising sum assured as well as price hikes. Continued operational efficiency will lead to an improved combined ratio in the long term.
- We have largely maintained our estimates, considering a strong underwriting performance, which has been offset by a decline in investment yields. We expect IFRS PAT to post a 26% CAGR over FY25-28. **We reiterate our BUY rating with a TP of INR560 (based on 21x FY28E IFRS PAT).**

Quarterly Performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E	3QFY26E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE						
Gross premium	34.8	43.7	38.0	51.4	36.1	44.2	46.2	60.1	167.8	186.7	45.2	2.4	22%	5%
Net written premium	31.7	39.8	35.6	48.2	34.6	42.3	43.6	56.6	155.3	177.1	43.3	0.8	22%	3%
Net earned premium	35.2	37.0	38.0	38.0	39.4	40.8	42.5	43.3	148.2	166.0	41.5	2.3	12%	4%
Investment Income	1.7	2.1	2.0	1.9	1.8	1.8	1.9	2.1	7.7	7.6	2.1	-6.1	-4%	5%
Total Income	**36.9**	**39.1**	**40.0**	**39.9**	**41.2**	**42.7**	**44.4**	**45.4**	**155.9**	**173.6**	**43.6**	**1.9**	11%	4%
Change YoY (%)	15.7	16.6	15.8	11.5	11.5	9.0	11.1	13.8	14.8	11.3	9.0			
Incurred claims	23.8	27.0	27.1	26.3	27.4	29.2	29.1	29.2	104.2	114.9	29.3	-0.5	7%	0%
Net commission	4.3	5.5	5.0	7.6	5.1	6.9	6.8	9.0	22.4	27.8	7.1	-3.3	36%	-1%
Employee expense	3.7	4.5	4.1	4.6	3.9	4.4	5.2	4.4	16.9	17.9	4.4	17.5	27%	18%
Other expenses	2.0	2.0	2.2	2.3	2.3	2.4	2.6	2.5	8.5	9.7	2.3	11.8	18%	11%
Total Operating Expenses	33.8	39.0	38.5	40.7	38.7	42.8	43.8	45.1	152.0	170.4	43.1	1.6	14%	2%
Change YoY (%)	16.6	18.7	21.1	16.8	14.4	9.9	13.7	10.7	18.3	12.1	11.9			
Underwriting profit	1.4	-1.9	-0.5	-2.8	0.7	-2.0	-1.2	-1.8	-3.8	-4.4	-1.5	-19.3	na	Na
Operating profit	3.1	0.2	1.5	-0.9	2.5	-0.2	0.7	0.3	3.9	3.3	0.5	33.5	-55%	Na
Shareholder's P/L														
Transfer from Policyholders	3.1	0.2	1.5	-0.9	2.5	-0.2	0.7	0.3	3.9	3.3	0.5	33.5	-55%	na
Investment income	1.3	1.5	1.5	1.0	1.2	1.2	1.2	1.3	5.2	4.8	1.3	-8.1	-16%	7%
Total Income	4.4	1.6	3.0	0.1	3.7	1.0	1.9	1.5	9.1	8.1	1.9	3.5	-36%	101%
Total Expenses	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.1	0.5	0.7	0.2	23.9	61%	5%
PBT	**4.3**	**1.5**	**2.9**	**-0.0**	**3.5**	**0.8**	**1.7**	**1.4**	**8.6**	**7.4**	**1.7**	**1.6**	-40%	123%
Change YoY (%)	10.9	-11.0	-26.0	.	-17.4	-47.8	-39.6	.	-23.7	-13.9	-40.5			
Tax Provisions	1.1	0.4	0.7	-0.0	0.9	0.2	0.5	0.3	2.2	1.9	0.4	5.9	-37%	98%
Net Profit	**3.2**	**1.1**	**2.2**	**0.0**	**2.6**	**0.5**	**1.3**	**1.1**	**6.5**	**5.6**	**1.3**	**0.2**	-40%	134%
Change YoY (%)	10.8	-11.2	-25.7	-99.6	-17.7	-50.7	-40.4	na	-24%	-14%	-40.5			
Key Parameters (%)														
Share in GWP														
Health-Retail	89.2	90.0	93.0	94.4	93.9	95.7	95.2		92.2	95.0	95.0		1.2	-1.4
Health-Group	9.5	8.0	5.7	4.0	4.8	4.2	3.8		6.6	4.0	3.9		-1.9	-0.4
PA	1.3	2.0	1.3	1.6	1.0	0.9	1.0		1.1	1.0	1.1		-0.3	0.0
Claims ratio	67.6	72.8	71.4	69.2	69.5	71.5	68.5	67.4	70.3	69.2	70.5	-195bp	-290bp	-295bp
Commission ratio	13.5	13.8	14.1	15.8	14.7	16.3	15.6	15.9	14.4	15.7	16.3	-66bp	151bp	-68bp
Expense ratio	18.1	16.4	17.7	14.2	17.9	16.0	17.9	12.2	16.4	15.6	15.6	228bp	16bp	191bp
Combined ratio	99.2	103.0	103.3	99.2	102.2	103.8	102.1	95.5	101.1	100.5	102.4	-33bp	-123bp	-173bp
Solvency	2.3	2.2	2.2	2.2	2.2	2.2	2.1		2.1	2.2				

Manappuram Finance

Estimate change	↑
TP change	↓
Rating change	↔

Bloomberg	MGFL IN
Equity Shares (m)	846
M.Cap.(INRb)/(USDb)	251.3 / 2.7
52-Week Range (INR)	322 / 169
1, 6, 12 Rel. Per (%)	-2/12/39
12M Avg Val (INR M)	1850

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
NII	54.5	69.4	84.9
PPP	27.5	40.1	52.7
PAT	9.7	22.0	30.9
EPS (INR)	10.3	21.3	29.9
EPS Gr. (%)	-27.7	107.6	40.0
BV/Sh.(INR)	168	186	210
Ratios			
NIM (%)	11.0	10.8	10.8
C/I ratio (%)	52.5	45.2	40.8
RoA (%)	1.7	3.1	3.6
RoE (%)	6.8	12.6	15.1
Payout (%)	35.0	20.8	20.0
Valuations			
P/E (x)	28.9	13.9	9.9
P/BV (x)	1.8	1.6	1.4
Div. Yld. (%)	1.2	1.5	2.0

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	35.3	35.3	35.3
DII	9.2	8.6	11.0
FII	30.2	29.7	30.4
Others	25.4	26.4	23.4

FII Includes depository receipts

CMP: INR297 TP: INR330 (+11%) Neutral

Strong gold loan growth; NIM likely to bottom out in 4Q

Asset quality weakens in non-gold segments; yields expected to now stabilize

- MGFL consol. PAT declined 14% YoY to INR2.4b in 3QFY26 (in line). NII declined ~18% YoY to ~INR13b (in line) and PPoP declined ~29% YoY to ~INR6.6b (~5% beat).
- Opex grew 7% YoY to ~INR7.6b (in line). This included one-time provisions of INR19m on account of the new labor codes. Consol. credit costs stood at ~INR3.5b (vs. est. of ~INR2.9b). Annualized credit costs for the quarter declined ~40bp QoQ to 2.9% (PQ: ~3.3%).
- Consol. total AUM rose ~18% YoY and ~14% QoQ. Gold AUM grew ~23% QoQ and ~58% YoY to ~INR387b.
- Gold loan yields declined to ~18.3% (PQ: 19.7%) in 3QFY26. Net yields on the standalone business fell ~120bp QoQ to 18.5%, while standalone CoB declined ~30bp QoQ to 8.8%, resulting in a ~90bp contraction in spreads. Consol. NIM (calc.) declined ~160bp QoQ to ~10.8%.
- **MGFL management shared that RBI approval for Bain's joint controlling stake is in the final stages, with all the required clarifications already submitted to the regulator. The company expects to receive RBI approval for the Bain transaction next month.**
- The company indicated that gold loans will continue to be the main growth driver over the next two years, supported by strong structural tailwinds and improved market competitiveness, while the non-gold businesses are expected to resume growth from 1Q/2QFY27, driven by a more disciplined underwriting approach and a calibrated risk framework.
- MGFL highlighted that yield on incremental gold loan disbursements stands at ~18%, broadly aligned with market leaders, with no meaningful compression expected ahead.
- Standalone (Gold + Vehicle + On-lending + MSME) GNPA and NNPA declined ~40bp each QoQ to 2.6% and 2.2%, respectively. Asset quality in the non-gold segments remained under pressure, prompting the company to significantly scale down these businesses and reduce exposure across select geographies, including MSME and vehicle loans. As part of this portfolio reset, new car, used car and farm loans have been paused, while underwriting standards have been strengthened, collection efforts tightened, and operating processes streamlined to improve risk discipline.
- We raise our FY27/FY28 EPS estimates by 7%/8% to factor in higher gold loan growth. Over FY25-28, we estimate a CAGR of 40%/26% in gold/consolidated AUM and ~37% in consolidated PAT, with consolidated RoA/RoE of ~3.6%/15% in FY28. **Reiterate our Neutral rating on the stock with a TP of INR330 (based on 1.6x Dec'27E consolidated BVPS).**

Strong gold loan growth of 58% YoY; Gold tonnage rose 3% QoQ

- Gold AUM grew ~23% QoQ and ~58% YoY to ~INR387b. Gold tonnage rose ~3% QoQ to ~59 tons. Within gold loans, LTV was stable QoQ at ~56%, while the average ticket size (ATS) in gold loans rose to INR101k (PQ: INR83k). Consolidated gold loan customer base grew 1% QoQ and YoY to ~2.63m.
- MGFL noted that the strong gold loan growth rebound in 3Q marks the first phase of a new growth cycle, driven by more competitive pricing and higher gold prices that have helped win back customers who had earlier migrated out. The second phase is expected to be led by rising business volumes, improved branch morale, and stronger market positioning, translating into higher new customer acquisition.

Asirvad MFI: AUM declines ~39% YoY; credit costs remain elevated

- MFI GNPA rose ~10bp QoQ to 4.9%, while NNPA declined ~20bp QoQ to ~1.8% and credit costs stood at ~INR2.2b (PQ: ~INR2.5b).
- Asirvad AUM declined ~39% YoY and ~1% QoQ to ~INR61b. Asirvad reported 3QFY26 loss of INR1.56b (vs. loss of INR1.68b in 2QFY26).
- Management shared that MFI New book X-bucket collection efficiency is 99.8% and now forms ~1/3rd of the book; the new book is expected to rise to ~2/3rd of the AUM over the next two quarters.

Highlights from the management commentary

- Management shared a new Group CFO, Group Compliance Officer, and Group General Counsel have already joined and are actively leading the transformation. The company is also onboarding group heads for technology, risk, internal audit, operations, and HR, and two group business heads, along with staffing at lower levels where required.
- Branch infrastructure for gold loans is being upgraded, with a new branch design in the final stage of vendor negotiations, which will materially improve customer service, operating efficiency, and branch experience over the next year.

Valuation and view

- MGFL reported a mixed quarter, with asset quality weakening across the non-gold business and profitability remaining under pressure from persistent NIM compression. The bright spot was the strong growth in the gold loan portfolio, even as this was tempered by significant yield compression. Asirvad MFI's net loss declined sequentially, driven by slightly lower credit costs. The company expects the MFI book to return to growth from FY27 onward.
- MGFL trades at 1.6x FY27E P/BV. Gold loan is expected to exhibit healthy growth with an AUM CAGR of ~40% over FY25-28, aided by higher gold prices and the company's strategy to align its lending rates in line with other gold loan NBFC peers. **Reiterate our Neutral rating on the stock with a TP of INR330 (based on 1.6x Dec'27E consolidated BVPS).**

MGFL - Quarterly Performance (Consolidated) (INR M)

Y/E March	FY25				FY26E				FY25	FY26E	3QFY26E	Act v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	23,861	25,411	25,163	23,062	22,357	22,512	22,441	24,449	97,997	91,758	22,692	-1
Interest Expenses	8,483	9,057	9,253	8,616	8,553	8,756	9,452	10,480	35,747	37,241	9,089	4
Net Interest Income	**15,378**	**16,354**	**15,909**	**14,446**	**13,804**	**13,756**	**12,989**	**13,969**	**62,250**	**54,518**	**13,603**	**-4.5**
YoY Growth (%)	19.4	20.8	9.54	-3.3	-10.2	-15.9	-18.36	-3.3	10.7	-12.4	-14.5	
Other income	1,259	961	464	230	293	241	1,148	490	2,752	3,529	417	175
Net Income	**16,636**	**17,314**	**16,373**	**14,676**	**14,097**	**13,997**	**14,137**	**14,459**	**65,002**	**58,046**	**14,020**	**1**
Operating Expenses	6,823	6,984	7,066	7,843	7,488	7,285	7,568	8,162	28,718	30,502	7,773	-3
Operating Profits	**9,814**	**10,331**	**9,307**	**6,833**	**6,609**	**6,712**	**6,569**	**6,297**	**36,285**	**27,544**	**6,247**	**5.2**
YoY Growth (%)	22.4	19.2	-0.6	-26.8	-32.7	-35.0	-29.4	-7.8	2.6	-24.1	-32.9	
Provisions	2,286	2,604	5,546	9,192	5,594	3,692	3,541	3,078	19,628	15,904	2,910	22
PBT	**7,528**	**7,727**	**3,761**	**-2,359**	**1,015**	**3,020**	**3,029**	**3,220**	**16,656**	**11,640**	**3,338**	**-9**
Tax Provisions	1,963	2,006	976	-327	-310	847	643	798	4,618	1,979	901	-29
PAT	**5,565**	**5,721**	**2,785**	**-2,032**	**1,325**	**2,173**	**2,385**	**2,421**	**12,039**	**9,661**	**2,437**	**-2**
YoY Growth (%)	12	2	-52	-136	-76	-62	-14	-219	-45	-20	-12	
Key Ratios (%)												
Yield on loans	22.5	22.9	22.8	21.5	20.8	20.2	18.6	18.1	23.6	18.5		
Cost of funds (Cal)	9.4	9.4	9.8	9.5	9.4	9.3	9.0	9.0	10.4	9.0		
Spreads (Cal)	13.08	13.51	13.0	11.99	11.41	10.92	9.6	9.1	13.2	9.5		
NIMs (Cal)	14.50	14.75	14.42	13.47	12.85	12.37	10.76	10.3	15.0	11.0		
C/I ratio	41.0	40.3	43.2	53.4	53.1	52.0	53.5	56.4	44.2	52.5		
Credit Cost	2.10	2.30	4.9	8.43	5.12	3.27	2.9	2.2	4.7	3.2		
Tax Rate	26.1	26.0	26.0	13.9	-30.5	28.0	21.2	24.8	27.7	17.0		
Balance Sheet Parameters												
Consol. AUM (INR b)	**449**	**457**	**442**	**430**	**443**	**459**	**522**	**579**				
Change YoY (%)	21.2	17.4	9.5	2.3	-1.4	0.4	18.1	34.5				
Gold loans (INR b)	**236**	**244**	**245**	**256**	**288**	**315**	**388**	**448**				
Change YoY (%)	14.8	17.1	18.0	19.0	21.8	29.3	58.2	75.0				
Gold stock (tonnes)	60	60	57	56	57	57	59	0				
Gold loans/branch (INR m)	58	60	61	63	71	78	96	0				
Consol. Borrowings (INR b)	**385**	**385**	**370**	**354**	**374**	**377**	**463**	**472**				
Change YoY (%)	34.8	19.4	15.9	5.2	-2.8	-1.9	25.0	33.2				
Borrowings Mix (%)												
Debentures	12.3	12.1	11.3	10.6	10.1	9.0	9.5					
CPs	2.3	1.5	0.8	0.8	3.4	5.3	8.3					
WC/CC	20.5	19.1	20.6	20.5	21.1	19.2	18.2					
TL	54.3	47.7	53.5	52.7	51.3	47.3	47.4					
ECB	10.0	19.0	13.4	14.8	13.9	19.0	16.4					
Others	0.6	0.7	0.4	0.5	0.3	0.2	0.1					
Debt/Equity (x)	1.6											
Asset Quality Parameters (%)												
GNPL ratio (Standalone)	2.0	2.4	2.5	2.8	3.0	3.0	2.6					
NNPL ratio (Standalone)	1.7	2.1	2.3	2.5	2.6	2.6	2.2					
Return Ratios (%)												
RoA (Rep)	4.8	4.4	2.2	-1.6	1.1	1.7	1.7					
RoE (Rep)	16.7	18.6	8.9	-6.4	4.3	6.9	7.4					

E: MOFSL estimates

Piramal Pharma

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	PIRPHARM IN
Equity Shares (m)	1329
M.Cap.(INRb)/(USDb)	204.3 / 2.2
52-Week Range (INR)	245 / 148
1, 6, 12 Rel. Per (%)	-9/-28/-46
12M Avg Val (INR M)	1029
Free float (%)	65.1

Financials & Valuations (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	88.2	102.7	115.9
EBITDA	9.8	13.0	15.6
Adj. PAT	(1.4)	1.8	4.3
EBIT Margin (%)	1.5	4.2	5.8
Cons. Adj. EPS (INR)	(1.1)	1.3	3.3
EPS Gr. (%)	NA	NA	142.7
BV/Sh. (INR)	66.7	68.2	71.8
Ratios			
Net D:E	0.5	0.5	0.4
RoE (%)	(1.8)	2.2	5.2
RoCE (%)	(7.7)	2.2	4.3
Payout (%)	-	17.6	17.6
Valuations			
P/E (x)	NA	113.9	46.9
EV/EBITDA (x)	24.7	18.8	15.6
Div. Yield (%)	-	0.1	0.3
FCF Yield (%)	0.0	0.0	0.0
EV/Sales (x)	2.7	2.4	2.1

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	34.9	34.9	35.0
DII	15.7	14.9	14.1
FII	30.1	30.8	32.1
Others	19.4	19.5	18.9

FII Includes depository receipts

CMP: INR154 TP: INR190 (+24%) Buy

3Q below estimates; trough phase extends

FY27 recovery depends on CDMO conversion and CHG scale-up

- Piramal Pharma posted a miss on revenue/EBITDA in 3QFY26, affected by low traction in CDMO business. Complex hospital generics (CHG) business was largely stable YoY, with regulatory delays keeping growth in check.
- Having said this, management has maintained its guidance for FY26, implying a better 4QFY26 performance QoQ.
- Piramal is witnessing considerable improvement in its order outlook due to a pickup in RFPs from customers in CDMO segment as bio-pharma funding has seen some recovery in the US market.
- Certain supply constraints in CHG-injectable pain management segment are resolved, driving gradual scale-up of this business.
- Online presence continues to drive strong growth in consumer healthcare.
- We cut our estimates for FY27/FY28 by 6%/8%, factoring in a) a delay in the renewal of off-take of on-patent commercial product by customer; b) a gradual revival in CHG segment; and c) lower operating leverage.
- We value Piramal on an SoTP basis (18x EV/EBITDA for CDMO business, 11x EV/EBITDA for CHG business, and 13x EV/EBITDA for consumer health (ICH) business) to arrive at a TP of INR190.
- We believe Piramal would end FY26 on a weak note and expect earnings to revive from FY27 onward on the back of a) improvement in order book in CDMO segment, b) addition of products and market share gain in existing products in CHG segment, and c) increased off-take in consumer health segment. Maintain BUY.

Lower revenue, opex surge put pressure on profitability

- Revenue declined 3% YoY to INR21.4b (our est: INR23b).
- Gross margin contracted 20bp YoY to 63.3%.
- EBITDA margin contracted at a higher rate of 620bp YoY to 9.1%, largely due to lower operating leverage (employee cost/other expense up 280bp/320bp as a % of sales).
- EBITDA declined 42% YoY to INR2b (our est: INR3b).
- 3Q included an exceptional item of INR411m related to (a) one-time employee expenses INR269m on account of a change in labor code, (b) one-time settlement cost of INR146m to close a prior development proposal term sheet with a customer.
- 3Q adj. loss came in at INR950m vs. PAT of INR37m in 3QFY25.
- For 9MFY26, revenue/EBITDA fell 4%/48% to INR61.2b/INR4.6b, and adj. loss was INR3b vs. INR625m YoY.

CDMO soft; CHG steady; ICH shows strong momentum

- CDMO (54.5% of total sales) revenue declined 9% YoY to INR12b.
- CHG (31% of total sales) revenue grew 2% YoY to INR6.7b.
- India consumer healthcare (ICH; 14% of total sales) revenue grew 20% YoY to INR3.3b.

Highlights from the management commentary

- Piramal has maintained its guidance of stable YoY revenue in FY26.
- There has been no further update on the resumption of supplies from one large customer to Piramal.
- The Lexington and Riverview facilities are nearing completion of capex, and the business is expected to pick up from FY27 onward.
- Annualized sales of Kenalog stand at USD30-40m. In addition to upfront payment of USD35m, the contingent payment would be linked to commercial traction of the product.
- Considering established CHG portfolio and commercial presence, Piramal indicated Kenalog can add revenue with limited increase in opex, driving better outlook for CHG business.

Quarterly performance (INR m)

PPL income statement	FY25				FY26E				FY25	FY26E	FY26E	% Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3Q	
Revenues	**19,511**	**22,418**	**22,042**	**27,541**	**19,337**	**20,437**	**21,399**	**27,027**	**91,511**	**88,200**	**22,961**	**-7%**
growth YoY(%)	11.6	17.3	12.5	7.9	-0.9	-8.8	-2.9	-1.9	12.0	-3.6	4.2	
CDMO	10,570	13,240	12,780	17,880	9,970	10,440	11,660	16,450	54,470	48,520	13,036	
CHG	6,310	6,430	6,540	7,050	6,370	6,440	6,680	7,508	26,330	26,998	6,867	
ICH	2,640	2,770	2,780	2,740	3,020	3,190	3,340	3,069	10,930	12,619	3,058	
EBITDA*	**2,044**	**3,416**	**3,377**	**5,610**	**1,067**	**1,587**	**1,957**	**5,189**	**14,447**	**9,800**	**3,008**	**-35%**
margin (%)	10.5	15.2	15.3	20.4	5.5	7.8	9.1	19.2	15.8	11.1	13.1	
growth YoY(%)	54.5	28.6	25.8	5.9	-47.8	-53.5	-42.0	-7.5	20.8	-32.2	-10.9	
Depreciation	1,846	1,922	1,968	2,428	1,973	2,028	2,127	2,350	8,163	8,479	2,089	
EBIT	**198**	**1,494**	**1,409**	**3,182**	**-906**	**-441**	**-170**	**2,839**	**6,284**	**1,322**	**919**	
Other income	195	611	121	420	584	656	432	590	1,348	2,262	555	
Interest expense	1,070	1,076	1,033	1,037	862	824	892	855	4,216	3,433	860	
Share from Asso. Co	224	173	171	162	186	148	103	210	729	646	195	
PBT	**-452**	**1,201**	**668**	**2,728**	**-998**	**-462**	**-527**	**2,784**	**4,145**	**797**	**809**	
EO Expenses/(gain)	-	-	-	-	(207)	-	411	-	-	204	-	
Taxes	**436**	**975**	**631**	**1,193**	**27**	**530**	**423**	**1,253**	**3,235**	**2,233**	**493**	
Tax Rate (%)	-96.4	81.2	94.5	43.7	-3.4	-114.9	-45.1	45.0	78.0	376.3	61.0	
Reported PAT	**-888**	**226**	**37**	**1,535**	**-817**	**-992**	**-1,362**	**1,531**	**910**	**-1,640**	**315**	**NA**
Adj. PAT	**-888**	**226**	**37**	**1,535**	**-1,031**	**-992**	**-950**	**1,531**	**910**	**-1,442**	**315**	**NA**
Change (%)	NA	348.2	-89.5	34.0	NA	NA	NA	-0.2	62.5	NA	757.2	

NSDL

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	NSDL IN
Equity Shares (m)	200
M.Cap.(INRb)/(USDb)	196 / 2.1
52-Week Range (INR)	1425 / 880
1, 6, 12 Rel. Per (%)	-5/-/-
12M Avg Val (INR M)	3899

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Revenue	14.6	16.2	18.0
EBITDA	4.5	5.1	5.7
EBITDA Margin (%)	31.0	31.5	31.9
PAT	4.0	4.6	5.2
PAT Margin (%)	27.5	28.3	28.9
EPS	20.0	22.9	26.1
EPS Grw. (%)	17.6	14.2	13.9
BVPS	119.1	141.0	165.9
RoE (%)	18.3	17.6	17.0
Div. Payout (%)	5.0	4.4	4.6
Valuations			
P/E (x)	48.9	42.8	37.6
P/BV (x)	8.2	7.0	5.9
Div. Yield (%)	0.1	0.1	0.1

Shareholding Pattern (%)

As On	Dec-25	Sep-25
Promoter	0.0	0.0
DII	37.9	50.5
FII	14.5	4.7
Others	47.6	44.9

FII includes depository receipts

CMP: INR980 TP: INR1,100 (+12%) Neutral

Seasonally weak quarter, higher tax hits PAT

- **NSDL's operating revenue remained flat YoY but declined 10% QoQ to INR3.6b (8% miss) due to a 17%/3% QoQ decline in the Depository/Banking segments. For 9MFY26, revenue was flat YoY at INR10.7b**
- **Operating expenses declined 7% each YoY/QOQ to INR2.5b. Employee costs grew 46%/12% YoY/QoQ, while other expenses declined 15%/11% YoY/QoQ. EBITDA rose 18% YoY (in-line) but declined 16% QoQ to INR1.1b, resulting in an EBITDA margin of 29.9% vs. 25.1% in 3QFY25 and 32% in 2QFY26. For 9MFY26, EBITDA grew 16% YoY to INR3.3b.**
- **PAT for the quarter rose 5% YoY but declined 19% QoQ to ~INR897m due to one-time tax impact (6% miss). Excluding the tax impact, PAT grew 13% YoY to INR972m in 3QFY26. PAT margins came in at 24.9% vs 23.7% in 3QFY25 and 27.6% in 2QFY26. For 9MFY26, PAT grew 11% YoY to INR2.9b.**
- **With growth in CASA float from deposit holders and rising UPI acquiring income, the payments bank segment's contribution is expected to scale up, with contribution margins improving to ~5% from 0.5% in 3QFY25 and 2.4% in 2QFY26.**
- **We have kept our FY26 earnings estimates unchanged, while cutting FY27/FY28 estimates by 4%/8% to factor in lower transaction revenues due to the impact of joining fees. We expect NSDL to post a revenue/EBITDA/PAT CAGR of 8%/15%/15% over FY25-28E. We reiterate our Neutral rating on the stock with a one-year TP of INR1,100 (premised on a P/E multiple of 42x on FY28E earnings).**

Sequential decline across segments

- On the revenue front, the depository income (47% share) grew 14% YoY but declined 17% QoQ to INR1.7b. Within this, the annual issuer charges (recurring portion, i.e., 54.3%) rose 38% YoY to INR917m but grew only 3% QoQ due to the sharp decline in onboarding of unlisted companies on the platform. Management expects that companies already dematerialized will continue to pay recurring custody fees, providing revenue stability.
- While the nonrecurring portion comprising the corporate actions fee (incl. IPO) was flat YoY/down 12% QoQ (due to lower corporate actions in 3Q), e-voting charges dipped 22% YoY/82% QoQ (seasonality impact). The settlement charges were largely flat YoY/QoQ, and other transaction charges were down 8% YoY/26% QoQ (due to lower joining fees).
- Under the subsidiaries, the NPBL segment revenues declined 12% YoY/3% QoQ to INR1.7b. However, with growth in CASA balances and increasing traction in the UPI acquiring business through the onboarding of high-quality partners, we expect the momentum to remain strong.
- The NDML segment's revenue, however, was flat but saw a 2% sequential dip in 3QFY26 to INR197m.
- Other income rose 21%/8% YoY/QoQ to INR347m.
- Total expenses declined 7% each YoY/QoQ to INR2.5b, led by a 15%/11% YoY/QoQ decline in other expenses. Employee costs for the quarter rose 46%/12% YoY/QoQ to INR501m (including the one-time labor code impact of INR19.5m). CIR stood at 70.1% vs 74.9% in 3QFY25 and 68% in 2QFY26.

- Total demat accounts stood at 43.2m vs 38.8m in 3QFY25, with additions during the quarter remaining at 1.3m vs 0.7m in 3QFY25.

Key takeaways from the management commentary

- NSDL has onboarded multiple new depository participants, including fintech DPs, some of which have already begun scaling. The impact of new DP onboarding typically materializes with a 2–3 quarter lag, as technology integration, team build-out, and customer acquisition take time. NSDL expects the benefits of recent onboarding efforts to become visible from 2QFY27.
- NSDL completed the allotment of the first Specialized Investment Fund (SIF) under SEBI’s new framework. Management indicated that there is no visibility or ongoing discussion with the regulator regarding a potential issuer fee hike.
- Protean e-Governance acquired a 4.95% stake in NSDL Payments Bank for ~INR302m, aiming to boost its digital financial services and enhance fintech capabilities.

Valuation and view

- While NSDL continues to benefit from a stable annuity-led business model and improving profitability in its subsidiaries, near-term growth in transaction revenues remains muted. Sustained momentum in demat account additions and the successful onboarding of new fintech partners will remain key monitorables for future growth.
- We have kept our FY26 earnings estimates unchanged, while cutting FY27/FY28 estimates by 4%/8% to factor in lower transaction revenues due to the impact of joining fees. We expect NSDL to post a revenue/EBITDA/PAT CAGR of 8%/15%/15% over FY25-28E.
- **We reiterate our Neutral rating on the stock with a one-year TP of INR1,100 (premised on a P/E multiple of 42x on FY28E earnings).**

Quarterly Performance (INRm)

Y/E March	FY25				FY26				FY25	FY26E	3QFY26E	Act v/s	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE						
Revenue from Operations	3,373	3,567	3,626	3,636	3,120	4,000	3,596	3,841	14,201	14,558	3,910	-8.0	-1%	-10%
Change YoY (%)	13.5	10.4	15.6	8.8	-7.5	12.2	-0.8	5.6	12.0	2.5	8			
Employee expenses	318	354	343	369	383	446	501	480	1,385	1,810	482	3.8	46%	12%
Other Expenses	2,250	2,084	2,373	2,355	1,785	2,275	2,022	2,154	9,061	8,236	2,376	-14.9	-15%	-11%
Total Operating Expenses	2,567	2,438	2,716	2,724	2,168	2,721	2,523	2,633	10,446	10,046	2,858	-11.7	-7%	-7%
Change YoY (%)	5	0	10	10	-16	12	-7	-3	6.2	-3.8	5			
EBITDA	**806**	**1,129**	**909**	**912**	**952**	**1,279**	**1,074**	**1,208**	**3,755**	**4,513**	1,052	**2**	18%	-16%
Other Income	276	286	287	302	348	322	347	363	1150	1380	350	-0.8	21%	8%
Depreciation	78	81	93	102	96	111	134	137	354	478	120	11.8	44%	21%
Interest	7	8	13	12	16	15	19	20	41	70	13			
PBT	**996**	**1,326**	**1,090**	**1,100**	**1,188**	**1,475**	**1,268**	**1,414**	**4,510**	**5,345**	1,269	**-0.1**	16%	-14%
Change YoY (%)	37	33	32	9	19	11	16	29	25.9	18.5	17			
Tax Provisions	222	369	238	275	287	358	358	333	1,103	1,336	308	**16.2**	50%	0%
Net Profit	**779**	**962**	**858**	**833**	**896**	**1,104**	**897**	**1,072**	**3,431**	**3,968**	951	**-6**	5%	-19%
Change YoY (%)	33	31	28	7	15	15	5	29	23.0	15.7	11			
Key Operating Parameters (%)														
Cost to Operating Income Ratio	76.1	68.4	74.9	74.9	69.5	68.0	70.1	68.6	73.6	69.0	73.1		-4.8	2.1
EBITDA Margin	23.9	31.6	25.1	25.1	30.5	32.0	29.9	31.4	26.4	31.0	26.9		4.8	-2.1
PBT Margin	29.5	37.2	30.1	30.2	38.1	36.9	35.2	36.8	31.8	36.7	32.5		5.2	-1.6
Tax Rate	22.2	27.8	21.9	25.0	24.2	24.3	28.2	23.6	24.5	25.0	24.3			
PAT Margin	23.1	27.0	23.7	22.9	28.7	27.6	24.9	27.9	24.2	27.3	24.3		1.3	-2.7

Craftsman Automation

Estimate changes	⟷
TP change	↓
Rating change	⟷

Bloomberg	CRAFTSMA IN
Equity Shares (m)	24
M.Cap.(INRb)/(USDb)	175.9 / 1.9
52-Week Range (INR)	8069 / 3700
1, 6, 12 Rel. Per (%)	7/12/62
12M Avg Val (INR M)	372

Consol. Financials & Valuations (INR b)

INR b	FY26E	FY27E	FY28E
Sales	80.9	91.6	103.7
EBITDA	12.2	14.8	17.3
Adj. PAT	3.9	5.5	7.2
EPS (INR)	163.2	231.5	301.3
EPS Gr. (%)	77.1	41.8	30.2
BV/Sh. (INR)	1,347	1,565	1,849
Ratios			
RoE (%)	12.8	15.9	17.6
RoCE (%)	10.8	11.3	12.3
Payout (%)	6.1	5.6	5.6
Valuations			
P/E (x)	44.8	31.6	24.3
P/BV (x)	5.4	4.7	4.0
Div. Yield (%)	0.1	0.2	0.2
FCF Yield (%)	-3.6	0.8	2.5

Shareholding pattern (%)

As of	Dec-25	Sep-25	Dec-24
Promoter	48.7	48.7	48.7
DII	25.2	24.4	21.0
FII	16.0	15.4	17.0
Others	10.0	11.5	13.3

FII includes depository receipts

CMP: INR7,375 TP: INR7,096 (-4%) Neutral

Earnings beat largely driven by higher other income

Sharp input cost inflation weighs on the aluminum business

- Craftsman Automation (Craftsman)'s 3QFY26 consol. adj. PAT of INR1.1b was ahead of our estimate of INR965m, largely led by a higher-than-expected other income, even as EBITDA margin was in line.
- The aluminum business is likely to be a key growth driver going forward on the back of a ramp-up of its alloy wheel facilities at Bhiwadi and Hosur, steady order visibility from both domestic and export customers, and the benefits of the restructuring of Sunbeam to be visible from FY27E. However, post the recent run-up in the stock, most of the positives seem factored in at **31.6x FY27E and at 24.3x FY28E**. **We reiterate our Neutral rating with a TP of INR7,096 (valued at 25x Dec'27E EPS).**

Earnings beat led by higher other income

- Consolidated revenues grew 30.5% YoY/3% QoQ to INR 20.5b (in line with our estimates). Even on a standalone basis, revenue was largely in line with our estimates.
- Despite operating losses at the new alloy wheel plant and higher aluminum prices, consolidated margins were flat QoQ at 15.2% (in-line) due to improved margins in the powertrain and Industrial engineering segments.
- Given the strong revenue growth, EBITDA grew 57% YoY/3.5% QoQ to INR 3.1b, in line with our estimates.
- Segmental performance:
  - **Powertrain:** Revenue at INR5.4b, rose 17.3% YoY (a miss of 6.5% on our est). EBIT margin at 16.8% was up 680bp YoY (220bp **beat** on our est.).
  - **Aluminum:** Revenue at INR12b was up 31% YoY (3.5% **miss** on est.), EBIT margin at 9.2% was up 140bp YoY (250bp **miss** on our est.). Margin miss in this segment was largely due to a spurt in Al prices in 3Q and the losses at the new alloy wheel plant.
  - **Industrial:** Revenue at INR3.2b, up 57% YoY and 15% **beat** on est, EBIT margins at 6.7%, up 660bp YoY and 530bp **beat** on est. Management has indicated that these margins are sustainable as the industry pricing discipline has improved.
  - DR Axion's revenue grew 17% YoY to INR3.8b, while Sunbeam recorded a strong 32.5% revenue growth. Despite the ramp-up of subsidiaries, the aluminum margin in the subsidiaries was flat YoY, down 70bp QoQ.
- The company has posted an exceptional expense for 3Q worth INR 36.8m on account of the labor code impact.
- Adjusted for this, PAT surged 353% YoY on a low base to INR1.1b (vs. our est. of INR965m), led by higher-than-expected other income at INR277m (vs. our est. of INR45m).

Highlights from the management commentary

- **Growth guidance**: Management expects revenue growth for the industrial and powertrain segment to be in the high-single to low double-digit range, while the aluminum segment is expected to record a high-teens revenue growth
- Annualized RoE and RoCE stood at 12% and 16%, respectively.
- Standalone capex guidance for FY26 was maintained at INR10b
- For stationary engines, Craftsman has secured an order book worth USD60m with a balance of USD30-40m to be signed in the upcoming fiscal, and first invoicing for the same is expected to take place in the next 1.0-1.5 years, with peak revenue expected to be hit by FY30.
- At Sunbeam, utilization has now reached over 50%, and margins are expected to improve starting from 2QFY27. The company aims to move to 10% EBITDA margins next year, from the current 7% levels.
- Management expects margins to be sustained in the Industrial Engineering business, given the pricing discipline that has set in the industry.

Valuation and view

- The aluminum business is likely to be a key growth driver going forward on the back of a ramp-up of its alloy wheel facilities at Bhiwadi and Hosur, steady order visibility from both domestic and export customers, and the benefits of the restructuring of Sunbeam to be visible from FY27E. Management has indicated that while the Aluminum segment can grow at high-teens going forward, the powertrain and Industrial engineering segments can grow at a high single-digit rate. However, post the recent run-up in the stock, most of the positives seem factored in at **31.6x FY27E and at 24.3x FY28E. We reiterate our Neutral rating with a TP of INR7,096 (valued at 25x Dec'27E EPS).**

Quarterly (Consol) (INR m)

	FY25				FY26E				FY25	FY26E	3QE	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				(%)
Net operating income	**11,512**	**12,140**	**15,761**	**17,493**	**17,840**	**20,016**	**20,573**	**22,454**	**56,905**	**80,883**	**20,968**	**-1.9**
Change (%)	10.9	3.0	39.5	58.3	55.0	64.9	30.5	28.4	27.8	42.1	33.0	
RM/Sales (%)	56.3	55.6	52.7	54.2	53.9	54.7	55.0	55.2	54.5	54.7	54.5	50bp
Staff Cost (% of Sales)	6.4	6.9	8.5	8.3	8.1	7.2	7.3	7.1	7.7	7.4	7.5	-20bp
Other Exp. (% of Sales)	20.1	21.6	26.2	23.6	23.2	23.0	22.6	22.3	23.2	22.8	22.6	0bp
EBITDA	**1,973**	**1,928**	**1,990**	**2,436**	**2,649**	**3,019**	**3,122**	**3,447**	**8,327**	**12,238**	**3,229**	**-3.3**
EBITDA Margins (%)	17.1	15.9	12.6	13.9	14.9	15.1	15.2	15.4	14.6	15.1	15.4	-20bp
Change (%)	-7.9	-18.8	-9.6	17.7	34.3	56.6	56.9	41.5	1,110.9	182.0	62.3	
Non-Operating Income	48	64	86	52	50	96	277	59	251	481	45	
Interest	492	413	583	679	663	770	794	806	2166	3033	820	
Depreciation	725	762	1035	949	1019	1090	1149	1199	3470	4457	1138	
Minority Int/Share of Profit	61	-4	-2	-2	-2	-4	-3	-6	-10	-14	-4	
PBT after EO items	**744**	**821**	**313**	**755**	**937**	**1,253**	**1,422**	**1,506**	**2,951**	**5,119**	**1,320**	**7.7**
Eff. Tax Rate (%)	28.5	24.9	58.6	11.6	25.7	27.5	24.7	25.2	23.3	25.7	26.9	
Rep. PAT	**532**	**617**	**129**	**668**	**696**	**909**	**1,071**	**1,126**	**2,263**	**3,802**	**965**	**11.0**
Change (%)	-28.6	-34.7	-82.3	7.1	30.9	47.3	728.4	68.7	-25.7	68.0	646.3	
Adj. PAT	**532**	**617**	**242**	**750**	**757**	**912**	**1,098**	**1,126**	**2,263**	**3,894**	**965**	**13.8**
Change (%)	-28.6	-34.7	-66.9	20.3	42.3	47.9	353.2	50.2	-25.7	72.0	298.1	

Five Star Business Finance

Estimate changes	↔
TP change	↓
Rating change	↔

Bloomberg	FIVESTAR IN
Equity Shares (m)	294
M.Cap.(INRb)/(USDb)	130.6 / 1.4
52-Week Range (INR)	850 / 435
1, 6, 12 Rel. Per (%)	-16/-34/-50
12M Avg Val (INR M)	844

Financials Snapshot (INR b)

Y/E March	FY26E	FY27E	FY28E
NII	23.9	27.1	31.5
PPoP	17.1	19.0	21.9
PAT	11.1	12.6	14.7
EPS (INR)	37.8	42.8	50
EPS Growth (%)	4	13	16
BVPS (INR)	250	291	338
Ratios (%)			
NIM	19.2	18.6	17.9
C/I ratio	32.1	33.4	33.6
Credit Costs	1.8	1.4	1.3
RoAA	7.3	7.1	6.9
RoAE	16.3	15.8	15.8
Dividend Payout	5.3	5.8	5.0
Valuation			
P/E (x)	11.7	10.4	8.9
P/BV (x)	1.8	1.5	1.3
Div. Yield (%)	0.5	0.6	0.6

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	18.6	18.6	21.6
DII	14.7	12.2	10.1
FII	52.9	55.8	57.8
Others	13.8	13.5	10.6

FII includes depository receipts

CMP: INR444 TP: INR590 (+33%) Buy

Subdued performance; normalization still a few quarters away

Improvement seen in early delinquencies

- Five Star Business Finance's (FIVESTAR) 3QFY26 PAT grew ~1% YoY to INR2.8b (in line). NII grew ~12% YoY to INR6.1b (in line). Other income rose 33% YoY to INR264m (vs. MOFSLe of INR370m). The quarterly dip in the other income was primarily due to the dip in the treasury income.
- Opex grew 21% YoY to INR2.1b (in line). It made provisions of ~INR21m towards employee benefits on account of the new labor codes. PPoP rose ~10% YoY to INR4.3b (in line). Credit costs were INR571m (in line). Annualized credit costs stood at ~1.5% (PQ: ~1.35% and PY: ~0.7%).
- AUM grew 16% YoY/1% QoQ to ~INR130b. Management emphasized that the pace of growth has been deliberately moderated to prioritize strengthening the collections and stabilizing the portfolio. This approach aims to enhance asset quality, with disbursements expected to pick up over the next two quarters, once collections normalize.
- Management highlighted that the underlying challenges initially arose from over-leveraging but subsequently shifted to behavioral issues from borrowers. In response, Five Star is deliberately avoiding broad-based technical write-offs, recognizing that such measures could inadvertently weaken repayment discipline across the lending ecosystem. Instead, the company is guiding customers toward responsible credit behavior and emphasizing the long-term benefits of maintaining a healthy credit profile. Management believes that this education-driven approach will support a sustainable recovery, even if it tempers near-term growth.
- The company expects the CoF to decline further as ~25-30% of liabilities are linked to repo/T-bills/EBLR rates, enabling interest rate benefits to pass through, with an additional ~10–15bp reduction anticipated over the next two quarters.
- Underwriting norms have been tightened, and collection functions have been notably strengthened through the establishment of a dedicated collections vertical and enhanced customer engagement. These measures have helped maintain stability in soft-bucket collections in 3QFY26. Management stated that despite slightly elevated slippages, customer delinquencies have been effectively contained within the <60 DPD bucket.
- Five Star is making efforts to promote responsible credit behavior, aimed at creating a more resilient foundation for the medium to longer term. 1+dpd improved ~10bp QoQ, which suggests that the early bucket delinquencies are stabilizing, and if this trend continues, it will give the management confidence to accelerate disbursement growth within the next 1-2 quarters. We estimate the company to post a CAGR of ~21%/~15% in AUM/PAT over FY26-28E with a FY28E RoA/RoE of 6.9/16%. **Reiterate BUY with a revised TP of INR590 (based on 1.8x Dec'27E BV).**

Disbursements dip 18% QoQ; focus continued on collections

- Disbursements grew ~4% YoY and declined ~18% QoQ to ~INR9.8b.
- With borrower behavioral issues now taking hold and stress formation reducing, disbursement growth is expected to pick up in the coming quarters.

Margins contract owing to falling yields; CoB set to improve

- Reported yields declined ~20bp QoQ to 23%, while CoB declined ~15bp QoQ to 9.1%. Reported spreads declined ~5bp QoQ to 13.9%. Reported NIM dipped ~35bp QoQ to ~16%. Incremental CoF declined ~35bp QoQ to ~8.2%.
- CoB has steadily declined over the last year and is expected to improve further. Management guided for ~15-20bp improvement in CoB over ~3-6 months.
- 3QFY26 RoA/RoE stood at 7%/15.8%. Capital adequacy was ~52% as of Dec'25

Forward flows into higher buckets continue, but early buckets contained

- GS3/NS3 rose ~50bp QoQ each to ~3.2% and 1.9%, respectively. PCR declined ~540bp QoQ to ~40%.
- 30+ dpd rose ~65bp QoQ to 12.8% and 1+dpd improved ~10bp QoQ to 18.2%. This suggests that early delinquencies are now getting contained, but forward flows of delinquent customers into higher buckets continue.
- Overall collection efficiency and unique customer collection efficiency for the quarter stood at 96.6% and 95.1%, respectively. Unique collection efficiency (excluding NPAs) improved from ~96.5% in 2Q to ~97.3% in 3QFY26.

Highlights from the management commentary

- The company has signed a ~USD100m loan with the Asian Development Bank, which will be drawn down over the next few quarters. The fully loaded cost will be determined by the hedge rate, and it will be 25-30bp higher than other borrowing instruments (expected to be at ~8.75-8.80%)
- Rejection rates have increased to ~38–40% in 2Q and 3Q, reflecting tighter underwriting. However, these are expected to moderate once the company sharpens its target borrower profile.

Valuation and view

- FIVESTAR reported a muted performance during the quarter, marked by subdued disbursements and weak AUM growth. While asset quality showed deterioration, early delinquencies remained largely contained. The company appears to be approaching an inflection point, with business momentum and asset quality expected to improve over the next few quarters. While we expect some early green shoots from 4QFY26 itself, we now estimate full normalization only from 2QFY27 onwards.
- The stock currently trades at 1.5x FY27E P/BV. We estimate FIVESTAR to post a CAGR of ~21%/~15% in AUM/PAT over FY26-28E with an RoA/ RoE of 6.9/16% in FY28E. **Reiterate BUY with a revised TP of INR590 (based on 1.8x Dec'27E BV).**

Quarterly Performance (INR M)

Y/E March	FY25				FY26E				FY25	FY26E	3QFY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	6,411	6,793	7,112	7,347	7,647	7,731	7,959	8,032	27,663	31,369	7,809	2
Interest Expenses	1,582	1,631	1,714	1,753	1,873	1,800	1,885	1,891	6,680	7,449	1,847	2
Net Interest Income	**4,829**	**5,161**	**5,399**	**5,594**	**5,774**	**5,931**	**6,073**	**6,141**	**20,983**	**23,920**	**5,962**	**2**
YoY Growth (%)	31.4	29.6	28.3	21.2	19.6	14.9	12.5	9.8	27.3	14.0	10.4	
Other Income	283	266	198	250	265	334	264	377	997	1,239	370	-29
Total Income	**5,112**	**5,427**	**5,597**	**5,844**	**6,039**	**6,265**	**6,337**	**6,518**	**21,980**	**25,159**	**6,332**	**0**
YoY Growth (%)	32.0	30.3	26.8	21.4	18.1	15.4	13.2	11.5	27.3	14.5	13.1	
Operating Expenses	1,565	1,627	1,713	1,880	2,012	1,936	2,078	2,052	6,785	8,077	2,029	2
Operating Profit	**3,547**	**3,800**	**3,884**	**3,964**	**4,027**	**4,330**	**4,259**	**4,466**	**15,196**	**17,082**	**4,304**	**-1**
YoY Growth (%)	35.9	36.9	29.4	19.2	13.5	13.9	9.7	12.6	29.7	12.4	10.8	
Provisions & Loan Losses	185	218	233	254	478	510	571	667	890	2,226	572	0
Profit before Tax	**3,362**	**3,582**	**3,651**	**3,711**	**3,550**	**3,819**	**3,688**	**3,799**	**14,306**	**14,856**	**3,732**	**-1**
Tax Provisions	846	903	913	919	886	958	918	967	3,581	3,729	937	-2
Net Profit	**2,516**	**2,679**	**2,739**	**2,791**	**2,663**	**2,861**	**2,770**	**2,832**	**10,725**	**11,127**	**2,795**	**-1**
YoY Growth (%)	37	34	26	18	6	7	1	1	28.3	3.7	2.1	
Key Parameters (%)												
Yield on loans	25.7	25.5	25.7	25.5	25.1	24.4	24.7	24.3				
Cost of funds	9.7	9.6	9.6	9.2	9.5	8.9	9.1	9.1				
Spread	16.0	16.0	16.1	16.3	15.7	15.6	15.6	15.2				
NIM	19.33	19.41	19.54	19.41	18.98	18.75	18.82	18.6				
Credit cost	0.74	0.69	0.71	0.73	1.31	1.35	1.48	1.69				
Cost to Income Ratio (%)	30.6	30.0	30.6	32.2	33.3	30.9	32.8	31.5				
Tax Rate (%)	25.2	25.2	25.0	24.8	25.0	25.1	24.9	25.4				
Performance ratios (%)												
AUM/Branch (INR m)	189.1	165.6	153	158.8	162.4	160.6						
Balance Sheet Parameters												
AUM (INR B)	103.4	109.3	111.8	118.8	124.6	128.5	129.6	134.8				
Change YoY (%)	36.4	32.2	25.2	23.2	20.4	17.6	16.0	13.5				
Disbursements (INR B)	**13.2**	**12.5**	**9.4**	**14.6**	**12.9**	**12.0**	**9.8**	**14.0**				
Change YoY (%)	16.5	3.9	-22.2	9.2	-2.1	-4.4	3.8	-4.2				
Borrowings (INR B)	67.2	68.8	73.6	79.2	78.7	83.8	82.0	85.0				
Change YoY (%)	55.8	42.8	27.1	25.4	17.1	21.8	11.4	7.3				
Borrowings/Loans (%)	65.0	63.0	65.9	66.7	63.2	65.2	63.2	63.1				
Debt/Equity (x)	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.2				
Asset Quality (%)												
GS 3 (INR M)	**1,454**	**1,604**	**1,808**	**2,123**	**3,070**	**3,388**						
G3 %	**1.4**	**1.5**	**1.62**	**1.8**	**2.5**	**2.6**						
NS 3 (INR M)	**697**	**773**	**901**	**1,034**	**1,534**	**1,857**						
NS3 %	**0.7**	**0.7**	**0.8**	**0.9**	**1.3**	**1.5**						
PCR (%)	**52.1**	**51.8**	**50.2**	**51.3**	**50.0**	**45.2**						
ECL (%)	**1.6**	**1.6**	**1.7**	**1.6**	**1.9**	**1.9**						
Return Ratios (%)												
ROA (Rep)	8.2	8.4	8.1	8.0	7.2	7.5						
ROE (Rep)	19.0	19.0	18.49	18.4	16.6	16.9						

E: MOFSL Estimates

Aditya Birla Real Estate

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	ABREL IN
Equity Shares (m)	112
M.Cap.(INRb)/(USDb)	143.4 / 1.6
52-Week Range (INR)	2538 / 1256
1, 6, 12 Rel. Per (%)	-20/-36/-44
12M Avg Val (INR M)	398

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	8.9	23.4	62.5
EBITDA	0.2	3.1	10.8
EBITDA (%)	2.4	13.3	17.2
PAT	0.1	2.5	9.7
EPS (INR)	0.7	22.6	86.9
EPS Gr. (%)	-105.2	2919.5	285.2
BV/Sh. (INR)	332.9	353.5	438.4
Ratios			
Net D/E	0.2	6.6	21.9
RoE (%)	0.0	2.9	10.6
RoCE (%)	-22.5	8.9	2.3
Valuations			
P/E (x)	1719.1	56.9	14.8
P/BV (x)	3.9	3.6	2.9
EV/EBITDA (x)	795.7	57.6	11.8
Div Yield (%)	0.2	0.2	0.2

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	50.2	50.2	50.2
DII	16.9	16.4	15.3
FII	10.0	10.1	10.6
Others	22.9	23.2	23.9

CMP: INR1,284 TP: INR1,988 (+55%) Buy

Fewer launches dent presales; revenues hit by completion spillover

Collection efficiency stood at 51%

- ABREL reported presales of INR25.4b in 3QFY26, up 276% YoY/185% QoQ (29% below estimates). In 9MFY26, presales were at INR38b, up 64% YoY.
- Only two projects out of four initially guided have been launched in 3Q with GDV of INR26.2b. Overall FY26 launch guidance has been reduced from INR139b to INR88b, with Birla Niyaara Tower C and Birla Navya to be spilled over to FY27.
- Collections were up 157% YoY/152% QoQ at INR12.9b in 3Q (in line with estimates). In 9MFY26, collections were at INR23b, up 44% YoY.
- Net debt declined to INR35.1b from INR42.3b in 2Q.
- **P&L performance:** In 3Q, revenue fell 60% YoY/17% QoQ to INR812m (82% below our estimate). In 9MFY26, revenue was down 61% YoY at INR3.2b.
- ABREL reported 3Q EBITDA loss of INR891m vs. loss of INR180m YoY. In 9MFY26, EBITDA loss was INR2.0b vs. EBITDA profit of INR546m YoY.
- 3Q adj. PAT loss stood at INR729m vs. loss of INR406m YoY. In 9MFY26, PAT loss stood at INR1.1b vs. loss of INR303m YoY.

Key concall highlights

- **3QFY26 launches:** 1) Birla Pravaah with GDV of INR18.5b – completely sold out at launch, 2) Birla Evam with GDV of INR7.7b (INR2.8b booked).
- **Upcoming launches:** 4Q launches stand at INR62b – 2 projects from MMR (Thane and Boisar), 1 in Bengaluru (Trimaya), 1 in NCR (Arika) and 1 in Pune (Punya). ABREL has also received RERA for Evara with GDV of INR16b, which can also be launched. Niyaara Tower C is set to be launched in 1HFY27, and Birla Navya, earlier planned for FY26, has now been deferred to FY27.
- **Margins and land payments:** Margins stand at 25-30% for JDAs and ~40% for own projects and JVs. All land payments have been completed. Land payments for the Thane and Pune JV projects with IFC remain pending for certain parcels; however, these will be funded through fully funded SPVs.
- **Leasing and rentals:** Leasing properties are 100% occupied. 9MFY26 saw a marginal reduction as some space was self-occupied in 3Q. Design work for the upcoming Niyaara development on ~1msf of land is underway. Gross rentals may expand to INR10b from ~INR1.5b now over the next 4–5 years.
- **Revenue recognition:** Revenue for Birla Tisya and Vanya is expected to be recognized in FY27. Niyaara Tower 1 is scheduled for completion in FY28 and Tower 2 in FY29, with revenue to be recognized accordingly.
- **Business development:** ABREL is close to signing deals for open land and redevelopment projects. BD guidance remains at INR100b for FY26.
- **Collections and cash flows:** As of 3QFY26, pending collections from sold inventory stood at INR132.7b, while unsold inventory stood at INR51.3b. Estimated remaining project investment stood at INR105.8b, after which cash flow surplus was INR78.3b.

Valuation and view

- We have cut our presales estimates for FY26, as material launches like Niyaara and Navya are spilled over to FY27. Revenue is also cut due to a delay in project completions.
- We value its residential segment based on the DCF of existing pipelines and its commercial segment based on an 8% cap rate on FY26E EBITDA.
- **We reiterate our BUY rating on the stock with a revised TP of INR1,988, implying a 55% upside potential.**

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			3Q	(%)
Net Sales	**3,533**	**2,664**	**2,044**	**3,948**	**1,456**	**978**	**812**	**5,608**	**12,189**	**8,853**	**4,391**	-82%
YoY Change (%)	-60.7	-115.8	-80.9	-51.5	-58.8	-63.3	-60.3	42.1	-53.4	-78.6	114.8	
Total Expenditure	3,078	2,393	2,224	4,198	1,855	1,679	1,702	3,402	11,893	8,638	3,928	
EBITDA	**455**	**271**	**-180**	**-250**	**-399**	**-701**	**-891**	**2,206**	**296**	**215**	**463**	**NA**
Margins (%)	12.9	10.2	-8.8	-6.3	-27.4	-71.6	-109.7	39.3	2.4	2.4	10.5	
Depreciation	161	157	161	158	155	157	178	175	638	665	199	
Interest	110	155	78	115	71	177	190	141	458	579	174	
Other Income	120	93	42	130	119	154	92	123	385	487	251	
PBT before EO expense	**304**	**51**	**-376**	**-393**	**-506**	**-882**	**-1,167**	**2,013**	**-415**	**-542**	**340**	**NA**
Extra-Ord expense	0	0	0	1,240	0	0	223	0	1,240	223	0	
PBT	**304**	**51**	**-376**	**-1,633**	**-506**	**-882**	**-1,390**	**2,013**	**-1,655**	**-765**	**340**	**NA**
Tax	125	66	-74	-419	-58	-187	-332	437	-303	-140	62	
Rate (%)	41.1	129.3	19.7	25.7	11.5	21.2	23.9	21.7	18.3	18.3	18.3	
Minority Interest & Profit/Loss of Asso. Cos.	175	2	-18	14	9	16	-9	351	174	367	3	
Reported PAT	**4**	**-17**	**-284**	**-1,228**	**-457**	**-710**	**-1,049**	**1,224**	**-1,526**	**-992**	**275**	**NA**
Adj PAT	**78**	**25**	**-406**	**-1,310**	**-255**	**-157**	**-729**	**1,224**	**-1,613**	**83**	**275**	**NA**
YoY Change (%)	-103.5	-98.6	-148.7	-3,520.6	-427.4	-719.7	79.5	-193.4	429.8	-95.0	-167.7	
Margins (%)	2.2	1.0	-19.9	-33.2	-17.5	-16.1	-89.7	21.8	-13.2	0.9	6.3	
Operational metrics												
Pre-Sales (msf)	0.1	1.3	0.4	3.3	0.3	0.5	1.7	3.8	5.1	6.3	2.0	-14%
Booking Value (INRb)	2.6	14.1	6.8	57.4	4.2	8.9	25.4	49.4	80.9	87.8	35	-29%
Avg rate/sf (INR)	37,429	10,779	18,243	17,283	14,083	17,790	14,918	13,095	15,951	14,011	17968	-17%
Collections (INRb)	4.9	6.4	5.0	10.3	5.5	5.1	12.9	18.3	26.6	41.8	12	3%

Source: Company, MOFSL

29 January 2026

3QFY26 Results Update | Sector: Insurance

Niva Bupa

Estimate change	↓
TP change	⟷
Rating change	⟷

Bloomberg	NIVABUPA IN
Equity Shares (m)	1846
M.Cap.(INRb)/(USDb)	144.1 / 1.6
52-Week Range (INR)	95 / 61
1, 6, 12 Rel. Per (%)	6/-10/-13
12M Avg Val (INR M)	407

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
GWP	86.0	114.5	142.1
NEP	59.6	79.3	100.6
U/W Profit	-6.6	-4.1	-1.6
PBT	-0.6	2.9	6.2
PAT	-0.3	2.2	4.7
Ratios (%)			
Claims	69.0	66.5	65.5
Commission	18.5	18.0	17.5
Expense	18.5	16.0	15.0
Combined	106.0	100.5	98.0
RoE	-0.7	5.6	11.2
EPS (INR)	-0.1	1.2	2.6
EPS Growth (%)	NA	NA	116.5
Valuations			
P/E (x)	NA	65.9	30.4
P/BV (x)	3.8	3.6	3.2

Shareholding pattern (%)

As of	Dec-25	Sep-25	Dec-24
Promoter	55.4	55.4	56.0
DII	16.0	15.3	9.8
FII	10.3	10.7	8.9
Others	18.3	18.6	25.4

FII includes depository receipts

CMP: INR78 TP: INR92 (+18%) Buy

Elevated claims; operating efficiency drives a beat on combined ratio

- Niva Bupa (Niva) reported 28% YoY growth in NEP to INR14.5b (in line) in 3QFY26. For 9MFY26, NEP grew 22% YoY to INR41b.
- The loss ratio at 72.3% (our est. of 71%) increased 720bp YoY. Opex ratio was at 17.9% (our est. of 18.5%) with 34% YoY growth in operating expenses to INR3.2b (in line). This included a one-time labor code impact of ~INR200m. The commission ratio was 18% (our est. of 19.3%); it improved owing to the passing of the GST impact on distributors.
- Rise in claims ratio was offset by operating efficiency, which led to a combined ratio of 108.2% (vs. est. of 108.8%). The ratio inched up 10bp YoY. Excluding the labor code impact, the ratio would have been at 107.1%.
- Loss for 3QFY26 was at INR876m vs PAT of INR132m in 3QFY25 (our est. of a loss of INR749m). Excluding the labor code impact, the loss would have been lower than our estimates. For 9MFY26, the loss was INR2.1b compared to a profit of INR74m in 9MFY25.
- Jan'26 trends remain healthy, and management expects GST-led tailwinds to sustain. The company is targeting a high-teen IFRS RoE over the medium term.
- We cut our PAT estimates for FY27/28 by 4/13%, increasing the claims ratio by 150bp each, considering the performance in 9MFY26. This has also resulted in 11%/7% cut in our FY27/28 IFRS PAT estimates. We value the stock at 30x FY28E IFRS PAT with a TP of INR92. **Reiterate BUY.**

IFRS PAT rises 28% YoY in 3Q

- GWP grew 55% YoY to INR22.3b, driven by 55%/58% YoY growth in retail health/group health, while the PA business was flat YoY. For 9MFY26, GWP grew 22% YoY to INR57.1b.
- The underwriting loss for 3QFY26 came in at INR2.3b vs. the underwriting loss of INR1b in 3QFY25 (est. loss of INR2.3b), with net claims incurred growing 42% YoY to INR10.5b (in line) and 34% YoY growth in operating expenses to INR3.2b (in line).
- Commission ratio was at 18% (vs our est. of 19.3%) with net commission growing 22% YoY to INR3.2b (in line).
- Without considering the impact of 1/n, the claims ratio for 9MFY26 rose to 73.6%, while the expense ratio (including commission) improved to 38.3%, leading to a combined ratio of 111.9% (105% in 9MFY25). With the impact of 1/n, the claims/combined ratios were 73.6%/111.9% for 9MFY26.
- Investment assets stood at INR89.3b at the end of 9MFY26, with investment yield at 7.3%. The solvency ratio was 2.49x in 3QFY26.
- The average ticket size per policy (without 1/n) rose to INR32,833 in 9M from INR31,963 in 9MFY25. In contrast, the GWP contribution from the >INR1m sum insured rose to 86.4% in 9M from 75.1% in 9MFY25.

- The IFRS claims ratio for 9MFY26 rose to 65.4% (from 64.2% in 9MFY25), with the retail health loss ratio broadly stable YoY at 66.9%. However, the group health loss ratio was elevated. The expense ratio improved to 37.6% in 9MFY26 (39.2% in 9MFY25), resulting in an improvement in the combined ratio to 102.9% (103.4% in 1HFY25). Excluding the labor code impact IFRS combined ratio was at 102.6%.
- IFRS PAT in 3QFY26 grew 28% YoY to INR770m. For 9MFY26, IFRS PAT was at INR2b, growing from INR1.1b in 9MFY25.
- The company's hospital network was at 10,587 (10,421 at the end of FY25), while the preferred partner network increased to 1,087 for 9MFY26 (589 at the end of FY25).
- The channel mix remained diversified, with 29.8%/20.2%/11.2%/28.2%/10.1%/ 0.6% of the business being contributed by agents/banks/other corporate agents/ brokers/ direct/ others in 9MFY26. The company has added 15,000 agents in 3QFY26, taking the agent count to 224,810. 5 banca partnerships in 3QFY26 took total partnerships to 116.

Key takeaways from the management commentary

- A common empanelment initiative is underway to standardize evidence-based medical practices using technology, with ~1,000 hospitals already empaneled at common rates; this is expected to scale to ~5,000 hospitals over the next 6–9 months, which should aid affordability and growth.
- Management remains confident of meeting the EoM regulatory requirement by the end of FY26 under both 1/n and non-1/n accounting.
- Volume growth stood at 29% in 3Q while value growth was 15%, reflecting a ~15% increase in ticket size; this marks a sharp improvement over 1H, where volume grew 22%, but value growth was only 5%.

Valuation and view

- Niva witnessed the impact of the elevated group health loss ratio on its profitability, while the retail health loss ratio was largely stable. Apart from operational efficiency, Niva's commission ratio also improved due to favorable distributor renegotiations with respect to passing on of the GST impact.
- We believe Niva has a strong position to harness the growth opportunity, with a strategic global partner, a growing customer base, a diversified channel mix, and innovative product offerings. While loss ratios are expected to rise going forward, it will be offset to some extent by operational efficiency.
- We cut our PAT estimates for FY27/28 by 4/13%, increasing the claims ratio by 150bp each, considering the performance in 9MFY26. This has also resulted in 11%/7% cut in our FY27/28 IFRS PAT estimates. We value the stock at 30x FY28E IFRS PAT with a TP of INR92. **Reiterate BUY.**

Quarterly Performance INR m

Y/E March	FY25				FY26				FY25	FY26E	3Q	Act v/s	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			FY26E	Est. (%)		
Gross premium	14,642	17,773	14,421	20,787	16,319	18,431	22,313	28,924	67,622	85,986	21,515	3.7	55%	21%
Net written premium	11,516	13,933	11,524	16,721	12,879	14,501	17,667	22,625	53,694	67,671	16,932	4.3	53%	22%
Net earned premium	10,180	12,132	11,358	15,274	12,200	14,221	14,536	18,595	48,945	59,551	14,223	2.2	28%	2%
Investment Income	575	682	679	938	868	981	893	1,039	2,874	3,782	994	-10.2	32%	-9%
Total Income	**11,593**	**13,597**	**12,405**	**15,647**	**13,084**	**15,381**	**15,495**	**20,227**	**53,243**	**64,187**	**15,464**	**0.2**	**25%**	**1%**
Change YoY (%)	36.2	37.1	20.1	18.7	12.9	13.1	24.9	29.3	26.9	20.6	24.7			
Incurred claims	6,518	7,419	7,398	8,616	9,499	10,126	10,509	10,956	29,950	41,090	10,098	4.1	42%	4%
Net commission	2,280	2,803	2,608	2,955	2,598	2,798	3,176	3,947	10,646	12,519	3,268	-2.8	22%	13%
Operating expenses	2,563	2,791	2,365	3,127	2,439	3,077	3,166	3,837	10,846	12,519	3,132	1.1	34%	3%
Total operating expenses	4,843	5,594	4,973	6,082	5,037	5,875	6,342	7,784	21,492	25,038	6,400			
Change YoY (%)	28.2	37.3	14.2	13.5	4.0	5.0	27.5	28.0	7.5	15.4	28.7			
Underwriting profit	**-1,180**	**-881**	**-1,013**	**576**	**-2,336**	**-1,780**	**-2,315**	**-146**	**-2,497**	**-6,578**	**-2,275**			
Operating profit	232	585	34	949	-1,452	-620	-1,355	1,486	1,801	-1,941	-1,035			
Shareholder's P/L														
Transfer from Policyholder's	232	585	34	949	-1,452	-620	-1,355	1,486	1,801	-1,941	-1,035			
Investment income	494	401	544	615	642	539	681	724	2,054	2,586	623	9.3	25%	26%
Total Income	**726**	**986**	**578**	**1,564**	**-810**	**-81**	**-674**	**2,210**	**3,855**	**645**	**-412**			
Provisions other than taxation	8	3	8	-13	20	24	53	-7	6.3	90	22	138.6	573%	116%
Other expenses	906	853	438	-484	84	247	149	646	1,713	1,127	314	-52.5	-66%	-40%
Total Expenses	**915**	**856**	**446**	**-497**	**105**	**272**	**202**	**639**	**1,720**	**1,217**	**336**	-40.0	-55%	-26%
PBT	**-188**	**130**	**132**	**2,061**	**-914**	**-353**	**-876**	**1,571**	**2,135**	**-572**	**-749**			
Change YoY (%)	NA	NA	NA	31.2	NA	NA	NA	-23.8	160.9	-126.8	NA			
Tax Provisions	-	-	-	-	-	-	-	-321	-	-321	-			
Net Profit	**-188**	**130**	**132**	**2,061**	**-914**	**-353**	**-876**	**1,892**	**2,135**	**-252**	**-749**			
Change YoY (%)	NA	NA	NA	31.2	NA	NA	-761.9	-8.2	160.9	-111.8	-665.4			
Key Parameters (%)														**bp**
Claims ratio	64.0	61.1	65.1	56.4	77.9	71.2	72.3	58.9	61.2	69.0	71.0	130	716	109
Commission ratio	19.8	20.1	22.6	17.7	20.2	19.3	18.0	17.4	19.8	18.5	19.3	-132	-465	-132
Expense ratio	22.3	20.0	20.5	18.7	18.9	21.2	17.9	17.0	20.2	18.5	18.5	-58	-260	-330
Combined ratio	106.1	101.3	108.3	92.8	117.0	111.7	108.2	93.3	101.2	106.0	108.8	-61	-9	-353
Solvency	2.4	2.3	3.0	3.0	2.9	2.9	2.5	0.0	3.0	2.6	0.0			

Arvind Fashions

Estimate change	↓
TP change	⟷
Rating change	⟷

Bloomberg	ARVINDFA IN
Equity Shares (m)	134
M.Cap.(INRb)/(USDb)	60.9 / 0.7
52-Week Range (INR)	579 / 320
1, 6, 12 Rel. Per (%)	-9/-18/-15
12M Avg Val (INR M)	179

Financials & Valuations Consol (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	52.4	59.4	66.1
EBITDA	6.9	8.3	9.5
Adj. PAT	1.0	1.9	2.4
EBITDA Margin (%)	13.1	14.1	14.4
Adj. EPS (INR)	7.6	13.9	17.9
EPS Gr. (%)	NM	83.3	29.0
BV/Sh. (INR)	95.0	104.0	117.9
Ratios			
Net D:E	0.1	0.0	-0.2
RoE (%)	8.3	14.0	16.2
RoCE (%)	21.0	29.3	32.2
Valuations	59.2	32.3	25.0
P/E (x)	8.9	7.1	6.0
EV/EBITDA (x)	1.2	1.0	0.9
EV/Sales (X)	0.5	0.9	1.2
Div. Yield (%)	52.4	59.4	66.1

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	35.1	35.1	35.2
DII	23.2	22.8	21.8
FII	12.1	12.0	10.0
Others	29.6	30.1	33.0

FII Includes depository receipts

CMP: INR455 TP: INR700 (+54%) Buy

Earnings quality improves as USPA scales

- Arvind Fashions (AFL) delivered another strong quarter with revenue growth of 15%, beating estimates by 3%, led by a healthy SSSG of 8.2%. USPA was the key driver, delivering ~25% growth on the back of product elevation, premiumization, and improved retail execution.
- EBITDA margins expanded ~40bp, supported by a better product mix and controlled discounting, partly offset by elevated employee costs.
- Performance in 9MFY26 has been robust, with revenue and EBITDA growing 14% and 16%, respectively, while attributable PAT rose 28% YoY to INR764m, reflecting operating leverage and improving earnings quality.
- We revise our FY25–28E estimates to factor in this momentum, leading 1-2% cut in Pre-IND AS EBITDA. We build in a 12% revenue CAGR and ~230bp pre-Ind AS EBITDA margin expansion, translating into a 23% CAGR.
- Historically, AFL has traded at a valuation discount due to profit concentration in PVH, a 50:50 JV. With fully owned USPA now emerging as the key profitability driver, the case for multiple expansion strengthens.
- AFL currently trades at an undemanding ~32x FY27E attributable PAT (vs ~40x for ABLBL), despite superior profitability. **We reiterate our BUY rating with a revised SOTP-based TP of INR700.**

Strong momentum continues

AFL reported revenue growth of 15% YoY (3% beat) to INR13.8b in 3QFY26, reflecting consistent traction across channels.

- Retail channel led the performance, with SSSG of 8.2% and revenue growth of 12% YoY, driven by continued investments in brand building and store productivity.
- The company added 24 net new stores (43 gross additions), taking the total EBO count to 1,022 and 1.3m sq.ft (up 14% YoY).
- Online B2C sales further accelerated ~50% YoY to INR2.3b, now accounting for ~17% of total revenue, underscoring the success of AFL's digital-first strategy.
- Online B2B, however, declined 10% YoY.
- Wholesale and B2B channels delivered a strong growth of 19% YoY.
- Margin expansion driven by channel and pricing mix:
  - A richer mix from own channels (retail and online) and disciplined discounting led to a 50bp YoY expansion in gross margin to 55.4% (~10bp below est).
  - EBITDA grew 18% YoY to INR1.9b (in line with est.), with margins of 14.2% (up 40bp).
  - Depreciation/finance costs grew 15%/8% YoY.
  - Other income was down 32% at INR59m.
- Sharp profit recovery:
  - AFL has booked a one-time exceptional item of INR290, owing to the implementation of labor codes.
  - Adj for this, PAT stood at INR654m, up 37% YoY. Reported PAT stood at INR364m, down 22% YoY.

  - PAT attributable to owners stood at INR258m, down 3% YoY.
  - PVH Arvind JV contributed INR105m in minority interest, down 47% YoY.
- WC and inventory:
  - WC built up to 99 days (vs. 89 days YoY) due to early inwards of merchandise. NWC was, however, largely flat at 63 days (vs. 59 days).

9MFY26 results: Healthy ~16% EBITDA growth

- Revenue at INR39b grew 14% YoY, led by strong performance in Retail (up 14% YoY) and Online B2C (up 50% YoY).
- GM expanded 110bp to 54.5% on better discounting and richer product mix.
- EBITDA margin expanded 30bp to 13.2%, as high A&P spends were partly offset by GM expansion. EBITDA at INR5.1b grew 16% YoY.
- PBT grew 32% YoY to INR2.1b.
- Adj PAT stood at INR1.5b, up 38% YoY. Profit grew 28% to INR764m, while minority interest declined 13% YoY to INR417m.

Highlights from the management commentary

- **Demand** remained stable, supported by ~8.2% retail LTL growth (USPA: ~11%, FM: ~17%) and sustained double-digit secondary growth in wholesale. Revenue grew ~15% YoY, the strongest in several years, driven by healthy retail throughput, expanding direct channels, and a steady wholesale contribution despite an uneven discretionary backdrop.
- **USPA** delivered ~25% growth, driven by product elevation and premiumization, stronger retail execution, and rapid digital scaling. Retail grew ~23% with ~11% LTL, supported by targeted store expansion and closure of underperforming locations. Online B2C grew >80%, expanding reach and reinforcing momentum across both mainline and adjacency categories.
- **Outlook:** Operating leverage from high LTL growth, improving gross margins, and stable fixed costs is expected to drive EBITDA growth ahead of revenue. The company remains on track to deliver 12–15% growth, supported by retail expansion, DTC scaling, and adjacencies, underpinning medium-term earnings visibility.

Valuation and view

- AFL has now evolved into a lifestyle category, with ~15% of its revenue coming from adjacent categories.
- Its shift to a consignment-led model improved pricing control and margins, with an asset-light structure driving faster scale-up, strong cash generation (FCFF of INR7.5b over FY26-28E), and RoCE expansion to 29% by FY28E.
- We revise our FY25–28E estimates to factor in this momentum, building in a 12% revenue CAGR and ~230bp pre-Ind AS EBITDA margin expansion, translating into a 23% profit CAGR.
- Historically, AFL has traded at a valuation discount due to profit concentration in PVH, a 50:50 JV. With fully owned USPA now emerging as the key profitability driver, the case for multiple expansion strengthens.
- AFL currently trades at an undemanding ~32x FY27E attributable PAT vs ~40x for ABLBL, despite superior profitability. **We reiterate our BUY rating with a revised SOTP-based TP of INR700.**

Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			23E	Var (%)
Revenue	**9,548**	**12,732**	**12,028**	**11,891**	**11,073**	**14,175**	**13,766**	**13,399**	**46,198**	**52,413**	**13,388**	**3**
YoY Change (%)	10.2	8.5	6.9	8.7	16.0	11.3	14.5	12.7	8.5	13.5		
Total Expenditure	8,393	11,109	10,373	10,304	9,740	12,302	11,818	11,687	40,178	45,546	11,498	3
EBITDA	**1,155**	**1,623**	**1,655**	**1,587**	**1,334**	**1,873**	**1,948**	**1,713**	**6,020**	**6,868**	**1,890**	**3**
EBITDA Margin (%)	12.1	12.7	13.8	13.3	12.0	13.2	14.2	12.8	13.0	13.1	14.1	
Depreciation	613	643	654	648	685	713	748	739	2,557	2,885	669	12
Interest	381	386	403	388	406	416	434	427	1,558	1,682	428	1
Other Income	75	72	87	113	146	130	59	63	346	398	132	-55
PBT before EO expense	**236**	**666**	**686**	**664**	**388**	**874**	**825**	**610**	**2,251**	**2,698**	**925**	**-11**
PBT	**236**	**666**	**686**	**664**	**388**	**874**	**825**	**610**	**2,251**	**2,698**	**925**	**-11**
Tax	98	215	209	1,385	137	308	172	154	860	770	233	
Rate (%)	41.6	32.2	30.5	208.8	35.3	35.2	20.8	25.2	38.2	28.6	25.2	
Reported PAT	**138**	**451**	**476**	**-722**	**251**	**566**	**364**	**456**	**344**	**1,638**	**692**	**-47**
Attributable PAT	**12**	**297**	**278**	**-928**	**128**	**377**	**258**	**247**	**-356**	**1,011**	**475**	**-46**
YoY Change (%)	-107.1	16.4	70.9	-473.6	994.0	26.9	-7.0	-126.6	NA	NA	84.0	

MAS Financial Services

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	MASFIN IN
Equity Shares (m)	181
M.Cap.(INRb)/(USDb)	58.2 / 0.6
52-Week Range (INR)	350 / 220
1, 6, 12 Rel. Per (%)	5/0/13
12M Avg Val (INR M)	52

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Total income	10.2	12.6	15.2
PPP	6.5	8.1	9.8
PAT	3.6	4.5	5.5
EPS (INR)	20.0	25.0	30.2
EPS Gr. (%)	18.5	24.9	21.0
BVPS (INR)	158	181	208
Ratios (%)			
NIM	6.6	6.6	6.8
C/I ratio	36.5	35.9	35.6
RoA	2.7	2.9	2.9
RoE	13.4	14.7	15.5
Payout	9.2	9.0	8.5
Valuations			
P/E (x)	16	12.9	10.6
P/BV (x)	2.0	1.8	1.5
Div. yield (%)	0.6	0.7	0.8

Shareholding pattern (%)

As on	Dec-25	Sep-25	Dec-24
Promoter (%)	66.6	66.6	66.6
DII (%)	20.2	20.2	20.0
FII (%)	3.1	3.2	3.0
Others (%)	10.0	10.0	10.3

FII Includes depository receipts

CMP: INR321 TP: INR395 (+23%) Buy

Steady quarter; gradual re-acceleration in loan growth

NIM expanded QoQ; operating expenses slightly elevated

- MAS Financial Services' (MASFIN) 3QFY26 PAT grew ~16% YoY to INR903m (in line). Net total income rose 28% YoY to INR2.6b (in line). Opex grew ~49% YoY to INR1b (7% higher than est.). This included provisions of ~INR42m towards employee benefits on account of the new labor codes.
- PPoP stood at INR1.62b (in line) and grew 17% YoY. Credit costs stood at INR393m (in line), translating into annualized credit costs of 1.2% (PQ and PY: 1.2%). RoAUM was largely stable QoQ at ~2.9%.
- Management stated that despite healthy business momentum in 3QFY26, it is adopting a calibrated approach to near-term growth acceleration, allowing AUM to scale gradually over the next 2 to 3 quarters. The growth is expected to be primarily led by the MSME and Wheels segments, complemented by the salaried personal loan business. Additionally, ongoing geographic expansion across the northern and southern regions is likely to further strengthen growth traction.
- Management reiterated its commitment to a disciplined strategy, targeting AUM growth in the range of ~20-25%, while prioritizing risk management and profitability over headline expansion.
- The company shared that technology investments will remain a key lever for it to improve operating efficiency and scalability. The company is enhancing its underwriting framework through data-driven scorecards and back-tested models to enable faster credit decisions and lower TAT, with deployments prioritized in data-rich segments (2W and SME).
- Asset quality indicators have remained broadly stable, with early delinquency buckets showing improvement. Management attributed the improved performance in the 30+ dpd and 60+ dpd buckets to strengthened borrower cash flows and repayment behavior.
- MASFIN is positioned for steady, risk-managed growth, with AUM expansion to be led by the MSME and Wheels segments and gradual geographic expansion. Management also highlighted its focus on delivering an RoA of ~2.75-3% by calibrating margins across segments, enhancing operational efficiency, and further improving asset quality. Technology and data-driven underwriting are expected to support efficiency and faster credit decision-making.
- We estimate an AUM/PAT CAGR of 19%/23% over FY26-28, with an RoA/RoE of ~2.9%/16% in FY28E. **Reiterate BUY with a TP of INR395 (based on 2x Dec'27E BV).**

AUM grows ~18% YoY; MSME segment drives growth

- Standalone AUM stood at ~INR138b and rose ~18% YoY/6% QoQ. Within this, AUM of Micro-enterprise/ SME/ 2W/ CV loans was up 19%/ 15%/ 26%/ 9% YoY. Salaried PL grew ~29% YoY to ~INR11.9b.

- Avg. ticket size of micro-enterprise loans declined to ~INR82k (PQ: ~INR88k), while SME loans increased to ~INR3.1m (PQ: ~INR2.6m).
- Around ~34% of the underlying assets in the standalone AUM were through partner NBFCs. The MSME segment contributed 73% in the incremental YoY AUM growth, while other segments also contributed meaningfully.
- Salaried Personal Loan (PL) segment's growth is expected to remain at ~22–25%, but the product will be capped at ~10% of AUM.
- Management has guided for an AUM CAGR of ~20-25%, and we model MASFIN's AUM to expand at a CAGR of ~20% over FY26–28.

NIM expands ~10bp QoQ

- Yields (calc.) declined ~20bp QoQ to 14.35%, while CoF (calc.) remained largely stable QoQ at ~9.2%. This resulted in ~20bp QoQ contraction in spreads to ~5.2%. NIM (calc.) expanded ~10bp QoQ to ~7.8%.
- We expect MAS to deliver NIMs of ~6.6%/6.8% for FY27/28E.

Asset quality broadly stable

- GNPA (basis AUM) rose ~5bp QoQ to 2.6%, while NNPA was stable at 1.7%.
- Management does not foresee any stress in asset quality, and we model credit costs of ~1.3% each in FY27/28E for MASFIN.

Other highlights

HFC subsidiary

- MAS Housing reported AUM of ~INR8.6b, which grew ~22% YoY.
- GNPA/NNPA in the housing segment remained stable QoQ at ~0.97%/0.67%, respectively.
- Long-term growth potential is seen at ~30–35% for the housing finance segment, though growth was moderated in 3QFY26 due to overlap with stressed MFI borrowers.

Key highlights from the management commentary

- CV growth, which was deliberately slowed due to stress in certain pockets, is now expected to recover over the next two quarters
- The textile sector is exhibiting green shoots in Gujarat, Rajasthan, and Maharashtra, while South India remains weak.

Valuation and view

- MASFIN reported in-line earnings for 3QFY26, with AUM growing ~18% YoY. Asset quality and credit costs remained stable. Going forward, while operating expenses are expected to remain elevated due to ongoing investments in distribution and technology, management remains focused on delivering an RoA of ~2.75–3%, balancing growth with efficiency and asset quality.
- We estimate an AUM/ PAT CAGR of 19%/23% over FY26-28, with an RoA/RoE of ~2.9%/16% in FY28E. **Reiterate BUY with a TP of INR395 (based on 2x Dec'27E BV).**

Quarterly Performance **(INR M)**

Y/E March	FY25				FY26E				FY25	FY26E	3QFY26E	Act. v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue from Operations	**3,465**	**3,670**	**3,901**	**4,169**	**4,438**	**4,586**	**4,816**	**5,115**	**15,205**	**18,955**	**4,816**	**0**
Interest Income	2,952	3,078	3,332	3,535	3,687	3,760	3,892	4,127	12,896	15,466	3,930	-1
Gain on assignments	304	375	356	396	430	534	597	628	1,431	2,189	587	2
Other operating Income	210	217	213	239	320	292	327	360	877	1,299	299	9
Interest expenses	1,714	1,754	1,845	1,910	2,062	2,116	2,191	2,426	7,224	8,795	2,243	-2
Total income	**1,751**	**1,916**	**2,056**	**2,259**	**2,376**	**2,471**	**2,625**	**2,689**	**7,981**	**10,160**	**2,573**	2
Growth Y-o-Y (%)	27	26	31	34	36	29	28	19	31	27	25	
Operating Expenses	567	632	673	744	827	897	1,002	982	2,615	3,708	933	7
Operating Profits	**1,183**	**1,284**	**1,383**	**1,516**	**1,549**	**1,574**	**1,623**	**1,707**	**5,366**	**6,453**	**1,641**	**-1**
Growth Y-o-Y (%)	25	24	25	35	31	23	17	13	27	20	19	
Provisions	239	263	332	427	424	371	393	418	1,261	1,607	383	3
Profit before tax	**944**	**1,021**	**1,051**	**1,089**	**1,124**	**1,202**	**1,230**	**1,289**	**4,104**	**4,846**	**1,258**	**-2**
Growth Y-o-Y (%)	25	28	24	20	19	18	17	18	24	18	20	
Tax Provisions	240	255	270	281	285	305	327	303	1,045	1,221	315	4
Net Profit	**704**	**766**	**781**	**808**	**839**	**897**	**903**	**985**	**3,059**	**3,625**	**944**	**-4**
Growth Y-o-Y (%)	23	28	25	19	19	17	16	22	23	18	21	
Key Operating Parameters (%)												
Yield on loans (Cal)	14.76	14.66	14.77	14.82	14.85	14.56	14.35	14.4				
Cost of funds (Cal)	9.61	9.37	9.31	9.12	9.32	9.18	9.20	9.16				
Spreads (Cal)	5.1	5.3	5.5	5.7	5.5	5.4	5.2	5.3				
NIM on AUM (Cal)	6.83	7.16	7.25	7.60	7.73	7.75	7.84	7.6				
Credit Cost (%)	0.9	1.0	1.2	1.4	1.4	1.2	1.2	1.2				
Cost to Income Ratio	32.4	33.0	32.7	32.9	34.8	36.3	38.2	36.5				
Tax Rate	25.4	25.0	25.0	25.8	25.4	25.4	26.6	25.0				
Balance Sheet Parameters												
Standalone AUM (INR B)	**103.8**	**110.2**	**116.8**	**121.0**	**125.0**	**130.0**	**137.8**	**144.6**				
Change YoY (%)	23.4	21.8	20.7	19.5	20.4	18.0	18.0	19.5				
Disbursements (INR B)	**27.3**	**30.2**	**31.6**	**30.9**	**31.9**	**32.0**	**36.0**	**37.1**				
Change YoY (%)	19.5	21.0	18.6	10.7	17.1	5.8	13.9	20.1				
Borrowings (INR B)	**71.9**	**77.9**	**80.6**	**87.0**	**89.9**	**94.5**	**96.1**	**115.9**				
Change YoY (%)	20.1	16.1	18.6	22.9	25.1	21.3	19.3	33.1				
Debt/Equity (x)												
Asset liability Mix												
AUM Mix (%)												
Micro Enterprises	43.6	43.1	40.3	39.6	40.1	40.1	40.6					
SME loans	36.4	36.1	36.6	37.2	36.2	35.6	35.7					
2W loans	6.4	6.5	6.9	6.5	7.0	7.1	7.4					
CV loans	7.9	8.2	8.3	8.1	7.7	8.1	7.7					
Borrowings Mix (%)												
Direct Assignment	24.4	22.9	22.1	21.3	21.2	22.0	22.0					
Cash Credit	11.3	14.6	13.2	11.6	10.1	9.9	9.7					
Term Loan	52.9	50.6	50.4	51.1	51.6	50.5	49.3					
NCD	8.1	8.9	11.3	13.3	14.4	15.1	16.1					
Sub Debt	3.3	3.1	3.0	2.8	2.7	2.6	2.5					
Asset Quality Parameters (%)												
GS 3 (INR m)	2,043	2,235	2,423	2,480	2,620	2,663	2,891					
GS 3 (%)	2.29	2.36	2.41	2.44	2.49	2.53	2.56					
NS 3 (INR m)	1,243	1,361	1,505	1,483	1,541	1,563	1,736					
NS 3 (%)	1.52	1.57	1.62	1.62	1.63	1.69	1.72					
PCR (%)	39.1	39.1	37.9	40.2	41.2	41.3	39.9					
Return Ratios (%)	0.2				1.0							
ROA	3.0	3.0	2.9	2.9	2.8	2.9	2.9					
Tier I ratio	25.4	23.8	23.1	22.6	23.2	22.7	21.5					

E: MOFSL estimates

Quess Corp

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	QUESS IN
Equity Shares (m)	149
M.Cap.(INRb)/(USDb)	30.6 / 0.3
52-Week Range (INR)	379 / 191
1, 6, 12 Rel. Per (%)	-1/-34/-39
12M Avg Val (INR M)	145

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	155.0	173.3	190.1
EBITDA Margin (%)	2.0	2.0	2.1
Adj. PAT	2.2	2.4	2.7
Adj. EPS (INR)	14.9	16.0	18.2
EPS Gr. (%)	(1.6)	7.6	13.1
BV/Sh. (INR)	83.4	71.4	61.9
Ratios			
RoE (%)	21.9	27.3	35.9
RoCE (%)	26.0	31.3	41.3
Payout (%)	107.3	99.7	88.1
Dividend Yield (%)	7.8	7.8	7.8
Valuations			
P/E (x)	13.8	12.8	11.3
P/BV (x)	2.5	2.9	3.3
EV/EBITDA (x)	8.9	7.9	6.7
EV/Sales (x)	0.2	0.2	0.1

Shareholding Pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	56.9	56.9	56.6
DII	12.5	9.8	10.5
FII	9.2	14.1	15.2
Others	21.5	19.2	17.7

FII includes depository receipts

CMP: INR205 **TP: INR230 (+12%)** **Neutral**

A steady execution

Incremental margin gains limited

- Quess Corp's revenue was up 3% QoQ/down 2.2% YoY in 3QFY26, largely in line with our expectation of 3.5% QoQ growth. EBITDA margin was up 40bp YoY at 2%, in line with our estimate. Adj PAT rose 29% YoY to INR620m. This excluded the one-time impact of INR68m due to changes in the labor code. In 9MFY26, revenue/EBITDA/adj. PAT grew 1%/16%/ 12.5% YoY.
- In 4QFY26, we expect revenue/EBITDA to grow 11.7%/24.0% and adj. PAT to decline 10% QoQ. Limited growth triggers in the core general staffing (GS) business and muted operating leverage amid a slower scale-up in professional staffing (PS) and overseas businesses keep us on the sidelines. We reiterate our **Neutral** rating with a TP of **INR230**, valuing the stock at 14x FY28E EPS (vs. Consensus 2-yr FWD P/E of 10x).

Our view: PS could anchor profitability in 4Q

- **GS stable despite seasonal and regulatory noise:** We believe GS performance in 3Q was broadly stable despite seasonal de-hiring in BFSI and CRT and disruptions from the labor code implementation. Headcount remained flat at ~470k, aided by 71 new contract wins and M&A-led additions.
- In our view, pauses in Nov-Dec due to labor code changes and post-festive destocking weighed on volumes, although open mandates remain in place, particularly in manufacturing and construction. Management expects 4Q to see steady headcount additions; we think growth is likely to remain gradual rather than step up meaningfully.
- **PS maintains double-digit margins:** We believe PS continues to deliver EBITDA margins around ~12.5%, supported by a higher share of quality contracts, strong GCC demand, and rationalization of low-margin work. GCCs account for ~72% of PS headcount, with demand largely for digital and consulting roles. PAPM stood at INR120k, reflecting the seniority and nature of roles being staffed. In our view, PS should sustain double-digit margins, though growth will depend on the pace of headcount ramp-up across newly acquired logos.
- **Margins near guided levels; upside capped:** EBITDA margin improved 40bp YoY to ~2%, driven by operating leverage, high-priced contracts, and cost controls. High-margin PS and overseas businesses contribute ~50% of operating profit, despite revenue contribution of ~14%. Management has reiterated EBITDA margin guidance of 1.95-2.05%, with an FY26-exit target of ~2%. In our view, this suggests limited margin headroom from the current levels unless there is a faster-than-expected improvement in the business mix. We have built in GS EBITDA margins of 1.4%/1.5% and overall margins of ~2.0% for FY26/FY27.

Valuation and change in estimates

- We estimate revenue growth of 3.5%/11.8% in FY26/FY27, with stable EBITDA margins of ~2%.
- We believe growth triggers in the core GS business remain limited, as the segment is already operating with high sourcing intensity and limited pricing flexibility. The PS segment continues to perform well but remains too small to offset GS cyclicality in the near term.
- **We reiterate our Neutral rating** with a TP of INR230, valuing the stock at 14x FY28E EPS (vs. Consensus 2-yr FWD P/E of 10x).

Revenue and margins were in line with our estimates; 71 new logos were added in GS

- Revenue was up 3% QoQ/down 2.2% YoY in 3QFY26, in line with our expectation of 3.5% QoQ.
- GS grew 3% QoQ, PS grew 3% QoQ, and overseas business was flat QoQ.
- EBITDA margin was up 40bp YoY at 2.0%, in line with our expectation of 2.0%.
- Adj PAT was up 29% YoY at INR620m. This excluded the one-time impact of INR68m due to changes in the labor code.
- Gross additions were ~89k employees in 3Q. Industrials, BFSI and Retail were among top recruiting sectors.
- QUESS added 71 new contracts in GS and 18 new sales logos in PS.
- The company announced an interim dividend of INR5/share.

Key highlights from the management commentary

- In GS, 71 new contracts were added. Headcount remained steady at 470,774 despite seasonal de-hiring in CRT and BFSI.
- Demand environment was mixed across sectors due to the labor code implementation. Displayed resilience through the quarter with strong contract wins.
- 4Q is expected to start on a more positive trajectory, with both volume and value growth continuing.
- Margins are expected to remain in the 1.4-1.5% range in the near term and improve to ~1.6% over the medium term.
- Digital and consultancy demand forms the core of GCC, which contributes 72% of PS headcount.
- Double-digit EBITDA margins are considered sustainable due to high-quality contracts, pricing discipline, and deeper wallet mining within clients.
- Focus remains on acquiring new quality logos; acquired logos are expected to see headcount buildup over the next 12 months, with growth driven by additions.

Consolidated - Quarterly (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QFY26	(% / bp)
Net Sales	**35,869**	**37,048**	**40,191**	**36,564**	**36,514**	**38,316**	**39,297**	**40,848**	**1,49,672**	**1,54,976**	**39,670**	**-0.9**
YoY Change (%)	-22.0	-22.0	-17.0	-25.5	1.8	3.4	-2.2	11.7	9%	4%	-1.3	-93
Total Expenditure	35,236	36,355	39,567	35,891	35,817	37,549	38,501	40,013	1,47,049	1,51,880	38,893	-1.0
EBITDA	**632**	**693**	**625**	**674**	**697**	**767**	**796**	**835**	**2,623**	**3,096**	**776**	**2.6**
Margins (%)	1.8	1.9	1.6	1.8	1.9	2.0	2.0	2.0	1.8	2.0	2.0	6.9
Depreciation	106	105	99	102	105	102	105	122	412	434	115	-8.2
EBIT	**526**	**588**	**525**	**572**	**592**	**665**	**691**	**713**	**2,211**	**2,662**	**662**	**4.4**
Margins (%)	1.5	1.6	1.3	1.6	1.6	1.7	1.8	1.7	1.5	1.7	1.7	9
Interest	106	97	92	91	99	131	128	110	386	465	110	16.0
Other Income	64	14	49	109	47	40	15	21	236	124	42	
PBT before EO expense	**483**	**505**	**482**	**591**	**541**	**575**	**579**	**624**	**2,061**	**2,321**	**594**	**-2.5**
Recurring Tax	-6	-4	4	-35	12	57	-40	62	-41	92	59	-168.2
Rate (%)	-1.3	-0.8	0.8	-5.9	2.3	9.9	-6.9	10.0	-2.0	4.0	9.9	
MI & P/L of Asso. Cos.	-0.4	0.5	0	0	1	2	1	0	1	4	0	
Adjusted PAT	**490**	**508**	**478**	**625**	**528**	**516**	**618**	**562**	**2,101**	**2,225**	**535**	**15.5**
Extraordinary items	-1	3	61	1,580	19	0	68	0	1,643	87	0	
Reported PAT	**491**	**505**	**417**	**-955**	**509**	**516**	**550**	**562**	**458**	**2,139**	**535**	**2.8**
YoY Change (%)	2.6	-29.7	-34.8	-201.2	3.8	2.1	31.9	-158.8	-66%	367%	28.4	355
Margins (%)	1.4	1.4	1.0	-2.6	1.4	1.3	1.4	1.4	0.3	1.4	1.3	5

Go Fashion (India)

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	GOCOLORS IN
Equity Shares (m)	54
M.Cap.(INRb)/(USDb)	21.1 / 0.2
52-Week Range (INR)	944 / 373
1, 6, 12 Rel. Per (%)	-14/-55/-65
12M Avg Val (INR M)	96

Financials & Valuations Consol (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	8.5	9.4	10.2
EBITDA	1.2	1.4	1.6
Adj. PAT	0.7	0.9	1.1
EBITDA Margin (%)	13.9	15.4	15.6
Adj. EPS (INR)	13.0	16.6	19.7
EPS Gr. (%)	(25.0)	28.4	18.4
BV/Sh. (INR)	127.3	140.6	156.3
Ratios			
Net D:E	(0.5)	(0.6)	(0.6)
RoE (%)	9.7	11.2	12.0
RoCE (%)	14.1	17.2	18.3
Payout (%)	20.0	20.0	20.0
Valuations			
P/E (x)	29.4	22.9	19.3
EV/EBITDA (x)	15.6	12.2	10.5
EV/Sales (X)	2.2	1.9	1.6
Div. Yield (%)	0.7	0.9	1.0

Shareholding pattern (%)

As On	Dec-25	Sep-25	Dec-24
Promoter	52.8	52.8	52.8
DII	32.8	35.0	32.9
FII	7.5	8.6	12.0
Others	6.9	3.6	2.4

FII Includes depository receipts

CMP: INR391 TP: INR465 (+19%) Buy

Footfall-led SSSG pressure keeps recovery elusive

- Go Fashion reported another weak quarter as 3QFY26 revenue declined 9% YoY, largely due to operational disruption at a key LFS partner. LFS revenue plunged 36% YoY, while EBO revenue declined ~2% amid persistent footfall pressure and a 4.5% fall in same-store sales.
- Operating deleverage materially impacted profitability, with pre-Ind AS EBITDA/PAT declining 57%/71% YoY, owing to limited cost absorption.
- FY26 performance remains under pressure, as SSSG declined 3.6% in 9MFY26, owing to subdued consumer sentiment and intensified competition weighing on footfalls.
- We cut our revenue/EBITDA estimates by ~8-10%, factoring in prolonged SSSG weakness and a more calibrated store expansion strategy. We model a modest CAGR of 6%/3%/3% in revenue/EBITDA/PAT over FY25-28E.
- Valuations at ~30x TTM earnings appear reasonable, but a durable SSSG recovery remains the key catalyst for earnings visibility. We maintain our BUY rating with a TP of INR465, based on 23x 1-yr fwd earnings.

Operational disruptions and footfall pressure weigh on earnings

- Revenue at INR1.9b was down 9% YoY, sharply below our estimates.
  - EBO revenue at INR1.6b fell 2% YoY due to a 4.5% fall in same-store sales.
  - Go Colors added 13 net new stores during the quarter (21 additions and 8 closures), and 49 net new stores during 9MFY26.
  - SSSG declined 3.6% during 9MFY26.
- LFS revenue dived 36% YoY, as one major customer halted ordering for almost a month.
- Ecommerce channel was flat YoY. Other channels declined 20% YoY.
- Gross profit at INR1.25b fell 15% YoY and margin expanded 20bp to 62.6%.
- Employee/other expenses grew by 8% each.
- Due to negative operating leverage, pre-IND AS EBITDA declined by 57% YoY, with margins at 8.4% (lowest ever).
  - Reported EBITDA at INR521m was down 25% YoY, with margins at 26.7% (down 575bp).
- Other income declined 13% YoY to INR51m.
- PAT nosedived to INR72m (vs. est. INR254m).
- Core working capital increased to 147 days (vs. 130 days YoY), led by a jump in inventory (up 15 days to 114 days).
- Pre-IND AS CFO stood at INR834m (vs INR 571m YoY).

Update on buyback

- Go Fashion announced a share buyback of up to INR650m via a tender offer to repurchase ~1.41m equity shares (2.62% of share capital) at a price of INR460 per share.
- With promoters opting not to participate, the buyback is accretive for public shareholders.

9MFY26 Performance

- Revenue remained flat at INR6.4b, as weak consumer sentiment and persistent footfall pressure led to a ~3.6% decline in same-store sales.
- EBO revenue grew by a modest 2% YoY, with network expansion remaining muted at 49 net store additions (66 openings, 17 closures).
- LFS revenue declined 10% YoY, driven by operational disruption and inventory intake pauses at key partner chains.
- Gross margins stayed healthy at 63.2% (+30bp YoY), supported by strong full-price sell-through and minimal discounting, reinforcing pricing discipline and brand strength.
- Profitability weakened due to operating deleverage, with pre-Ind AS EBITDA declining 26% YoY to INR1.9b and margins contracting 270bp.
- PAT fell 30% YoY to INR512m, reflecting lower operating leverage despite resilient gross margins.

Highlights from the management commentary

- **Same-store sales** declined (-5%) during the quarter due to weak footfalls. Core operating metrics such as full-price sell-through, conversion, and transaction quality remained stable. With non-leggings and value-added categories now contributing ~65% of sales, the optimal store size has increased. Sub-300sqft stores are witnessing a steeper decline in same-store sales (~9-10%) due to display limitations.
- **Store expansion** has been deliberately slowed to prevent EBITDA dilution amid weak SSSG. FY26 net additions of 60-70 stores will be selective, alongside continued consolidation of underperforming small formats. Phasing out smaller formats and skewing additions toward mid-sized stores should mechanically lift blended SSSG.
- **Inventory** increased marginally due to the rollout of new concepts and initial pipeline stocking. As demand stabilizes, inventory is expected to normalize back toward the 85-90 day steady-state range, with limited scope for further working capital optimization beyond sales recovery.

Valuation and view

- Go Fashion is poised to scale up its leadership in women's bottom wear through a strong D2C model and continued expansion into new cities.
- Management is tackling muted SSSG through fresh product launches, targeted digital campaigns and celebrity partnerships.
- While pilot initiatives like essential wear and international expansion are gaining traction, management remains firmly focused on reviving core bottom-wear growth.
- We cut our revenue/EBITDA estimates by ~8-10%, factoring in prolonged SSSG weakness and a more calibrated store expansion strategy. We now model a modest CAGR of 6%/3%/3% in revenue/EBITDA/PAT over FY25-28E.
- Valuations at ~30x TTM earnings appear reasonable, but a durable SSSG recovery remains the key catalyst for earnings visibility. We maintain our BUY rating with a TP of INR465, based on 23x 1-yr fwd earnings.

Quarterly performance

(INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	Est
Revenue	**2,201**	**2,085**	**2,147**	**2,048**	**2,228**	**2,242**	**1,949**	**2,065**	**8,482**	**8,474**	**2,298**	**-15.2**
YoY Change (%)	16	10	6	13	1	7	-9	1	11	0	7	
Gross margins (%)	**61.8**	**63.1**	**64.1**	**64.3**	**63.0**	**62.6**	**64.3**	**63.6**	**63.3**	**63.4**	**64**	
Change in bps (YoY)	44	240	264	75	119	-46	20	-67	156	11		
Total Expenditure	1,480	1,450	1,449	1,424	1,541	1,575	1,428	1,419	5,802	5,954	1,568	-9.0
EBITDA	**721**	**635**	**698**	**624**	**687**	**666**	**521**	**646**	**2,680**	**2,519**	**729**	**-28.5**
Change YoY (%)	12	12	3	16	-5	5	-25	3	11	-6	4	
EBITDA margins (%)	**32.8**	**30.4**	**32.5**	**30.5**	**30.8**	**29.7**	**26.7**	**31.3**	**31.6**	**29.7**	**32**	
Change in bps (YoY)	-100	47	-91	82	-194	-71	-576	79	-19	-186		
Depreciation	295	311	317	314	323	328	348	349	1,237	1,348	331	5.1
Interest	110	115	116	122	120	122	124	129	464	494	125	-0.7
Other Income	58	71	58	66	52	73	51	86	254	262	67	-24.9
PBT before EO expense	**374**	**281**	**323**	**254**	**297**	**290**	**99**	**253**	**1,233**	**939**	**340**	**-70.8**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**374**	**281**	**323**	**254**	**297**	**290**	**99**	**253**	**1,233**	**939**	**340**	**-70.8**
Tax	88	76	79	55	74	72	28	64	298	238	86	-67.5
Rate (%)	23.5	26.9	24.6	21.8	25.0	24.8	27.9	25.2	24.2	25.3	25.2	11.0
Reported PAT	**287**	**205**	**243**	**199**	**223**	**218**	**72**	**190**	**935**	**701**	**254**	**-71.8**
Adj PAT	**287**	**205**	**243**	**199**	**223**	**218**	**72**	**190**	**935**	**701**	**254**	**-71.8**
YoY Change (%)	9	2	4	52	-22	6	-71	-5	13	-25		

Quarterly performance (INR m)

Consol P&L (INR m)	3QFY25	2QFY26	3QFY26	YoY%	QoQ%	3QFY26E	v/s Est (%)
Total Revenue	**2,147**	**2,242**	**1,949**	**-9**	**-13**	**2,298**	**-15**
Raw Material cost	770	839	695	-10	-17	818	-15
Gross Profit	**1,377**	**1,403**	**1,254**	**-9**	**-11**	**1,480**	**-15**
Gross margin (%)	*64.1*	*62.6*	*64.3*	*20bps*	*173bps*	*64.4*	*-8bps*
Employee Costs	409	457	442	8	-3	464	-5
Other expenses	270	280	290	8	4	287	1
Total Opex	679	737	733	8	-1	751	-2
EBITDA	**698**	**666**	**521**	**-25**	**-22**	**729**	**-29**
EBITDA margin (%)	*32.5*	*29.7*	*26.7*	*-576bps*	*-300bps*	*31.7*	*-500bps*
Pre-IND AS EBITDA	**378**	**320**	**164**	**-57**	**-49**		
Margin (%)	*27.5*	*22.8*	*13.1*	*-1437bps*	*-972bps*	*0.0*	*1308bps*
Depreciation and amortization	317	328	348	10	6	331	5
EBIT	380	339	173	-54	-49	398	-56
EBIT margin (%)	*17.7*	*15.1*	*8.9*	*-883bps*	*-622bps*	*17.3*	*-843bps*
Finance Costs	116	122	124	7	2	125	-1
Other income	58	73	51	-13	-31	67	-25
Profit before Tax	**323**	**290**	**99**	**-69**	**-66**	**340**	**-71**
Tax	79	72	28	-65	-61	86	-68
Tax rate (%)	*24.6*	*24.8*	*27.9*	*335bps*	*313bps*	*25.2*	*11bps*
Profit after Tax	**243**	**218**	**72**	**-71**	**-67**	**254**	**-72**

Key Performance indicators

Y/E March	FY25				FY26E			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Total Stores	734	755	775	776	803	812	825	836
Additions	*23*	*31*	*30*	*20*	*31*	*14*	*21*	*11*
Closures	*(3)*	*(10)*	*(10)*	*(19)*	*(4)*	*(5)*	*(8)*	-
Net Additions	**20**	**21**	**20**	**1**	**27**	**9**	**13**	**11**
EBO	1,527	1,479	1,589	1,415	1,573	1,540	1,561	1,473
LFS	563	511	460	512	490	601	296	477
Online	70	60	60	55	76	58	60	55
Others	42	35	39	63	87	43	31	52
Total	**2,203**	**2,085**	**2,147**	**2,046**	**2,226**	**2,242**	**1,949**	**2,057**

Source: MOFSL, Company

Rural Electrification Corp

BSE SENSEX	S&P CNX
82,566	25,603

Conference Call Details

Date: Not announced
Time:
Dial-in details:

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
NII	219	233	260
PPP	207	231	258
PAT	171	176	196
EPS (INR)	64.9	66.9	74.3
EPS Gr. (%)	9	3	11
BV/Shr (INR)	342	389	441
ABV/Shr (INR)	341	388	441
RoAA (%)	2.7	2.6	2.6
RoE (%)	20.4	18.3	17.9
Div. Payout (%)	30.8	32.1	32.7
Valuation			
P/E (x)	5.8	5.6	5.0
P/BV (x)	1.1	1.0	0.8
Div. Yield (%)	5.3	5.7	6.5

CMP: INR375 — Buy

PPoP in line but earnings miss; muted loan growth

Repayment rate remains elevated; NIM (calc.) moderates ~10bp QoQ

- REC's 3QFY26 PAT was flat YoY at INR40.4b (~7% miss). NII grew ~3% YoY to ~INR52.8b (in line). Other income stood at INR1.7b (PY: INR2b). This included fee and commission income of INR3.9b (PQ: INR4.7b and PY: INR757m) and net loss on investments of INR2.6b (PQ: -INR587m and PY: INR835m).
- Opex declined ~31% YoY to ~INR2.2b and cost-income ratio stood at ~3.2% (PQ: 2.5% and PY: 5%). There was no material impact from the new labor codes. PPoP grew ~4% YoY to INR52.3b (in line).
- Yields (calc.) declined ~5bp QoQ to ~9.9%, while CoB (calc.) rose ~15bp QoQ to ~7.35%, resulting in spreads (calc.) declining by ~20bp QoQ to ~2.55%. Reported NIM for 9MFY26 declined ~12bp to ~3.52% (1H: 3.64%). NIMs (calc.) declined ~10bp QoQ to 3.6% in 3QFY26.
- Provisions stood at INR1.1b (vs. est. provision writebacks of INR500m). This translated into annualized credit costs of 2bp (PY: -2bp and PQ: 2bp). REC recovered INR154b in 9MFY26 from Kaleshwaram Irrigation Project (Stage-II Asset), including ~INR40b recovered in 3QFY26.
- Loan book stood at INR5.82t, up 3% YoY and flat QoQ. Disbursements declined ~9% YoY to INR500b. Repayments remained elevated at ~35% (PY: 26% and PQ: 40%).
- REC declared an interim dividend of ~INR4.6/share.

Asset quality improves; Stage 3 PCR steady at 77%

- GS3 and NS3 declined ~20bp and 5bp to ~0.88% and 0.2% respectively. PCR on Stage 3 was broadly stable QoQ at ~77%. Standard asset (Stage 1 and 2) provisions rose ~4bp QoQ to 0.93% (PQ: 0.89%)
- The company has ~10 projects that are classified as NPAs. Resolutions for eight NPA projects (PCR: 77%) are being pursued under NCLT and resolutions for two projects (PCR: 27%) are being pursued outside NCLT.
- Following the approval of the resolution plan under IBC in Bhadreshwar Vidyut, where the company had an outstanding of ~INR9.9b, an amount of ~INR7.1b was written off and this led to ECL reversal of ~INR595m in 3QFY26.
- REC's CRAR stood at ~24% as of Dec'25.

Valuation and view

- RECL reported another soft quarter, with the loan book remaining largely flat sequentially amid weak disbursements and higher rundown/pre-payments. Asset quality improved, with GNPA declining to 0.9% as of Dec'25. However, NIM moderated on a sequential basis due to a rise in cost of funds and moderation in yields.
- **Key monitorables:** 1) management's outlook on loan growth, 2) progress on assets that are in advanced stages of resolution, and 3) the NIM trajectory, given the product mix and competitive intensity. We will revisit our estimates after the earnings call.

Quarterly Performance INR m

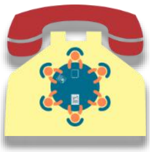
Y/E March	FY25				FY26E				FY25	FY26E	3QFY26E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	1,26,904	1,34,744	1,39,704	1,49,350	1,45,022	1,45,771	1,45,184	1,42,776	5,50,701	5,78,753	1,43,876	1
Interest Expenses	80,212	85,065	88,373	87,699	89,351	91,316	92,429	87,044	3,41,350	3,60,140	89,946	3
Net Interest Income	**46,692**	**49,678**	**51,331**	**61,651**	**55,671**	**54,455**	**52,755**	**55,732**	**2,09,351**	**2,18,613**	**53,930**	**-2**
YoY Gr (%)	28.3	22.9	19.6	37.4	19.2	9.6	2.8	-9.6	27	4	5.1	
Other Operational Income	469	483	757	2,228	1,442	4,738	3,925	0	8,410	(2,944)	2,500	
Net Operational Income	**47,161**	**50,161**	**52,088**	**63,879**	**57,113**	**59,192**	**56,680**	**55,732**	**2,15,680**	**2,13,669**	**56,430**	**0**
YoY Gr (%)	28.9	22.4	19.9	39.5	21.1	18.0	8.8	-12.8	27	(1)	8.3	
Other Income	2,998	731	1,266	163	-4,891	-149	-2,223	5,073	685	754	-100	-
Total Net Income	**50,159**	**50,892**	**53,354**	**64,042**	**52,222**	**59,043**	**54,457**	**60,805**	**2,16,365**	**2,14,423**	**56,330**	**-3**
YoY Gr (%)	28.1	20.0	22.7	34.9	4.1	16.0	2.1	-5.1	27	(1)	5.6	
Operating Expenses	**2,175**	**1,936**	**3,147**	**2,396**	**1,919**	**2,169**	**2,183**	**3,159**	**7,436**	**7,429**	**2,317**	**-6**
YoY Gr (%)	50.6	-0.1	78.2	-23.1	-11.8	12.0	-30.7	31.9	13	(0)	-26.4	
% to Income	4.3	3.8	5.9	3.7	3.7	3.7	4.0	5.2	3	3	4.1	
Operating Profit	**47,984**	**48,955**	**50,206**	**61,646**	**50,303**	**56,875**	**52,274**	**57,646**	**2,08,929**	**2,06,993**	**54,012**	**-3**
YoY Gr %	27.3	21.0	20.4	39.0	4.8	16.2	4.1	-6.5	27	(1)	7.6	
Provisions	4,726	-1,441	-890	7,800	-6,166	1,347	1,110	-5,999	10,194	(9,708)	-500	-
PBT	**43,258**	**50,396**	**51,097**	**53,847**	**56,469**	**55,528**	**51,164**	**63,645**	**1,98,734**	**2,16,702**	**54,512**	**-6**
YoY Gr (%)	16.5	4.8	24.2	4.6	30.5	10.2	0.1	18.2	12	9	6.7	
Tax	**8,834**	**10,342**	**10,806**	**11,485**	**11,959**	**11,269**	**10,733**	**11,763**	**41,466**	**45,724**	**11,175**	**-4**
Tax Rate (%)	20.4	20.5	21.1	21.3	21.2	20.3	21.0	18.5	21	21	20.5	
PAT	**34,425**	**40,055**	**40,291**	**42,362**	**44,510**	**44,259**	**40,431**	**51,882**	**1,57,269**	**1,70,978**	**43,337**	**-7**
YoY Gr (%)	16.3	6.2	23.2	5.5	29.3	10.5	0.3	22.5	12.2	8.7	7.6	
Key Parameters (Calc., %)												
Yield on loans	9.81	9.99	10.01	10.49	9.99	9.95	9.91					
Cost of funds	7.16	7.28	7.32	7.17	7.17	7.19	7.35					
Spread	2.7	2.7	2.69	3.3	2.8	2.8	2.56					
NIM	3.5	3.7	3.7	4.3	3.8	3.7	3.6					
C/I ratio	3.4	3.1	5.0	3.1	2.5	2.5	3.2					
Credit cost	0.09	-0.03	-0.02	0.14	-0.11	0.02	0.02					
Balance Sheet Parameters												
Disbursements (INR b)	**437**	**473**	**547**	**455**	**595**	**560**	**500**					
Growth (%)	27.9	13.7	18.0	15.7	36.3	18.3	-8.6					
AUM (INR b)	**5,297**	**5,461**	**5,656**	**5,669**	**5,846**	**5,822**	**5,818**					
Growth (%)	16.6	15.1	13.7	11.3	10.4	6.6	2.9					
Asset Quality Parameters												
GS 3 (INR B)	138.1	138.2	110.5	76.5	61.5	61.5	51.2					
GS 3 (%)	2.61	2.53	1.95	1.35	1.05	1.06	0.88					
NS 3 (INR B)	43.5	48.2	42.11	21.6	14.1	14.1	11.80					
NS 3 (%)	0.82	0.88	0.74	0.38	0.24	0.24	0.20					
PCR (%)	68.5	65.1	61.88	71.7	77.1	77.1	76.96					

E: MOFSL Estimates

One 97 Communications

BSE Sensex	S&P CNX
82,566	25,419

Conference Call Details



Date: 30th Jan 2026
Time: 8.00 am IST
Dial-in details:
Link

Financials & Valuations (INR b)

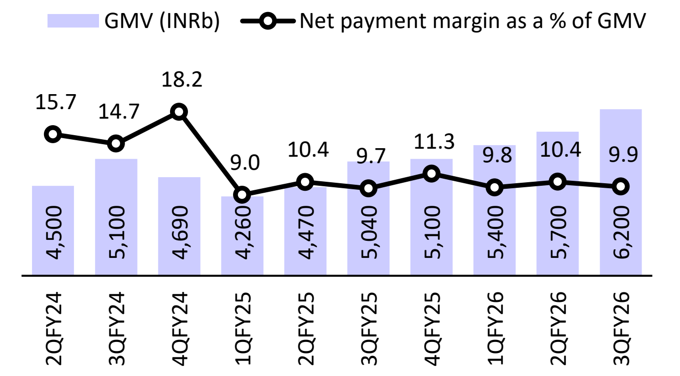
Y/E March	FY25	FY26E	FY27E
Revenue from Op	69.0	83.5	98.2
Contribution Profit	36.8	49.8	61.7
Adjusted EBITDA	(6.9)	7.0	12.6
EBITDA	(15.1)	5.5	11.1
PAT	(6.7)	6.7	13.0
EPS (INR)	(23.3)	13.5	19.4
EPS Gr. (%)	NM	NM	43.8
Ratios			
Contribution Margin (%)	53.3	59.7	62.9
EBITDA Margin (%)	(21.9)	6.6	11.3
Adj. EBITDA Margin (%)	(10.0)	8.4	12.9
RoE (%)	(10.5)	5.8	8.3
RoA (%)	(7.7)	3.8	5.1
Valuations			
P/E(X)	NA	86.7	60.3
P/BV (X)	5.0	4.9	4.9
P/Sales (X)	10.8	9.1	8.0

CMP: INR1,172 | **Neutral**

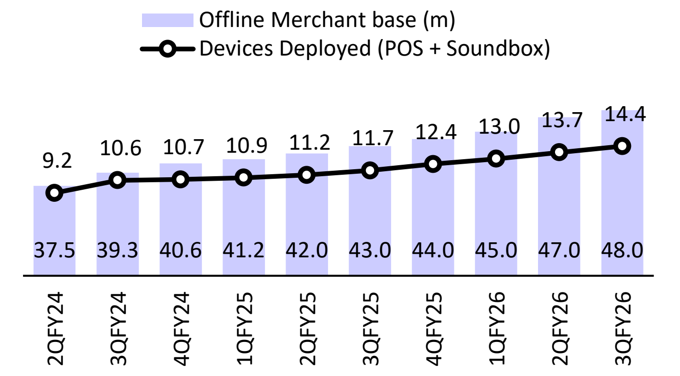
In-line revenue and PAT; GMV up 9% QoQ (in line)

- One 97 Communications (Paytm) reported a strong operational performance in 3QFY26 with net profit of INR2.25b (in line with our estimate of INR2.4b), one of the best in recent quarters.
- Total revenue increased by 6% QoQ (up 20% YoY) to INR21.9b (in line), led by healthy trends in both payments and financial services.
- Revenue from payment and financial services grew 24% YoY/6% QoQ to INR18.6b (in line). Revenue from financial services grew 34% YoY/10% QoQ to INR6.7b (in line). Revenue from marketing services (Commerce and Cloud) grew 4% QoQ to INR2.4b (in line).
- GMV was in line (up 23% YoY/9% QoQ) to INR6.2t (our est. of INR6.1t), aided by an increase in subscription merchants, higher payment GMV and growth in distribution of financial services.
- Registered merchants grew by 12% YoY/2% QoQ, while payment devices grew by 23% YoY/5% QoQ.
- Payment processing charges rose 18% YoY/7% QoQ to INR6.7b or 11bp of GMV vs. 11bp in 2QFY26.
- Net payment margin grew 3% QoQ/25% YoY (aided by healthy traction in payments and financial services business) to INR6.1b or 10bp of GMV vs. 10bp in 2QFY26.
- Contribution profit grew by 3% QoQ/30% YoY to INR12.5b (in line). Contribution margin declined to 56.9% from 58.5% in 2QFY26 (est. 59.6%) amid higher direct expenses.
- EBITDA increased 10% QoQ to INR1.56b. Paytm reported net profit of INR2.25b (in line with our est. of INR2.35b).
- **Valuation and view:** Paytm reported a healthy quarter, largely in line with our estimates, supported by robust revenue growth and disciplined management, resulting in strong PAT growth. The company continues to make healthy progress toward sustainable profitability and improving operating leverage. GMV growth was healthy and robust. Contribution margin was strong at 57%. The momentum in financial services segment is expected to remain strong, aided by improving tailwinds in unsecured segment. The recent development around the PIDF scheme is a key monitorable in the near term and clarity around the same is crucial for the company's earnings in the near term. The earnings call is scheduled for 30th Jan'26 at 8.00 am IST.

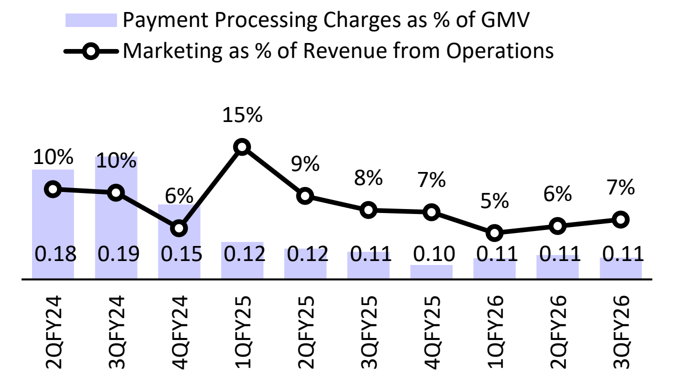
Total GMV grew 23% YoY/9% QoQ to INR6.2t



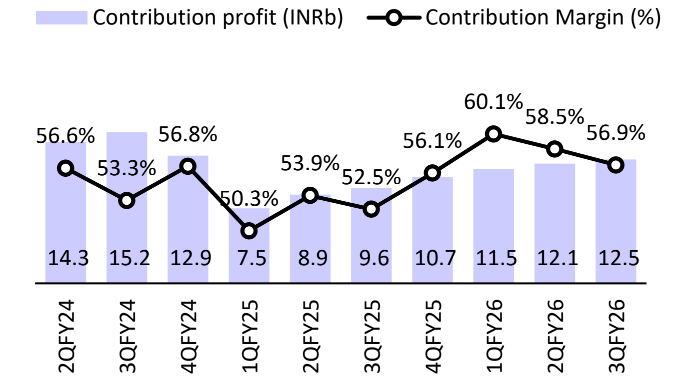
Merchant base grew to 48m in 3QFY26



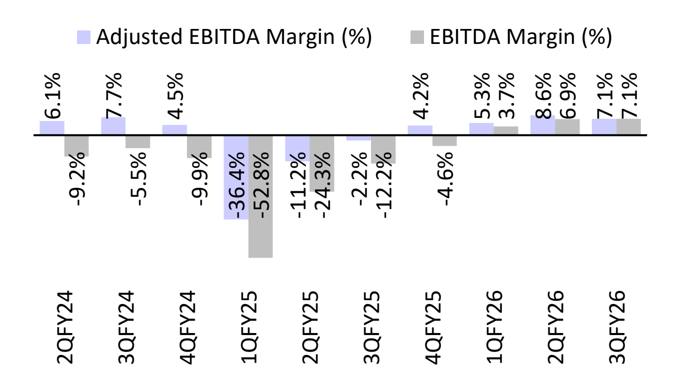
Payment processing charges as a % of GMV stood at 11bp



Contribution margin stood at 56.9% (58.5% as of 2QFY26)

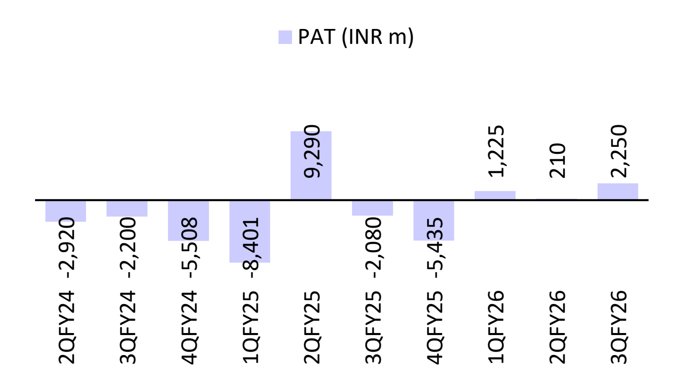


Adj EBITDA & EBITDA margin stood steady in 3QFY26



Source: MOFSL, Company

PAT was INR2,250m (one of the best in recent quarters)



Source: MOFSL, Company

Quarterly Snapshot

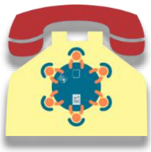
Profit and Loss (INR m)	FY25				FY26			Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	YoY	QoQ
Payment and Financial Services	**11,640**	**13,220**	**15,050**	**15,910**	**16,050**	**17,570**	**18,640**	**24**	**6**
Commerce and Cloud Services	**3,210**	**3,020**	**2,670**	**2,670**	**2,470**	**2,280**	**2,380**	**-11**	**4**
Total revenue from Operations	**15,010**	**16,600**	**18,280**	**19,115**	**19,175**	**20,620**	**21,940**	**20**	**6**
Direct Expenses	7,461	7,660	8,690	8,390	7,660	8,550	9,450	9	11
Contribution Profit	**7,549**	**8,940**	**9,590**	**10,725**	**11,515**	**12,070**	**12,490**	**30**	**3**
Indirect Expenses	13,010	10,800	10,000	9,920	10,497	10,300	10,920	9	6
Adjusted EBITDA	**-5,461**	**-1,860**	**-410**	**805**	**1,018**	**1,770**	**1,560**	**NA**	**-12**
ESOP Expense	2,470	2,180	1,820	1,690	300	350	0	-100	-100
EBITDA	**-7,931**	**-4,040**	**-2,230**	**-885**	**718**	**1,420**	**1,560**	**NA**	**10**
Depreciation and Amortization	1,780	1,790	1,650	1,500	1,660	1,370	1,330	-19	-3
Other Income	1,380	1,750	1,890	2,240	2,414	2,220	2,120	12	-5
PBT	**-8,381**	**-4,070**	**-2,030**	**-185**	**1,432**	**2,210**	**2,300**	**NA**	**4**
Tax	20	90	50	30	40	100	50	0	-50
Adj. PAT	**-8,401**	**-4,160**	**-2,080**	**-215**	**1,392**	**2,110**	**2,250**	**NA**	**7**
PAT	**-8,401**	**9,290**	**-2,080**	**-5,435**	**1,225**	**210**	**2,250**	**NA**	**971**
Key Metrics (INR b)									
GMV (INRt)	4.3	4.5	5.0	5.1	5.4	5.7	6.2	23	9
MTU (average over the period) (mn)	78.0	71.0	70.0	72.0	74.0	75.0	760.0	986	913
Registered Merchants (mn)	41.2	42.0	43.0	44.0	45.0	47.0	48.0	12	2
Payment Devices (mn)	10.9	11.2	11.7	12.4	13.0	13.7	14.4	23	5
Ratios (%)	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**	**YoY (bp)**	**QoQ (bp)**
Payment processing charges % of GMV (%)	0.12	0.12	0.11	0.10	0.11	0.11	0.11	0	0
Net Payment Margin as % of GMV, bp	8.99	10.40	9.70	11.33	9.81	10.42	9.89	18	-53
Net Payment Margin (%)	43.3	49.2	48.8	55.3	50.8	51.8	51.4	267	-41
Direct Expense % of Revenues	49.7	46.1	47.5	43.9	39.9	41.5	43.1	-447	161
Contribution Margin (%)	50.3	53.9	52.5	56.1	60.1	58.5	56.9	447	-161
Indirect Expense % of Revenues	86.7	65.1	54.7	51.9	54.7	50.0	49.8	-493	-18
Adjusted EBITDA Margin (%)	-36.4	-11.2	-2.2	4.2	5.3	8.6	7.1	NA	-147
EBITDA Margin (%)	-52.8	-24.3	-12.2	-4.6	3.7	6.9	7.1	NA	22
PAT Margin (%)	-56.0	-25.1	-11.4	-1.1	7.3	10.2	10.3	NA	2

E: MOFSL Estimates

Coromandel International

BSE SENSEX	S&P CNX
82,566	25,419

Conference Call Details



Date: **29**th Jan, 2026

Time: **3:00 pm** IST

Concall link:

Click here

CMP: INR2,265 Buy

Adj. PAT below our estimate due to higher finance/ depreciation costs and lower other income

- CRIN reported overall revenue of INR87.8b (est. INR83.1b) in 3QFY26, up ~27% YoY. Nutrient & other allied business revenue grew 22% YoY to INR77.6b, while crop protection business revenue grew 73% YoY to ~INR11b.
- EBITDA margin contracted 130bp YoY to 9.1% (est. 10.1%); RM costs as a % of sales were 76.9% in 3QFY26 vs. 76.4% in 3QFY25. Employee costs were 3.3% vs. 3.0%, freight costs stood at 5.1% vs. 5.4%, and other expenses were 5.7% vs. 4.9%. EBITDA grew 11% YoY to ~INR8b (in line).
- EBIT margin for the Nutrient & Other allied business contracted 200bp YoY to 7.8%, while that of the Crop protection business dipped ~210bp YoY to 12.2%.
- Adj. PAT stood at ~INR5.1b (est. ~INR6b), down 1% YoY.
- CRIN's 9MFY26 revenue/EBITDA/Adj. PAT grew 33%/24%/22% to INR255b/ INR27b/INR18b.

Quarterly Performance **(INR m)**

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var
Consolidated	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	%
Net Sales	**47,288**	**74,328**	**69,352**	**49,884**	**70,423**	**96,541**	**87,795**	**59,684**	**2,40,852**	**3,14,443**	**83,128**	**6**
YoY Change (%)	-16.9	6.4	26.9	27.5	48.9	29.9	26.6	19.6	9.2	30.6	19.9	
Total Expenditure	42,231	64,581	62,134	45,624	62,602	85,076	79,798	54,165	2,14,569	2,81,641	74,730	
EBITDA	**5,058**	**9,748**	**7,218**	**4,260**	**7,821**	**11,465**	**7,996**	**5,519**	**26,283**	**32,802**	**8,399**	**-5**
Margins (%)	10.7	13.1	10.4	8.5	11.1	11.9	9.1	9.2	10.9	10.4	10.1	
Depreciation	653	690	708	854	1,206	1,018	1,466	1,220	2,904	4,909	1,215	
Interest	574	661	731	659	680	1,018	835	450	2,624	2,983	550	
Other Income	541	650	1,137	1,260	837	1,165	832	1,389	3,587	4,223	1,307	
PBT before EO expense	**4,372**	**9,047**	**6,916**	**4,007**	**6,773**	**10,595**	**6,528**	**5,238**	**24,342**	**29,133**	**7,941**	
Extra-Ord expense	0	0	0	-3,468	0	0	0	0	-3,468	0	0	
PBT	**4,372**	**9,047**	**6,916**	**7,475**	**6,773**	**10,595**	**6,528**	**5,238**	**27,810**	**29,133**	**7,941**	
Tax	1,125	2,328	1,752	1,524	1,757	2,660	1,643	1,326	6,728	7,386	1,999	
Rate (%)	25.7	25.7	25.3	20.4	25.9	25.1	25.2	25.3	24.2	25.4	25.2	
Minority Interest & P/L of Asso. Cos.	137	79	46	154	-34	-119	-174	152	417	-175	-36	
Reported PAT	**3,110**	**6,641**	**5,118**	**5,797**	**5,050**	**8,053**	**5,059**	**3,760**	**20,665**	**21,922**	**5,978**	
Adj PAT	**3,110**	**6,641**	**5,118**	**3,036**	**5,050**	**8,053**	**5,059**	**3,760**	**18,036**	**21,922**	**5,978**	**-15**
YoY Change (%)	-37.1	-12.3	121.6	89.4	62.4	21.3	-1.2	23.9	9.8	21.5	16.8	
Margins (%)	6.6	8.9	7.4	6.1	7.2	8.3	5.8	6.3	7.5	7.0	7.2	

Prestige Estates Projects

BSE SENSEX	S&P CNX
82,566	25,419

CMP: INR1,428 Buy

Robust 9M performance underpinned by strong realizations and annuity base expansion

- **Presales:** PEPL reported 39% YoY growth and 30% QoQ decline in pre-sales to INR41.8b (10% below our estimates) as only one residential project was launched in the quarter. In 9MFY26, the company reported INR223b in presales, up 122% YoY.
- **Area sold:** Total area sold in the quarter was 3msf, up 34% YoY but down 32% QoQ (32% below our estimates). In 9MFY26, total area sold was 17msf, up 110% YoY.
- **Total units sold** stood at 1,811 in 3Q and 8,598 in 9MFY26.
- **Geographical contribution of presales:** In 3QFY26, BGLR / NCR / MMR / HYD / CHEN / Others contributed 25% / 16% / 36% / 16% / 5% / 2% to presales. In 9MFY26, these regions contributed 27% / 40% / 20% / 9% / 4% / 1%, respectively.
- **Realization:** The realizations stood at INR13,992psf, up 4% YoY/3% QoQ (32% higher than our estimates). In 9MFY26, they were at INR13,165psf, up 6% YoY.
- **Launches:** Prestige launched one residential project and two retail projects in 3Q, totaling 5.02msf with residential GDV of INR20.3b. With this, 9MFY26 launches stood at 23.8msf with residential area of 20.9msf and GDV of INR196.2b.
- **Collections:** PEPL's collections rose 40% YoY/8% QoQ to INR45.5b for 3QFY26. In 9MFY26, collections stood at INR132.8b, up 49% YoY.
- **Completions:** The company successfully completed three residential projects in 3QFY26, spanning a total of 4.72msf. Overall, in 9MFY26, the company completed 12.71msf of projects.
- **Office:** Total area leased in 3QFY26 was 0.56msf. Occupancy levels remained robust at 95%. Exit rentals for the quarter amounted to INR8.3b. Upon completion of the ongoing construction pipeline, office annuity income is projected to reach INR40b by FY30, enhancing the company's long-term recurring income visibility. The company has recently completed Prestige Lakeshore Drive and Prestige Capital Square, premium office developments aggregating 3.7msf in Bengaluru; with leasing largely concluded, these assets are expected to meaningfully add to steady cash flows and annuity income.
- Retail: Gross turnover (GTO) across malls was recorded at INR7b, up 14% YoY. Occupancy remained strong at 99%. Exit rentals for FY26 stood at INR2.8b. With 13 malls in the development pipeline, exit rentals are projected to grow to INR10.9b by FY30, significantly scaling Prestige's retail annuity platform.

Conference Call Details

Date: 30 January 2026
Time: 15:30 IST
Dial-in details:
+91-22 6280 1145 / +91 22 7115 8046

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	114.3	140.7	153.0
EBITDA	35.2	33.5	36.4
EBITDA Margin (%)	30.8	23.8	23.8
PAT	11.4	12.3	13.3
EPS (INR)	28.4	30.7	33.2
EPS Gr. (%)	138.1	152.5	72.5
BV/Sh. (INR)	411.5	440.5	472.1
Ratios			
RoE (%)	7.1	7.2	7.3
RoCE (%)	8.9	8.6	8.3
Payout (%)	5.7	5.3	4.9
Valuations			
P/E (x)	50.4	46.6	43.0
P/BV (x)	3.5	3.2	3.0
EV/EBITDA (x)	18.6	19.8	18.1
Div yld (%)	0.1	0.1	0.1

Financial performance

- PEPL reported 134% YoY/59% QoQ growth in revenue to INR38.7b (37% above estimates) for 3QFY26. In 9MFY26, it stood at INR86.1b, up 48% YoY.
- EBITDA came in at INR8.6b, +46% YoY/-5% QoQ (28% above our estimates), with EBITDA margin of 22.2%. In 9MFY26, it stood at INR26.6b, up 32% YoY with margin of 30.9%.
- PEPL reported adjusted PAT of INR2.2b, which was up multifold on a YoY basis, yet 12% below estimates due to lower than anticipated other income. PAT margin was at 5.7%. In 9MFY26, PAT stood at INR9.5b, up 114% YoY with margin of 11%.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E	FY26	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			3QE	(%/bp)
Net Sales	**18,621**	**23,044**	**16,545**	**15,284**	**23,073**	**24,317**	**38,726**	**28,197**	**73,494**	**1,14,313**	**28,215**	**37**
YoY Change (%)	10.8	3.0	-7.9	-29.4	23.9	5.5	134.1	84.5	-6.7	55.5	70.5	
Total Expenditure	10,658	16,731	10,644	9,873	14,135	15,219	30,126	19,602	47,906	79,082	20,648	
EBITDA	**7,963**	**6,313**	**5,901**	**5,411**	**8,938**	**9,098**	**8,600**	**8,595**	**25,588**	**35,231**	**7,567**	**14**
Margins (%)	42.8	27.4	35.7	35.4	38.7	37.4	22.2	30.5	34.8	30.8	26.8	-461.2
Depreciation	1,905	2,004	2,047	2,167	2,162	2,186	2,335	2,826	8,123	9,509	2,347	
Interest	3,461	3,565	3,451	2,861	3,839	3,851	3,838	3,312	13,338	14,840	3,663	
Other Income	1,624	1,194	434	609	1,614	2,661	129	1,312	3,861	5,716	1,975	
PBT before EO expense	**4,221**	**1,938**	**837**	**992**	**4,551**	**5,722**	**2,556**	**3,768**	**7,988**	**16,597**	**3,532**	**-28**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**4,221**	**1,938**	**837**	**992**	**4,551**	**5,722**	**2,556**	**3,768**	**7,988**	**16,597**	**3,532**	**-28**
Tax	1,023	-519	445	440	1,271	1,266	336	1,309	1,389	4,182	614	
Rate (%)	24.2	-26.8	53.2	44.4	27.9	22.1	13.1	34.8	17.4	25.2	17.4	
MI & Profit/Loss of Asso. Cos.	872	535	215	302	355	153	-6	544	1,924	1,046	387	
Reported PAT	**2,326**	**1,922**	**177**	**250**	**2,925**	**4,303**	**2,226**	**1,915**	**4,675**	**11,369**	**2,531**	
Adj PAT	**2,326**	**1,922**	**177**	**250**	**2,925**	**4,303**	**2,226**	**1,915**	**4,675**	**11,369**	**2,531**	**-12**
YoY Change (%)	-12.9	3.6	-84.8	-82.1	25.8	123.9	1,157.6	665.9	-34.0	143.2	1,329.8	
Margins (%)	12.5	8.3	1.1	1.6	12.7	17.7	5.7	6.8	6.4	9.9	9.0	
Key metrics												
Sale Volume (msf)	2.9	3.0	2.2	4.5	9.6	4.4	3.0	6.1	12.6	23.0	4	**-32**
Sale Value (INRb)	30.3	40.2	30.1	69.6	121.3	60.2	41.8	40.5	170.2	263.8	47	**-10**
Realization (INR/sft)	10,593	13,409	13,513	15,495	12,698	13,614	13,992	6,676	13,532	11,455	10,612	**32**

Source: MOFSL, Company

Note: We may revisit our estimates after the concall

RESULTS FLASH

29 January 2026

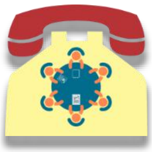
Results Flash | Sector: Logistics

Container Corporation of India

BSE SENSEX	S&P CNX
82,566	25,419

CMP: INR501 — Buy

Conference Call Details



Date: 30th January 2025

Time: 11:30 AM IST

Call: +91 22 6280 1384/ +91 22 7115 8285

Financials & Valuations (INR b)

Y/E MARCH	2026E	2027E	2028E
Sales	94.1	111.2	128.1
EBITDA	20.9	25.3	29.4
Adj. PAT	13.6	16.9	19.7
EBITDA Margin (%)	22.2	22.8	22.9
Adj. EPS (INR)	17.8	22.2	25.8
EPS Gr. (%)	4.7	24.7	16.3
BV/Sh. (INR)	173.3	185.9	200.6
Ratios			
Net D:E	(0.3)	(0.4)	(0.4)
RoE (%)	10.6	12.4	13.4
RoCE (%)	11.0	12.7	13.7
Payout (%)	43.1	43.1	43.1
Valuations			
P/E (x)	28.1	22.5	19.4
P/BV (x)	2.9	2.7	2.5
EV/EBITDA(x)	15.5	12.4	10.2
Div. Yield (%)	1.5	1.9	2.2
FCF Yield (%)	2.5	3.9	4.7

Broadly in-line quarter

Earnings snapshot: 3QFY26

- Revenue grew 4.5% YoY to INR23b during 3QFY26 (in line). Total volumes grew 11% YoY to 1.4m TEUs, with EXIM/Domestic volumes at 0.107m/0.35m TEUs, respectively (+10%/+13% YoY). Blended realization dipped 6% YoY to INR16,172/TEU. EXIM/Domestic realization stood at INR14,300/INR21,888 per TEU (flat/-17% YoY).
- EBITDA margins came in at 22% (vs. our estimate of 22.8%). EBITDA grew by 10.4% YoY and was 6% below our estimate. In-line with operating performance, APAT declined 4.2% YoY to INR3.3b during the quarter (6% below our estimate).
- In 9MFY26, revenue and EBITDA grew ~3% each.
- Land license fee for 9MFY26 stood at INR3.27b.
- The Board has declared a third interim dividend of INR3.4 per equity share, amounting to INR2.59b.

Standalone quarterly snapshot (INR m)

Y/E March	FY25				FY26E			FY25	FY26E	FY26	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q			3QE	
Net Sales	**20,971**	**22,830**	**22,019**	**22,814**	**21,495**	**23,514**	**23,017**	**88,634**	**94,071**	**23,629**	**(3)**
YoY Change (%)	9.3	4.2	-0.1	-1.6	2.5	3.0	4.5	2.7	6.1	7.3	
EBITDA	**4,319**	**5,750**	**4,583**	**4,335**	**4,265**	**5,688**	**5,059**	**18,986**	**20,918**	**5,388**	**(6)**
Margins (%)	20.6	25.2	20.8	19.0	19.8	24.2	22.0	21.4	22.2	22.8	
YoY Change (%)	10.3	7.0	-10.4	-11.4	-1.3	-1.1	10.4	-1.6	10.2	17.6	
Depreciation	1,649	1,617	810	1,552	1,570	1,427	1,490	5,628	6,348	1,595	
Interest	181	177	171	166	164	177	196	695	600	168	
Other Income	924	1,301	995	1,432	935	959	953	4,652	4,186	1,050	
PBT before EO expense	**3,413**	**5,257**	**4,596**	**4,049**	**3,465**	**5,043**	**4,325**	**17,314**	**18,156**	**4,675**	
Extra-Ord expense	0	333	0	0	0	0	0	-333	0	0	
PBT	**3,413**	**4,923**	**4,596**	**4,049**	**3,465**	**5,043**	**4,325**	**16,981**	**18,156**	**4,675**	
Tax	859	1,213	1,162	1,027	888	1,275	1,034	4,261	4,575	1,176	
Rate (%)	25.2	24.6	25.3	25.4	25.6	25.3	23.9	25.1	25.2	25.2	
Reported PAT	**2,554**	**3,711**	**3,434**	**3,021**	**2,577**	**3,768**	**3,291**	**12,720**	**13,581**	**3,499**	**(6)**
Adj PAT	**2,554**	**3,960**	**3,434**	**3,021**	**2,577**	**3,768**	**3,291**	**12,970**	**13,581**	**3,499**	**(6)**
YoY Change (%)	4.6	10.7	2.7	0.7	0.9	-4.9	-4.2	4.9	4.7	1.9	
Margins (%)	12.2	17.3	15.6	13.2	12.0	16.0	14.3	14.6	14.4	14.8	

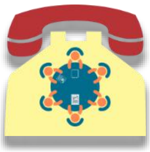
	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY (%)	QoQ (%)
Revenue (INR m)									
EXIM	13,214	15,320	13,892	14,908	14,008	15,774	15,332	**10%**	**-3%**
Domestic	7,757	7,510	8,127	7,906	7,487	7,739	7,685	**-5%**	**-1%**
Total Segment Revenue	**20,971**	**22,830**	**22,019**	**22,814**	**21,495**	**23,514**	**23,017**	**5%**	**-2%**
Segmental EBIT									
EXIM	2,667	3,995	3,506	2,985	2,900	4,239	3,658	**4%**	**-14%**
Domestic	461	681	856	393	375	644	454	**-47%**	**-30%**
Total	**3,127**	**4,676**	**4,363**	**3,378**	**3,275**	**4,883**	**4,112**	**-6%**	**-16%**
EBIT Margin (%)									
EXIM	20.2%	26.1%	25.2%	20.0%	20.7%	26.9%	23.9%		
Domestic	5.9%	9.1%	10.5%	5.0%	5.0%	8.3%	5.9%		
Total	**14.9%**	**20.5%**	**19.8%**	**14.8%**	**15.2%**	**20.8%**	**17.9%**		

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY (%)	QoQ (%)
Volumes (TEU)									
EXIM	8,69,464	10,05,755	9,75,243	10,45,042	9,73,875	10,93,453	10,72,145	**10%**	**-2%**
Domestic	2,89,787	2,97,647	3,09,551	3,02,453	3,16,226	3,47,271	3,51,121	**13%**	**1%**
Total	**11,59,251**	**13,03,402**	**12,84,794**	**13,47,495**	**12,90,101**	**14,40,724**	**14,23,266**	**11%**	**-1%**
Realizations (INR / TEU)									
EXIM	15,197	15,232	14,245	14,265	14,384	14,426	14,300	**0%**	**-1%**
Domestic	26,768	25,231	26,254	26,140	23,676	22,286	21,888	**-17%**	**-2%**
Total	**18,090**	**17,516**	**17,138**	**16,930**	**16,662**	**16,321**	**16,172**	**-6%**	**-1%**
EBIT (INR/TEU)									
EXIM	3,067	3,972	3,595	2,856	2,978	3,877	3,412	**-5%**	**-12%**
Domestic	1,589	2,287	2,767	1,300	1,186	1,855	1,293	**-53%**	**-30%**
Total	**2,698**	**3,588**	**3,396**	**2,507**	**2,539**	**3,389**	**2,889**	**-15%**	**-15%**

Blue Star

BSE SENSEX	S&P CNX
82,566	25,419

Conference Call Details



Date: 30th January 2026
Time: 11:30 am
Dial-in details:
+91 22 6280 1102
+91 22 7115 8003
Link for the call

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	129.3	150.1	174.5
EBITDA	9.6	12.0	14.7
Adj PAT	5.7	7.7	9.6
EBITDA Margin (%)	7.4	8.0	8.4
EPS (INR)	28.3	37.3	46.9
EPS Gr. (%)	-0.1	31.9	25.6
BV/Sh (INR)	168.4	196.7	232.5
Ratios			
Net D/E	0.1	-0.1	-0.1
RoE (%)	16.8	19.0	20.2
RoCE (%)	16.1	18.3	19.7
Payout (%)	31.8	29.5	26.7
Valuations			
P/E (x)	60.9	46.2	36.8
P/BV (x)	10.2	8.8	7.4
EV/EBITDA (x)	37.2	29.2	23.7
Div Yield (%)	0.5	0.6	0.7
FCF Yield (%)	-1.1	2.3	1.7

CMP: INR1,731 **Neutral**

Earnings in line; UCP segment margin above estimates

- Blue Star's (BLSTR) 3QFY26 revenue grew ~4% YoY to INR29.3b (~5% miss), led by ~9% YoY growth in EMPS, while PES/UCP revenue declined ~7%/1% YoY. EBITDA increased ~5% YoY to INR2.2b (in line with estimates). OPM was flat YoY at 7.5% (in line with estimates). Adj. PAT was up ~4% YoY to INR1.3b (in line with estimates).
- The RAC business witnessed a revival in growth, driven by channel partners building inventory ahead of the energy-label change effective 1st Jan'26. Production of the new product range compliant with the revised energy-label norms has commenced, and the company is preparing for the upcoming summer season. During the quarter, growth in the Commercial Refrigeration business remained muted.
- We have a Neutral rating on the stock. However, we will review our assumptions after the concall on 30th Jan'26.

UCP's revenue declines ~1% YoY; UCP margin at 8.5% (vs. esti. 6.8%)

- BLSTR's consol. revenue/EBITDA/Adj. PAT stood at INR29.3b/INR2.2b/INR1.3b (up 4%/5%/4% YoY and -5%/-3%/-1% vs. our estimates) in 3QFY26. Depreciation/interest costs increased ~31%/39% YoY, while 'other income' increased ~40% YoY.
- Segmental highlights: a) **UCP** – Revenue declined 1% YoY to INR11.5b in 3QFY26. EBIT inched up ~3% YoY to INR977m, and EBIT margin expanded 30bp YoY to 8.5% (1.7pp above estimates). b) **EMPS** – Revenue increased 9% YoY to INR17.0b. EBIT declined ~3% YoY to INR1.1b, and PBIT margins contracted 80bp YoY to 6.8% (1.4pp below estimates). c) **PES** – Revenue declined ~7% YoY to INR749m, while EBIT increased ~10% YoY to INR68m. PBIT margins expanded 1.4pp YoY to 9.1%.
- In 9MFY26, revenue/EBITDA/Adj. PAT stood at INR83.3b/INR6.0b/INR3.5b (+5%/+1%/-10% YoY). The PES/UCP segment's revenue declined 19%/9% YoY to INR2.1b/INR33.5b, whereas the EMPS segment's revenue increased ~18% YoY to INR47.7b. UCP/EMPS EBIT was +10%/-26% YoY to INR2.3b /INR3.7b, while EBIT margin contracted 1.6pp/65bp YoY to 6.8%/7.8%.

Key highlights of management commentary

- Revenue growth in the EMPS business was subdued as some product deliveries were pushed to the next quarter. Lower margins in infrastructure projects are likely to affect overall profitability of the EMPS business, as a few projects are nearing completion.
- Revenue in the PES segment declined due to uncertainties in the regulatory policy related to the MedTech Solutions Business, leading to a slowdown in the business.
- Mohit Sud has been elevated as Executive Director of the UCP segment w.e.f. 1st Apr'26. He joined BLSTR in Mar'25 as Group President, UCP, overseeing the RAC and Commercial Refrigeration businesses.

Valuation and view

- There was a revival in the RAC business, which serves as a driving force for the UCP segment ahead of the summer season. EMPS margin was below estimates, and is likely to be impacted in the coming quarters. We seek management's commentary on its strategy for the upcoming summer season, including plans to drive growth in the UCP segment, channel inventory, and the outlook for overall margins.
- **We have a Neutral rating on the stock.** However, we will review our assumptions following the concall on 30th Jan'26 (Concall Link).

Quarterly performance (Consolidated) (INR m)

	FY25				FY26				FY25	FY26E	FY26	Var.
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**	**4QE**			**3QE**	
Sales	**28,654**	**22,760**	**28,074**	**40,190**	**29,823**	**24,224**	**29,253**	**45,999**	**1,19,677**	**1,29,298**	**30,802**	**-5**
Change (%)	28.7	20.4	25.3	20.8	4.1	6.4	4.2	14.5	23.6	8.0	9.7	
EBITDA	**2,378**	**1,493**	**2,094**	**2,794**	**2,000**	**1,834**	**2,207**	**3,579**	**8,759**	**9,621**	**2,269**	**-3**
Change (%)	64.0	21.7	34.8	15.5	-15.9	22.8	5.4	28.1	31.7	9.8	8.4	
As of % Sales	8.3	6.6	7.5	7.0	6.7	7.6	7.5	7.8	7.3	7.4	7.4	18
Depreciation	280	300	350	354	414	434	459	420	1,284	1,726	440	**4**
Interest	76	65	159	188	101	169	221	159	488	650	205	**8**
Other Income/JV share	239	182	80	236	147	90	112	134	737	482	88	**27**
Extra-ordinary Items	**2,260**	**1,311**	**1,665**	**2,488**	**1,632**	**1,322**	**1,640**	**3,133**	**7,724**	**7,727**	**1,711**	**-4**
PBT	573	350	465	548	424	334	271	883	1,937	1,912	431	**-37**
Tax	25.3	26.7	27.9	22.0	26.0	25.3	16.5	28.2	25.1	24.7	25.2	
Effective Tax Rate (%)	0	0	125	0	0	0	-564	0	125	-564	0	
MI/Share of profit from JV	1	1	1	-4	1	2	1	-7	0	-2	1	
Reported PAT	**1,688**	**962**	**1,326**	**1,936**	**1,210**	**990**	**807**	**2,244**	**5,912**	**5,250**	**1,281**	**-37**
Change (%)	102.6	36.1	32.1	20.6	-28.4	2.9	-39.2	15.9	42.5	-11.2	-3.4	
Adj PAT	**1,688**	**962**	**1,232**	**1,936**	**1,210**	**990**	**1,277**	**2,244**	**5,818**	**5,720**	**1,296**	**-1**
Change (%)	102.6	36.1	22.7	20.6	-28.4	2.9	3.7	15.9	40.2	-1.7	5.2	

Segment wise details (INR M)

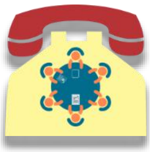
Description	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**	**4QE**	**FY25**	**FY26E**	**3QE**	**Var**
EMP & Services	10,390	14,284	15,624	19,682	14,125	16,642	16,962	23,674	59,980	71,403	17,968	-6
Engineering products and services	969	805	806	906	704	644	749	866	3,486	2,963	725	3
Unitary cooling business	17,295	7,670	11,644	19,602	14,994	6,938	11,542	21,459	56,211	54,933	12,109	-5
Total	**28,654**	**22,760**	**28,074**	**40,190**	**29,823**	**24,224**	**29,253**	**45,999**	**1,19,677**	**1,29,298**	**30,802**	**-5**
PBIT												
EMP & Services	1,030	1,192	1,187	1,499	1,116	1,471	1,147	2,192	4,909	5,926	1,473	-22
Engineering products and services	96	52	62	88	76	62	68	99	297	305	73	-6
Unitary cooling business	1,580	539	948	1,645	875	427	977	1,567	4,713	3,845	823	19
Total PBIT	**2,707**	**1,783**	**2,197**	**3,232**	**2,067**	**1,960**	**2,191**	**3,858**	**9,919**	**10,077**	**2,369**	**-8**
Segment PBIT (%)												
EMP & Services (%)	9.9	8.3	7.6	7.6	7.9	8.8	6.8	9.3	8.2	8.3	8.2	-144
Engineering products and services (%)	9.9	6.4	7.7	9.7	10.8	9.6	9.1	11.4	8.5	10.3	10.0	-88
Unitary cooling business (%)	9.1	7.0	8.1	8.4	5.8	6.2	8.5	7.3	8.4	7.0	6.8	166
Total PBIT (%)	**9.4**	**7.8**	**7.8**	**8.0**	**6.9**	**8.1**	**7.5**	**8.4**	**8.3**	**7.8**	**8**	**-20**

Syrma SGS Technology

BSE SENSEX	S&P CNX
82,566	25,419

CMP: INR725 Buy

Conference Call Details



Date: 30th Jan 2026
Time: 10:30 am IST
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Operating performance above our estimates

- Consolidated revenue grew 45.4% YoY to INR12.6b (est. INR12b)
- EBITDA margins expanded 350bp YoY to 12.6% (est. 9.6%), led by a decrease in the share of employee and other expenses.
- EBITDA grew ~2x YoY to INR1.6b (est. INR1.1b).
- Adj. PAT grew ~2x YoY to INR1.1b (est. INR713m).
- The company had a labor code impact of INR33.8m, which was reported in exceptional items).

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	%
Gross Sales	**11,599**	**8,327**	**8,692**	**9,244**	**9,440**	**11,459**	**12,642**	**15,252**	**37,862**	**48,792**	**12,000**	**5**
YoY Change (%)	92.9	17.0	23.0	-18.5	-18.6	37.6	45.4	65.0	20.1	28.9	38.1	
Total Expenditure	11,153	7,618	7,901	8,169	8,574	10,307	11,048	13,732	34,841	43,660	10,853	
EBITDA	**446**	**710**	**791**	**1,075**	**866**	**1,152**	**1,594**	**1,520**	**3,021**	**5,132**	**1,147**	**39**
Margins (%)	3.8	8.5	9.1	11.6	9.2	10.1	12.6	10.0	8.0	10.5	9.6	
Depreciation	174	167	202	208	206	218	203	225	751	852	220	
Interest	130	136	154	156	149	126	77	85	577	437	95	
Other Income	153	100	223	223	160	87	103	223	699	574	200	
PBT before EO expense	**295**	**507**	**657**	**934**	**672**	**895**	**1,417**	**1,433**	**2,392**	**4,416**	**1,032**	
Extra-Ord expense	0	0	21	0	0	0	34	0	21	34	0	
PBT	**295**	**507**	**635**	**934**	**672**	**895**	**1,383**	**1,433**	**2,371**	**4,383**	**1,032**	
Tax	91	110	105	219	172	232	280	360	526	1,045	260	
Rate (%)	31.0	21.8	16.6	23.5	25.7	25.9	20.3	25.2	22.2	23.8	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	10	34	42	60	2	23	75	84	147	184	59	
Reported PAT	**193**	**362**	**488**	**654**	**497**	**641**	**1,028**	**988**	**1,698**	**3,154**	**713**	
Adj PAT	**193**	**362**	**509**	**654**	**497**	**641**	**1,055**	**988**	**1,719**	**3,181**	**713**	**48**
YoY Change (%)	-32.3	22.0	228.2	87.3	157.8	76.8	107.1	51.0	58.2	85.0	40.0	
Margins (%)	1.7	4.4	5.9	7.1	5.3	5.6	8.3	6.5	4.5	6.5	5.9	

ACME Solar Holdings

BSE SENSEX	S&P CNX
82,059	24,945

CMP: INR214 Buy

EBITDA in line; APAT beat led by other income

Financial Highlights

- ACME's consol. revenue came in at INR5b (+42% YoY, +6% QoQ), missing our est. by 3%.
- EBITDA was in line with our estimate at INR4.4b (+45% YoY, +11% QoQ), with an EBITDA margin of 89%.
- Adj PAT beat our est. by 10% at INR1.1b (-4%% YoY, +3% QoQ) driven by higher-than-expected other income.
- The Board declared an interim dividend of INR0.2/share for FY26 with a record date of 6th Feb'26.

Operational Highlights

- In 3QFY26, ACME generated 1,567 MUs (+49%YoY, +2%QoQ).
- CUF for 3QFY26 stood at 24.3% vs 22.7% in 3QFY25, while plant availability stood at 99.6%.
- Commissioned 72MW (out of 100MW Acme Eco Clean wind project), taking the cumulative YTD capacity commissioned to 422MW and total operational capacity to 2,962MW.
- The weighted average cost of debt for the company fell 150bp YoY to 8.45%.
- ACME signed PPAs for 450MW of projects in the quarter, with PPA signing of a further 770MW of projects expected in the near term.
- Total portfolio now stands at 7,770MW, including 16GWh of BESS.
- Connectivity is available for all under-construction projects of 4.8GW, with a ~7.5GW secured/applied connectivity inventory for future capacity.
- 10,000+ acres stand acquired for under-construction PPA-signed projects, with most land for FY27 commissioning projects already secured.

Conference Call Details

Date: 30 January 2026
Time: 11:30 HRS IST
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+91 22 7115 8050

Y/E March	FY26E	FY27E	FY28E
Sales	21.4	39.3	73.0
EBITDA	18.6	34.8	64.9
Adj. PAT	5.0	6.4	14.8
EPS Gr. (%)	81.4	29.4	131.0
BV/Sh. (INR)	82.5	93.1	117.6
Ratios			
ND/Equity	4.0	6.4	5.8
ND/EBITDA	10.9	10.4	6.3
RoE (%)	10.4	12.1	23.2
RoIC (%)	5.2	5.7	7.9
Valuations			
P/E (x)	26.1	20.2	8.7
EV/EBITDA (x)	18.4	14.4	8.5

Consolidated performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	%	(%)	(%)
Net Sales	**3,096**	**2,596**	**3,490**	**4,869**	**5,110**	**4,677**	**4,968**	**6,629**	**14,051**	**21,384**	5,113	-3%	42%	6%
YoY Change (%)	-0.2	-0.2	5%	65%	65%	80%	42%	36%	7%	52%	46%			
EBITDA	**2,717**	**2,208**	**3,072**	**4,357**	**4,578**	**4,002**	**4,445**	**5,579**	**12,354**	**18,604**	4,412	1%	45%	11%
Margin (%)	88%	85%	88%	89%	90%	86%	89%	84%	88%	87%	86%			
Depreciation	556	599	697	1,022	1,076	1,174	1,202	1,274	2,873	4,725	1,181	2%	73%	2%
Interest	1,963	1,783	1,791	2,055	2,330	2,645	2,880	2,816	7,592	10,671	2,563	12%	61%	9%
Other Income	304	356	518	524	730	1,336	1,200	127	1,701	3,393	697	72%	132%	-10%
PBT before EO expense	**503**	**181**	**1,103**	**1,803**	**1,903**	**1,519**	**1,563**	**1,616**	**3,590**	**6,601**	1,364			
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**	**1,563**	**1,616**	**3,380**	**6,485**	1,364	15%	51%	0%
Tax	489	28	-87	442	436	411	426	374	872	1,647	334	27%	-590%	4%
Tax rate	97%	16%	-8%	27%	25%	26%	27%	23%	26%	25%	25%			
Minority Interest	0.0	0.0	0.0	-12.9	-0.1	-0.1	-0.1	0.0	-12.9	-0.2	-			
Reported PAT	**14**	**153**	**1,121**	**1,234**	**1,308**	**1,151**	**1,137**	**1,242**	**2,521**	**4,838**	1,030	10%	1%	-1%
Adj PAT	**14**	**153**	**1,190**	**1,374**	**1,467**	**1,108**	**1,137**	**1,242**	**2,731**	**4,954**	1,030	10%	-4%	3%
YoY Change (%)	-1.0	LP	206%	LP	10465%	624%	-4%	-10%	LP	81%	-13%			
Margin (%)	0%	6%	34%	28%	29%	24%	23%	19%	19%	23%	20%			

Consolidated performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	%	(%)	(%)
Net Sales	**3,096**	**2,596**	**3,490**	**4,869**	**5,110**	**4,677**	**4,968**	**6,629**	**14,051**	**21,384**	5,113	-3%	42%	6%
YoY Change (%)	-0.2	-0.2	5%	65%	65%	80%	42%	36%	7%	52%	46%			
EBITDA	**2,717**	**2,208**	**3,072**	**4,357**	**4,578**	**4,002**	**4,445**	**5,579**	**12,354**	**18,604**	4,412	1%	45%	11%
Margin (%)	88%	85%	88%	89%	90%	86%	89%	84%	88%	87%	86%			
Depreciation	556	599	697	1,022	1,076	1,174	1,202	1,274	2,873	4,725	1,181	2%	73%	2%
Interest	1,963	1,783	1,791	2,055	2,330	2,645	2,880	2,816	7,592	10,671	2,563	12%	61%	9%
Other Income	304	356	518	524	730	1,336	1,200	127	1,701	3,393	697	72%	132%	-10%
PBT before EO expense	**503**	**181**	**1,103**	**1,803**	**1,903**	**1,519**	**1,563**	**1,616**	**3,590**	**6,601**	1,364			
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**	**1,563**	**1,616**	**3,380**	**6,485**	1,364	15%	51%	0%
Tax	489	28	-87	442	436	411	426	374	872	1,647	334	27%	-590%	4%
Tax rate	97%	16%	-8%	27%	25%	26%	27%	23%	26%	25%	25%			
Minority Interest	0.0	0.0	0.0	-12.9	-0.1	-0.1	-0.1	0.0	-12.9	-0.2	-			
Reported PAT	**14**	**153**	**1,121**	**1,234**	**1,308**	**1,151**	**1,137**	**1,242**	**2,521**	**4,838**	1,030	10%	1%	-1%
Adj PAT	**14**	**153**	**1,190**	**1,374**	**1,467**	**1,108**	**1,137**	**1,242**	**2,731**	**4,954**	1,030	10%	-4%	3%
YoY Change (%)	-1.0	LP	206%	LP	10465%	624%	-4%	-10%	LP	81%	-13%			
Margin (%)	0%	6%	34%	28%	29%	24%	23%	19%	19%	23%	20%			

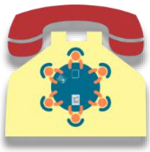
RESULTS FLASH

IEX

BSE SENSEX	S&P CNX
82,566	25,440

CMP: INR128 — Neutral

Conference Call Details



Date: 30 Jan 2026
Time: 16:00 HRS IST
Dial in:
+91 22 6280 1145
+91 22 7115 8046

Financials & Valuations (INR b)

Y/E March	FY26E	FY27E	FY28E
Sales	6.1	6.2	6.6
EBITDA	5.1	5.2	5.4
Adj. PAT	4.7	4.8	5.1
EPS (INR)	5.2	5.4	5.7
EPS Gr.%	12.6	3.0	6.5
BV/Sh. (INR)	14.4	16.6	18.9
Ratios			
Net D:E	(0.2)	(0.3)	(0.4)
RoE (%)	39.2	34.8	32.4
RoCE (%)	38.2	34.1	31.9
Payout (%)	60.0	60.0	60.0
Valuation			
P/E (x)	24.4	23.6	22.2
P/B (x)	8.9	7.7	6.8
EV/EBITDA (x)	21.6	21.0	19.6
Div. yield (%)	2.5	2.5	2.7

Performance in line with estimates

Financial Performance

- Standalone revenue for 3QFY26 was in line with our est. at INR1.4b (+9.6%YoY, -5.5%QoQ). Electricity traded volumes and Renewable Energy Certificate (REC) volumes were also in line with estimates at 34.1 BUs and 1.86m certificates, respectively.
- EBITDA came in at INR1.2b (+6.7%YoY, -8.8%QoQ), 3% below estimates due to higher-than-expected other expenses. Consequently, the EBITDA margin moderated to 83.6% (vs. our est. of 85.3%).
- Standalone PAT was reported at INR1.15b (+11.6%YoY, -5.4%QoQ), beating our estimate by 5%, primarily driven by higher-than-expected other income.
- The Board approved an interim dividend of INR1.5/share for FY26, with 4th Feb'26 fixed as the record date.

Operational performance:

- Electricity volumes rose 11.7% YoY to 34.1BUs in 3QFY26.
- Term Ahead and Real-time market segments continued to witness improved volumes, registering 29% and 36% YoY growth, respectively.
- The Day Ahead Market segment witnessed a slight 3% YoY dip in volumes, while Green Market volumes saw a modest 5% YoY growth.
- Volumes in the REC market fell 30% YoY to 1.86m certificates.
- Average DAM/RTM prices were INR3.22/3.26 per unit, lower by 13.2%/11.6% YoY.
- IGX traded 17.5m MMBtu in 3QFY26 (+8%QoQ), with a PAT of INR88m (+6% QoQ). ICX issued 5.1m I-RECs, generating revenue of INR18m.

Standalone Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	%	%	%
Net Sales	1,236	1,392	1,313	1,413	1,400	1,522	1,439	1,707	5,354	6,068	1,456	-1.2	9.6	-5.5
YoY Change (%)	18.8	28.3	13.9	16.5	13.3	9.3	9.6	20.8	19.2	13.3	10.9			
EBITDA	1,000	1,203	1,128	1,220	1,139	1,320	1,203	1,472	4,551	5,134	1,242	-3.1	6.7	-8.8
Margin (%)	81.0	86.4	85.9	86.3	81.4	86.7	83.6	86.2	85.0	84.6	85.3			
Depreciation	52	53	54	53	54	57	60	58	212	229	58	4.6	12.0	6.2
Interest	7	7	7	6	6	5	5	10	26	26	7	-22.3	-22.3	-2.2
Other Income	308	286	285	310	425	345	374	172	1,189	1,316	284	31.6	31.1	8.5
PBT before EO items	1,249	1,429	1,353	1,471	1,504	1,603	1,512	1,576	5,502	6,195	1,461			
PBT	1,249	1,429	1,353	1,471	1,504	1,603	1,512	1,576	5,502	6,195	1,461	3.5	11.7	-5.7
Tax	315	368	322	351	374	387	361	405	1,356	1,526	360	0.3	12.3	-6.6
Rate (%)	25.2	25.8	23.8	23.8	24.8	24.1	23.9	25.7	24.6	24.6	24.6			
Reported PAT	934	1,061	1,031	1,120	1,130	1,216	1,151	1,171	4,146	4,669	1,101	4.5	11.6	-5.4
Adj PAT	934	1,061	1,031	1,120	1,130	1,216	1,151	1,171	4,146	4,669	1,101	4.5	11.6	-5.4
YoY Change (%)	26.0	28.0	15.5	17.8	21.0	14.6	11.6	4.6	21.4	12.6	6.8			
Margin (%)	75.6	76.2	78.6	79.3	80.8	79.9	80.0	68.6	77.5	76.9	75.6			

RESULTS FLASH

Indegene

BSE Sensex	S&P CNX
82,566	25,419

Conference Call Details

Date: 30th January 2026
Time: 09:00 AM IST
Link to the Call

Financials & Valuations (INR m)

Y/E MARCH	FY26E	FY27E	FY28E
Sales	35,153	44,005	50,732
Sales Gr. (%)	23.8	25.2	15.3
EBITDA	6,419	8,230	9,698
EBITDA (%)	18.3	18.7	19.1
PAT	4,546	5,815	6,974
EPS (Rs)	18.8	24.1	28.9
EPS Gr. (%)	10.6	27.9	19.9
BV/Share	124.3	144.8	169.3
Ratios			
RoE	16.2	17.9	18.4
RoCE	17.9	20.4	21.0
Payout (%)	15.0	15.0	15.0
Valuations			
EV/Sales	2.7	2.1	1.7
EV/EBITDA	14.8	11.3	9.0
P/E (X)	24.9	19.5	16.2
P/BV (X)	3.8	3.2	2.8

CMP: INR469 **NEUTRAL**

Performance below our expectation (Ex-BioPharm)

- Indegene's 3Q earnings (ex- BioPharm) at INR8.52b were below our estimates of INR8.82b. However, including BioPharm, revenue stood at INR9.42b (+17.1% QoQ/+30.8% YoY), mainly led by enterprise commercial solutions (+36.7% QoQ /+21.3% YoY), which contributed 71% to revenue.
- Consolidated EBITDA grew 9.7% YoY to INR1.60b (est. INR1.63b), primarily due to investments. Consequently, EBITDA margin contracted 60bp QoQ (-330bp YoY) to 16.9% (below our estimate of 18.5%). EBIT margin stood at 12.7% (below our estimate of 15.5%) on account of acquisition-related impact and amortization.
- PAT was flat QoQ and down 6.5% YoY at INR1.3b, below our estimate of INR1.2b, as operating profit was low due to one-time expenses and higher non-cash amortization.
- Geographies: North America (71.8% of revenue) was up 35.7% YoY and 20.9% QoQ, while Europe (25.5% of revenue) was up 19.4% YoY and 10.7% QoQ.
- Industries: Biopharma (89.9% of revenue) was up 25.4% YoY and 14.5% QoQ, Medical devices (4.2% of revenue) rose 112.2% YoY and 44.1% QoQ, and Emerging Biotech (3.4% of revenue) grew 73.7% YoY and 29.3% QoQ.
- Service offerings: Enterprise medical solutions (25.3% of revenue) grew 16.3% YoY and 6.4% QoQ, Enterprise commercial solutions (71.0% of revenue) rose 36.7% YoY and 21.3% QoQ, and Others (3.7% of revenue) grew 33.2% YoY and 20.2% QoQ.
- Total headcount stood at 5,497 vs. 4,880 in 3QFY25. Attrition was at 15.9%, down 30bp QoQ.
- Top client concentration reduced to 9.5% from 13.6% YoY, while Top-10 at 48.9% from 56.3% YoY.
- Total active client base stood at 86 as of 3QFY26, up from 73 in FY25. Notably, USD1m+ clients are 52.
- Revenue from Top 5 accounts rose 3.6% QoQ and Top 20 accounts grew 7.0% QoQ.
- Three of the top 5 customers are now USD25m.
- Significant new marquee deal wins were secured with two customer contracts exceeding USD10m ACV each across five work orders, and another exceeding USD5m ACV (USD20m TCV) across two work orders.
- Several breakthrough wins were secured, with clients partnering to combine proven execution strength with AI to transform operations and unlock differentiated, measurable outcomes.
- Revenue per employee (RPE) crossed USD70k.
- During the quarter, it completed acquisitions of BioPharm and Warn & Co to deepen domain expertise and expand high-value capabilities.
- Net DSO stood at 71 days, stable QoQ.
- Cash and cash equivalents stood at INR14b.
- **Valuation:** The stock trades at 25x/20x FY26E/FY27E EPS.

Quarterly (Consol) **(INR M)**

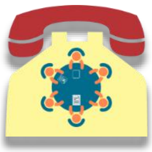
Y/E March	FY25				FY26E				FY25	FY26E	Est.	Var. (% /
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QFE	bp)
Revenue (USD m)	**81**	**82**	**85**	**87**	**89**	**92**	**106**	**111**	**336**	**399**	**97**	**8.8**
QoQ (%)	0.0	1.1	3.9	2.6	1.7	3.7	15.1	5.0	7.3	18.7	5.7	930bp
Revenue (INR m)	**6,765**	**6,868**	**7,204**	**7,556**	**7,608**	**8,042**	**9,421**	**10,082**	**28,393**	**35,153**	**8,822**	**6.8**
YoY (%)	11.4	8.0	7.0	12.3	12.5	17.1	30.8	33.4	9.6	23.8	22.5	830bp
GPM (%)	**34.3**	**35.6**	**38.4**	**35.8**	**36.7**	**35.9**	**39.7**	**36.0**	**36.1**	**37.1**	**36.5**	**3.2**
SGA (%)	**15.3**	**17.3**	**18.2**	**16.3**	**16.3**	**18.4**	**22.8**	**17.5**	**16.8**	**18.9**	**18.0**	480bp
EBITDA	**1,289**	**1,261**	**1,454**	**1,475**	**1,553**	**1,406**	**1,595**	**1,865**	**5,479**	**6,419**	**1,632**	**-2.3**
EBITDA Margin (%)	**19.1**	**18.4**	**20.2**	**19.5**	**20.4**	**17.5**	**16.9**	**18.5**	**19.3**	**18.3**	**18.5**	-160bp
EBIT	**1,088**	**1,067**	**1,254**	**1,268**	**1,337**	**1,172**	**1,199**	**1,563**	**4,677**	**5,271**	**1,367**	**-12.3**
EBIT Margin (%)	**16.1**	**15.5**	**17.4**	**16.8**	**17.6**	**14.6**	**12.7**	**15.5**	**16.5**	**15.0**	**15.5**	-280bp
Finance cost	117	40	32	31	37	38	46	38	220	159	38	
Other Income	225	214	219	256	221	196	194	252	914	863	221	
ETR (%)	26.7	26.1	25.0	21.2	23.5	23.3	23.6	25.0	26.0	26.0	25.0	
PAT	**877**	**917**	**1,119**	**1,176**	**1,164**	**1,020**	**1,029**	**1,333**	**4,045**	**4,546**	**1,162**	**-11.5**
QoQ (%)	0.9	1.0	1.2	1.1	1.0	0.9	1.0	1.3				
YoY (%)	1.3	1.2	1.1	1.2	1.3	1.1	0.9	1.1				
EPS (INR)	3.8	3.8	4.6	4.9	4.8	4.2	4.3	5.5	16.9	18.8	4.8	**-11.2**

MTAR Technologies

BSE SENSEX	S&P CNX
82,566	25,419

CMP: INR2,741 Buy

Conference Call Details



Date: 30th Jan'25
Time: 11:00am IST
Dial-in details:
click here

Strong performance for the quarter (in line with estimates)

- Consolidated revenue increased 59% YoY to INR2.8b (est. in line).
- EBITDA increased ~93% YoY to INR640m (est. in line).
- EBITDA margins expanded 400bp YoY to 23% (est. 23%), while gross margins stood at 46.1% (-360bp YoY). Employee expenses/other expenses as a % of sales stood at 14.5%/8.6% (-350bp /-410bp YoY), indicating operational leverage.
- Adj. PAT stood at INR375m (est. INR383m), 2.4x YoY, adjusted for the impact of labor codes of ~INR38m.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E	FY26	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	%
Gross Sales	**1,283**	**1,902**	**1,745**	**1,831**	**1,566**	**1,356**	**2,780**	**3,076**	**6,760**	**8,777**	**2,791**	**0%**
YoY Change (%)	-15.9	14.0	47.4	28.1	22.1	-28.7	59.3	68.0	16.4	29.8	60.0	
Total Expenditure	1,117	1,534	1,412	1,489	1,282	1,186	2,139	2,316	5,552	6,924	2,149	
EBITDA	**166**	**368**	**333**	**341**	**284**	**170**	**640**	**760**	**1,208**	**1,854**	**642**	**0%**
Margins (%)	12.9	19.4	19.1	18.7	18.1	12.5	23.0	24.7	17.9	21.1	23.0	
Depreciation	61	78	87	96	84	88	88	101	322	361	90	
Interest	48	52	63	59	58	62	77	55	222	252	60	
Other Income	5	14	31	0	6	37	24	15	52	82	20	
PBT before EO expense	**62**	**253**	**214**	**186**	**148**	**57**	**499**	**619**	**716**	**1,323**	**512**	
Extra-Ord expense	0	0	0	0	0	0	38	0	0	38	0	
PBT	**62**	**253**	**214**	**186**	**148**	**57**	**461**	**619**	**716**	**1,285**	**512**	
Tax	18	65	55	49	40	14	114	156	187	324	129	
Rate (%)	28.6	25.8	25.5	26.3	27.0	25.2	24.8	25.2	26.1	25.2	25.2	
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	**44**	**188**	**160**	**137**	**108**	**42**	**347**	**463**	**529**	**961**	**383**	
Adj PAT	**44**	**188**	**160**	**137**	**108**	**42**	**375**	**463**	**529**	**998**	**383**	**-2%**
YoY Change (%)	-78.2	-8.2	52.8	181.7	144.2	-77.4	135.0	237.5	-5.8	88.7	140.0	
Margins (%)	3.5	9.9	9.2	7.5	6.9	3.1	13.5	15.1	7.8	11.4	13.7	

Equitas Small Finance Bank

BSE SENSEX	S&P CNX
82,566	25,419

Conference Call Details

Date: 20st Oct 2023
Time: 11.00 am IST
Dial-in details:
+91-22-7195 0000

Financials & Valuations (INR b)

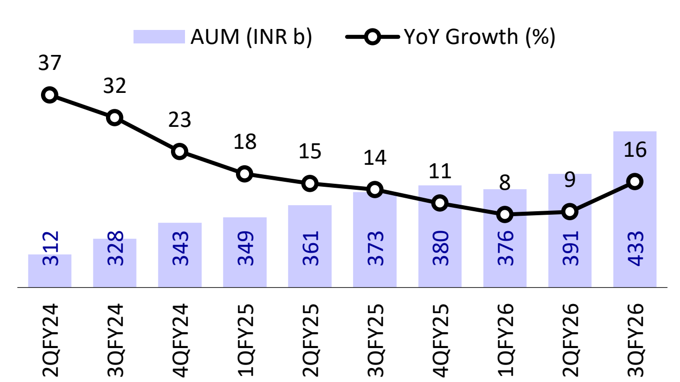
Y/E March	FY25	FY26E	FY27E
NII	32.5	32.6	39.0
OP	13.3	11.2	15.3
NP	1.5	0.2	6.7
NIM (%)	7.5	6.5	6.7
EPS (INR)	1.3	0.1	5.9
BV/Sh. (INR)	53	52	56
ABV/Sh. (INR)	50	50	55
Ratios			
RoA (%)	0.3	0.0	1.0
RoE (%)	2.4	0.3	10.8
Valuations			
P/E(X)	50.3	435.8	11.1
P/BV (X)	1.2	1.3	1.2
P/ABV (X)	1.3	1.3	1.2

CMP: INR70 — Buy

Earnings beat led by healthy revenue; NIM improves 43bp QoQ

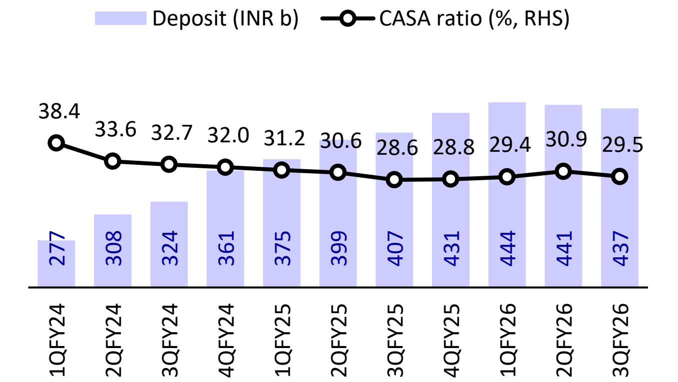
- Equitas SFB reported a 3QFY26 PAT of ~INR900m (36% YoY, 27% beat) amid healthy NII and higher other income.
- NII grew 4.1% YoY/ 10.1% QoQ to INR8.5b (4% beat). NIM expanded 43bp QoQ to 6.72% in 3QFY26. Cost of funds declined from 7.35% in 2QFY26 to 7.13% in 3QFY26.
- Other income grew 21% YoY/26.4% QoQ to INR 2.9b (19% beat). Treasury income stood at INR340mn in 2QFY26. Total revenues thus grew 8% YoY/ 13.8% QoQ to INR11.4b (7% beat).
- Opex grew 15% YoY/ 9.4% QoQ at INR8.3b (5% higher than MOFSLe) due to labor code impact of INR295mn. Provisions declined 20% YoY/ down 6.6% QoQ to INR1.9b (9% higher than MOFSLe). PPoP thus stood at INR3.1b (down 7.7% YoY and up 27.7% QoQ, 13% beat).
- Advances grew healthy at 12.6% YoY/9.6% QoQ to INR398b. HF posted healthy growth, rising 5.8% QoQ. VF loan grew by 9.2% YoY/3.2% QoQ amid growth in used CV at 6% QoQ. Deposits grew 7.2% YoY/down 1% QoQ. CASA ratio moderated 138bp QoQ to 29.5%. CD ratio increased to 91.2%. Disbursements grew to INR65.6b in 3QFY26 (up 28% YoY and 22% QoQ).
- On the asset quality front, slippages were INR5.2b vs. INR6b in 2QFY26. GNPA/NNPA ratio improved 17bp/6bp QoQ to 2.75%/0.92%, respectively. PCR increased to 67.1%. Credit costs significantly improved from 2.16% in 2QFY26 to 1.88% in 3QFY26.
- **Valuation and view:** The bank reported a steady performance led by healthy NII and other income, with a strong growth in AUM led by healthy growth across segments. Margin jumped 43bp QoQ. Deposits book dipped slightly; however, it helped the bank optimize its CD ratio, which declined significantly in previous quarters. On the asset quality front, slippages improved, which led to an improvement in GNPA/NNPA ratios. The earnings call is scheduled on 30th Jan'26 at 11.00 am IST.

AUM growth healthy at 16% YoY/10.6% QoQ



Source: MOFSL, Company

Deposit dipped 1% QoQ; CASA declinedto 29.5%



Source: MOFSL, Company

Quarterly Snapshot (INR m)

Profit and Loss, INR b	FY25				FY26			Change (%)	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	YoY	QoQ
Net Interest Income	**8.0**	**8.0**	**8.2**	**8.3**	**7.9**	**7.7**	**8.5**	**4**	**10**
Other Income	2.1	2.4	2.4	2.3	2.9	2.3	2.9	21	26
Trading profits	0.3	0.5	0.4	0.3	1.2	0.3	0.3	-15	0
Total Income	**10.1**	**10.4**	**10.6**	**10.5**	**10.8**	**10.0**	**11.4**	**8**	**14**
Operating Expenses	6.7	6.9	7.2	7.4	7.6	7.6	8.3	15	9
Employee	3.7	4.0	4.3	4.2	4.6	4.7	5.2	21	9
Others	3.0	2.9	3.0	3.3	3.0	2.9	3.2	6	10
Operating Profits	**3.4**	**3.5**	**3.3**	**3.1**	**3.1**	**2.4**	**3.1**	**-8**	**28**
Core Operating Profits	**3.1**	**3.0**	**2.9**	**2.8**	**1.9**	**2.1**	**2.7**	**-7**	**32**
Provisions	3.0	3.3	2.4	2.6	6.1	2.1	1.9	-20	-7
PBT	**0.4**	**0.2**	**0.9**	**0.5**	**-3.0**	**0.3**	**1.1**	**27**	**239**
Taxes	0.1	0.1	0.2	0.1	-0.7	0.1	0.2	1	152
PAT	**0.3**	**0.1**	**0.7**	**0.4**	**-2.2**	**0.2**	**0.9**	**36**	**273**
Balance Sheet									
Loans	319	340	354	362	347	364	398	13	10
AUM's	349	361	373	380	376	391	433	16	11
Deposits	375	399	407	431	444	441	437	7	-1
CASA Deposits	117	122	117	124	131	136	129	10	-5
-Savings	106	107	102	108	108	119	116	14	-2
-Demand	12	15	15	16	23	18	13	-15	-28
Loan mix (%)									
MFI	17.1	15.6	14.4	11.9	9.4	8.7	11.9	-246	325
Vehicles	24.3	24.6	24.8	24.9	25.3	25.1	23.4	-142	-167
Small Business loans (incl HF)	51.9	52.9	53.9	55.7	57.5	56.9	53.4	-48	-346
MSE Finance	3.5	3.8	4.0	4.4	4.5	4.7	4.7	66	-6
Corporate loans	1.8	1.7	1.5	1.4	1.5	2.8	4.4	291	161
Others	1.3	1.4	1.4	1.7	1.8	1.9	2.2	79	32
Asset Quality (INRb)	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**	**YoY**	**QoQ**
GNPA	8.9	10.2	10.7	10.7	10.4	10.8	11.2	4	3
NNPA	2.6	3.3	3.4	3.5	3.4	3.6	3.7	8	3
Slippages	3.9	5.1	5.9	5.5	6.6	6.0	5.2	-12	-14
Asset Quality Ratios (%)	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**	**YoY (bp)**	**QoQ (bp)**
GNPA (%)	2.73	2.95	2.97	2.89	2.92	2.92	2.75	-22	-17
NNPA (%)	0.83	0.97	0.96	0.98	0.98	0.98	0.92	-4	-6
PCR (Calc, %)	70.3	67.7	68.3	66.8	67.0	66.9	67.1	-117	18
Slippage ratio	5.2	6.5	7.3	6.6	8.0	6.8	5.5	-175	-131
Business Ratios (%)									
Loan/Deposit	85.1	85.2	86.9	84.0	78.3	82.4	91.2	439	880
CASA	31.2	30.6	28.6	28.8	29.4	30.9	29.5	87	-138
Cost to Income	66.3	66.4	68.5	70.5	70.8	76.0	73.1	458	-293
Cost to Assets	6.3	6.2	6.3	6.1	6.1	5.9	6.3	-1	40
Tax Rate	28.0	35.8	26.1	21.0	24.8	28.0	20.8	-528	-720
Capitalisation Ratios (%)									
Tier-1 (incl profit)	19.6	18.1	17.5	17.8	17.2	16.4	16.6	-87	19
- CET 1 (incl profit)	19.6	18.1	17.5	17.8	17.2	16.4	16.6	-87	19
CAR (incl profit)	20.6	19.4	20.3	20.6	20.5	20.7	20.5	18	-27
LCR	178.6	158.8	150.0	58.4	179.6	170.9	148.8	-112	-2,203
Profitability Ratios (%)									
Yield on gross advances	16.5	16.5	16.6	0.0	16.0	15.7	15.6	-92	-10
Cost of Funds	7.5	7.5	7.5	7.5	7.5	7.4	7.1	-36	-22
Margins	8.0	7.7	7.4	7.1	6.6	6.3	6.7	-67	43
Other Details									
Branches	969	987	994	994	1,035	1,042	1,053	59	11
Employees (K)	22.6	23.2	24.2	25.4	25.9	27.1	28.5	4	1

Automobiles

Lean channel inventory to drive healthy wholesales in Jan'26

Based on Vahan, retails continue to be healthy across major segments except PVs. However, given lean channel inventory across most of the OEMs, we expect dispatches from PV OEMs to continue to remain healthy even in Jan26. MM and TMPV are expected to outperform peers in Jan. In 2Ws, retail growth continues to be healthy for most key OEMs. Given this and a relatively low base of last year, we expect the 2W dispatches to record a 19% growth YoY. All the top 2W players are expected to post double-digit dispatch growth. Even tractor retail demand has remained healthy. Accordingly, we expect the top two OEMs to post about 21% YoY growth in tractors for Jan. Demand momentum even in CVs has been strong, and we expect the top three CV OEMs to post ~17% aggregate growth for the month over a relatively high base. We expect auto demand to remain healthy in the coming quarters as well, led by GST rate cuts and favorable rural sentiment. Our top OEM picks are MSIL, TVSL, and MM.

- **PVs:** After a strong 3Q, supported by GST rate cuts, a strong festive season, and pent-up demand from September, we expect wholesales to remain healthy for the majority of players due to lean inventory and sustained demand momentum. For players like MSIL, network inventory stood at just 3-4 days by the end of Dec'25. Hence, we expect most of the PV players to focus on normalizing channel inventory in 4Q. MSIL is expected to sustain its growth momentum on the back of its new launch, Victoris, revival in small car demand, and strong momentum in exports. MSIL has indicated that, given the current demand momentum, it is facing supply constraints and would look to add capacity in 1HFY27. We expect MSIL to post 8% growth in wholesales for Jan'26. Driven by a healthy revival in the compact SUV segment and the ramp-up of the recently launched Sierra, we expect TMPV to post 16% growth in Jan. Further, MM is also likely to maintain its healthy growth momentum in Jan on the back of channel filling with the new 7XO, deliveries of which started earlier this month. For HMIL, wholesales are likely to be driven by exports, as domestic sales are likely to remain weak. Overall, for Jan, we expect the PV segment to post 8% YoY growth in dispatches, despite a low single-digit decline in retails.
- **2Ws:** Unlike PVs, retail demand in 2W continued to grow in Jan'26, aided by a relatively low base. This demand is likely driven by strong demand sentiment in rural and urban markets following GST cuts and aided by the start of the wedding season. For Jan, we expect 2W wholesales to post 19% YoY growth over a low base of last year. We expect all 2W players to post double-digit growth in dispatches in Jan, and TVS and RE to continue outperforming peers.
- **CVs:** Retail demand in 3Q continues to remain healthy for the CV segment. CV experts continue to remain optimistic of a very healthy 4Q for the CV industry, buoyed by positive consumption sentiments post the GST rate cuts. Overall, we expect the CV segment to post ~17% YoY growth in dispatches in Jan despite the high base month.
- **Tractors:** This **segment** has been seeing strong momentum from the beginning of FY26. A normal monsoon, healthy crop patterns, and improved MSPs, among others, have boosted rural sentiment. Further, the government has lowered the GST rate to 5% for this segment, not only on tractors but also on components.

- Given these favorable drivers, we expect the demand momentum to remain strong in this segment going forward. Overall, we expect the tractor segment to post a healthy 21% YoY volume growth in Jan.
- **Valuation and view:** Demand momentum continues to be healthy across most auto segments. With a recovery in demand, we expect discounts to gradually reduce after the festive season. MSIL is our top pick among auto OEMs, as its new launches and the current export momentum are likely to drive healthy earnings growth. In 2Ws, we are positive on TVS as we believe its sustained outperformance can help sustain its premium valuations. We also like MM, given the uptrend in tractors and healthy growth in UVs. Our top auto ancillary picks are Endurance, SAMIL, MSWIL, and Happy Forgings.

Auto OEM sales estimates for Jan'26

Company Sales	Jan-26E	Jan-25	YoY (%) chg	Dec-25	MoM (%) chg	YTDFY26	YoY (%) chg	FY26E	Gr. (%)
Maruti Suzuki	**2,28,829**	**2,12,251**	**7.8**	**2,17,854**	**5.0**	**19,75,333**	**7.2**	**24,27,016**	**8.6**
Domestic	1,93,599	1,85,151	4.6	1,92,115	0.8	16,29,544	4.0	20,07,987	5.6
Export	35,230	27,100	30.0	25,739	36.9	3,45,789	25.9	4,19,029	26.0
Hyundai Motor	**65,223**	**65,603**	**-0.6**	**58,702**	**11.1**	**6,31,979**	**-0.6**	**7,66,339**	**0.6**
Domestic	51,303	54,003	-5.0	42,416	21.0	4,69,631	-5.9	5,73,741	-4.2
Exports	13,920	11,600	20.0	16,286	-14.5	1,62,348	18.6	1,92,598	17.9
Mahindra & Mahindra	**1,29,036**	**1,12,989**	**14.2**	**1,19,165**	**8.3**	**13,45,005**	**18.7**	**16,09,503**	**17.8**
UV (incl. pick-ups)	56,738	50,659	12.0	50,946	11.4	5,33,214	17.7	6,49,269	17.7
Tractors	33,068	27,557	20.0	31,859	3.8	4,39,660	20.7	5,05,998	19.2
Escorts Kubota	**8,245**	**6,669**	**23.6**	**7,577**	**8.8**	**1,09,658**	**14.7**	**1,32,112**	**14.3**
Tata Motors CV	**36,786**	**31,988**	**15.0**	**42,508**	**-13.5**	**3,32,650**	**9.7**	**4,23,052**	**9.3**
Tata Motors PV	**55,960**	**48,316**	**15.8**	**50,519**	**10.8**	**4,96,179**	**8.4**	**6,16,050**	**10.7**
Hero MotoCorp	**5,12,331**	**4,42,873**	**15.7**	**4,56,479**	**12.2**	**52,66,880**	**6.2**	**62,85,004**	**6.5**
Bajaj Auto	**4,31,794**	**3,81,040**	**13.3**	**3,69,809**	**16.8**	**41,78,403**	**6.3**	**49,70,366**	**6.9**
Domestic	2,27,762	2,08,359	9.3	1,69,373	34.5	23,34,400	-2.0	27,70,353	-0.6
Exports	2,04,032	1,72,681	18.2	2,00,436	1.8	18,44,003	19.3	22,00,013	18.1
TVS Motor	**5,08,725**	**3,97,623**	**27.9**	**4,81,389**	**5.7**	**48,37,301**	**23.2**	**58,24,833**	**22.8**
Domestic	3,72,301	2,96,568	25.5	3,35,367	11.0	35,38,168	19.2	42,58,136	20.0
Exports	1,36,424	1,01,055	35.0	1,46,022	-6.6	12,99,133	35.7	15,66,696	31.1
Eicher Motors									
Royal Enfield	**1,10,737**	**91,132**	**21.5**	**1,03,574**	**6.9**	**10,31,835**	**26.2**	**12,59,098**	**24.7**
VECV	**10,236**	**8,489**	**20.6**	**10,384**	**-1.4**	**79,835**	**14.1**	**1,02,005**	**13.1**
Ashok Leyland	**20,179**	**17,213**	**17.2**	**21,533**	**-6.3**	**1,71,158**	**11.8**	**2,15,975**	**10.7**
M&HCV	13,476	11,384	18.4	14,830	-9.1	1,09,641	12.4	1,39,406	10.6
LCV	6,703	5,829	15.0	6,703	0.0	61,517	10.6	76,569	10.9

Maruti Suzuki : There could be some increase in Raw Material cost for Q1FY27; Rahul Bharti, Senior Executive Officer-Corporate affairs

- Adjusted for one offs, EBIT margin in Q3 has increased by 100bps
- Don't see much commodity pressure in Q4, Will maintain Q4 Margin at Q3 levels
- In discussion with steel companies regarding price changes for Q1
- Industry growth is expected at 7% in FY27, Maruti show grow faster

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Lodha Developers : Structural strength of housing continues to be robust; Sushil Modi, Director – finance

- Presales 25% YoY growth to ₹5,600 Cr (first-time >₹5,000 Cr); robust housing demand intact.
- Q3 BD of ₹33,800 Cr, 9M ₹58,000 Cr (2.5x FY26 guidance); entered NCR with measured launches.
- 1% Q3 hike, 17-23% area growth; advocates 4-5% annual rises for affordability vs past 15% spikes.
- NCR Outlook: Cooling from prior heat (no more instant sellouts); sustainable sales suit Lodha's lifecycle approach.

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Birlasoft : Expect to see sustainable QoQ revenue growth from Q2FY27; Angan Guha, CEO & MD

- No furloughs, focus on signings amid sluggish demand; revenue likely flattish/slightly up vs Q3.
- Margins Hit 18.2% (up 220 bps QoQ) via execution, currency tailwinds, one-offs; baseline 15-16% sustainable.
- Will beat weak FY26; sustainable QoQ revenue growth from Q2FY27 on robust signings conversion.
- Deal Pipeline: Q3 TCV $22M; Q4 signings to top Q3 despite pricing pressure; no client losses.

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Samhi Hotels: Occupancy levels will remain stable between 73-75%; CMD & CEO, Ashish Jakhanwala

- Early teens growth (12.5% in 9M FY26) despite headwinds; mid-teens targeted for Q4 via rate hikes.
- Q4 at 73-75%, with mid/upscale flat but midscale uptick from GST relief.
- EBITDA 37% (down 200 bps from GST); back to 39% in 2 quarters on revenue leverage.
- 9-11% CAGR over 3-5 years for same-store; total growth higher via expansions.

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Index	1 Day (%)	1M (%)	12M (%)
Sensex	**0.3**	**-2.5**	**7.9**
Nifty-50	**0.3**	**-2.0**	**9.7**
Nifty Next 50	**0.3**	**-0.3**	**10.1**
Nifty 100	**0.3**	**-1.7**	**9.8**
Nifty 200	**0.3**	**-1.9**	**10.0**
Company	**1 Day (%)**	**1M (%)**	**12M (%)**
Automobiles	**-0.7**	**-3.8**	**17.6**
Amara Raja Ener.	-1.4	-8.4	-19.3
Apollo Tyres	-1.8	-1.0	16.0
Ashok Leyland	-0.7	10.9	88.4
Bajaj Auto	0.8	4.7	10.3
Balkrishna Inds	-1.9	2.5	-13.6
Bharat Forge	-1.5	-0.5	20.1
Bosch	-0.5	1.0	27.9
CEAT	-1.5	-4.8	24.1
Craftsman Auto	-5.2	4.9	71.3
Eicher Motors	-0.2	-3.0	36.1
Endurance Tech.	-0.7	-7.9	21.7
Escorts Kubota	-5.5	-11.5	-6.8
Exide Inds.	-0.1	-11.3	-9.1
Happy Forgings	-1.7	-7.2	-0.7
Hero Motocorp	1.2	0.3	37.0
Hyundai Motor	-0.5	-7.4	30.3
M & M	-1.9	-5.8	15.7
CIE Automotive	-0.6	5.5	-9.8
Maruti Suzuki	-2.5	-12.3	21.1
MRF	-3.0	-12.0	16.5
Sona BLW Precis.	0.0	3.5	-1.6
Motherson Sumi	2.2	-4.8	20.8
Motherson Wiring	-2.7	-10.0	16.7
Tata Motors PV	3.3	-1.9	-22.8
Tata Motors CV	0.5	14.8	
TVS Motor Co.	-2.0	2.3	48.3
Tube Investments	2.0	-10.8	-27.3
Banks-Private	**1.0**	**1.3**	**18.6**
AU Small Fin. Bank	2.7	0.1	65.8
Axis Bank	3.3	10.7	38.7
Bandhan Bank	-0.9	4.1	1.1
DCB Bank	0.9	18.6	69.4
Equitas Sma. Fin	0.2	13.5	3.5
Federal Bank	1.1	9.4	54.5
HDFC Bank	0.3	-5.7	11.8
ICICI Bank	1.2	3.0	10.5
IDFC First Bank	0.7	-1.3	39.5
IndusInd Bank	-0.4	7.0	-5.3
Kotak Mah. Bank	0.0	-4.5	7.4
RBL Bank	-0.4	-2.6	87.6
SBI Cards	-1.7	-9.5	1.0
Banks-PSU	**-0.8**	**8.7**	**44.3**
BOB	-1.2	5.2	35.9
Canara Bank	-4.7	-0.4	63.5
Indian Bank	1.2	15.9	67.0
Punjab Natl.Bank	0.6	3.9	28.1

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	**0.2**	**-2.3**	**8.9**
Nifty Midcap 100	**0.2**	**-2.4**	**11.0**
Nifty Smallcap 100	**0.2**	**-4.2**	**1.7**
Nifty Midcap 150	**0.1**	**-2.8**	**10.3**
Nifty Smallcap 250	**-0.1**	**-5.4**	**0.1**
St Bk of India	0.3	10.5	40.6
Union Bank (I)	-1.4	20.3	59.4
NBFCs	**0.6**	**0.5**	**19.4**
Aditya Birla Capital Ltd	-1.1	-0.7	95.0
AAVAS Financiers	-1.9	-0.9	-13.4
Bajaj Fin.	0.0	-6.3	20.7
Bajaj Housing	-1.3	-6.5	-24.0
Cholaman.Inv.&Fn	0.7	-2.9	27.2
Can Fin Homes	-0.6	0.0	34.9
CreditAcc. Gram.	-1.9	-1.0	18.6
Fusion Microfin.	1.1	17.5	16.7
Five-Star Bus.Fi	-11.5	-18.1	-40.2
HDB FINANC SER	0.7	-5.8	
Home First Finan	3.2	10.7	26.7
Indostar Capital	-2.1	-8.5	-14.3
IIFL Finance	0.3	-8.1	56.9
L&T Finance	-0.1	-3.6	97.8
LIC Housing Fin.	0.7	-3.0	-9.0
MCX	3.6	22.8	135.5
M & M Fin. Serv.	1.1	-3.1	42.5
Muthoot Finance	3.4	9.5	85.1
Manappuram Fin.	1.8	-4.4	48.9
MAS Financial Serv.	1.2	2.7	23.1
Piramal Finance	-2.2	8.8	
PNB Housing	-0.5	-9.8	-3.4
Power Fin.Corpn.	1.0	10.0	-3.1
REC Ltd	-0.6	5.4	-13.7
Repco Home Fin	-1.1	-0.7	4.3
Shriram Finance	0.4	7.0	84.8
Spandana Sphoort	-0.6	-8.6	-17.3
Nippon Life Ind.	3.2	-0.7	50.5
UTI AMC	-2.3	-12.7	-7.6
Nuvama Wealth	0.6	-9.0	20.6
Prudent Corp.	1.5	-9.6	18.6
NBFC-Non Lending			
360 One	-0.4	-3.0	10.4
Aditya AMC	-1.7	-3.3	16.6
Anand Rathi Wea.	1.7	-5.0	66.6
Angel One	-1.0	7.4	12.7
Billionbrains	0.7	6.9	
BSE	1.4	8.9	60.2
C D S L	-2.5	-9.6	2.4
Cams Services	-0.2	-4.0	-10.3
HDFC AMC	2.7	-3.9	34.4
KFin Technolog.	-0.4	-7.2	-6.4
MCX	3.6	22.8	135.5
N S D L	-3.2	-7.3	
Nippon Life Ind.	3.2	-0.7	50.5

Company	1 Day (%)	1M (%)	12M (%)
Nuvama Wealth	0.6	-9.0	20.6
Prudent Corp.	1.5	-9.6	18.6
UTI AMC	-2.3	-12.7	-7.6
Insurance			
Canara HSBC	-0.2	-2.7	
HDFC Life Insur.	-0.2	-2.6	15.7
ICICI Pru Life	-2.7	-4.0	3.0
ICICI Lombard	0.2	-6.1	-0.9
Life Insurance	-0.1	-2.5	-0.9
Max Financial	-2.4	-4.0	47.6
Niva Bupa Health	1.3	4.1	-3.2
SBI Life Insuran	-2.8	-0.7	36.6
Star Health Insu	2.1	1.9	2.6
Chemicals			
Alkyl Amines	-1.4	-1.8	-7.4
Atul	0.6	0.6	-1.2
Clean Science	-2.0	-3.3	-36.8
Deepak Nitrite	0.7	-9.7	-30.5
Ellen.Indl.Gas	0.7	-23.7	
Fine Organic	-2.0	-2.2	-7.3
Galaxy Surfact.	-3.6	-11.0	-22.0
Navin Fluo.Intl.	1.7	3.2	62.3
P I Inds.	-1.9	-2.5	-7.8
Privi Speci.	1.5	-8.6	61.5
SRF	0.1	-8.3	5.8
Tata Chemicals	-0.6	-5.0	-24.9
Vinati Organics	-0.6	-6.4	-7.8
Capital Goods	**0.6**	**-1.0**	**6.9**
A B B	8.5	6.0	-10.4
Astra Microwave	0.3	-1.5	34.3
Bharat Dynamics	-2.5	3.9	24.5
Bharat Electron	-1.9	13.0	66.4
Cummins India	0.5	-8.1	42.0
Hind.Aeronautics	-0.5	5.2	24.3
Hitachi Energy	3.6	-0.4	79.1
K E C Intl.	-2.8	-12.3	-20.6
Kalpataru Proj.	-1.0	-7.4	5.5
Kirloskar Oil	0.5	-8.5	29.5
Larsen & Toubro	3.7	-2.6	14.0
Siemens	3.9	1.4	6.9
Siemens Ener	5.3	-3.8	
Thermax	-2.6	-7.1	-25.7
Triveni Turbine	0.8	-11.0	-22.3
Zen Technologies	1.6	-0.4	-18.4
Cement			
Ambuja Cem.	0.4	-2.9	2.7
ACC	-0.3	-2.7	-16.2
Birla Corp.	0.4	-1.7	-8.5
Dalmia Bharat	-0.5	-4.5	11.1
Grasim Inds.	-0.3	-0.4	15.4
India Cem	0.0	-0.6	59.8
JSW Cement	3.1	-1.8	
J K Cements	-2.3	-3.3	13.3

Company	1 Day (%)	1M (%)	12M (%)
JK Lakshmi Cem.	0.6	1.7	-3.8
The Ramco Cement	3.3	4.3	19.0
Shree Cement	-1.3	3.3	1.8
UltraTech Cem.	-0.8	7.4	9.8
Consumer	**-0.9**	**-8.5**	**-8.4**
Asian Paints	-3.8	-12.9	8.7
Bikaji Foods	-0.3	-13.0	-1.2
Britannia Inds.	-0.4	-5.3	13.6
Colgate-Palm.	-1.9	2.1	-22.7
Dabur India	-1.0	4.3	-1.5
Emami	-1.6	-9.7	-15.8
Godrej Consumer	-1.4	-4.2	3.3
Gopal Snacks	-1.5	-4.1	-7.8
Hind. Unilever	-1.1	2.6	0.2
Indigo Paints	-2.2	-8.1	-14.5
ITC	-0.8	-20.9	-26.5
Jyothy Lab.	-1.4	-13.5	-37.5
L T Foods	0.8	-8.0	-2.9
Marico	-0.9	-3.1	8.6
Mrs Bectors	0.4	-4.1	-26.3
Nestle India	-0.3	0.6	18.1
P & G Hygiene	-2.0	-9.9	-18.4
Page Industries	1.0	-9.3	-27.1
Pidilite Inds.	-2.1	-1.6	-0.8
Prataap Snacks	2.6	-3.2	13.8
Radico Khaitan	-1.7	-16.9	25.4
Tata Consumer	-2.2	-7.4	15.3
United Breweries	0.0	-11.9	-31.1
United Spirits	0.2	-7.0	-6.9
Varun Beverages	-0.3	-3.2	-13.8
Zydus Wellness	1.9	1.6	18.0
Consumer Durables	**-1.5**	**-8.0**	**-4.4**
Blue Star	1.8	0.1	-5.2
Crompton Gr. Con	-1.6	-13.2	-35.7
Havells	-1.0	-10.0	-16.6
KEI Industries	3.3	-8.8	-0.3
LG Electronics	0.2	-8.7	
Polycab India	1.3	-6.4	20.4
R R Kabel	-2.3	-8.4	5.8
Voltas	-1.7	-2.2	-8.5
EMS			
Amber Enterp.	-1.2	-14.6	-15.8
Avalon Tech	1.3	-6.4	25.6
Cyient DLM	3.5	-11.8	-29.8
Data Pattern	-1.8	-3.4	21.9
Dixon Technolog.	0.6	-12.8	-28.9
Kaynes Tech	-2.5	-14.7	-31.3
Syrma SGS Tech.	0.2	1.6	43.3
Healthcare	**-0.8**	**-4.5**	**1.9**
Ajanta Pharma	-1.0	0.0	2.4
Alembic Pharma	0.0	-9.1	-16.0
Alkem Lab	-0.2	3.8	14.2
Apollo Hospitals	-1.1	-4.0	0.2

Company	1 Day (%)	1M (%)	12M (%)
Aurobindo	0.9	-4.1	-0.5
Oil & Gas	**1.0**	**1.2**	**15.7**
Aegis Logistics	-1.2	-2.1	2.5
BPCL	1.3	-1.3	42.8
Castrol India	-0.4	-2.9	7.3
Biocon	-1.4	-6.4	2.7
Blue Jet Health	0.7	-19.5	-33.5
Cipla	-0.6	-11.6	-7.1
Divis Lab	-2.4	-5.5	7.5
Dr Agarwals Health	-3.9	-16.5	
Dr Reddy’s	-1.1	-4.7	2.3
ERIS Lifescience	-0.6	-12.0	14.2
Gland Pharma	6.5	9.1	19.5
Glenmark	-0.4	-1.2	36.6
Global Health	-1.4	-10.4	-0.5
Granules	1.6	-4.8	7.4
GSK Pharma	-2.8	-4.5	19.3
IPCA Labs	2.3	3.1	2.5
Laurus Labs	-2.6	-10.0	79.0
Laxmi Dental	-3.6	-29.5	-62.1
Lupin	0.1	2.4	3.1
Mankind Pharma	-0.8	-3.7	-15.2
Max Healthcare	-0.6	-10.5	-7.1
Piramal Pharma	-0.2	-11.1	-35.8
Rubicon Research	0.8	2.0	
Sun Pharma	-1.3	-7.4	-8.4
Torrent Pharma	-0.7	3.6	16.9
Zydus Lifesci.	-0.7	-1.5	-4.4
Infrastructure	**0.8**	**-3.8**	**12.2**
G R Infraproject	1.5	-7.7	-26.7
IRB Infra.Devl.	-1.1	-2.3	-22.2
KNR Construct.	-1.1	-14.2	-50.5
Logistics			
Adani Ports	2.6	-2.5	29.2
Blue Dart Exp.	-1.4	-0.5	-15.3
Delhivery	1.0	1.6	27.3
Container Corpn.	0.9	-3.7	-15.8
JSW Infrast	-0.6	-8.5	-6.2
Mahindra Logis.	1.5	7.9	4.9
Transport Corp.	-0.9	-5.4	-2.3
TCI Express	7.9	-5.8	-29.2
VRL Logistics	2.1	0.7	17.0
Media	**0.0**	**-4.5**	**-14.2**
PVR INOX	1.1	-6.9	-12.8
Sun TV	-0.3	-6.7	-15.3
Zee Ent.	-1.8	-9.0	-22.2
Metals	**3.1**	**15.7**	**50.2**
Hindalco	2.6	18.4	75.3
Hind. Zinc	1.0	15.6	63.2
JSPL	3.6	17.1	36.6
JSW Steel	1.5	13.3	32.0
Jindal Stainless	0.1	1.9	27.0
Midwest	-0.9	-24.7	

Company	1 Day (%)	1M (%)	12M (%)
Nalco	5.6	42.5	121.3
NMDC	3.8	4.7	28.6
SAIL	0.9	17.2	50.6
Tata Steel	4.4	17.4	54.7
Vedanta	4.0	29.2	78.0
GAIL	-0.5	-1.8	1.3
Gujarat Gas	2.4	7.9	-10.5
Gujarat St. Pet.	1.7	4.1	-10.3
HPCL	-0.2	-8.8	25.3
IOCL	0.1	0.7	31.9
IGL	3.2	-7.5	-7.5
Mahanagar Gas	1.5	-5.6	-16.5
Oil India	4.9	26.7	26.3
ONGC	2.5	17.3	9.5
PLNG	1.8	6.3	-1.8
Reliance Ind.	-0.4	-10.0	12.6
Real Estate	**0.7**	**-11.5**	**-12.6**
A B Real Estate	-1.7	-22.2	-34.6
Anant Raj	0.0	-8.6	-16.7
Brigade Enterpr.	-0.1	-16.4	-32.8
DLF	2.1	-7.3	-14.3
Godrej Propert.	1.0	-21.6	-30.0
Kolte Patil Dev.	-0.9	-7.4	24.9
Mahindra Life.	-2.6	-10.6	-6.9
Macrotech Devel.	2.4	-10.6	-16.2
Oberoi Realty Ltd	0.9	-10.4	-12.9
SignatureGlobal	2.1	-26.2	-28.7
Sri Lotus	-5.7	-7.5	
Sobha	-0.7	-4.2	8.6
Sunteck Realty	2.9	-4.5	-17.9
Phoenix Mills	-2.3	-8.9	8.3
Prestige Estates	0.4	-10.3	8.3
Retail			
A B Lifestyle	0.4	-15.4	
Aditya Bir. Fas.	-1.5	-16.4	-34.0
Arvind Fashions	2.1	-11.3	-5.5
Avenue Super.	-1.8	-3.2	2.8
Bata India	0.2	-9.0	-32.3
Campus Activewe.	-2.2	-4.3	-6.8
Devyani Intl.	-1.3	-21.2	-32.6
Go Fashion (I)	-6.6	-15.6	-55.3
Jubilant Food	-1.1	-13.3	-29.0
Kalyan Jewellers	0.1	-24.2	-17.9
Metro Brands	-0.2	-11.0	-13.7
P N Gadgil Jewe.	-0.5	-9.7	3.9
Raymond Lifestyl	0.5	-7.8	-46.2
Relaxo Footwear	-2.2	-7.9	-31.2
Restaurant Brand	-0.5	-0.3	-11.4
Sapphire Foods	-3.4	-27.5	-36.7
Senco Gold	-2.9	-3.8	-31.6
Shoppers St.	3.5	-7.5	-38.0
Titan Co.	-0.9	-1.1	16.9
Trent	-1.0	-9.5	-31.7
United Foodbrands	-3.3	-7.1	-46.4

Index and MOFSL Universe stock performance

Company	1 Day (%)	1M (%)	12M (%)
Vedant Fashions	-1.4	-17.8	-56.9
Vishal Mega Mart	1.6	-10.6	15.3
V-Mart Retail	0.3	-16.0	-19.6
Westlife Food	-2.3	-10.9	-33.2
Technology	**-0.8**	**0.4**	**-10.4**
Cyient	-0.3	0.9	-18.3
HCL Tech.	-0.5	5.6	0.2
Hexaware Tech.	0.1	-6.2	
Infosys	-0.4	0.9	-11.8
KPIT Technologi.	-5.7	-12.2	-23.9
LTIMindtree	-0.3	-0.6	1.9
L&T Technology	-2.6	-17.0	-29.7
Mphasis	-2.1	-1.4	-7.9
Coforge	-1.0	-0.3	-4.1
Persistent Sys	-2.3	-2.5	-3.3
TCS	-1.7	-1.9	-22.2
Tata Technolog.	-1.4	0.0	-16.3
Tata Elxsi	-1.1	0.3	-13.6
Tech Mah	0.3	9.7	5.2
Wipro	1.0	-9.2	-23.3
Zensar Tech	-2.9	-6.2	-21.4
Telecom	1.1	-7.4	7.7
Bharti Airtel	0.5	-5.5	23.0
Indus Towers	3.8	4.6	27.4
Idea Cellular	1.0	-16.0	12.4
Tata Comm	-0.1	-15.1	-1.7
Utilities	2.2	-0.6	0.6
ACME Solar Hold.	-0.9	-9.1	12.1
Coal India	2.6	13.8	20.1
Indian Energy Ex	-0.9	-4.6	-28.8
Inox Wind	-2.1	-14.2	-32.8
JSW Energy	2.9	-2.6	-3.3
NTPC	2.9	10.0	11.5
Power Grid Corpn	0.3	0.0	-9.5
Suzlon Energy	-0.8	-10.0	-10.1
Tata Power Co.	3.2	-2.6	4.4
Waaree Energies	0.0	-7.8	24.5
Others			
APL Apollo Tubes	-1.8	8.7	34.9
Astral	0.5	6.5	-1.0
Cello World	-1.1	-8.3	-22.7
Century Plyboard	1.4	-6.3	-1.1
Cera Sanitary.	-0.3	-3.2	-24.7
Coromandel Intl	-0.3	-4.8	25.6
EPL Ltd	-1.3	-9.7	-12.2
Eternal Ltd	3.4	-2.7	23.8
FSN E-Commerce	0.3	-8.1	39.4
Godrej Agrovet	-1.4	-7.0	-26.6
Gravita India	4.4	-12.3	-22.8
Havells	-1.0	-10.0	-16.6
Indiamart Inter.	-0.6	-1.2	5.5
Indian Hotels	1.3	-10.4	-14.5
Info Edge	-2.4	-6.7	-14.8

Company	1 Day (%)	1M (%)	12M (%)
Interglobe	-2.7	-9.1	7.6
Kajaria Ceramics	0.9	-8.4	-10.9
Lemon Tree Hotel	-1.8	-22.2	-10.3
MTAR Tech	1.5	14.9	78.9
One 97	-0.8	-10.8	44.5
Prince Pipes	-0.8	-4.7	-34.6
Quess Corp	1.4	-2.5	-29.1
Safari Inds.	-4.2	-11.6	-20.4
SIS	-0.3	-2.9	-1.6
Supreme Inds.	-0.1	7.1	-8.2
Swiggy	1.3	-17.0	-23.5
Team Lease Serv.	-0.6	-10.8	-44.2
Time Technoplast	-1.2	-3.7	-8.7
Updater Services	-1.8	-19.1	-55.8
UPL	0.1	-7.1	29.4
V I P Inds.	-0.8	-5.5	-3.8
Va Tech Wabag	-0.4	-15.8	-20.5
Voltas	-1.7	-2.2	-8.5
Inventurus Knowl	-3.1	-7.5	-11.9
Sagility	-4.7	-5.6	8.4
Indegene	-1.3	-10.1	-24.6

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BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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