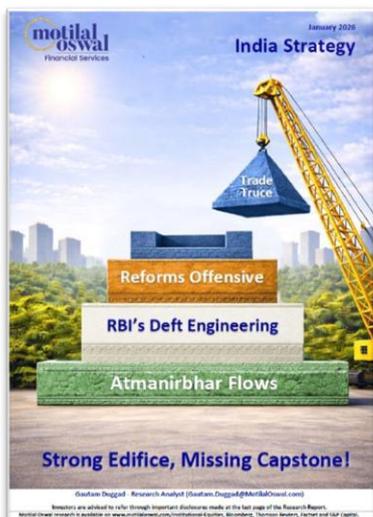


BSE Sensex: 82,627

Nifty-50: 25,471

Refer to our Dec'25
quarter preview



Earnings review 3QFY26: In-line print; commodities drive, while mid-caps underwhelm

- Corporate earnings – sectoral breadth promising:** The 3QFY26 corporate earnings concluded on a strong note, marking the fourth consecutive quarter of double-digit earnings growth. A key highlight of the quarter was the improved sectoral breadth of earnings growth. Of the 27 sectors under our coverage, 19 delivered double-digit growth, five reported single-digit growth, and three sectors experienced a decline in PAT.
- Commodities shine:** The aggregate earnings of the MOFSL Universe companies grew 16% YoY (vs. our est. of 14% YoY) in 3QFY26. Excluding financials, the earnings jumped 18% YoY (vs. our est. of 16% YoY), whereas, excluding global commodities (i.e., Metals and O&G), the MOFSL Universe grew 12% YoY (vs. our est. of 12% YoY). The earnings growth was powered by Metals (profit surged 33% YoY), O&G (OMC's profit up 2.4x YoY), which grew 33% YoY, BFSI (14% YoY), Technology (12% YoY), and Telecom (164% YoY). These five sectors contributed 86% of the incremental YoY accretion in earnings in 3QFY26.
- Seventh successive quarter of single-digit PAT growth for the Nifty-50:** The Nifty delivered a 7% YoY PAT growth (vs. our est. of +6%). **Nifty reported a single-digit earnings growth for the seventh consecutive quarter since the pandemic (Jun'20).** Five Nifty companies – SBI, Tata Steel, HDFC Bank, TCS, and Bharti Airtel – contributed 78% of the incremental YoY accretion in earnings. Conversely, Tata Motors PV, Cipla, ICICI Bank, and Interglobe Aviation dragged Nifty earnings lower. Within the Nifty, 10 companies reported lower-than-expected profits, while 14 recorded a beat, and 26 registered in-line results.
- Large-caps and small-caps deliver in-line results, while mid-cap performance misses our estimates:** Within our MOFSL Universe, large-caps (86 companies) posted an earnings growth of 16% YoY – similar to the overall universe. Mid-caps (98 companies) have shown weakness and delivered earnings growth of 15% YoY (vs. our est. of 22%). Multiple mid-cap sectors, such as Private Banks, Metals, Logistics, and Insurance, dragged down overall performance. Conversely, sectors that clocked impressive earnings growth were Healthcare, Lending and Non-Lending NBFCs, Automobiles, Oil & Gas, and Utilities. These sectors contributed ~77% of the incremental YoY accretion in earnings. In contrast, small-caps (157 companies) delivered in-line performance, with earnings rising 29% YoY (our est. of +34%). Within small-caps, 62% of the coverage universe exceeded/met our estimates. Conversely, within the large-cap/mid-cap universes, 79%/67% of the companies exceeded/met our estimates.
- The beat-miss dynamics:** The beat-miss ratio for the MOFSL Universe was balanced, with 34% of the companies exceeding our estimates, while 32% reported a miss at the PAT level. For the MOFSL Universe, the earnings upgrade-to-downgrade ratio has been adverse at 0.7x in 3QFY26 (for FY27E), with the earnings of 69 companies having been upgraded by >3%, while the earnings of 100 companies have been downgraded by >3%.

PAT growth YoY in 3QFY26 (%)



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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.

- The 9MFY26 snapshot:** The MOFSL Universe delivered a 13.3% YoY earnings growth in 9MFY26. Excluding Metals and O&G, it reported a 9.3% YoY earnings growth. **We categorized our coverage stocks based on market capitalization criteria into large-cap, mid-cap, and small-cap segments.** Notably, our large-cap universe saw a 12.4% YoY earnings growth in 9MFY26, while mid-cap delivered a 23.6% YoY growth, and small-cap posted a muted growth of 5.5% YoY in 9MFY26. For 4QFY26, we estimate a healthy earnings growth for the MOFSL and Nifty Universe, at ~14% and ~10%, respectively.
- FY27E earnings highlights:** The MOFSL Universe is likely to deliver sales/EBITDA/PAT growth of 8%/13%/16% YoY in FY27. The Financials, Metals, and Automobiles sectors are projected to be the key growth engines, with 16%, 25%, and 27% YoY earnings growth, respectively. These three sectors are likely to contribute 64% of the incremental YoY accretion in earnings. Our large-cap universe is anticipated to deliver a 13% YoY earnings growth in FY27E, while mid-cap is estimated to deliver 27% YoY growth, and small-cap is estimated to deliver a 37% YoY growth in FY27E.
- MOFSL PAT records an upgrade of 0.6% for FY27...:** Earnings of the MOFSL Universe witnessed a rise of 0.6% for FY27, fueled by Metals, Technology, Telecom, PSU Banks, and NBFCs. In contrast, the MOFSL Large-cap remained unchanged, while the small-cap universe recorded a downgrade of 1% for FY27. Conversely, the MOFSL mid-cap universe registered an earnings upgrade of 4.1% for FY27.
- ...while the Nifty EPS cut marginally for FY26E/FY27E:** The Nifty EPS for FY26E was cut by 0.2% to INR1,082 (from INR1,084) due to downgrades in Tata Motors PV, Bharti Airtel, ICICI Bank, Interglobe Aviation, JSW Steel, Maruti Suzuki, and Cipla. The FY27E EPS was cut by 0.3% to INR1,263 (from INR1,267) – led by Maruti Suzuki, HDFC Bank, Tata Motors PV, ICICI Bank, ONGC, and Bharti Airtel.
- Top FY27E earnings upgrades:** Titan (+8%), Dr. Reddy's Labs (5.6%), Ultratech Cement (4.9%), Tata Steel (3.9%), and Nestle (3%).
- Top FY27E earnings downgrades:** Eternal (-14.3%), Cipla (-13.2%), Tata Motors PV (-9.6%), Maruti Suzuki (-7.5%), and Max Healthcare (-7%).

The best Large-\Mid-\Small-cap results within the MOFSL coverage:

Best Large-caps Company	PAT (INR b)		Best Mid-caps Company	PAT (INR b)		Best Small-caps Company	PAT (INR b)	
	Dec-25	Chg. % YoY		Dec-25	Chg. % YoY		Dec-25	Chg. % YoY
Vedanta	79.7	125	Hitachi Energy	2.9	241	Craftsman Auto	1.1	353
Muthoot Finance	26.6	95	BSE	6.1	182	Delhivery	0.7	168
Siemens Energy	3.6	57	Laurus Labs	2.6	180	Navin Fluorine	2.0	140
TVS Motor	9.7	57	Waaree Energies	12.8	161	MTAR Tech	0.4	135
Titan Company	18.0	44	MRF	7.4	140	Amber Enterp.	0.8	111
Trent	6.6	41	Kalyan Jewellers	4.5	72	Syrma SGS Tech.	1.1	107
Apollo Hospitals	5.2	39	Radico Khaitan	1.6	72	R Kabel	1.3	94
State Bank	210.3	24	Lupin	14.7	71	V-Mart Retail	0.9	26
Pidilite Inds.	6.8	22	Persistent Systems	5.1	36	Sagility	3.2	23
HDFC AMC	7.7	20	AU Small Finance	6.7	26	Aditya Birla AMC	2.7	20

- **Our view:** The 3QFY26 earnings have generally been in line with our expectations, with a beat-miss ratio for the MOFSL Universe remaining balanced – 34% of the companies exceeded our estimates, while 32% reported a miss at the PAT level. Importantly, the 3QFY26 earnings season reaffirms our analysis that the aggregate earnings revision trajectory has become more palatable. We had observed a slowing intensity in earnings cuts until 1QFY26, which transitioned into an earnings upgrade for aggregate MOFSL PAT in 2QFY26 and got further corroborated in 3QFY26. Clearly, with the heavy lifting by RBI and GoI through a series of stimulative monetary and fiscal measures, the macro environment for earnings has improved and is somewhat reflected in an impressive 3QFY26 MOFSL PAT growth of 16% YoY – mildly ahead of our estimates of 14%. In this backdrop of stabilizing earnings, we believe that Indian markets appear poised for a better performance in CY26, especially after the sharp underperformance of ~26% (USD terms) vs MSCI EM in CY25. Even as Indian equity markets received abundant DII flows in CY25 (at ~USD90b), the FII outflows (USD19b in CY25) have been instrumental in pinning down Indian market performance vs. other peers. With the decisive moves on the landmark India-US trade agreement (even if an interim one), the missing capstone of India's strong edifice is gradually falling in place. This, coupled with the proposal of a historic Indo-EU FTA, should help calm the frayed sentiments of FII investors and assuage concerns over India's geopolitical isolation. Consequently, we expect abatement in FII outflows over the course of the year, helping India retrace its underperformance vs. key global markets. A key overhang in the current environment has emerged in the form of ongoing disruptions in the IT services sector and their potential impact on other sectors and remains a key monitorable in near term. We expect ~12% earnings growth for Nifty over FY25-27E. Valuations for Nifty at ~20.4x remain marginally below its LPA at 20.9x 12m forward earnings, while they remain stretched for broader markets. We are OW on Auto, PSU Banks, Diversified Financials, Technology, Consumer Discretionary, and Capital Goods + EMS, which are our key preferred investment themes. We are Neutral on Telecom, Cement and Healthcare, while maintaining our UW stance on Pvt. Banks, Consumer Staples, O&G, Utilities, and Metals within our [model portfolio](#).

Exhibit 1: Our preferred ideas within the Nifty and non-Nifty companies

Company	MCap (USDb)	CMP (INR)	EPS (INR)			EPS CAGR (%)	PE (x)			PB (x)			ROE (%)		
			FY26E	FY27E	FY28E		FY25-27	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E
Top Nifty-50 Ideas															
Bharti Airtel	134.6	2,005	44.7	63.9	82.8	45	44.9	31.4	24.2	7.6	6.6	5.7	20.9	24.7	27.5
State Bank	122.1	1,199	100.1	107.2	126.0	11	12.0	11.2	9.5	1.9	1.7	1.4	17.8	15.9	16.0
ICICI Bank	109.0	1,414	69.7	80.0	93.8	9	20.3	17.7	15.1	3.0	2.6	2.3	16.1	16.1	16.3
Larsen & Toubro	63.3	4,173	129.7	156.4	183.5	21	32.2	26.7	22.7	5.2	4.6	4.1	17.2	18.4	19.0
Infosys	62.2	1,370	68.7	76.3	84.6	9	19.9	17.9	16.2	7.2	7.2	7.2	33.8	40.2	44.4
Mahindra & Mahindra	48.5	3,534	127.2	149.2	172.1	23	27.8	23.7	20.5	5.8	4.8	4.1	22.6	22.2	21.5
Titan Company	41.1	4,181	60.3	72.6	87.1	31	69.3	57.6	48.0	24.2	18.7	14.7	39.8	36.6	34.3
Bharat Electronics	35.1	435	8.2	9.8	11.4	16	52.9	44.6	38.1	12.7	10.2	8.2	24.0	22.8	21.7
Eternal	28.7	285	0.4	1.8	3.6	74	771.6	161.1	78.3	8.3	7.9	7.2	1.1	5.1	9.6
Tata Steel	28.0	203	9.4	14.3	15.8	106	21.7	14.2	12.9	2.5	2.2	1.9	12.2	16.6	15.9
Interglobe Aviation	21.0	4,930	95.4	208.0	248.5	5	51.7	23.7	19.8	16.4	9.9	6.7	35.3	52.3	40.5
Top Non-Nifty-50 Ideas															
TVS Motor	20.3	3,865	76.7	96.6	121.3	30	50.4	40.0	31.9	14.2	11.0	8.6	31.9	31.0	30.3
Billionbrains	11.8	173	3.2	5.0	6.6	30	53.3	34.7	26.3	10.8	8.3	6.3	27.2	27.0	27.1
Indian Hotels	11.0	700	13.2	16.2	18.6	17	53.2	43.2	37.5	7.6	6.5	5.6	15.4	16.2	16.0
AU Small Finance	8.2	995	35.3	48.9	63.7	28	28.2	20.4	15.6	3.8	3.2	2.7	14.4	17.1	18.7
Dixon Tech.	7.6	11,415	148.3	189.5	292.2	27	77.0	60.2	39.1	18.6	14.4	10.6	26.6	26.9	31.3
Suzlon Energy	6.9	46	1.4	2.2	2.5	42	31.9	21.1	18.6	7.1	5.3	4.1	26.4	28.8	25.0
Coforge	5.1	1,363	41.9	60.3	76.7	55	32.5	22.6	17.8	6.3	5.7	4.9	16.4	21.8	24.7
Radico Khaitan	4.1	2,792	44.9	55.4	68.5	47	62.2	50.4	40.8	11.8	9.9	8.3	18.9	19.7	20.4
Delhivery	3.5	420	2.8	6.6	8.1	71	149.9	64.1	51.7	3.3	3.1	2.9	2.2	4.9	5.8
V-Mart Retail	0.5	617	15.8	20.6	27.1	182	39.1	30.0	22.7	5.2	4.5	3.7	14.3	16.1	17.9

Note: LP = Loss to profit; Large-cap, Mid-cap, and Small-cap stocks listed above are as per the SEBI categorization

Sector Review Compendium
Highlights / Surprise / Guidance... (Page 23 onwards)

AUTOMOBILES | CAPITAL GOODS | CEMENT | CHEMICALS | CONSUMER – FMCG | QSR | CONSUMER DURABLES | EMS | FINANCIALS – BANKS | FINANCIALS – NBFC: LENDING | FINANCIALS – NBFC: NON LENDING | HEALTHCARE | INFRASTRUCTURE | LOGISTICS | METALS | OIL & GAS | PLASTIC PIPES | REAL ESTATE | RETAIL | TECHNOLOGY | TELECOM | UTILITIES

Aggregate performance in line, anchored by global commodities

- The MOFSL Universe's sales/EBITDA/PBT/PAT grew 10%/12%/12%/16% YoY (vs. our est. of +7%/+11%/+12%/+14%). Excluding Metals and O&G, the MOFSL Universe companies recorded sales/EBITDA/PBT/PAT growth of 12%/11%/9%/12% YoY (vs. est. of +12%/10%/10%/12%) in 3QFY26.
- The earnings growth was powered by Metals (profit surged 33% YoY), O&G (OMC's profit up 2.4x YoY), which grew 33% YoY, BFSI (14% YoY), Technology (12% YoY), and Telecom (164% YoY). These five sectors contributed 86% of the incremental YoY accretion in earnings in 3QFY26.
- The EBITDA margin of the MOFSL Universe (ex-Financials) expanded 30bp YoY to 17.9%, primarily due to the Oil & Gas, Cement, Utilities, Logistics, and Capital Goods sectors but hurt by the Automobiles, Real Estate, Media, and Telecom sectors.

Exhibit 2: Sector-wise 3Q performance of the MOFSL Universe companies (INRb)

Sector (no of companies)	Sales				EBIDTA				PBT				PAT			
	Dec-25	Chg. % QoQ	Chg. % YoY	Var. over Exp. %	Dec-25	Chg. % QoQ	Chg. % YoY	Var. over Exp. %	Dec-25	Chg. % QoQ	Chg. % YoY	Var. over Exp. %	Dec-25	Chg. % QoQ	Chg. % YoY	Var. over Exp. %
Automobiles (26)	3,394	6.9	6.6	-5.3	387	16.4	-8.6	-8.1	273	11.5	-14.4	-13.7	215	16.8	-12.7	-10.9
Capital Goods (15)	1,145	3.5	11.4	-4.0	149	8.0	18.9	-2.9	151	7.9	27.7	2.6	101	4.7	24.0	-2.2
Cement (12)	689	8.4	18.4	2.2	96	3.3	33.1	-3.7	43	-26.3	56.4	-14.6	30	-22.9	39.3	-13.8
Chemicals (13)	168	-4.1	3.7	-2.2	30	-12.4	6.4	-7.1	20	-22.4	8.1	-11.8	17	-12.6	21.5	-2.8
Consumer (22)	976	3.2	9.2	-0.1	226	5.2	10.7	2.2	209	4.8	10.1	1.5	157	5.1	11.4	1.4
Consumer Durables (8)	307	5.9	16.2	4.8	28	0.1	16.3	0.0	25	-5.0	14.3	-3.7	18	-4.3	16.4	-3.4
EMS (7)	166	-15.2	10.8	2.1	11	4.3	29.7	14.1	9	-24.5	54.8	25.5	6	13.0	34.2	10.6
Financials (66)	4,643	3.3	11.6	2.2	1,960	5.1	12.6	3.0	1,711	6.2	10.9	2.8	1,341	10.6	13.8	3.8
Banks-Private (12)	973	3.7	5.5	-0.5	709	1.0	2.3	-0.9	563	3.2	1.8	-2.6	429	4.0	2.1	-1.7
Banks-PSU (6)	930	3.4	4.8	-0.1	688	10.3	18.8	7.8	588	6.5	14.9	14.1	444	15.3	17.5	14.5
Insurance (8)	2,082	2.4	15.6	4.9	70	7.3	28.6	9.7	163	22.9	6.7	-1.3	151	24.3	12.8	-2.4
NBFC - Lending (24)	549	5.3	18.4	1.7	440	2.6	18.1	1.0	342	2.0	20.7	-3.3	274	6.9	27.7	1.0
NBFC - Non Lend. (16)	109	8.8	24.2	-1.0	53	15.1	29.5	4.1	56	19.3	32.7	4.6	42	14.1	34.8	2.7
Healthcare (28)	1,006	2.8	13.0	2.8	240	7.2	12.3	4.4	192	5.4	11.6	1.0	147	10.1	12.9	3.1
Healthcare - BPO (3)	37	14.9	31.7	5.1	10	15.1	35.0	7.4	7	7.0	23.3	5.3	6	4.4	21.4	4.9
Infrastructure (3)	45	29.3	7.1	15.3	13	14.6	0.2	6.0	6	33.3	1.9	7.2	5	54.1	4.2	7.8
Logistics (9)	221	5.6	15.5	2.6	78	5.6	19.8	3.8	51	-7.1	16.7	-1.2	44	0.1	17.1	1.0
Media (3)	50	0.5	11.1	0.9	10	-19.7	-2.2	-0.4	8	8.5	0.9	1.5	6	14.2	-4.2	3.2
Metals (12)	3,255	5.5	10.1	1.4	638	11.6	11.2	3.0	434	14.7	13.1	3.2	334	30.5	33.3	15.7
Oil & Gas (14)	7,982	8.2	5.5	9.8	1,113	4.6	18.3	2.2	779	6.2	25.5	4.3	554	6.4	33.5	6.9
Ex OMCs (11)	3,598	2.0	6.1	2.9	707	-1.5	-0.4	-3.0	464	-6.4	-5.5	-0.7	317	-7.4	0.4	2.5
Plastic Pipes (3)	48	5.2	7.1	-3.9	6	-2.5	11.9	-10.4	4	-7.3	5.8	-21.0	3	-8.3	2.6	-23.3
Real Estate (15)	185	16.0	18.0	-13.1	47	17.6	4.7	-29.9	44	-8.9	18.3	-35.6	40	-8.0	12.9	-31.4
Retail (25)	889	23.1	24.5	3.7	108	43.8	28.0	9.2	70	80.2	37.5	13.7	53	88.2	39.5	15.2
Staffing (4)	119	4.8	8.2	-1.2	4	11.1	17.2	3.7	2	10.5	3.2	-10.5	2	31.4	14.3	-0.9
Technology (16)	2,208	3.0	8.4	0.8	503	4.1	9.3	1.8	453	1.0	5.1	-2.1	354	5.7	11.5	3.6
Telecom (5)	820	2.6	14.2	0.2	426	3.3	10.3	0.7	97	-3.4	10.6	-6.5	33	-8.1	164.2	-26.4
Utilities (9)	833	2.2	8.0	-9.3	300	10.3	12.8	-3.2	165	7.6	14.4	2.8	112	1.9	2.7	-7.6
Others (23)	952	11.9	28.0	2.4	147	65.8	12.0	0.4	70	337.9	12.4	-6.5	56	1,724.1	4.3	-2.0
MOFSL Universe (341)	30,137	6.0	9.8	2.2	6,527	7.7	12.0	1.0	4,824	7.2	12.1	0.3	3,632	11.7	16.4	2.3
Ex Financials (275)	25,495	6.5	9.5	2.2	4,567	8.9	11.7	0.2	3,113	7.8	12.8	-1.0	2,291	12.3	17.9	1.5
Ex Metals & Oil (315)	18,900	5.2	11.7	-0.6	4,776	7.9	10.7	0.5	3,611	6.6	9.5	-0.8	2,744	10.8	11.8	0.0
Ex OMCs (338)	25,753	4.8	10.7	0.1	6,120	7.1	9.4	0.3	4,509	5.8	8.0	-0.5	3,395	10.4	12.4	1.6
Nifty (50)	15,049	5.2	9.4	-0.5	3,881	7.4	7.9	0.0	2,838	4.2	6.4	-0.8	2,053	9.4	7.5	1.3
Sensex (30)	10,831	6.0	12.9	0.5	3,160	7.9	13.7	0.7	2,332	4.7	10.4	-0.2	1,690	10.2	12.4	1.1

LP: Loss to profit; PL: Profit to loss

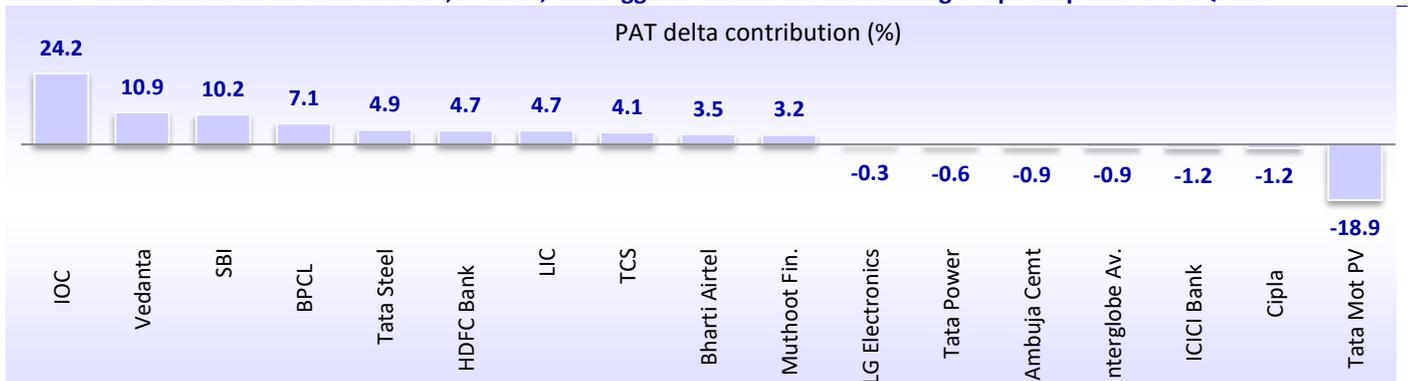
Large-caps deliver in-line earnings growth with the overall universe

- Within our MOFSL Universe, large-caps (86 companies) posted 16% YoY earnings growth – similar to the overall universe. Large-caps (86 companies) have extended their winning streak with 22 consecutive quarters of earnings growth.
- Multiple large-cap sectors clocked impressive growth; 18 of 21 sectors under coverage delivered a PAT growth. Oil & Gas, Metals, PSU Banks, NBFC - Lending, and Technology were the key drivers of performance, which contributed 87% to the incremental YoY accretion in earnings. In contrast, Automobiles contributed adversely to the earnings.

Exhibit 3: Sector-wise 3Q performance of the MOFSL Large-cap Universe companies (INR b)

Sector (no of companies)	Sales				EBIDTA				PBT				PAT			
	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. %	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. %	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. %	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. %
Automobiles (11)	2,803	6.4	4.9	-6.4	298	16.7	-15.3	-10.8	210	9.8	-23.3	-16.8	165	15.8	-20.6	-15.0
Capital Goods (6)	951	4.1	11.1	-4.1	129	9.0	18.3	-1.7	134	9.2	26.3	4.3	88	5.5	22.0	-1.3
Cement (3)	425	10.8	23.4	4.3	57	10.1	41.9	-2.0	26	-31.4	36.0	-15.4	18	-32.0	7.1	-15.8
Consumer (9)	730	1.5	7.9	-0.1	180	2.7	10.2	2.2	168	2.6	10.1	1.5	124	2.1	11.1	0.8
Consumer Durables (2)	118	-7.1	22.1	9.1	12	-22.2	12.7	-2.6	10	-27.4	9.5	-7.3	8	-27.1	10.8	-6.7
Financials (18)	3,700	3.1	12.3	3.1	1,578	5.3	14.8	3.4	1,428	5.2	10.6	3.7	1,125	10.6	14.0	5.0
Banks-Private (4)	764	3.1	6.4	-1.3	607	-0.3	5.4	-2.1	523	0.5	4.0	-2.7	399	1.4	4.6	-1.8
Banks-PSU (5)	861	3.3	4.6	-0.3	638	10.9	20.0	8.3	546	6.9	15.0	15.1	414	16.5	18.3	15.9
Insurance (3)	1,749	2.4	17.2	7.0	64	10.0	35.8	13.7	149	26.2	9.2	0.4	140	26.9	16.1	-2.0
NBFC - Lending (5)	315	7.0	24.8	3.0	260	4.8	22.6	2.8	201	0.5	18.6	-3.7	165	8.7	27.4	3.8
NBFC - Non Lending (1)	11	4.6	15.0	2.0	9	9.4	14.7	5.4	10	15.8	20.7	9.0	8	7.1	20.0	8.8
Healthcare (7)	456	-0.1	10.5	2.8	111	-4.7	3.0	3.4	98	-6.2	1.6	0.0	74	-5.2	1.8	1.2
Logistics (1)	97	5.9	21.9	4.3	58	4.2	20.5	3.7	38	-11.3	20.2	-0.7	33	-3.8	22.9	1.0
Metals (6)	2,621	5.5	10.1	1.8	541	14.2	14.5	4.6	370	19.5	17.9	6.1	286	39.1	43.6	21.3
Oil & Gas (5)	6,539	7.8	6.2	8.3	994	6.0	20.6	4.7	684	8.3	27.5	7.7	483	9.0	37.3	10.9
Ex OMCs (3)	3,305	2.4	7.1	3.9	660	-1.2	0.5	-2.3	423	-4.9	-5.2	0.0	286	-5.3	1.5	3.3
Real Estate (2)	67	23.0	19.3	-11.6	18	29.6	5.8	-17.8	20	14.0	23.5	-4.4	22	9.8	8.2	6.2
Retail (3)	488	21.6	27.5	4.5	52	34.5	31.7	8.7	44	44.0	34.3	12.7	33	46.9	35.9	14.4
Technology (6)	1,952	3.1	7.9	0.9	458	4.2	9.0	2.0	416	1.6	4.8	-1.5	326	6.3	11.5	4.3
Telecom (1)	540	3.5	19.6	0.6	308	4.1	25.2	0.9	126	1.9	34.4	-8.2	69	1.9	25.5	-19.0
Utilities (3)	656	1.4	-1.9	-10.8	245	14.7	2.6	-4.3	138	13.7	8.0	4.7	94	9.6	-1.3	-5.7
Others (3)	426	24.7	41.9	2.3	73	336.3	3.7	-1.0	32	LP	-8.3	PL	29	LP	-6.7	PL
MOFSL Large-cap Univ.(86)	22,569	5.8	9.4	1.9	5,113	8.4	12.7	1.8	3,942	7.8	11.6	1.9	2,977	12.6	15.8	4.0
Ex Financials (68)	18,869	6.4	8.8	1.7	3,535	9.8	11.9	1.1	2,514	9.2	12.2	0.9	1,852	13.9	16.9	3.5
Ex Metals & Oil (75)	13,409	5.0	10.8	-0.8	3,578	8.2	10.5	0.6	2,888	6.3	7.7	0.1	2,208	10.7	9.3	0.8
Ex OMC (84)	19,335	4.6	10.1	0.3	4,779	7.5	9.4	0.6	3,681	6.0	6.9	0.6	2,780	11.1	11.1	2.8

Exhibit 4: Incremental PAT contributors, leaders, and laggards within the MOFSL Large-cap companies for 3QFY26



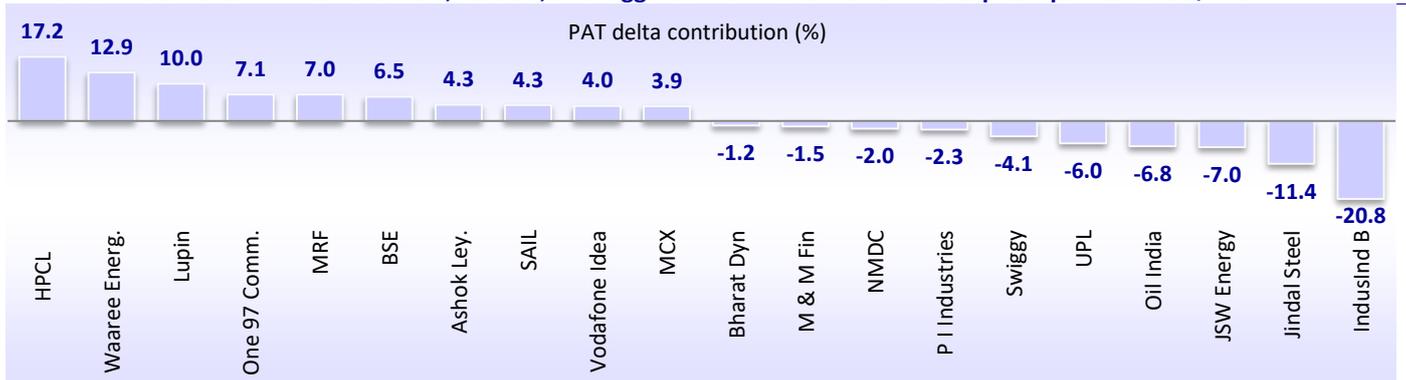
Mid-caps report a miss

- Mid-caps (98 companies) have exhibited weakness and delivered earnings growth of 15% YoY (vs. our est. of 22%).
- Multiple mid-cap sectors, such as Private Banks, Metals, Logistics, Insurance, and Pipes, dragged down overall performance. Conversely, sectors that clocked impressive earnings growth were Healthcare, Lending and Non-Lending NBFCs, Automobiles, Oil & Gas, and Utilities. These sectors contributed ~77% of the incremental YoY accretion in earnings.

Exhibit 5: Sector-wise 3Q performance of the MOFSL Mid-cap Universe companies (INR b)

Sector (no of companies)	Sales				EBIDTA				PBT				PAT			
	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)
Automobiles (7)	333	12.4	15.7	1.9	53	20.0	25.9	4.9	40	22.1	45.1	-0.8	33	25.8	32.8	10.5
Capital Goods (3)	53	-3.1	6.5	-12.8	6	-4.9	29.7	-25.5	7	-11.3	47.6	-19.8	5	-10.1	52.4	-18.5
Cement (3)	113	5.7	9.7	-2.1	20	1.1	4.6	-6.1	9	-10.5	42.4	-14.6	7	-5.8	36.1	-14.4
Chemicals (2)	51	-7.7	-5.6	-7.4	11	-16.6	-3.7	-5.6	8	-23.2	-6.9	-10.7	8	-6.0	14.8	10.8
Consumer (8)	185	6.8	9.7	-0.2	36	12.0	10.7	3.0	34	11.6	11.3	2.7	26	13.8	13.1	5.2
Consumer Durables (4)	145	18.4	9.5	0.5	12	29.6	15.0	-1.3	11	22.2	13.1	-5.4	8	24.1	16.5	-5.7
EMS (2)	115	-27.2	3.2	-1.6	5	-24.8	10.2	-4.0	5	-51.3	44.2	20.3	3	-29.3	9.7	-7.3
Financials (19)	690	4.4	9.5	-1.8	271	3.5	7.4	0.9	202	9.9	4.5	-2.2	155	9.4	4.5	-2.0
Banks-Private (4)	150	6.3	3.2	3.6	72	6.9	-10.9	7.4	31	66.6	-27.4	3.2	23	63.4	-27.5	4.2
Banks-PSU (1)	69	5.3	7.5	2.3	50	3.9	5.8	1.8	42	1.7	12.9	2.2	31	1.4	7.3	-1.0
Insurance (3)	276	2.1	6.5	-6.2	9	-12.6	7.8	-16.6	13	-7.5	-1.6	-16.9	11	-2.7	-2.5	-6.9
NBFC - Lending (6)	143	3.0	13.6	0.0	115	-0.7	13.9	-1.7	91	1.1	6.8	-3.9	71	0.3	6.9	-4.3
NBFC - Non Lending (5)	52	16.0	46.1	-1.9	24	26.1	72.3	1.3	25	26.2	67.2	0.2	19	25.1	90.2	1.4
Healthcare (11)	444	5.4	16.0	3.4	107	22.6	25.5	7.2	79	23.6	27.2	4.3	62	35.4	30.0	8.5
Logistics (2)	37	1.0	7.9	-1.4	11	-2.5	10.1	-1.4	9	-8.2	-0.1	-5.0	7	-5.1	-10.2	-2.8
Metals (5)	633	5.5	10.2	0.0	96	-0.9	-4.5	-4.8	65	-6.5	-8.5	-10.5	48	-4.6	-6.5	-9.0
Oil & Gas (3)	1,311	11.8	2.5	20.1	98	-7.4	-0.4	-17.1	75	-6.3	11.9	-18.0	57	-7.3	12.4	-16.3
Ex OMCs (2)	161	-2.3	-7.9	-8.6	25	-14.5	-25.1	-18.7	21	-27.5	-22.2	-10.0	17	-29.3	-19.8	-4.8
Plastic Pipes (2)	42	6.5	8.2	-3.6	6	2.2	7.2	-7.4	4	-2.6	-1.3	-17.9	3	-3.6	-4.1	-20.2
Real Estate (4)	70	15.1	39.4	-6.4	22	5.1	8.1	-26.9	19	-30.6	23.4	-45.8	13	-29.8	25.7	-50.7
Retail (3)	158	26.2	31.4	2.7	17	41.3	31.5	6.9	11	76.4	44.9	10.3	8	76.2	44.3	9.9
Technology (5)	184	2.4	17.1	-0.3	33	1.5	21.1	1.3	25	-9.0	11.1	-9.1	20	-0.1	21.1	-0.8
Telecom (4)	280	0.8	5.0	-0.5	118	1.2	-15.7	0.4	-28	Loss	Loss	Loss	-37	Loss	Loss	Loss
Utilities (3)	159	5.1	79.0	0.8	47	-8.3	120.0	3.7	22	-19.2	81.0	-6.5	15	-30.3	39.9	-17.0
Others (8)	406	3.2	20.8	3.1	56	2.1	23.4	3.1	23	0.7	45.4	-14.9	15	-6.3	11.8	-5.8
MOFSL Mid-cap Univ. (98)	5,409	6.4	11.2	4.2	1,027	3.7	8.6	-1.9	620	1.5	9.6	-7.3	457	4.0	15.5	-5.3
Ex Financials (79)	4,718	6.7	11.4	5.2	756	3.7	9.0	-2.8	418	-2.2	12.3	-9.5	302	1.4	22.0	-6.9
Ex Metals & Oil (90)	3,465	4.6	15.0	0.0	833	5.7	11.5	0.6	480	4.0	12.3	-4.8	352	7.5	19.8	-2.7
Ex OMCs (97)	4,258	4.5	13.2	-0.4	954	4.4	8.3	-0.6	566	1.1	7.7	-5.7	416	3.8	13.9	-3.5

Exhibit 6: Incremental PAT contributors, leaders, and laggards within the MOFSL Mid-cap companies for 3QFY26



Small-caps deliver in-line performance

- In contrast, small-caps (157 companies) delivered in-line performance, with earnings rising 29% YoY (our est. of +34%).
- Within small-caps, 62% of the coverage universe exceeded/met our estimates. Conversely, within the large-cap/mid-cap universes, 79%/67% of the companies exceeded/met our estimates.

Exhibit 7: Sector-wise 3Q performance of the MOFSL Small-cap Universe companies (INR b)

Sector (no of companies)	Sales				EBIDTA				PBT				PAT			
	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Dec25	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)
Automobiles (8)	258	5.6	16	-1.3	36	8.5	23	-2.0	23	10.2	31	-1.8	17	10.4	27	-2.4
Capital Goods (6)	142	2.6	15.7	0.0	13	4.9	21.0	-0.4	9	6.7	34.4	-0.5	7	7.9	33.3	1.6
Cement (6)	150	4.1	13	-0.3	18	-11.5	49	-5.9	8	-22.6	321	-11.8	6	-4.7	1,130	-6.4
Chemicals (11)	117	-2.5	8.4	0.3	19	-9.7	13.6	-8.0	12	-21.8	21.5	-12.6	9	-17.6	27.8	-12.0
Consumer (5)	60	14.5	25	0.5	9	38.9	21	-0.3	7	36.6	5	-3.5	6	42.7	10	-1.9
Consumer Durables (2)	44	8.7	24.9	8.9	4	17.3	33.8	14.0	3	19.7	37.5	17.6	2	21.5	37.9	18.6
EMS (5)	51	34.5	33	11.6	6	63.9	56	38.7	4	148.9	71	32.7	3	145.4	68	34.0
Financials (29)	252	3.8	7.2	0.4	111	5.4	-1.9	2.4	81	14.8	39.4	-0.2	61	13.3	42.4	-1.6
Banks-Private (4)	58	5.7	1	-0.5	30	15.6	-18	6.0	9	39.6	24	-12.6	7	39.3	3	-13.2
Insurance (2)	57	3.7	16	2.3	-4	Loss	Loss	-6.8	1	102.3	-71	-10.5	0	106.7	-82	-23.7
NBFC - Lending (13)	91	3.2	6.3	0.3	64	0.2	9.0	-1.0	50	10.7	74.2	-0.6	38	12.2	102.6	-0.2
NBFC - Non Lending (10)	46	2.5	8	-0.6	20	6.6	5	7.1	21	13.7	11	8.0	15	5.8	3	1.6
Healthcare (10)	105	5.1	12.0	0.1	22	9.4	6.6	-3.7	15	8.9	11.1	-8.3	10	13.9	12.0	-11.0
Healthcare - BPO (3)	37	14.9	32	5.1	10	15.1	35	7.4	7	7.0	23	5.3	6	4.4	21	4.9
Infrastructure (3)	45	29.3	7.1	15.3	13	14.6	0.2	6.0	6	33.3	1.9	7.2	5	54.1	4.2	7.8
Logistics (6)	87	7.5	12	2.4	8	33.4	31	12.8	4	69.3	28	2.7	4	84.7	39	9.6
Media (3)	50	0.5	11.1	0.9	10	-19.7	-2.2	-0.4	8	8.5	0.9	1.5	6	14.2	-4.2	3.2
Metals (1)	1	-18.8	10	-32.0	0	-34.4	31	-44.0	0	-40.2	12	-54.6	0	-34.1	29	-51.4
Oil & Gas (6)	132	-4.1	0.9	-4.1	21	5.8	13.9	-2.1	19	-10.1	13.9	-4.3	14	-14.5	11.0	-3.7
Plastic Pipes (1)	6	-3.6	-1	-6.2	0	-49.4	840	-46.2	0	-99.8	LP	-99.8	0	PL	Loss	-106.2
Real Estate (9)	48	8.4	-4.6	-22.8	7	37.1	-7.5	-54.3	5	40.7	-10.0	-59.3	5	5.9	3.5	-54.7
Retail (19)	243	24.5	15	2.6	38	60.2	22	11.1	15	590.0	42	19.1	11	1,353.2	47	21.8
Staffing (4)	119	4.8	8.2	-1.2	4	11.1	17.2	3.7	2	10.5	3.2	-10.5	2	31.4	14.3	-0.9
Technology (5)	72	2.6	3	-0.3	12	4.0	-3	-3.1	12	3.5	2	-4.7	8	-2.0	-5	-10.3
Utilities (3)	18	6.3	33	-26.0	8	11.4	36	-5.4	5	7.3	15	-5.1	3	6.8	0	-14.0
Others (12)	120	3.8	12.1	0.6	18	6.2	16.2	-2.0	15	19.6	29.9	2.1	11	23.3	31.0	1.8
MOFSL Small-cap Univ. (157)	2,160	6.8	11.8	-0.2	387	9.7	11.3	-0.9	262	14.7	27.5	-3.6	198	16.2	29.1	-3.9
Ex Financials (128)	1,907	7.3	12.4	-0.3	277	11.5	17.7	-2.2	181	14.6	22.8	-5.0	137	17.6	23.9	-4.8
Ex Metals & Oil (150)	2,027	7.7	12.6	0.1	366	10.0	11.2	-0.8	242	17.3	28.7	-3.4	184	19.6	30.7	-3.8

LP: Loss to profit; PL: Profit to loss

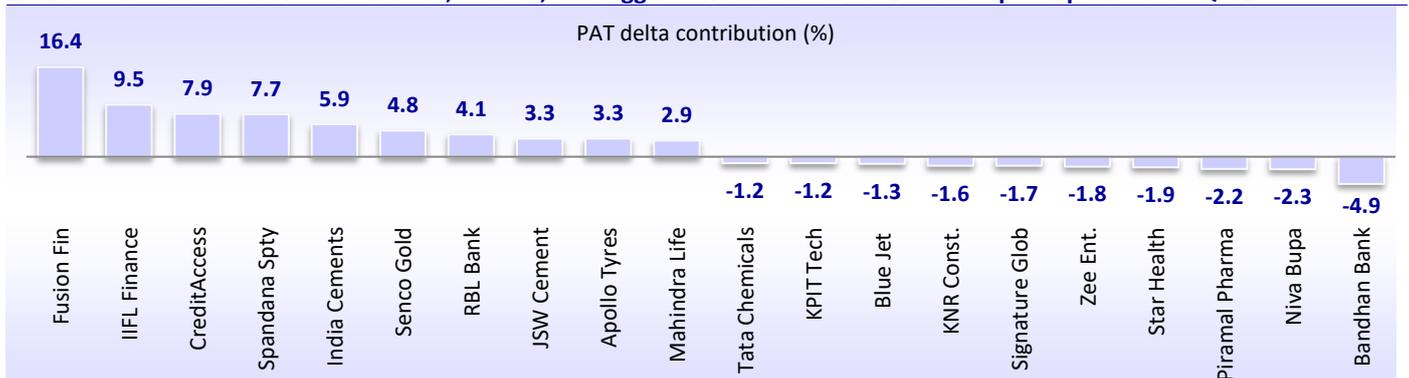
Exhibit 8: Incremental PAT contributors, leaders, and laggards within the MOFSL Small-cap companies for 3QFY26


Exhibit 9: PAT increased 16% YoY for the MOFSL Universe

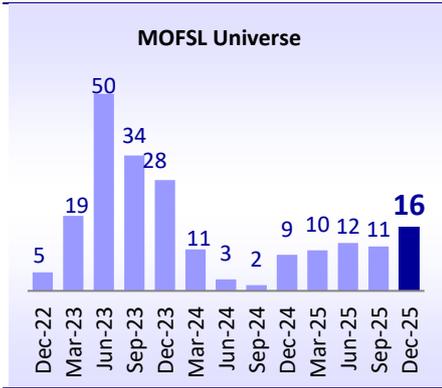


Exhibit 10: PAT was up 18% YoY for the MOFSL Universe, excluding Financials

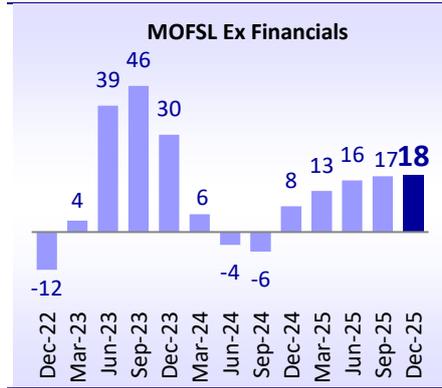


Exhibit 11: PAT rose 12% YoY for the MOFSL Universe, sans Metals & O&G

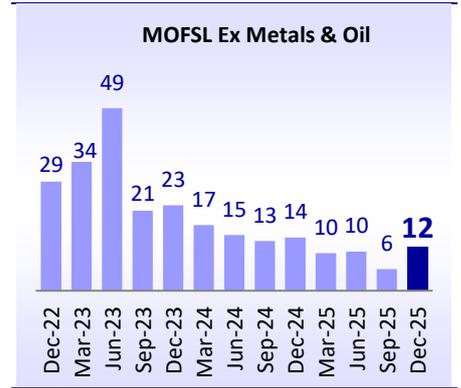


Exhibit 12: PAT growth for the Nifty Universe stood at 7% YoY

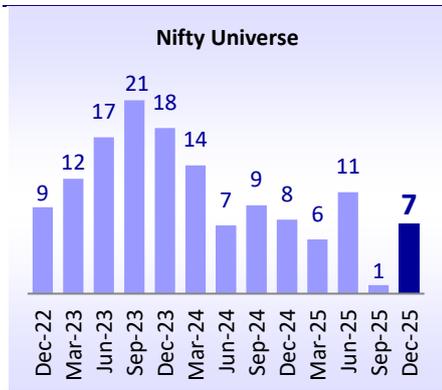


Exhibit 13: PAT for the Nifty Universe, sans Financials, was up 6% YoY

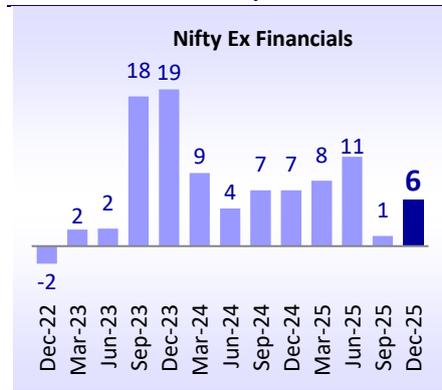
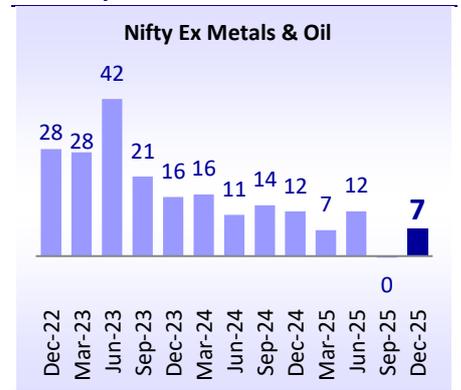


Exhibit 14: PAT inched up 7% YoY for the Nifty Universe, sans Metals & O&G



Adverse earnings upgrade-to-downgrade ratio

- For the MOFSL Universe, the earnings upgrade-to-downgrade ratio has been adverse at 0.7x in 3QFY26 (for FY27E), with the earnings of 69 companies having been upgraded by >3%, while the earnings of 100 companies have been downgraded by >3%.
- The beat-miss ratio for the MOFSL Universe was balanced, with 34% of the companies exceeding our estimates, while 32% reported a miss at the PAT level.
- Of the 27 sectors under our coverage, 6/15/6 sectors reported profits above/in line/below our estimates.

Exhibit 15: The upgrade-to-downgrade ratio trend for the MOFSL Universe – unfavorable for 3QFY26

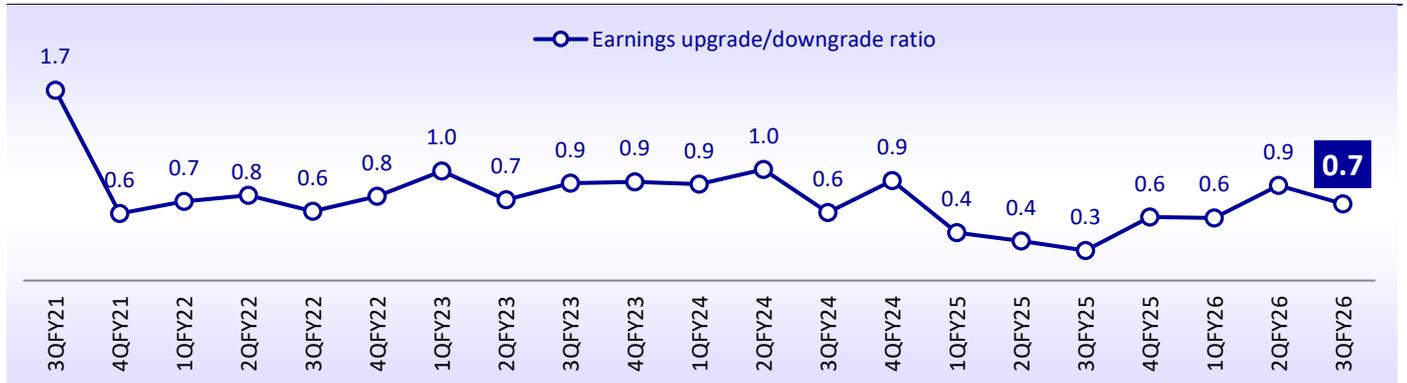
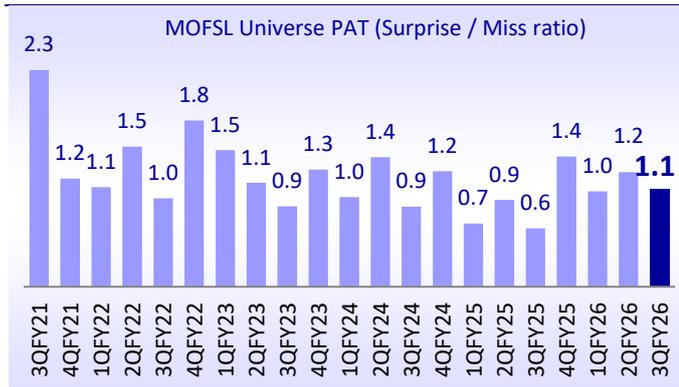
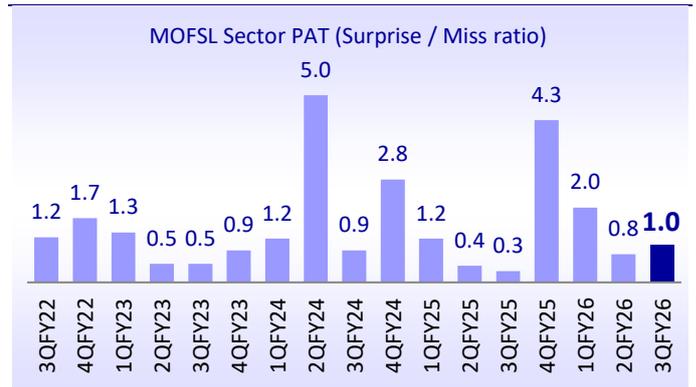


Exhibit 16: Surprise/miss ratio for the MOFSL Universe at 1.1x in 3QFY26

Exhibit 17: Sectoral surprise/miss ratio at 1x in 3QFY26 for the MOFSL Universe

Exhibit 18: Two- and three-year profit CAGR for the MOFSL Universe

Sector	EBIDTA (INR b)			CAGR (%)		PBT (INR b)			CAGR (%)		PAT (INR b)			CAGR (%)	
	3Q FY23	3Q FY24	3Q FY26	2-yr	3-yr	3Q FY23	3Q FY24	3Q FY26	2-yr	3-yr	3Q FY23	3Q FY24	3Q FY26	2-yr	3-yr
Automobiles	188	279	387	18	27	153	237	273	7	21	120	184	215	8	21
Capital Goods	89	106	149	19	19	80	98	151	24	24	55	67	101	22	22
Cement	64	102	96	-3	15	34	69	43	-22	7	24	50	30	-22	8
Chemicals	35	28	30	3	-6	29	20	20	1	-11	22	16	17	4	-8
Consumer	189	205	226	5	6	178	195	209	4	6	132	149	157	2	6
Consumer Durables	16	17	28	31	22	13	15	25	27	25	10	11	18	30	22
EMS	4	5	11	52	44	2	3	9	74	60	2	2	6	54	49
Financials	1,446	1,554	1,960	12	11	1,158	1,299	1,711	15	14	851	1,061	1,341	12	16
Banks-Private	552	628	709	6	9	448	528	563	3	8	338	414	429	2	8
Banks-PSU	568	519	688	15	7	352	357	588	28	19	252	306	444	21	21
Insurance	55	59	70	9	8	122	117	163	18	10	83	112	151	16	22
NBFC - Lending	251	323	440	17	21	212	267	342	13	17	163	205	274	16	19
NBFC - Non Lending	21	26	53	41	36	22	31	56	35	37	16	24	42	34	38
Healthcare	152	175	240	17	16	117	146	192	15	18	89	106	147	18	18
Healthcare - BPO	0	4	10	48		0	2	7	105		0	3	6	54	
Infrastructure	12	12	13	1	2	6	6	6	2	4	4	4	5	5	6
Logistics	42	57	78	17	23	26	41	51	12	26	21	32	44	17	27
Media	11	10	10	-1	-6	9	8	8	3	-4	6	6	6	4	3
Metals	411	523	638	10	16	237	350	434	11	22	137	245	334	17	34
Oil & Gas	742	918	1,113	10	14	461	639	779	10	19	339	463	554	9	18
Plastic Pipes	6	7	6	-5	2	4	5	4	-16	-4	3	4	3	-16	-5
Real Estate	32	35	47	16	14	25	28	44	26	22	20	23	40	32	26
Retail	55	73	108	21	25	36	44	70	26	25	27	33	53	27	25
Staffing	3	4	4	-7	3	2	2	2	5	13	2	2	2	17	10
Technology	424	430	503	8	6	386	394	453	7	5	289	291	354	10	7
Telecom	256	297	426	20	18	-34	-8	97	LP	LP	-58	-32	33	LP	LP
Utilities	257	238	300	12	5	125	126	165	14	10	89	98	112	7	8
Others	98	99	147	22	14	54	39	70	34	9	45	42	56	15	7
MOFSL Universe	4,533	5,177	6,527	12	13	3,101	3,760	4,824	13	16	2,229	2,858	3,632	13	18
Nifty Universe	2,914	3,161	3,881	11	10	2,102	2,325	2,838	10	11	1,503	1,769	2,053	8	11

Exhibit 19: Sales for the MOFSL Universe up 10% YoY (est. 7%)

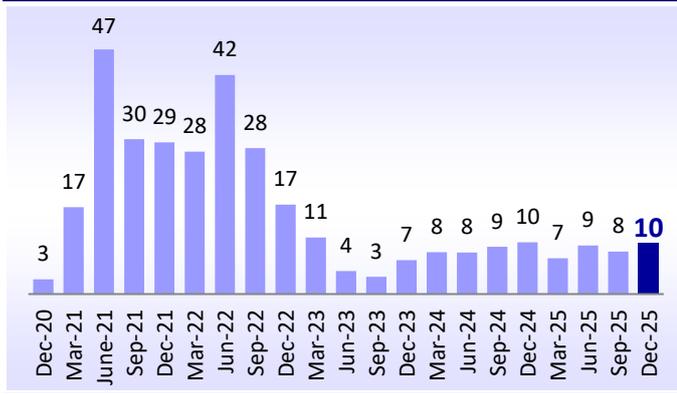


Exhibit 20: EBITDA for the MOFSL Univ. up 12% YoY (est. 11%)

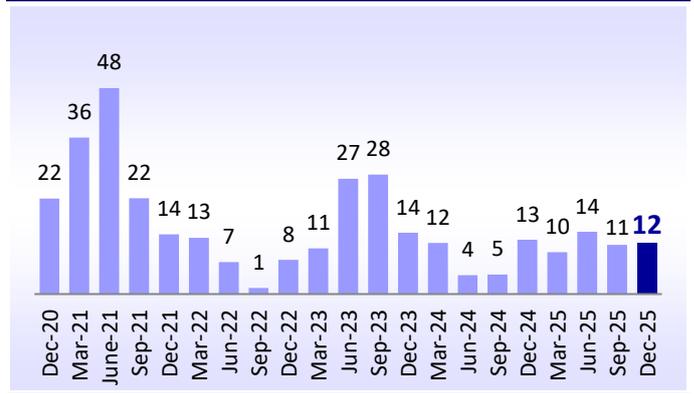


Exhibit 21: PAT for the MOFSL Universe up 16% YoY (est. 14%)

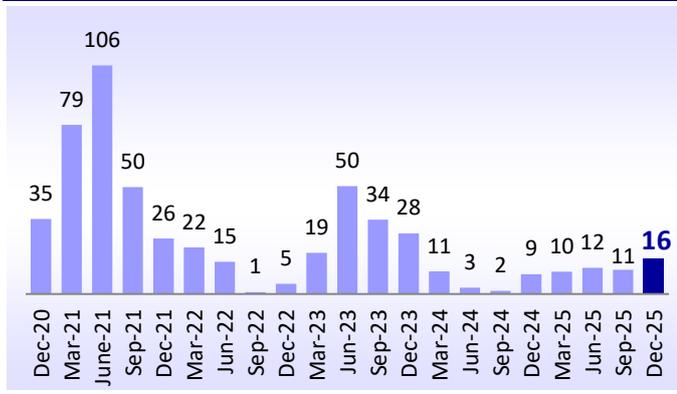


Exhibit 22: EBITDA margin, excluding Financials, expanded 30bp YoY to 17.9%

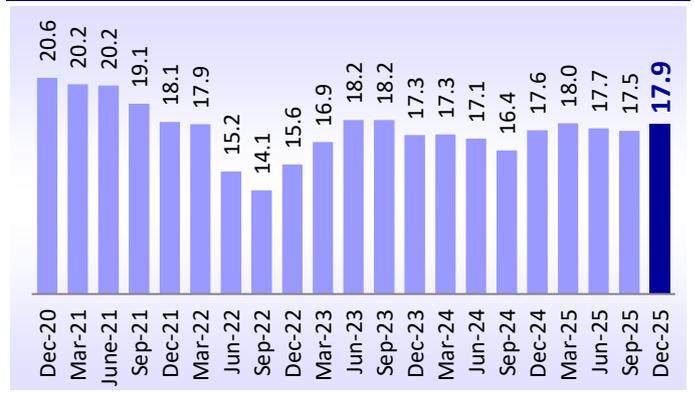


Exhibit 23: MOFSL Universe (ex-Nifty) posted a profit growth of 31% YoY

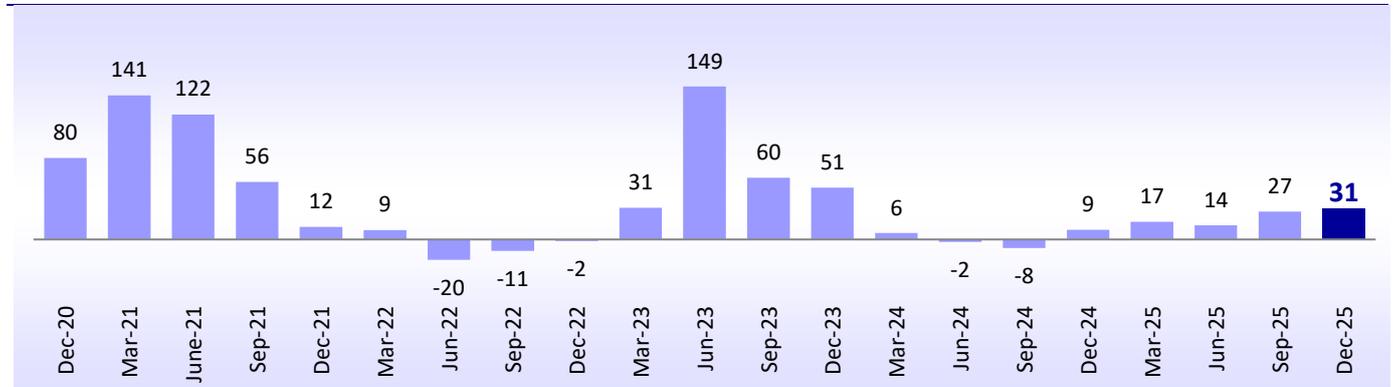


Exhibit 24: Sales growth for the MOFSL Universe, barring Nifty companies, stood at 11% YoY

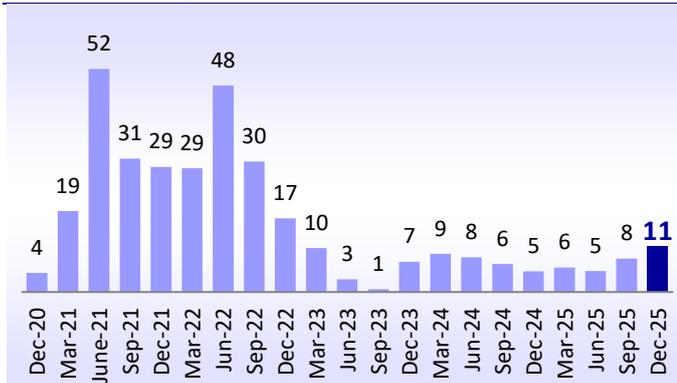
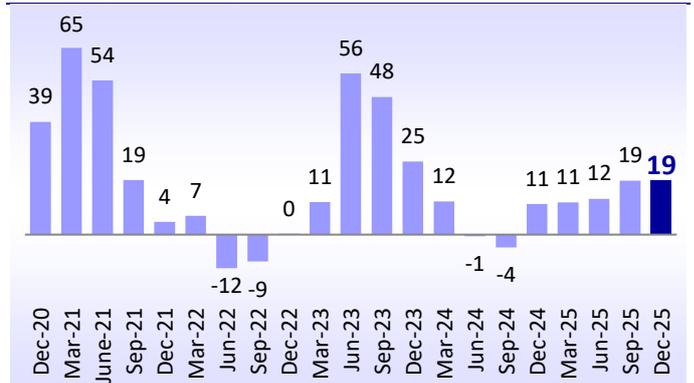


Exhibit 25: EBITDA was up 19% YoY for the MOFSL Universe, excluding Nifty companies



Margins for the heavyweight sectors contract

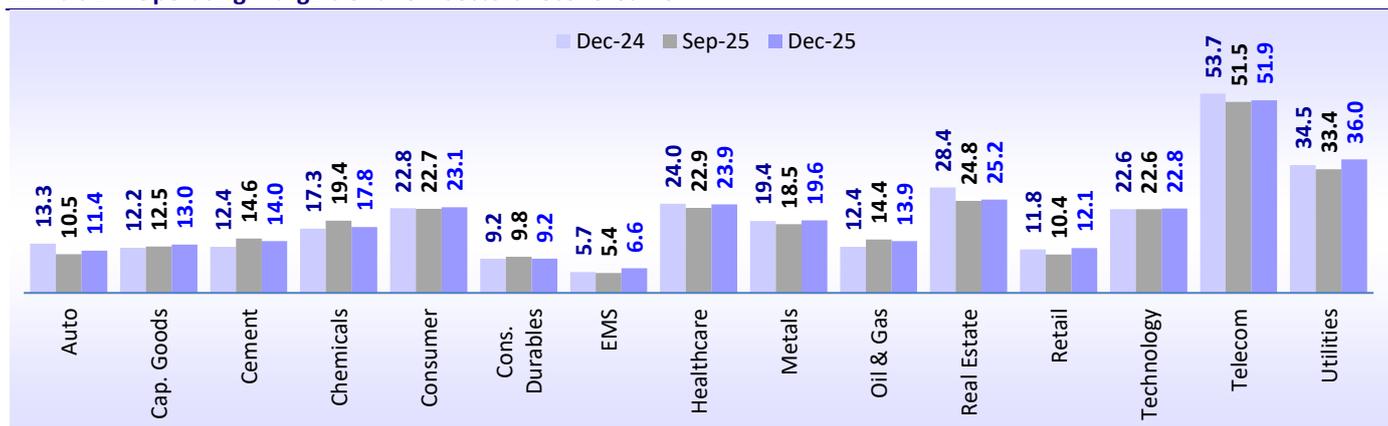
- Sales for the MOFSL Universe companies grew 10% YoY (in line). Excluding Metals and O&G, sales growth was in line at 12% YoY (in line).
- Sectoral sales growth: Retail (25%), NBFC – Non-Lending (24%), Cement (18%), NBFC - Lending (18%), and Real Estate (18%).
- The EBITDA margin of the MOFSL Universe (ex-Financials) expanded 30bp YoY to 17.9%.
- Gross margins for the heavyweight sectors contracted during the quarter. In 3QFY26, 8 of the 15 major sectors under MOFSL Coverage posted a contraction in gross margin YoY.

Exhibit 26: Gross margin contracted for 57% of the sectors

	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	Change in GM bps YoY
Cement	60.4	57.7	58.2	63.7	56.8	57.8	58.8	57.0	61.3	448
Utilities	38.8	39.2	37.9	40.9	40.2	41.5	41.9	41.9	42.6	238
Healthcare	66.0	67.2	67.9	67.9	67.3	67.9	68.7	67.3	68.7	136
Technology	34.3	34.2	31.1	29.8	30.1	29.9	30.0	30.3	30.9	82
Consumer	52.3	53.1	52.3	51.2	51.0	51.4	49.4	51.1	51.6	61
Metals	54.6	52.9	40.7	39.9	42.4	41.9	40.3	39.4	42.5	15
Logistics	48.9	49.2	48.6	49.3	49.2	50.4	50.6	50.6	49.2	6
Consumer Durables	26.8	25.6	27.1	27.7	27.9	26.8	27.5	28.0	26.9	-100
Retail	31.0	29.0	31.6	28.5	29.6	30.3	30.2	29.1	28.2	-135
Chemicals	53.9	54.0	52.6	53.1	54.3	51.9	53.3	52.5	52.4	-186
Automobiles	32.8	33.8	34.3	34.9	35.6	33.5	34.4	33.5	33.7	-186
Infrastructure	51.7	33.0	39.5	42.2	42.0	43.0	39.0	45.8	39.7	-229
Real Estate	52.7	48.4	51.3	48.6	50.3	49.7	46.0	50.4	46.8	-349
Others	44.1	43.9	46.5	42.5	47.7	47.0	47.4	41.7	43.3	-447
Oil & Gas	22.6	23.0	21.5	22.2	23.6	24.3	24.9	26.3	13.6	-1,008

Source: 253 companies that form part of the MOFSL Universe, excluding Financials, Telecom, Media, and Staffing

Exhibit 27: Operating margins of a few sectors recovered YoY



Contributions of Metals in the profit pool at a six-quarter high

- Metal's contribution to the profit pool, after slipping to a four-quarter low of 7.9% in 2QFY26, climbed to a six-quarter high of 9.2% in 3QFY26.
- The Consumer sector's contribution to the profit pool continues to moderate for the second consecutive quarter to 4.3% in 3QFY26.
- The BFSI contribution to the overall MOFSL profit pool moderated to a nine-quarter low at 36.9%, but it still accounts for more than one-third of the profits.
- Automobiles' contribution to the profit pool improved in 3QFY26 to 5.9%.

Exhibit 28: Financials' contribution slipped to a nine-quarter low – still accounts for more than one-third of the profits

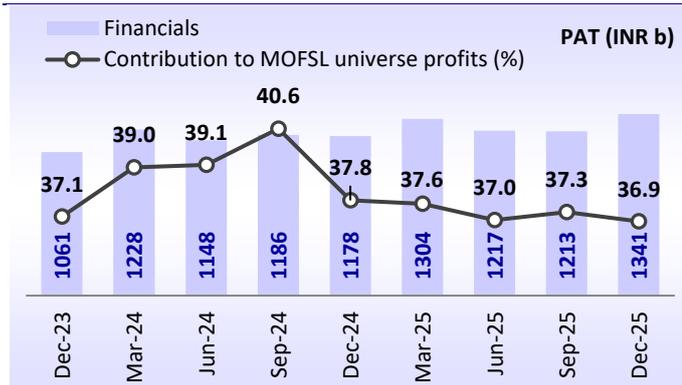


Exhibit 29: The IT sector's contribution to the overall profit pool moderated in 3QFY26

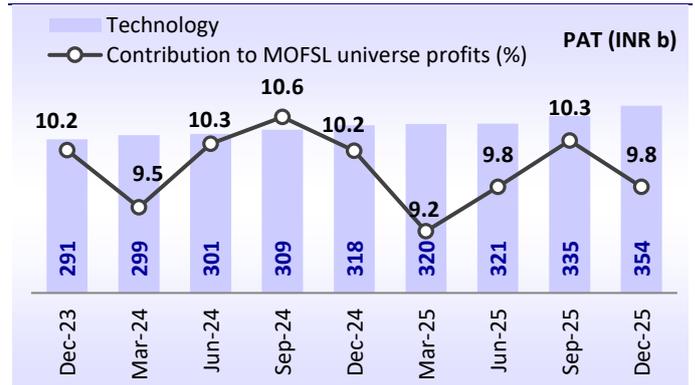


Exhibit 30: O&G's PAT contribution to the overall profit pool moderated in 3QFY26

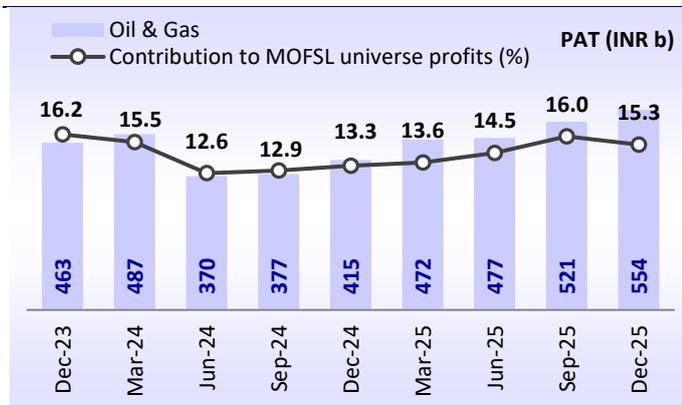


Exhibit 31: Metals' PAT contribution to the MOFSL Universe climbed to a six-quarter high

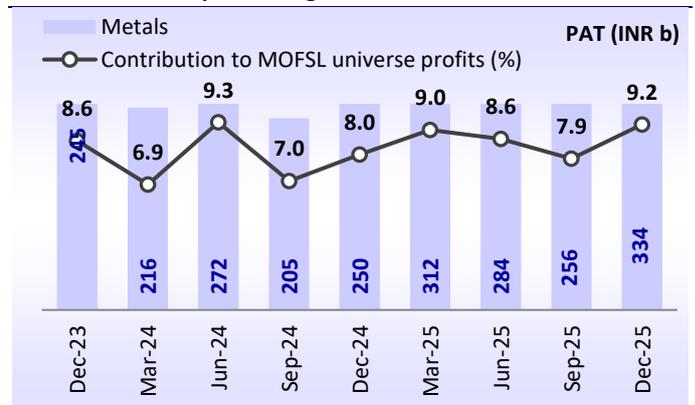


Exhibit 32: The auto sector's contribution to the overall profit pool saw an improvement

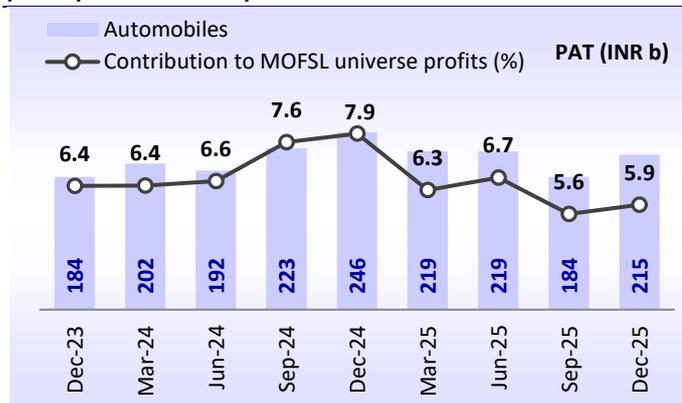
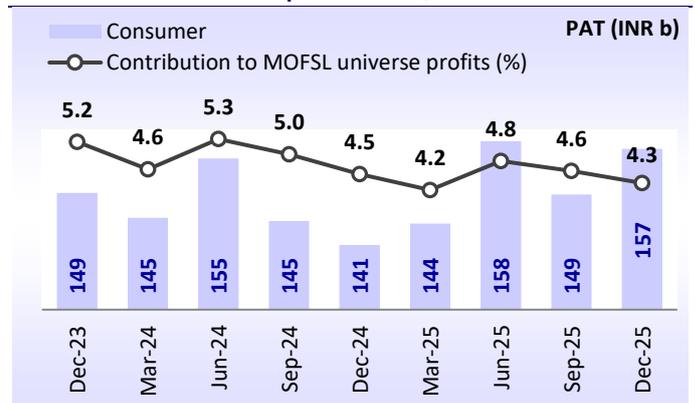


Exhibit 33: Consumer sector's contribution moderated for the second consecutive quarter in 3QFY26



PAT growth YoY in 9MFY26 (%)



The 9MFY26 snapshot: Small-cap profits muted

- The MOFSL Universe delivered a 13.3% YoY earnings growth in 9MFY26. Excluding Metals and O&G, it reported a 9.3% YoY earnings growth.
- **We categorized our coverage stocks based on market capitalization criteria into large-cap, mid-cap, and small-cap segments.** Notably, our large-cap universe saw a 12.4% YoY earnings growth in 9MFY26, while mid-cap delivered a 23.6% YoY growth, and small-cap posted a muted 5.5% YoY growth.
- During 9MFY26, out of 27 sectors under our coverage, 23 sectors saw a YoY growth in PAT, while four saw a decline. Telecom (Loss to Profit), Cement (+61%), Healthcare - BPO (+39%), EMS (+37%), Oil & Gas (+34%), Retail (+29%), Logistics (+24%), Capital Goods (+21%), Metals (+20%), NBFC-Non Lending (+19%), NBFC-Lending (+18%), Real Estate (+17%), Staffing (+15%), Chemicals (+15%), MOFSL Univ. (+13%), Insurance (+13%), Healthcare (+9%), Technology (+9%), Banks-PSU (+7%), Utilities (+7%), Consumer (+5%), Others (+3%), Cons. Durables (+2%), Infra (+1%), Banks-PVT (-1%), Media (-1%), Auto (-7%), and Plastic Pipes (-14%) were the laggards.

Exhibit 34: Sector-wise 9MFY26 performance (%) – Telecom and Cement were the leaders

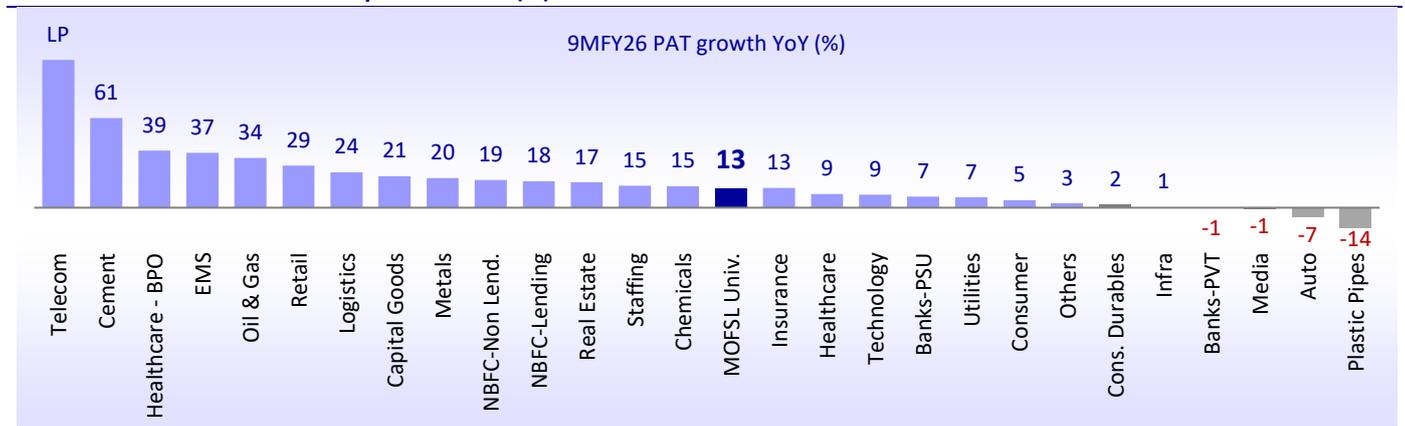
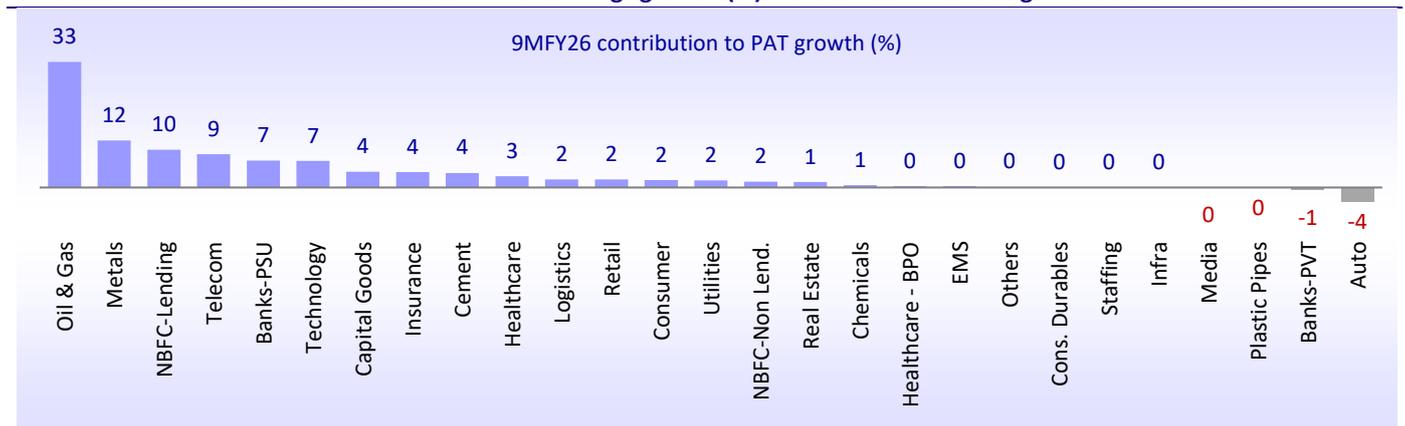


Exhibit 35: Sector-wise contribution to 9MFY26 earnings growth (%) – Global Commodities garnered the lion's share



Performance highlights of the Nifty constituents in 3QFY26

The top 5 stocks account for ~78% of the incremental profit YoY

- Sales/EBITDA/PBT/PAT growth for Nifty constituents was in line at +9%/+8%/+6%/+7% YoY in 3QFY26. Excluding Metals & O&G, profits for Nifty constituents were up 7% YoY (vs. our est. of +8% YoY).
- Among Nifty constituents, 28% exceeded our PAT estimates, while 20% missed our estimates. Axis Bank, SBI, SBI Life Insurance, Bharat Electronics, Ultratech Cement, Apollo Hospitals, Dr. Reddy's Labs, Coal India, Tata Steel, ONGC, Titan, Trent, TCS, and Eternal delivered higher-than-estimated earnings.
- In contrast, Tata Motors PV, ICICI Bank, Grasim, Cipla, JSW Steel, Tech Mahindra, Bharti Airtel, NTPC, and Interglobe Aviation missed our profit estimates.
- Five Nifty companies witnessed earnings upgrades of over 3% in their FY27 EPS estimates, while 8 companies witnessed downgrades of over 3%.

Exhibit 36: Nifty sales up 9% YoY (in line) in 3QFY26

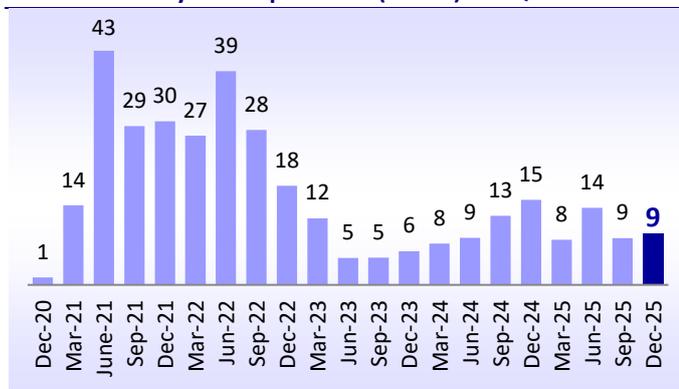


Exhibit 37: Nifty EBITDA up 8% YoY (est. 8%)

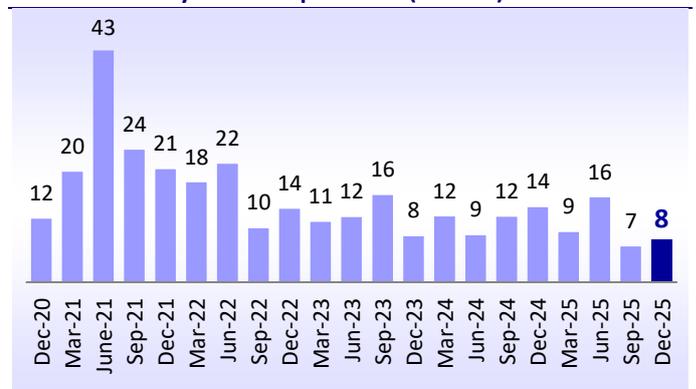


Exhibit 38: Nifty PAT up 7% YoY (est. 6%)

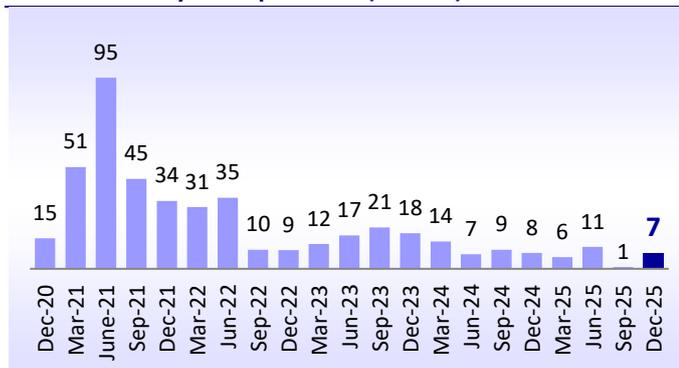


Exhibit 39: Nifty EBITDA margin (ex-Financials) dipped 90bp YoY to 20.8%

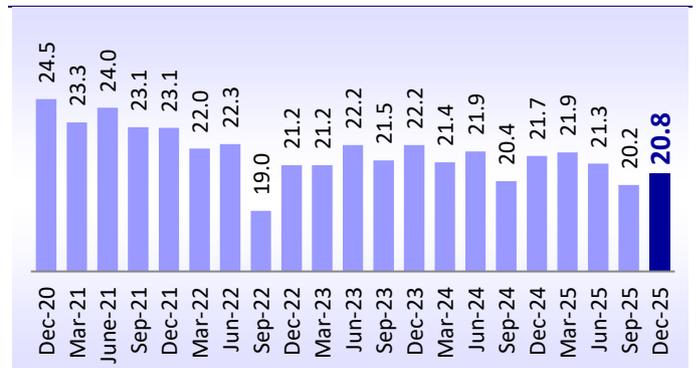


Exhibit 40: Incremental PAT contributors, leaders, and laggards within the Nifty companies for 3QFY26



Exhibit 41: FSI, Metals, Automobiles, Telecom, and Technology to drive FY27E earnings for the Nifty

Sector	Review 3QFY26 PAT (INR b)				Growth YoY (%)			
	FY25	FY26E	FY27E	FY28E	FY25	FY26E	FY27E	FY28E
Automobiles	585	474	638	758	66	-19	35	19
BFSI	2,804	3,069	3,575	4,243	14	9	16	19
Capital Goods	200	238	286	336	17	19	20	17
Cement	110	134	163	198	-18	22	22	21
Consumer	386	404	429	470	-7	5	6	10
Healthcare	249	250	277	315	15	0	11	14
Logistics	108	135	161	182	22	25	20	13
Metals	600	679	880	952	1	13	29	8
Oil & Gas	1,081	1,149	1,155	1,242	-14	6	0	8
Retail	53	70	84	100	17	33	19	19
Technology	1,101	1,181	1,290	1,405	9	7	9	9
Telecom	176	272	390	505	LP	55	43	30
Utilities	357	386	437	472	4	8	13	8
Others	118	81	137	169	-2	-32	70	24
Nifty	7,927	8,523	9,902	11,346	8	8	16	15

Exhibit 42: Sectoral upgrades/downgrades for the MOFSL Universe

Sector	PAT (INR b) - preview			PAT (INR b) - review			Upgrade/downgrade (%)			Growth YoY (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Automobiles	970	1,206	1,411	932	1,183	1,394	-3.9	-1.9	-1.1	-6.1	26.9	17.9
Capital Goods	453	531	641	442	518	624	-2.5	-2.6	-2.5	19.5	17.1	20.6
Cement	235	285	339	228	282	338	-3.0	-1.2	-0.5	33.5	23.8	19.8
Chemicals	80	101	119	77	98	117	-3.9	-2.8	-1.2	13.4	27.6	19.6
Consumer	624	689	767	625	688	766	0.1	-0.2	-0.1	7.3	10.1	11.4
Consumer Durables	90	110	132	89	110	131	-1.9	-0.5	-0.8	2.1	23.7	19.8
EMS	24	39	54	24	35	51	1.0	-9.7	-5.6	36.7	46.2	42.9
Financials	5,407	6,306	7,416	5,454	6,336	7,459	0.9	0.5	0.6	10.2	16.2	17.7
Banks-Private	1,838	2,235	2,690	1,816	2,210	2,663	-1.2	-1.1	-1.0	2.3	21.7	20.5
Banks-PSU	1,705	1,890	2,183	1,761	1,934	2,243	3.3	2.3	2.7	10.3	9.8	16.0
Insurance	649	722	794	645	711	782	-0.5	-1.5	-1.5	12.6	10.2	10.0
NBFC - Lending	1,056	1,267	1,525	1,070	1,282	1,539	1.3	1.1	0.9	22.8	19.8	20.1
NBFC - Non Lending	159	191	224	161	199	232	1.0	3.9	3.3	23.3	23.6	16.6
Healthcare	563	660	755	559	649	753	-0.8	-1.6	-0.2	6.5	16.1	16.1
Healthcare - BPO	22	26	32	23	27	33	3.6	3.8	6.0	36.7	16.3	23.5
Infrastructure	17	27	38	17	24	38	-1.0	-8.9	-1.9	-3.5	41.4	54.4
Logistics	178	214	249	176	215	254	-1.0	0.2	2.2	20.5	21.9	18.2
Media	24	27	30	24	26	29	-1.2	-2.2	-2.9	0.8	11.0	10.3
Metals	1,189	1,547	1,717	1,257	1,573	1,731	5.7	1.7	0.8	20.8	25.1	10.1
Oil & Gas	2,100	1,937	1,929	2,133	1,964	1,958	1.5	1.4	1.5	29.5	-7.9	-0.3
Excl. OMCs	1,373	1,426	1,533	1,364	1,402	1,503	-0.7	-1.6	-2.0	2.0	2.8	7.2
Plastic Pipes	16	23	28	15	22	28	-8.5	-2.7	-1.0	-3.1	49.6	24.7
Real Estate	206	231	298	157	229	289	-23.8	-0.7	-2.8	12.8	45.9	26.3
Retail	137	169	203	142	175	211	3.2	3.5	3.9	31.7	23.4	20.7
Staffing	9	11	12	9	10	12	-5.6	-4.9	-1.5	9.9	18.5	15.2
Technology	1,333	1,476	1,648	1,349	1,493	1,644	1.2	1.1	-0.3	8.2	10.7	10.1
Telecom	132	228	377	138	313	469	4.5	37.3	24.5	LP	126.9	49.6
Utilities	511	624	707	511	613	694	0.0	-1.8	-1.9	11.3	19.8	13.2
Others	227	306	406	206	291	394	-9.3	-4.9	-3.0	32.1	41.5	35.4
MOFSL Universe	14,548	16,774	19,307	14,585	16,874	19,418	0.3	0.6	0.6	14.2	15.7	15.1

Note: PL: Profit to loss; LP: Loss to profit

Exhibit 43: Nifty delivered a 7% YoY profit growth in 3QFY26

Company	Sales			EBITDA			PBT			PAT			EBIDTA Margin	
	Dec 2025	Chg. YoY (%)	Var. (%)	Dec 2025	Chg. YoY (%)	Var. (%)	Dec 2025	Chg. YoY (%)	Var. (%)	Dec 2025	Chg. YoY (%)	Var. (%)	Dec 2025 (%)	Chg. YoY bp
High PAT growth														
Adani Enterprises-11	248	9	0	36	19	0	69	1,112	0	12	1,823	0	14.7	1.2
Tata Steel	570	6	-3	82	15	2	39	30	5	27	271	14	14.4	1.0
JSW Steel	460	11	4	66	22	-3	22	101	-14	12	75	-36	14.4	1.3
Eternal	163	202	7	4	127	20	2	37	60	1	73	21	2.3	-0.7
Titan Company	254	43	9	27	41	10	24	44	12	18	44	14	10.7	-0.2
Tata Consumer	51	15	3	7	28	3	6	38	1	4	42	1	14.1	1.4
Trent	53	16	-1	11	27	3	8	34	14	7	41	19	20.4	1.8
Apollo Hospitals	65	17	6	10	27	6	7	29	7	5	39	13	14.9	1.1
Mahindra & Mahindra	385	26	-4	57	27	-3	53	34	4	40	35	3	14.7	0.1
Tech Mahindra	144	8	2	24	31	5	18	38	-9	13	35	-9	16.4	2.8
Ultratech Cement	218	23	3	39	35	6	24	40	8	18	32	9	17.9	1.7
Bharti Airtel	540	20	1	308	25	1	126	34	-8	69	25	-19	57.0	2.5
State Bank	452	9	1	329	40	13	284	25	20	210	24	18	72.7	15.9
Bajaj Finance	113	21	0	91	16	-2	54	-6	-22	53	24	3	80.0	-3.2
Adani Ports	97	22	4	58	20	4	38	20	-1	33	23	1	59.6	-0.7
Larsen & Toubro	714	10	-5	74	19	-4	72	34	8	41	22	-5	10.4	0.7
Eicher Motors	61	23	1	16	30	5	17	28	7	14	22	3	25.5	1.3
Shriram Finance	66	18	1	47	14	-4	34	22	-2	25	21	-2	71.0	-2.0
Bajaj Auto	152	19	0	32	22	-1	34	21	-2	25	21	-2	20.8	0.6
Bharat Electronics	71	24	5	21	28	11	21	22	8	16	21	7	29.7	1.0
Med/Low PAT growth														
Maruti Suzuki	499	29	-1	62	22	6	48	4	-16	42	16	-4	12.4	-0.7
TCS	671	5	1	183	8	2	175	5	0	141	13	8	27.3	0.8
Nestle	57	19	6	12	10	0	10	10	1	8	12	1	21.7	-1.8
Infosys	455	9	1	110	8	1	105	9	3	76	12	5	24.2	-0.1
HDFC Bank	326	6	-2	271	8	-4	243	11	-2	187	11	-1	83.1	1.5
ITC	200	7	-3	69	8	2	70	7	0	52	11	0	34.3	0.5
Sun Pharma	150	15	2	43	19	6	41	13	1	30	10	1	28.4	1.0
Asian Paints	89	4	-3	18	9	-1	16	8	-3	12	9	-1	20.1	0.9
Coal India	349	-5	1	101	-12	10	92	-22	8	89	5	38	28.8	-2.3
SBI Life Insurance	304	22	5	23	22	3	6	5	11	6	5	10	7.5	0.0
HCL Technologies	339	13	2	74	8	4	55	-10	-14	48	5	0	22.0	-1.0
Kotak Mahindra Bank	76	5	-1	54	4	-4	46	4	-3	34	4	-3	71.1	-0.9
Hindalco	665	14	0	80	5	1	54	2	0	39	3	2	12.0	-1.0
Axis Bank	143	5	0	109	3	5	86	3	11	65	3	11	76.1	-1.3
Power Grid Corp.	110	9	4	94	11	0	53	10	8	40	3	-2	85.6	1.4
ONGC	315	-6	3	173	-9	4	106	-4	15	84	2	21	54.9	-1.6
Max Healthcare	25	9	4	6	2	0	5	-1	0	4	1	2	25.6	-1.6
HDFC Life Insur.	188	9	-6	10	2	-2	4	0	0	4	1	-4	5.1	-0.3
NTPC	406	-2	-9	120	0	-7	71	7	4	47	1	-6	29.5	0.6
Hind. Unilever	164	4	2	39	6	4	36	4	5	26	1	2	23.7	0.4
Reliance Inds.	2,649	10	4	460	5	-4	297	4	-2	186	1	-1	17.4	-0.9
Wipro	236	6	0	47	0	0	44	0	3	34	0	3	19.8	-1.0
Dr. Reddy's Labs	87	6	8	20	-7	17	17	-3	12	13	0	15	23.1	-3.3
Bajaj Finserv	325	26	4	99	27	3	59	2	-14	22	0	-23	30.6	0.2
Negative PAT Growth														
ICICI Bank	219	8	-1	174	3	-3	148	-5	-11	113	-4	-9	79.1	-3.8
Jio Financial	3	39	0	4	7	0	4	-2	0	3	-9	0	121.2	-36.1
Interglobe Aviation	235	6	-1	59	-1	-2	21	-17	-7	21	-15	-5	25.0	-1.8
Cipla	71	0	-3	13	-37	-21	12	-37	-22	9	-36	-22	17.7	-10.4
Tata Motors PV	711	-25	-19	15	-88	-71	-35	PL	Loss	-26	PL	Loss	2.1	-10.7
Grasim Industries	104	28	7	5	77	23	-2	Loss	Loss	-1	Loss	Loss	4.6	1.3
Nifty Universe	15,049	9	0	3,881	8	0	2,838	6	-1	2,053	7	1	25.8	-0.4
Nifty Ex Financials	12,834	9	-1	2,672	5	-1	1,870	5	-1	1,330	6	1	20.8	-0.9
Nifty Ex Metals & Oil	10,040	10	-2	2,919	10	0	2,227	8	-1	1,615	7	0	29.1	0.0

Note: PL: Profit to loss; LP: Loss to profit. *Tata Motors include PV & CV

MOFSL coverage revisions from our preview stance

Small-caps experience cuts

- **MOFSL PAT experienced an upgrade of 0.6% for FY27:** Earnings of the MOFSL Universe witnessed a rise of 0.6% for FY27, fueled by Metals, Technology, Telecom, PSU Banks, and NBFCs.
- In contrast, the MOFSL Large-cap remained unchanged, while the small-cap universe experienced a downgrade of 1.1% for FY27, and the MOFSL mid-cap universe experienced an earnings upgrade of 4.1% for FY27.

Exhibit 44: Earnings revisions of the MOFSL Universe from our preview stance (3QFY26)

Sector	PAT (INR b) @ Preview			PAT (INR b) @ Review			% Revision		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Automobiles	970	1,206	1,411	932	1,183	1,394	-3.9	-1.9	-1.1
Banks-Private	1,838	2,235	2,690	1,816	2,210	2,663	-1.2	-1.1	-1.0
Banks-PSU	1,705	1,890	2,183	1,761	1,934	2,243	3.3	2.3	2.7
Insurance	649	722	794	645	711	782	-0.5	-1.5	-1.5
NBFC - Lending	1,056	1,267	1,525	1,070	1,282	1,539	1.3	1.1	0.9
NBFC - Non Lending	159	191	224	161	199	232	1.0	3.9	3.3
Capital Goods	453	531	641	442	518	624	-2.5	-2.6	-2.5
Cement	235	285	339	228	282	338	-3.0	-1.2	-0.5
Chemicals	80	101	119	77	98	117	-3.9	-2.8	-1.2
Consumer	624	689	767	625	688	766	0.1	-0.2	-0.1
Consumer Durables	90	110	132	89	110	131	-1.9	-0.5	-0.8
EMS	24	39	54	24	35	51	1.0	-9.7	-5.6
Healthcare	563	660	755	559	649	753	-0.8	-1.6	-0.2
Healthcare - BPO	22	26	32	23	27	33	3.6	3.8	6.0
Infrastructure	17	27	38	17	24	38	-1.0	-8.9	-1.9
Logistics	178	214	249	176	215	254	-1.0	0.2	2.2
Media	24	27	30	24	26	29	-1.2	-2.2	-2.9
Metals	1,189	1,547	1,717	1,257	1,573	1,731	5.7	1.7	0.8
Oil & Gas	2,100	1,937	1,929	2,133	1,964	1,958	1.5	1.4	1.5
Plastic Pipes	16	23	28	15	22	28	-8.5	-2.7	-1.0
Real Estate	206	231	298	157	229	289	-23.8	-0.7	-2.8
Retail	137	169	203	142	175	211	3.2	3.5	3.9
Staffing	9	11	12	9	10	12	-5.6	-4.9	-1.5
Technology	1,333	1,476	1,648	1,349	1,493	1,644	1.2	1.1	-0.3
Telecom	132	228	377	138	313	469	4.5	37.3	24.5
Utilities	511	624	707	511	613	694	0.0	-1.8	-1.9
Others	227	306	406	206	291	394	-9.3	-4.9	-3.0
MOFSL Universe	14,548	16,774	19,307	14,585	16,874	19,418	0.3	0.6	0.6
Large Cap	11,796	13,371	15,206	11,895	13,388	15,196	0.8	0.1	-0.1
Mid Cap	1,957	2,343	2,777	1,927	2,439	2,922	-1.5	4.1	5.2
Small Cap	796	1,059	1,325	763	1,047	1,300	-4.1	-1.1	-1.9

Nifty EPS witnesses a marginal cut of 0.2%/0.3% for FY26E/FY27E

- The Nifty EPS for FY26E was cut by 0.2% to INR1,082 (from INR1,084) due to downgrades in Tata Motors PV, Bharti Airtel, ICICI Bank, Interglobe Aviation, JSW Steel, Maruti Suzuki, and Cipla. The FY27E EPS was cut by 0.3% to INR1,263 (from INR1,267) – led by Maruti Suzuki, HDFC Bank, Tata Motors PV, ICICI Bank, ONGC, and Bharti Airtel.

Exhibit 45: FY27E EPS revisions – Five Nifty constituents saw upgrades of over 3%, while eight witnessed downgrades of over 3%

Company	Current EPS (INR)			EPS Upgrade / Downgrade (%)			EPS Growth (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Titan Company	60.3	72.6	87.1	6.2	8.0	9.6	42.7	20.4	19.9
Dr. Reddy's Labs	66.2	66.1	68.5	0.7	5.6	1.9	-1.7	-0.1	3.7
Ultratech Cement	270.5	331.4	402.7	1.5	4.9	5.1	30.3	22.5	21.5
Tata Steel	9.4	14.3	15.8	3.1	3.9	2.6	178.4	53.0	10.2
Nestle	17.0	20.4	23.2	1.8	3.0	4.5	6.7	20.3	13.4
State Bank	100.1	107.2	126.0	4.7	2.6	3.6	15.1	7.1	17.6
Tech Mahindra	59.5	81.8	90.6	-0.6	2.2	1.3	24.1	37.5	10.8
Infosys	68.7	76.3	84.6	-0.9	2.2	1.4	7.6	11.1	10.9
TCS	144.9	154.9	167.4	2.5	1.6	-0.4	8.0	6.9	8.0
Coal India	50.5	57.9	57.8	12.7	1.5	-1.1	-11.9	14.7	-0.2
Power Grid Corp.	18.0	19.1	20.3	3.7	1.4	3.0	8.1	5.9	6.3
Interglobe Aviation	95.4	208.0	248.5	-25.6	1.3	2.2	-49.3	118.1	19.5
Hindalco	76.1	75.4	79.5	-0.7	1.2	1.2	1.7	-0.9	5.4
HCL Technologies	65.7	75.3	82.9	1.2	1.2	0.5	2.8	14.6	10.1
Adani Ports	58.6	70.0	78.9	-0.6	1.1	1.2	16.8	19.6	12.6
ITC	16.6	16.5	17.8	0.0	1.0	0.6	4.9	-0.4	7.6
Bajaj Finance	31.3	41.0	51.5	-4.2	0.7	0.3	16.1	30.6	25.7
Larsen & Toubro	129.7	156.4	183.5	-0.5	0.6	0.0	21.4	20.6	17.3
Wipro	12.6	13.0	13.7	1.1	0.5	-0.5	0.7	3.0	5.3
Apollo Hospitals	130.9	156.3	193.8	0.1	0.4	0.4	30.1	19.4	24.0
Bajaj Auto	339.6	373.1	412.0	-0.7	0.4	0.8	13.4	9.9	10.4
SBI Life Insurance	22.2	24.3	27.9	-2.9	-0.1	5.4	-8.1	9.4	14.8
Hind. Unilever	44.0	47.9	52.4	1.4	-0.3	-0.6	-0.8	8.9	9.4
Shriram Finance	52.4	55.3	70.1	1.0	-0.4	0.0	19.1	5.6	26.7
Axis Bank	79.6	99.2	118.2	0.7	-0.4	-0.7	-6.6	24.6	19.1
Kotak Mahindra Bank	20.8	24.9	30.3	-0.9	-0.6	0.1	-6.4	19.3	22.0
Trent	46.9	54.5	63.5	-4.4	-0.8	2.6	8.6	16.3	16.5
Mahindra & Mahindra	127.2	149.2	172.1	2.8	-0.8	-1.7	28.8	17.3	15.4
Eicher Motors	203.4	225.1	255.5	0.4	-0.9	0.0	17.8	10.7	13.5
JSW Steel	33.7	72.2	90.8	-12.1	-1.1	-0.4	114.4	114.5	25.8
Reliance Inds.	53.8	57.9	63.8	-0.3	-1.1	-2.9	4.5	7.6	10.2
Bharat Electronics	8.2	9.8	11.4	-1.1	-1.2	-0.3	13.7	18.6	17.2
HDFC Bank	48.6	55.4	65.0	-0.8	-1.6	-2.3	10.5	14.0	17.4
ICICI Bank	69.7	80.0	93.8	-3.0	-1.9	-1.1	4.4	14.7	17.3
Grasim Industries	82.3	100.0	120.6	0.4	-2.2	-2.3	11.0	21.6	20.6
Sun Pharma	48.4	56.1	65.1	-1.6	-2.3	0.6	2.8	15.9	16.1
Bharti Airtel	44.7	63.9	82.8	-8.2	-2.7	-2.3	47.5	43.0	29.5
Asian Paints	46.0	53.0	60.3	-1.4	-2.8	-2.8	8.4	15.1	13.8
ONGC	33.5	29.5	30.1	1.0	-2.9	-0.8	9.5	-11.9	2.1
NTPC	22.6	26.7	29.2	1.4	-3.5	-6.3	8.5	18.5	9.2
Tata Consumer	15.9	19.4	21.9	-5.5	-4.2	-1.7	22.4	22.6	12.4
HDFC Life Insur.	8.9	9.6	10.3	-3.4	-7.0	-12.6	6.7	7.3	7.9
Max Healthcare	16.7	21.7	25.2	-1.3	-7.0	-1.4	10.1	30.6	15.8
Maruti Suzuki	496.1	591.1	701.6	-4.6	-7.5	-4.9	9.1	19.2	18.7
Tata Motors PV	3.9	29.1	39.4	-73.4	-9.6	-6.3	-92.6	656.1	35.3
Cipla	54.0	53.6	61.6	-11.9	-13.2	-10.2	-14.0	-0.7	14.9
Eternal	0.4	1.8	3.6	-0.7	-14.3	-16.6	-37.1	379.0	105.7
Nifty (50)	1,082	1,263	1,458	-0.2	-0.3	-0.5	6.7	16.7	15.5

Exhibit 46: We estimate a 12% CAGR for the Nifty free-float PAT over FY25–27

Company	Sales CAGR % 25-27	EBIDTA Margin (%)			EBITDA CAGR % 25-27	PAT (INR b)			PAT CAGR % 25-27	Contbn to Delta %
		FY26E	FY27E	FY28E		FY26E	FY27E	FY28E		
High PAT Growth (20%+)	18	25	26	26	23	1,570	2,145	2,604	37	51
JSW Steel	12	17	20	21	35	82	176	222	114	7
Tata Steel	9	15	17	17	30	117	179	197	106	7
Eternal	123	2	3	4	110	3	16	33	74	1
Bharti Airtel	18	57	58	58	22	272	390	505	49	11
Bajaj Finserv	31	69	67	64	26	103	168	197	38	4
Titan Company	27	11	11	11	29	54	65	78	31	1
Tech Mahindra	7	16	18	18	25	53	73	80	31	2
Ultratech Cement	15	19	20	21	26	80	98	119	26	2
Shriram Finance	20	74	76	77	21	99	130	165	25	2
Apollo Hospitals	14	15	15	15	18	19	22	28	25	0
Bajaj Finance	22	82	82	82	21	207	254	320	23	4
Mahindra & Mahindra	20	15	15	14	19	153	179	207	23	3
Tata Consumer	11	14	15	15	15	16	19	22	22	0
Adani Ports	18	60	60	60	18	135	161	182	22	3
Larsen & Toubro	15	10	10	10	16	178	215	252	21	3
Medium PAT Growth (0-20%)	8	30	31	32	10	6,420	7,180	8,111	8	55
Max Healthcare	19	26	25	26	16	16	21	24	20	0
Grasim Industries	21	4	6	7	52	54	66	79	16	1
Bharat Electronics	18	29	29	28	18	60	71	84	16	1
Eicher Motors	19	25	25	25	17	56	62	70	14	1
Maruti Suzuki	17	12	13	13	14	156	186	221	14	2
NTPC	7	28	29	30	6	219	259	283	13	3
Nestle	13	23	24	24	13	33	39	45	13	0
State Bank	11	70	68	69	12	908	989	1,163	13	11
Trent	17	18	18	19	25	17	19	23	12	0
HDFC Bank	11	92	85	85	13	744	848	996	12	9
Asian Paints	6	19	19	19	11	44	51	58	12	1
Bajaj Auto	13	20	20	20	13	95	104	115	11	1
ICICI Bank	12	82	82	82	11	497	570	668	10	5
Sun Pharma	11	28	29	30	14	116	135	156	9	1
Infosys	9	24	24	24	9	294	314	349	9	3
HCL Technologies	10	21	21	21	8	176	204	224	8	2
Axis Bank	10	79	80	81	12	247	307	366	8	2
TCS	5	27	28	27	8	527	563	608	7	4
HDFC Life Insur.	15	80	81	82	16	19	21	22	7	0
Power Grid Corp.	7	85	84	83	6	168	178	189	7	1
Reliance Inds.	4	18	19	20	10	728	784	864	6	4
Kotak Mahindra Bank	11	74	74	75	3	207	247	302	6	1
Interglobe Aviation	13	21	25	27	12	37	80	96	5	0
Hind. Unilever	5	23	23	23	5	103	113	123	4	0
ITC	7	33	31	31	1	208	207	223	2	0
Wipro	5	20	20	20	4	132	136	143	2	0
Coal India	6	31	33	33	6	311	357	356	0	0
Hindalco	7	13	12	13	3	169	167	177	0	0
SBI Life Insurance	17	7	7	7	16	22	24	28	0	0
Jio Financial	0	189	189	189	0	16	16	16	0	0
Adani Enterprises	0	15	15	15	0	40	40	40	0	0
PAT de-growth (<0%)	-4	14	15	15	-3	534	576	631	-8	-5
Dr Reddy's Labs	10	23	23	22	2	55	55	57	-1	0
ONGC	-10	18	19	19	2	421	371	378	-2	-1
Cipla	4	22	21	22	-7	44	43	50	-8	0
Tata Motors PV	5	6	9	10	-14	14	107	145	-25	-4
Nifty (PAT free float)	8	26	27	28	12	4,920	5,742	6,631	12	100

PAT growth YoY in FY27E (%)



FY27E earnings highlights: BFSI, Metals, Automobiles, Telecom, and Technology to drive the incremental earnings

- The MOFSL Universe is likely to deliver sales/EBITDA/PAT growth of 8%/13%/16% YoY in FY27. The Financials, Metals, and Automobiles sectors are projected to be the key growth engines, with 16%, 25%, and 27% YoY earnings growth, respectively. These three sectors are likely to contribute 64% of the incremental YoY accretion in earnings.
- Further, we categorized the coverage stocks, based on market capitalization, into large-cap, mid-cap, and small-cap segments.
- Notably, our large-cap universe is anticipated to deliver a 13% YoY earnings growth in FY27E, while mid-cap is estimated to deliver 27% YoY growth, and small-cap is estimated to deliver a 37% YoY growth in FY27E.

Exhibit 47: BFSI, Metals, Autos, Telecom, and Technology to lead the incremental profits for FY27E (PAT, INR b)

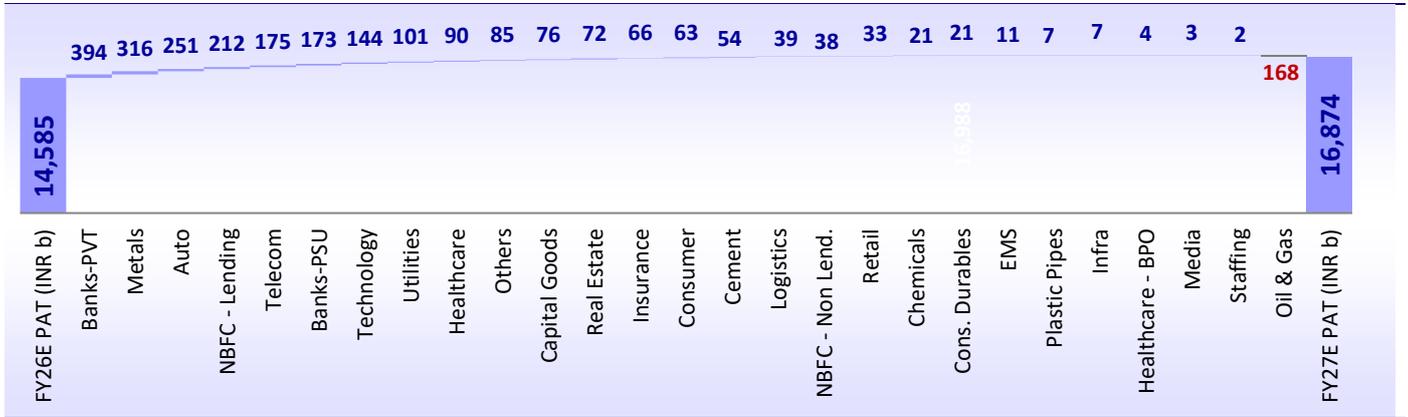


Exhibit 48: Delta contribution to FY27E profit for the MOFSL Universe (%)

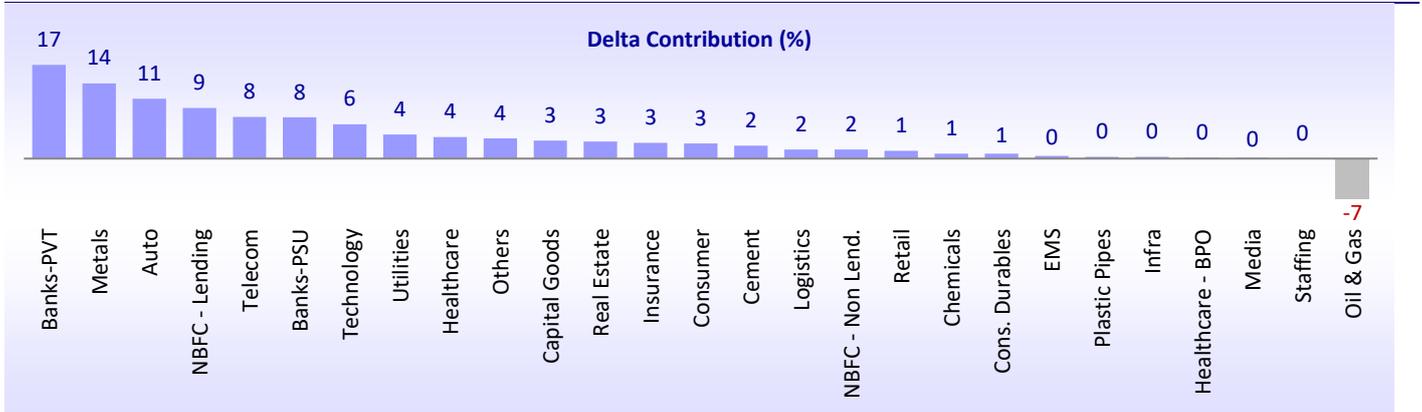
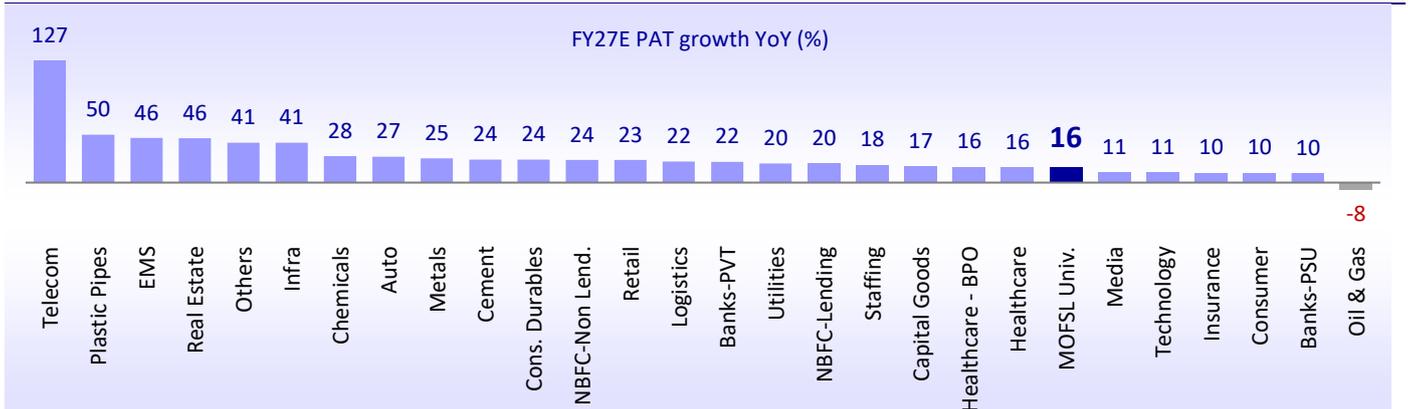


Exhibit 49: Sector-wise FY27E performance (%) – Telecom, Pipes, and EMS are the leaders

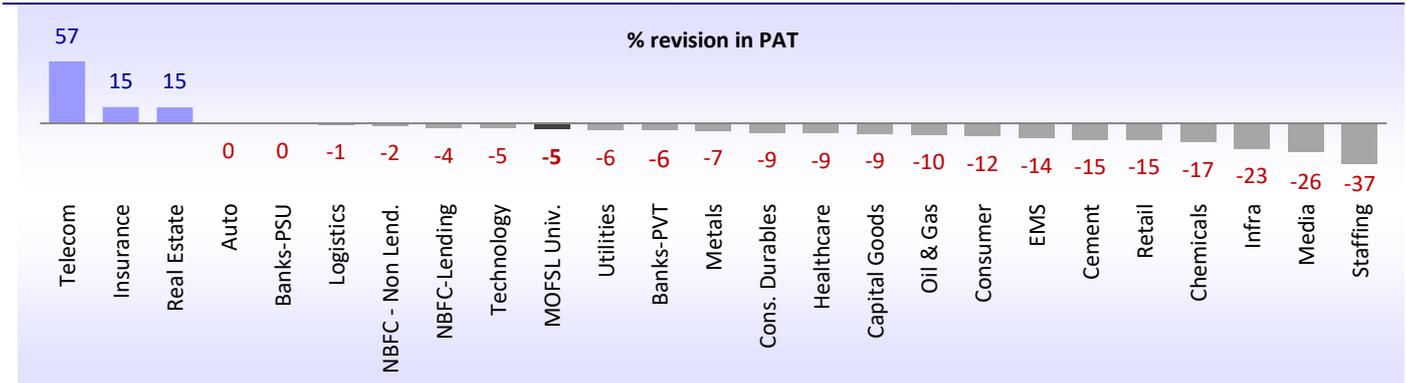


MOFSL Universe sees 5% earnings downgrade for FY27E on a TTM basis

Telecom experiences an upgrade

- Over the last one year, earnings revisions for the MOFSL Universe experienced a cut of 5%.
- The Telecom, Insurance, and Real Estate sectors witnessed upgrades. However, 19 sectors were downgraded in terms of earnings for FY27.

Exhibit 50: Telecom, Insurance, and Real Estate witnessed upgrades over the last one year



Note: Comparable MOFSL Universe of 287 companies

Exhibit 51: Annual Sales/EBITDA/PAT estimates for the MOFSL Universe

Sector	Sales (INRb)		Growth YoY (%)		EBITDA (INRb)		Growth YoY (%)		PAT (INRb)		Growth YoY (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Automobiles	13,944	15,629	10	12	1,626	1,981	-5	22	932	1,183	-6	27
Capital Goods	4,826	5,527	17	15	645	749	18	16	442	518	19	17
Cement	2,790	3,136	16	12	442	533	32	20	228	282	34	24
Chemicals	702	798	4	14	134	166	8	24	77	98	13	28
Consumer	3,906	4,280	9	10	891	974	7	9	625	688	7	10
Consumer Durables	1,321	1,500	9	14	131	162	5	23	89	110	2	24
EMS	746	1,080	27	45	47	65	34	38	24	35	37	46
Financials	18,690	21,284	9	14	8,444	9,751	10	15	5,454	6,336	10	16
Banks-Private	3,849	4,522	5	17	2,991	3,429	8	15	1,816	2,210	2	22
Banks-PSU	3,676	4,232	4	15	2,657	2,989	6	13	1,761	1,934	10	10
Insurance	8,602	9,474	11	10	866	1,011	17	17	645	711	13	10
NBFC - Lending	2,145	2,546	17	19	1,731	2,075	16	20	1,070	1,282	23	20
NBFC - Non Lending	418	510	21	22	198	247	26	24	161	199	23	24
Healthcare	3,922	4,414	11	13	922	1,060	8	15	559	649	7	16
Healthcare - BPO	140	167	27	19	35	42	35	19	23	27	37	16
Infrastructure	172	200	0	16	49	65	-1	33	17	24	-4	41
Logistics	856	987	17	15	302	349	21	15	176	215	20	22
Media	191	203	6	7	39	42	6	7	24	26	1	11
Metals	12,883	14,218	8	10	2,477	2,990	13	21	1,257	1,573	21	25
Oil & Gas	34,886	32,300	-1	-7	4,628	4,505	22	-3	2,133	1,964	30	-8
Excl. OMCs	18,839	18,454	0	-2	3,222	3,393	7	5	1,364	1,402	2	3
Plastic Pipes	204	239	8	17	27	36	7	31	15	22	-3	50
Real Estate	701	973	14	39	173	264	3	53	157	229	13	46
Retail	3,075	3,615	20	18	346	409	23	18	142	175	32	23
Staffing	462	519	10	12	13	15	13	17	9	10	10	18
Technology	8,655	9,394	8	9	1,945	2,157	9	11	1,349	1,493	8	11
Telecom	3,210	3,590	15	12	1,653	1,892	18	14	138	313	LP	127
Utilities	3,750	4,449	10	19	1,310	1,535	9	17	511	613	11	20
Others	3,537	4,468	25	26	512	688	8	34	206	291	32	41
MOFSL Universe	1,23,568	1,32,970	7	8	26,790	30,428	12	14	14,585	16,874	14	16

Source: MOFSL

SECTOR-WISE: Highlights/Surprise/Guidance

AUTOS: Strong volume performance in 3Q

- **GST 2.0 has led to strong demand revival across segments in 3Q:** The auto segment saw a healthy revival in demand momentum in 3Q, with all segments recording double-digit volume growth post a muted 1H, supported by the festive season and the benefit of the GST rate cut. Aggregate auto OEM sector volumes for our coverage universe grew 17.8% YoY in 3Q (exc. JLR), led by the CV segment (+22%), tractors (+21%), 2W (+18%), and PVs (+17%). The tractor industry continued its upswing on the back of positive rural sentiment, normal rainfall, and favorable terms of trade. In 2Ws, growth was led by 23% growth in the scooters segment, while motorcycle and mopeds recorded a 12% and 8% growth, respectively. The PV industry recorded strong 21% growth, with both the UV and car segments recording similar growth rates. The CV industry recorded 22% growth, with LCV and MHCV segments contributing similarly. MHCV growth was largely driven by strong growth in the cargo segment, supported by better traction from fleet operators amid consumption growth, improved freight rates, and anticipation of a demand pickup.
- **Operational performance for our coverage universe largely in line:** Aggregate revenue for auto OEMs rose 5% YoY. However, excluding JLR, revenue saw healthy 23% YoY growth. Growth was led by the 2W and PV segments, each posting a 24% YoY growth. Revenue growth for all OEMs except TMPV was in line with our estimates. The continued impact of the cyber incident at JLR caused the consolidated entity to miss revenue as well as earnings estimates, despite decent performance from the Indian business. On the operational front, within OEMs, only EIM (RE) posted better-than-expected margins. On the other hand, TMPV, HMIL, MSIL and TMCV posted margin misses. Eicher's margins were better than estimated, largely on account of lower-than-expected promotional spends in the festive season. Aggregate earnings growth for our OEM coverage universe (excl. TMPV) rose 23% YoY and was largely in line with estimates. Several auto anc's were outliers in 3Q from an operational perspective. Positive outliers were BIL, MRF, SAMIL, TII, and SONACOMS, while negative outliers were AMRJ, BHFC, BOS, EXID, and MSWIL.
- **Auto growth expected to sustain post the initial surge:** The positive aspect of demand momentum is that it has remained strong post the festive season and even in January across most segments. With the start of festivities in South and the upcoming wedding season, this momentum is likely to sustain at least through 1H of next year on a low industry base. Further, if the payout of the 8th Pay Commission is announced in the next fiscal, it may further boost consumer sentiment. While most OEMs did acknowledge the high base of 2HFY26, given the current positive consumer sentiment and a relatively low base for 1H, most industry segments (ex tractors) are expected to post a high single-digit growth even in FY27. Given that tractors are likely to end FY26 with ~24% YoY growth, we expect the industry to normalize with a 5% growth for FY27. Further, while the fine print is awaited, the India-US FTA is expected to help remove uncertainty for auto component exporters to the US. The US Class8 cycle appears to have bottomed out with early signs of a reversal, which augurs well for some auto component suppliers to the industry. Overall, the demand outlook for both auto and Auto OEMs has significantly improved relative to what it was a quarter back. On the other hand, a recent surge in input costs is likely to be a key monitorable for margin sustainability going forward. Given a pickup in demand, we expect the industry to have the flexibility to pass on these cost pressures to consumers.
- **Earnings largely intact:** After 3Q earnings, there have been no material changes in earnings estimates for our aggregate coverage universe, except for TTMT PV, which saw a sharp earnings downgrade due to the macro headwinds that JLR continues to face. Other OEMs that witnessed some earnings cuts were MSIL (5%) and TMCV (6%) due to weaker -than-expected 3Q results. On the other hand, Ashok Leyland witnessed an (+5%) earnings upgrade. Auto ancillary companies that witnessed an earnings cut for FY26 include Amara (5%), BIL (8%), Exide (5%), and MSWIL (8%). On the other hand, auto ancillaries that saw earnings upgrades include BHFC (+9%), CEAT (+6%), Craftsman (+7%), MRF (+14%), and SAMIL (+6%).

- **Valuation and view:** As highlighted above, the demand outlook for the sector has now materially improved, especially after the GST rate cuts. Further, while there is some potential earnings risk from rising input cost pressure, we expect the industry to pass on these increases, given the current healthy demand momentum. The global trade environment appears to be stabilizing following a prolonged period of uncertainty after the closing of multiple trade deals. This augurs well for export-focused auto component suppliers. **MSIL and MM are our top OEM picks in 4Ws. We also like TVS in the 2W space. Among ancillaries, we prefer ENDU, MOTHERSO, and MSWIL.**
- **Surprises:** BIL, EIM, MRF, SAMIL, SONACOMS, TII
- **Misses:** AMRJ, BHFC, BOS, EXID, HMIL, MSWIL, TMCV, TMPV

Guidance highlights:

- **MSIL:** Buoyed by GST rate cuts, MSIL's 3Q volumes grew 22% YoY compared to a 5.8% decline in 1HFY26. Demand has remained robust across segments, with MSIL clocking 638k retail sales and network inventory closing 3Q at just 3-4 days. Export volumes were muted due to delays in shipments. Although the order book is healthy at 175k units, the company is currently facing challenges in meeting this demand due to capacity constraints. Capacity expansion at existing plants and a new greenfield facility in Gujarat are some corrective measures already underway. Despite pricing pressure from precious group metals, MSIL has refrained from taking price hikes to take advantage of demand momentum.
- **MM: Auto** –MM's revenue market share improved 90bp YoY to 24.1%, maintaining its position as the #1 SUV player. The LCV<3.5T segment also saw a robust 20% YoY growth. Having launched the XUV7X0 in Jan'26 and seeing strong order pipeline for the same, MM plans to launch two new ICE vehicle refreshes and two new LCV variants in 2026. No new EVs are slated for launch. **Tractors** – Tractor market share declined 20bp YoY to ~44% due to engine supply constraints at Swaraj. Management indicated that this was temporary and supply should normalize soon due to the advancement in expansion plans to an earlier date than initially planned.
- **Hyundai (HMI):** The new Venue launch has received good customer response, leading to Hyundai's 3Q volumes growing ~5% YoY. India will be the sole supplier of Venue to global markets; hence, export momentum is expected to sustain. Entry into the commercial mobility segment with the launch of the Prime Taxi range benefited models such as the Aura due to strong initial traction.
- **TTMT PV:** Management expects the domestic industry to record 13-14% growth in 4Q, with TMPV set to deliver a 40% growth led by their new launches. TMPV is expected to close FY26 with a mid teen volume growth, beating the broader industry's 8-9% growth rate. **JLR** has outlined an aggressive product pipeline with the launch of Range Rover Electric, a new Jaguar EV, an EMA-based Range Rover model, coupled with the start of production of the Freelander, initially for China and later global markets, all while navigating macro headwinds including China's luxury tax, US tariffs, stringent EU regulations, rising UK costs, and higher VME amid weak demand. Margins are expected to be better in 4Q owing to reduced discounts and low inventory levels.
- **BJAUT: Domestic 2W** - Management sees potential for 12-15% industry growth over the next few months post GST rate cuts; however, margin may face a potential 50-60bp impact from commodity inflation, which will be offset by a price hike and favorable currency movement. BJAUT has already launched seven Pulsar variants since November and plans to launch eight more over the next four months, completely refreshing the Pulsar portfolio. **Exports 2W** – Management expects to sustain export momentum in the coming quarters, potentially clocking in 600k unit sales in 4QFY26 as well.
- **HMCL:** HMCL posted strong domestic growth this quarter, and management expects to outperform the expected double-digit industry growth rate in 4QFY26 as well as the single-digit growth rate in FY27. Global business volumes grew 41% YoY in 3Q. In the E-2W front, VIDA ranks among the top two EV players in 37 towns.
- **TVSL:** TVSL reported balanced demand with urban growth of 21% YoY and rural growth of 19% YoY, and expects industry growth of ~15% YoY in 4QFY26, with momentum likely to sustain through 1HFY27, aided by a low base. Exports remain strong, led by recovery in Africa, healthy Latin American demand, and sharp rebounds in Sri Lanka and Nepal, while the EV business is now gross margin positive and nearing EBITDA breakeven. FY26 capex guidance stands at INR17b, with an additional commitment of INR29b investment in subsidiaries and associates.

- **EIM:** Management expects high single-digit 2W industry growth in FY27 and remains confident of outperforming the industry. A blended price hike of ~0.5% was implemented in January, with further increases planned. Export growth remains impacted by weakness in key end markets. The company will expand capacity at its Cheyyar facility in Chennai from 1.4-2m units through an INR9.6b investment over two years. For VECV, capacity is adequate for now, though expansion at the Bhopal plant may be required if industry volumes accelerate in FY27.
- **SAMIL:** SAMIL reported strong momentum across new growth engines, with consumer electronics volumes rising 75% QoQ and on track for a 16m annual run-rate by FY26-end, while aerospace revenue grew 41% YoY alongside portfolio expansion into business jets and rotary aircraft. The company is executing 10 greenfield projects across India, Poland, the UAE, and Morocco, eight of which are slated to commence production by 2QFY27. Net debt rose to ~INR120b due to working capital and forex volatility, though leverage remains controlled at 1.1x, with FY26 capex maintained at INR60b.
- **BIL:** BIL highlighted a challenging geopolitical and macro backdrop and refrained from providing FY27 guidance, though easing destocking supported volume ramp-up in key regions during 3Q, with India outperforming and contributing 35.8% to the 9MFY26 mix. Indian exports to Europe currently face ~4% customs duty, with clarity awaited on potential changes under the India-EU FTA, while average 3Q realizations stood at ~INR97/EUR, partly offset by hedging and a lower Europe mix. FY26 capex is guided at INR25–26b, with net debt contained at INR6.4b as of 9MFY26.

Exhibit 52: Key operating indicators of OEMs

	Volumes ('000 units)					EBITDA margins (%)					Adj PAT (INR M)				
	3Q FY26	3Q FY25	YoY (%)	2Q FY26	QoQ (%)	3Q FY26	3Q FY25	YoY (bp)	2Q FY26	QoQ (bp)	3Q FY26	3Q FY25	YoY (%)	2Q FY26	QoQ (%)
BJAUT	1,341	1,224	10	1,294	4	20.8	20.2	60	20.5	30	25,490	21,087	21	24,797	3
HMCL	1,697	1,464	16	1,691	0	14.7	14.5	20	15.0	-40	14,382	12,028	20	13,928	3
TVS Motor	1,544	1,212	27	1,507	2	13.1	11.9	120	12.7	40	9,712	6,185	57	9,061	7
MSIL	668	566	18	551	21	12.4	13.1	-70	12.0	30	42,472	36,593	16	33,028	29
Hyundai	195	186	5	191	2	11.2	11.3	0	13.9	-270	12,344	11,607	6	15,723	-21
MM	423	344	23	350	21	14.7	14.6	10	14.5	20	40,054	29,643	35	45,205	-11
TTMT (PV)*	171	140	22	144	18	6.7	5.6	110	5.7	100	3,010	2,900	4	1,550	94
TTMT (JLR)	66	111	-40	74	-11	0.7	14.2	-1,340	-1.6	230	-344	375	-192	-706	51
TTMT (CV)*	118	98	20	97	22	12.8	11.8	90	12.4	40	15,908	14,410	10	13,450	18
Ashok Leyland	58	46	24	49	17	13.3	12.8	50	12.1	120	10,258	7,617	35	8,009	28
Eicher (S/A)	329	272	21	326	1	26.6	24.9	160	24.9	170	13,061	10,562	24	12,080	8
Eicher (VECV)	26	21	24	22	19	9.3	8.8	50	7.8	140	3,380	3,010	12	2,490	36
Escorts	37	33	14	34	9	13.5	11.4	200	13.1	40	4,019	2,905	38	3,212	25
Agg. (ex JLR)	6,607	5,607	17.8	6,256	5.6	13.6	13.4	20	13.6	0	191,935	156,681	22.5	181,657	5.7

JLR (in GBpm)

** Excluding TTMT; Source: MOFSL, Company

Exhibit 53: Key operating indicators of Ancs

	EBITDA margins (%)					Adj. PAT (INR M)				
	3QFY26	3QFY25	YOY(bp)	2QFY26	QoQ(bp)	3QFY26	3QFY25	YOY(%)	2QFY26	QoQ(%)
Bharat Forge (S/A)	27.2	29.1	-190	28.3	-110.0	3,232	3,468	-6.8	3,156	2.4
Happy Forgings	30.8	28.6	210	30.7	10.0	789	645	22.4	734	7.5
Endurance Tech (Consol)	13.2	13.0	20	13.3	-10.0	2,373	1,844	28.7	2,273	4.4
Craftsman Auto (Consol)	15.2	12.6	260	15.1	10.0	1,098	242	353.2	912	20.4
Sona Comstar	25.2	27.0	-180	25.3	-10.0	1,801	1,550	16.1	1,717	4.9
Exide Industries	11.7	11.7	0	9.4	220.0	2,644	2,450	7.9	2,207	19.8
Amara Raja	11.2	13.1	-200	12.0	-80.0	1,842	2,294	-19.7	2,120	-13.1
Apollo(Cons)	15.3	13.7	160	14.9	40.0	4,886	3,403	43.6	3,778	29.3
CEAT (Consol)	13.6	10.3	320	13.3	20.0	1,985	971	104.5	1,857	6.9
Balkrishna Industries	22.9	24.9	-200	21.5	130.0	3,816	4,398	-13.2	2,652	43.9
MRF	17.2	11.6	550	15.0	220.0	7,373	3,067	140.4	5,116	44.1
BOSCH	13.0	13.0	-10	12.9	10.0	5,479	4,929	11.2	5,542	-1.1
Motherson Sumi (Consol)	9.7	9.7	0	8.7	100.0	10,553	8,790	20.1	8,516	23.9
Motherson Wiring	9.1	10.3	-120	10.1	-100.0	1,494	1,400	6.8	1,653	-9.6
Tube Investments (S/A)	14.4	12.7	160	13.1	130.0	2,004	1,607	24.7	1,868	7.3
Aggregate	13.2	12.5	60	12.3	80	51,371	41059	25.1	44,102	16.5

** PBT instead of PAT; JLR in GBP m; Source: MOFSL, Company

Exhibit 54: Aggregate EBITDA margin for OEMs (ex JLR) is flat YoY

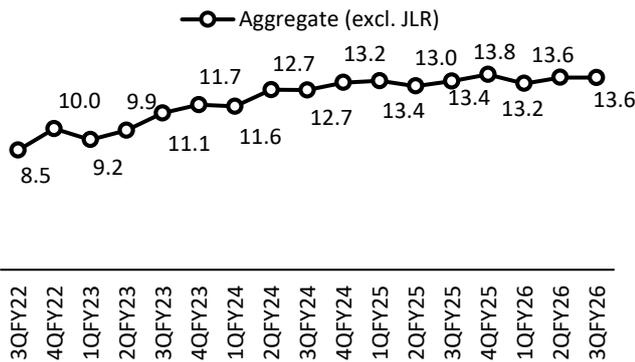
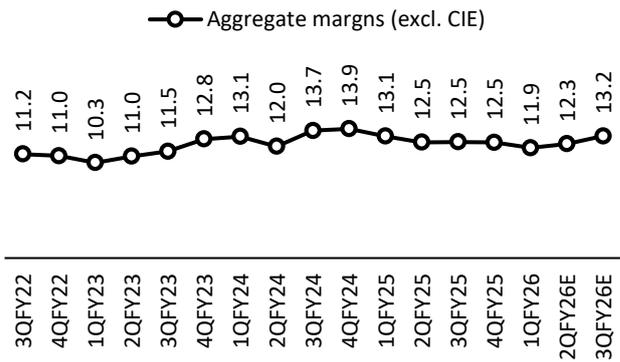


Exhibit 55: Aggregate EBITDA margin for Auto Ancs expanded 70bp YoY (90bp QoQ)



CAPITAL GOODS AND DEFENSE: Results broadly in line with our estimates

- Healthy ordering momentum to continue:** Order inflows for the capital goods universe remained healthy, with EPC led by LT reporting strong double-digit YoY growth, while KEC and KPIL saw a decline due to a high base and timing-related delays. Among product companies, Hitachi Energy (ex-HVDC) and Thermax posted healthy growth, supported by large order wins, whereas Triveni Turbine’s inflows declined amid weak export conversions, though recovery is likely in 4Q. Powergen demand remained healthy for both KKC and KOEL. The prospect for defense companies has further strengthened, with budgetary capital allocation to the sector increasing 18% to INR2.2t, and AoNs worth INR6.9t accorded over YTD FY26, most of which are expected to convert into firm orders over the next 2-2.5 years. Overall, government-led spending in power T&D, defense and renewables, along with selective private capex in real estate, digital infrastructure and data centers, continues to support a constructive ordering outlook.
- Execution growth broadly in line with our estimates:** Overall execution of our coverage universe was lower than our estimates, increasing 11% YoY (vs. our estimate of 16%), mainly impacted by lower-than-expected execution from LT, TMX and BDL; ABB’s numbers are based on our estimates. EPC companies reported 11% YoY growth (vs. our est. of 16%), as execution was slightly impacted by delays in water project payments. Product companies reported 11% YoY growth. Within product companies, defense companies’ revenue increased 13% YoY (vs. our estimate of 16%). However, quarterly performance for defense companies tends to be lumpy, with 4Q typically being the strongest as a majority of government payments are released toward the end of the fiscal year. During 3Q, BDL and ZEN reported a decline in revenue, KKC, SIEM, TMX and AMPL delivered muted growth, and all other companies under our coverage posted healthy double-digit growth.
- Margin largely stable despite cost pressures:** Overall margins were broadly in line with our estimate at 13.1% (vs. our estimate of 12.9%), despite rising commodity prices; ABB’s margins are based on our estimates. Margins expanded across EPC and product companies, supported by a better execution mix, operating leverage and selective price pass-throughs. Within product companies, defense players reported margin expansion, except for BDL, which was impacted by weaker execution and higher bought-out components. Notable examples include POWERIND, BHE, LT, KKC, TMX, KOEL (adj. margins), ENRIN, ZEN and AMPL, which reported healthy margin expansion in 3QFY26, while KECI, TRIV, SIEM, KPIL, and HAL saw broadly flat margins.
- Exports continue to improve:** LT reported healthy traction in international markets, while Hitachi Energy maintained a strong export mix. KOEL saw steady growth across key regions, whereas KKC’s exports remained relatively stable but lumpy across geographies. TRIV faced weak export inflows due to delayed project finalizations, though recovery is expected ahead. Evolving India-US tariff developments and progress on the India-EU FTA could support incremental export opportunities.

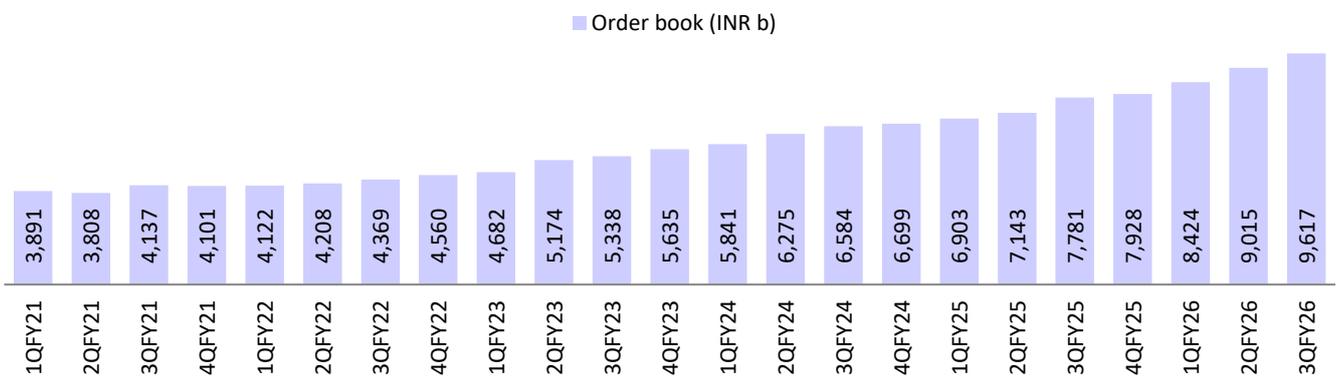
- **Limited Chinese impact:** Management across power T&D and EPC players does not see any material near-term threat from Chinese entrants, citing the need for local manufacturing, approvals and long gestation periods, which limit immediate competitive impact.
- **Top picks:** LT, KKC and ENRIN in industrial space and BHE in defense space.
- **Surprises:** POWERIND, BHE, KPIL, ENRIN and AMPL
- **Misses:** KOEL, SIEM, and BDL

Guidance highlights:

Most of the management teams were confident about a strong prospect pipeline on expected recovery of government and private capex across sectors.

- **LT:** FY26 order inflow would exceed guidance of 10% YoY growth, with prospect pipeline of INR5.9t for 4QFY26 (+7% YoY), revenue growth of 15% YoY, core E&C margin guidance of 8.5% and NWC-to-revenue ratio of 10%.
- **BHE:** FY26 revenue growth of >15%, margin guidance of 27%, and order inflow guidance of INR270b+, excluding QRSAM (INR570b), R&D guidance of INR16-17b+, capex guidance of INR10b, medium-term objective of maintaining a 90:10 defense-to-non-defense revenue mix.
- **BDL:** Order inflows worth INR200b within the next 18 months, of which ~INR40b-50b is expected in 4QFY26 and annual revenue to reach INR100b by FY30-31.
- **KKC:** Management maintained double-digit revenue growth guidance for FY26. Double-digit growth in the domestic business for FY27
- **KOEL:** Maintained its aim of “2B2B” – to achieve USD2b size by FY30; margins to improve.
- **KECI:** Expects FY26 EBITDA margin of ~7-7.5%; order inflow guidance of INR300-350b for FY27.
- **KPIL:** Guides for FY26 order inflow of more than INR260b, revenue growth of more than 25%, consol. PBT to improve by at least 100bp, standalone PBT to improve by at least 50bp, and NWC to be below 100 days for standalone and below 90 days for consolidated.
- **TMX:** Expects double-digit revenue growth QoQ in 4QFY26; FY26 order inflow to grow over 20% YoY.
- **TRIV:** FY26 order inflow growth expected at 20% YoY.
- **Zen Tech:** Revenue growth to be back-ended with cumulative revenue of INR40b over FY27-28.
- **Astra Microwave:** Expects FY26 revenue growth of 10% YoY, and order inflow of INR13b. FY27 revenue growth of 15% YoY, and order inflow of INR15-16b.

Exhibit 56: Aggregate order book (ex Siemens/Siemens Energy) experiencing a steady build-up (INR b)



Source: Company, MOFSL

Exhibit 57: Aggregate revenue growth (%)

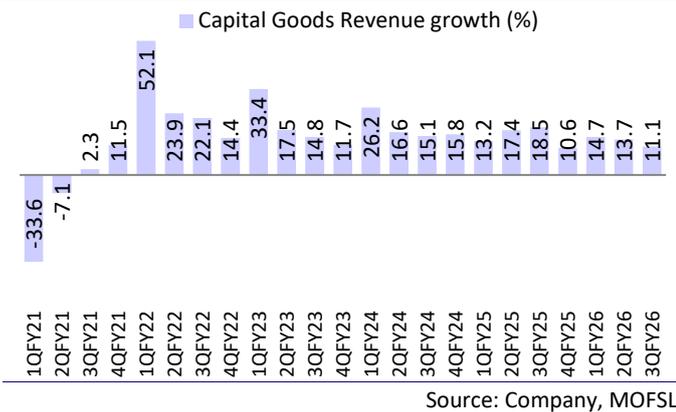


Exhibit 58: Aggregate EBITDA growth (%)

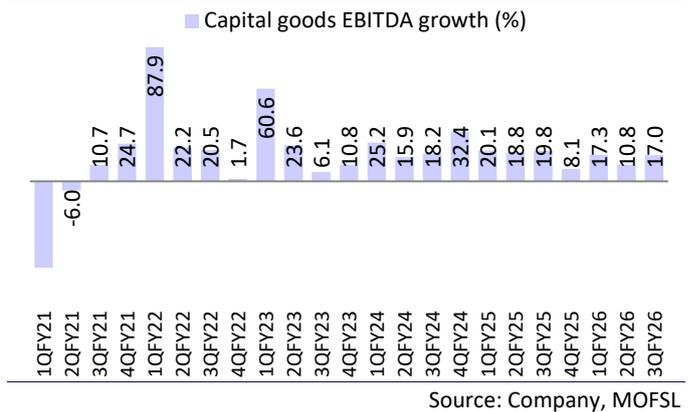


Exhibit 59: Aggregate EBITDA margin (%)

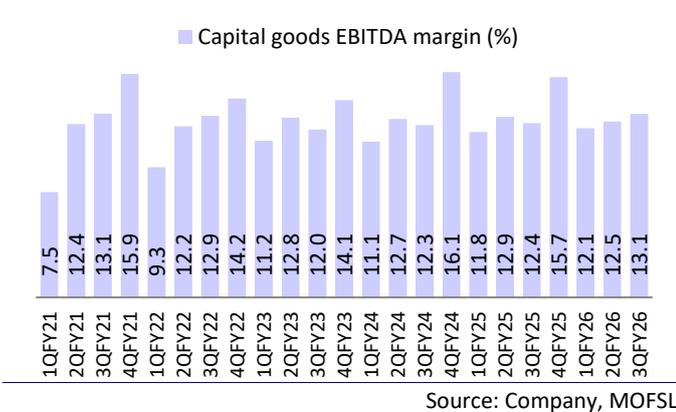
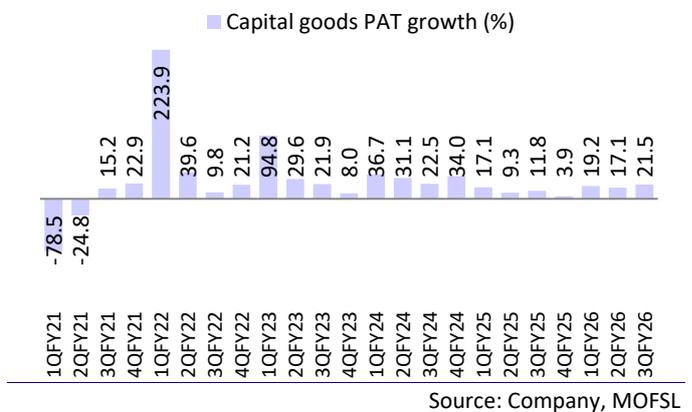


Exhibit 60: Aggregate PAT growth (%)



Note: ABB numbers are based on estimates

CEMENT: Volume growth in line; however, EBITDA/t misses our est. by ~7%

- **Sales volume rises ~17% YoY, and blended realization remains flat YoY (down 3% QoQ):** Cement demand in 3Q has recovered and grown ~7-8% YoY. Aggregate volume for our cement coverage universe grew ~17% YoY (in line with our estimate), partly aided by inorganic growth. Blended realization was flat YoY (down ~3% QoQ) at INR5,283/t, which was ~1% below our estimate. UTCEM reported the highest growth of ~28% YoY, aided by inorganic growth (on a like-for-like basis, volume growth was ~15%); ACC and ACEM reported the highest volume growth of 19-20% YoY (aided by inorganic growth), followed by ICEM/JKCE at 24%/22% and ACC/ACEM/DALBHARA/JSWC of 10-19%. Volume growth for JKLC/TRCL was ~8%/5%, and SRCM was ~1%, while BCORP volume declined ~6% YoY. Aggregate revenue (ex-GRASIM) grew ~17% YoY to INR585.0b. GRASIM's standalone revenue rose ~28% YoY to INR104.3b, supported by steady revenue gains in its new growth businesses (Birla Opus and Birla Pivot combined revenue stood at INR26.5b, up 110%/26% YoY/QoQ). GRASIM's VSF/chemical revenue increased ~9%/5% YoY.
- **Average gross margin for our cement coverage remained flat YoY (dipped 1.7pp QoQ) to 56.7%,** driven by both realizations and variable cost/t remaining flat. Opex/t declined ~2% YoY/QoQ (each) to INR4,473 (~1% below our estimates). **Aggregate EBITDA for our coverage companies increased ~33% YoY (including GRASIM, which posted EBITDA growth of ~77% YoY), and OPM expanded 1.7pp YoY (down 1.0pp QoQ) to ~16% (-1.0pp vs. our estimate).** EBITDA increased ~77% for GRASIM, followed by ~53%/45% for ACEM/ACC and ~35%/33% for UTCEM/JSWC. EBITDA of BCORP/DALBHARA/JKCE increased in the range of ~11-18% YoY and JKLC/TRCL by ~1-2%, while SRCM EBITDA declined ~3% YoY. ICEM reported EBITDA of INR795m vs. an operating loss of INR1.9b in 3QFY25. **Average EBITDA/t increased ~13% YoY to INR825 (down ~9% QoQ; ~7% below our estimate).**
- **Aggregate PAT increases 39% YoY (ex-Grasim, PAT up ~35%):** Aggregate interest/depreciation expenses for our coverage universe grew 1%/14% YoY, while other income declined ~24% YoY. **Aggregate profit increased ~39%**

YoY to INR30.3b for our coverage universe (profit up ~35% YoY to INR31.7b, excluding GRASIM). PAT surged 2.4x/2.0x YoY for BCORP/DALBHARA, followed by 65%/41%/48%/32% for TRCL/ACC/SRCM/UTCEM and ~10% for JKCE. ICEM posted PAT of INR1m vs. net loss of INR2.6b in 3QFY25. PAT declined ~76%/5% YoY for ACEM/JKLC.

- **Maintained aggregate earnings estimate, with a few upgrades and downgrades:** We maintained our aggregate EBITDA/PAT estimates for our coverage universe for FY26/FY27/FY28. We cut our EBITDA estimates for ACEM (by ~5-6% for FY26-28), JKLC (by ~7% for FY26), TRCL (by ~6% for FY26), and SRCM (by ~4% for FY26). In contrast, we raised our EBITDA estimates for UTCEM (by ~4% for FY26-27), JSWC (by ~5-6% for FY26-28), and GRASIM (by ~6% for FY26). We maintained our EBITDA estimates for the remaining coverage companies.
- **Top picks:** UTCEM remained our preferred pick in the large-cap space, and JKCE in the mid-cap space.
- **Surprises:** UTCEM, ICEM, JSWC, and GRASIM
- **Misses:** ACC, ACEM, BCORP, SRCM, DALBHARA, JKLC, and TRCL

Guidance highlights:

Most of the management teams expect strong demand momentum to continue in Jan'26, followed by a demand recovery seen in Dec'25. Demand growth is seen across regions, led by infrastructure (roads, metros, railways, ports, and airports) and housing segments. Cement prices were subdued after the GST-rate cut. But with growing demand, prices are seeing improvement in all the segments across regions. Further, cost increases (rising fuel prices, new labor code, etc.) provide reasons to pass on these cost escalations through price hikes.

- **UTCEM:** Management indicated a positive demand outlook, with a multi-year infrastructure pipeline across all regions. It expects to operate at +90% capacity utilization in 4QFY26. Further, it expects improvement in pricing, led by strong demand. Its Phase IV expansion is on schedule and will be fully funded by internal accruals. It expects to achieve a net debt-to-EBITDA ratio of less than 1.0x by FY26 end (vs. 1.1x as of Dec'25 end).
- **ACEM:** It indicated that the 3QFY26 cost level was an aberration due to some one-off expenses. Meanwhile, exit-Dec'25 opex/t run-rate is already below INR4,000/t vs. the average of INR4,500/t in 3Q. Currently, the operating environment is favorable with strong demand and improving pricing. Moreover, operational performance at acquired assets has improved, with utilization rising to ~58% in 3Q and ~65% by exit-Dec'25.
- **SRCM:** It indicated volumes have recovered sequentially and expects this momentum to be sustained. Capacity utilization is expected to improve in 4Q, and volume growth is likely to be ~7% YoY. The strategic shift toward value over volumes since Oct'24 to restore pricing discipline and narrow the realization gap vs. peers. Domestic cement capacity is expected to increase to ~72mtpa by Mar'26, and no capacity addition is likely in FY27.
- **DALBHARA:** It indicated that industry volumes grew ~7-8% YoY in 3QFY26, and the momentum is sustaining in 4Q. Pricing was healthy at the start of FY26 but softened in 3Q across its key markets, with declines exceeding the GST-rate cut. While near-term pricing is difficult to predict, it remains cautiously optimistic on medium-term price increases, aided by consolidation, rising entry barriers, and steady capacity utilization.
- **JKCE:** It highlighted that demand remained strong through 3QFY26, with robust December volumes, high plant utilization, and Central India continuing to drive growth. Demand is expected to be 6-7% YoY in 4QFY26 on a high base and 7-8% YoY in 1QFY27. Non-trade prices have improved by INR15-20/bag, reducing the gap between trade and non-trade prices. This should help reduce discounting in trade channels.
- **JKLC:** It indicated that trade sales declined during the period, mainly due to higher volumes in Gujarat following the commissioning of Surat GU. Further, non-trade prices were under significant pressure. However, it is seeing a pick-up in trade demand in Dec'25-Jan'26 as well as price increases in non-trade across markets in late-Dec'25. It estimates industry volume growth in double digits in 4QFY26 and aims to grow in line with the industry.
- **BCORP:** It highlighted that, given capacity constraints, it focused on maximizing capacity utilization. The Mukutban plant has stabilized well, delivering its highest-ever monthly dispatch recently, reflecting a successful ramp-up. It continues to prioritize the trade sales for superior brand visibility and realizations. BCORP retained its medium-term capacity expansion target of 24.2mtpa/27.6mtpa by FY28E/FY29E vs. 20mtpa currently.

- **GRASIM:** It indicated that Birla Opus posted a strong 3QFY26 performance with ~70% YoY volume growth, surpassing 500m liters in cumulative sales, reaching over 6m households within 18 months of the launch. It has taken ~2-6% price increase across product ranges in Jan-Feb'26 to test channel and consumer response. Strong VSF performance was led by improved realization, higher export, and lower input costs (pulp and caustic).

Exhibit 61: Our coverage sales volume grew ~17% YoY in 3Q

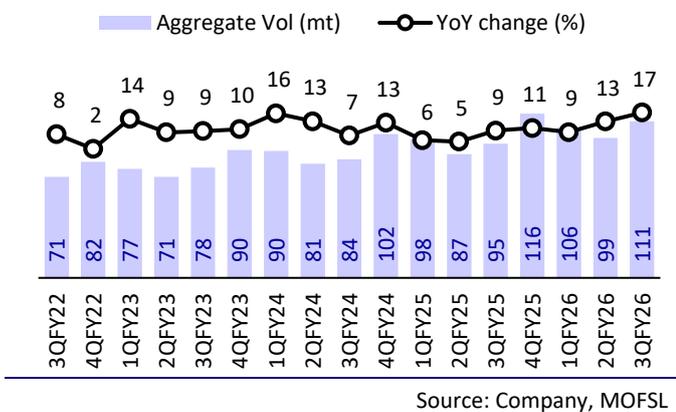


Exhibit 62: Blended realization flat YoY in 3QFY26

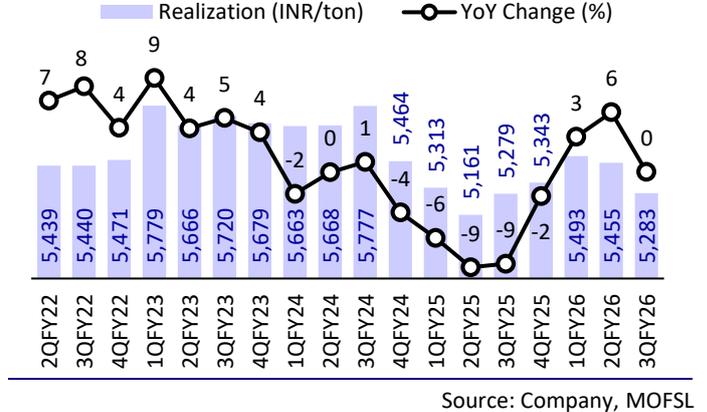


Exhibit 63: Aggregate EBITDA grew ~33% YoY in 3QFY26

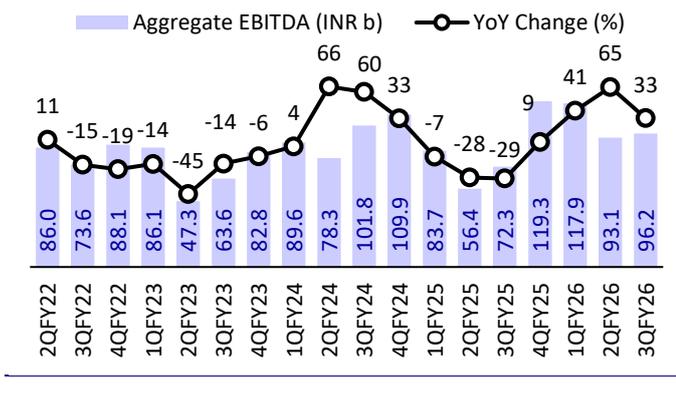
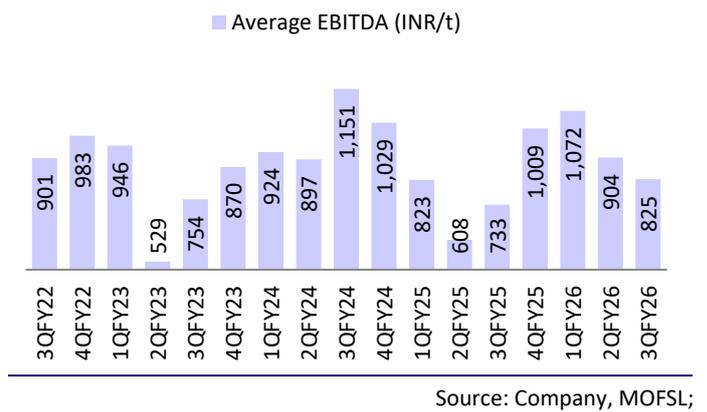


Exhibit 64: Average EBITDA/t was up 13% YoY in 3QFY26



CHEMICALS: Navigating pricing pressure aids gradual demand recovery

- **Overall performance:** Revenue came in line with our estimate, while FINEORG and NFIL beat our estimates. EBITDA was also below our estimates (NFIL and GALSUF beat our estimates, while in contrast, CLEAN, DN, ELLEN, PI, TTCH, and VO fell short). Adj. PAT was in line (ATPL, GALSUF, PRIV, and SRF beat our estimates, while CLEAN, FINE, PI, and VO were below our estimates; conversely. Aggregate revenue grew 4% YoY to INR167.5b, EBITDA rose 6% YoY to INR29.8b, and adjusted PAT grew 21% YoY to INR16.9b.
- Aggregate gross margin for our coverage universe contracted 200bp YoY in 3QFY26, led by 20pp/10pp gross margin contraction in GALSUF/TTCH, while VO and PI's gross margins expanded 13pp and 12pp, respectively. Aggregate EBITDA margin expanded 50bp YoY, led by margin expansion in NFIL, SRF, ATLP, and PRIVI.
- **Ratings and earnings revisions:** There have been no changes in ratings across our coverage universe following the 2QFY25 earnings season. We have cut our estimates for CLEAN, DN, ELLEN, PI, TTCH, and VO. We upgraded our earnings estimates for ATLP, NFIL, and PRIVI while maintaining our estimates for the remaining companies.
- **Top picks:**
 - **SRF:** We expect the chemicals business (fluorochemicals and specialty chemicals) to maintain the growth momentum going ahead, fueled by 1) pent-up orders from 2Q and 3Q, 2) the ramp-up of recently commissioned plants, 3) the launch of new products, 4) a strong R&D and innovation pipeline, 5) stable demand for refrigerant gases in the international market and a recovery in the domestic market, and 6) a diversified portfolio. The packaging business is also likely to report better margins, driven by the favorable pricing of BOPP, a strong

portfolio of high-impact value-added products, and the recovery in the domestic markets for both BOPET and BOPP. We build in a CAGR of 13%/24%/32% in revenue/EBITDA/Adj. PAT over FY25-28E. We reiterate our BUY rating and value the stock on an SoTP basis to arrive at our TP of INR3,660.

- **PRIVI:** Going ahead, the company's focus on improving yields, reducing utility consumption, and increasing the use of solar power is expected to support healthy margins over the medium term. PRIVI's growth story will be led by capacity expansion across existing and new products, backward integration, and the amalgamation with PFSPL and PBPL. We build in a CAGR of 26%/33%/46% in revenue/EBITDA/adj. PAT over FY25-28E. We increase our FY26/FY27 earnings estimates by 13%/6%, while we largely maintain our FY28 estimates. We reiterate our BUY rating with a TP of INR3710 (based on 26x FY28E EPS).

Guidance highlights:

- **ATLP:** The company is undertaking various projects and initiatives aimed at improving plant efficiencies, expanding its capacities for key products, debottlenecking its existing capacities, capturing a higher market share, and expanding its international presence.
- **CLEAN:** The operating environment remained challenging in 3QFY26, with muted demand, pricing pressure, and new Chinese capacities weighing on performance. The quarter also witnessed tariff-related uncertainty in the US and Europe, leading to a ~15-16% decline in international volumes, while domestic weakness was primarily due to postponed customer campaigns rather than structural volume loss. Management expects current market challenges, including Chinese pricing pressure and tariff uncertainty, to persist for the next 1-2 quarters.
- **DN:** While the global environment remains characterized by persistent pricing pressures and heightened competitive intensity, management expects a favorable performance in 4QFY26, driven by strategic priorities, including product innovation, geographical expansion, and leveraging in-house nitric acid production.
- **ELLEN:** The company has reiterated its long-term EBITDA margin guidance of ~40%, led by the ramp-up of cost-efficient plants and normalization of argon prices. The revenue CAGR guidance remains unchanged at 20-25%.
- **NFIL:** The HPP segment is expected to deliver sustainable growth, supported by a firm pricing environment and ongoing capacity expansion. The Specialty Chemicals business will continue to benefit from strong order visibility, driven by new molecule additions. Meanwhile, the outlook for the CDMO segment remains healthy, led by new orders from major players in the EU. Improving scale and operating leverage are expected to support a stronger 4QFY26 performance, with EBITDA margins projected to exceed 30% in FY26.
- **PI:** Management remains positive on the company's long-term growth outlook and expects growth momentum to be restored over the coming years. A recovery is expected in both domestic and export markets, particularly from 4QFY26. Management reiterates its EBITDA margin guidance of 26-27%.
- **SRF:** The demand for specialty chemicals in 4QFY26 is expected to improve significantly, supported by pent-up orders from 2Q and 3Q, despite continued pricing pressure from Chinese competitors. In 4QFY26, demand is expected to surge, aided by pent-up orders from 2Q and 3Q, despite continued pricing pressure from Chinese competitors. Management has begun to observe early signs of recovery in the domestic market for both BOPP and BOPET.
- **TTCH:** Soda ash continues to remain oversupplied, with high inventory levels across most regions. Prices softened further during 3QFY26, reflecting adverse demand-supply dynamics. The near-term outlook for the soda ash market remains subdued and uncertain, with limited visibility on any immediate improvement.

Exhibit 65: Revenue for our Coverage Universe

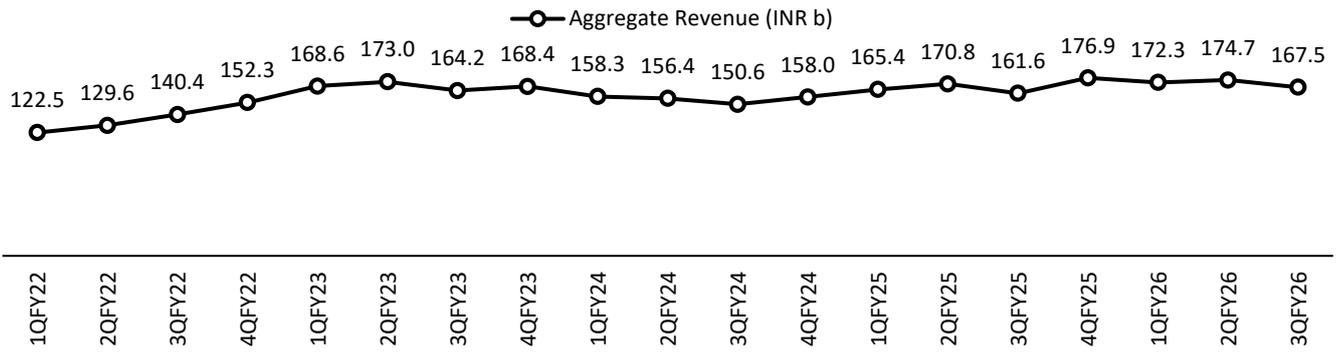


Exhibit 66: Gross margin for our Coverage Universe

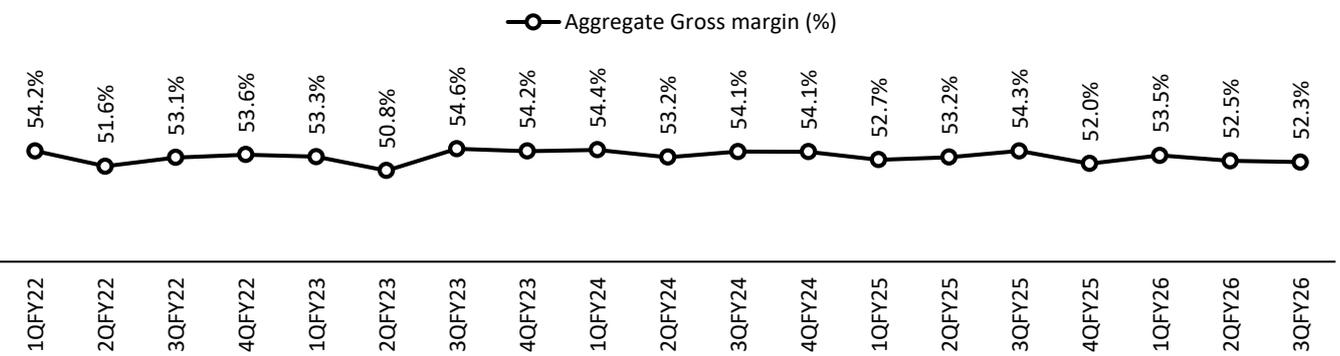


Exhibit 67: EBITDAM for our Coverage Universe

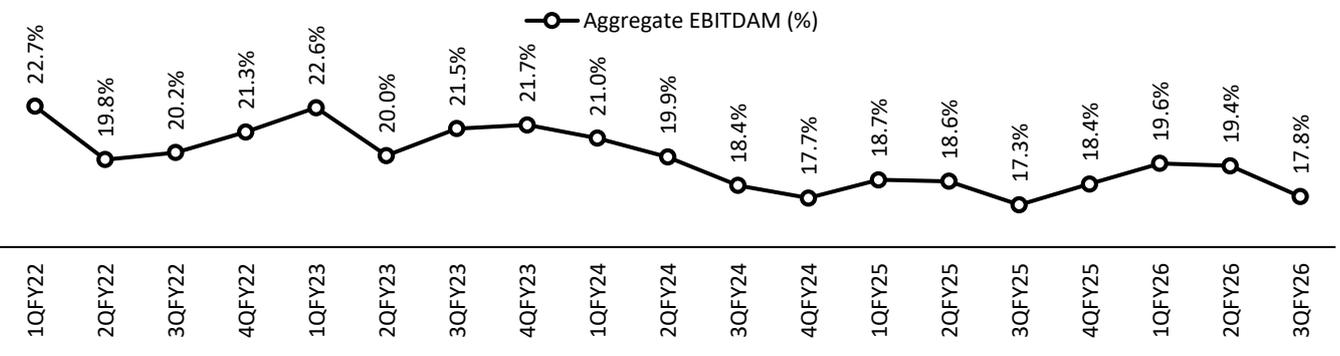


Exhibit 68: EBIT margin for our Coverage Universe

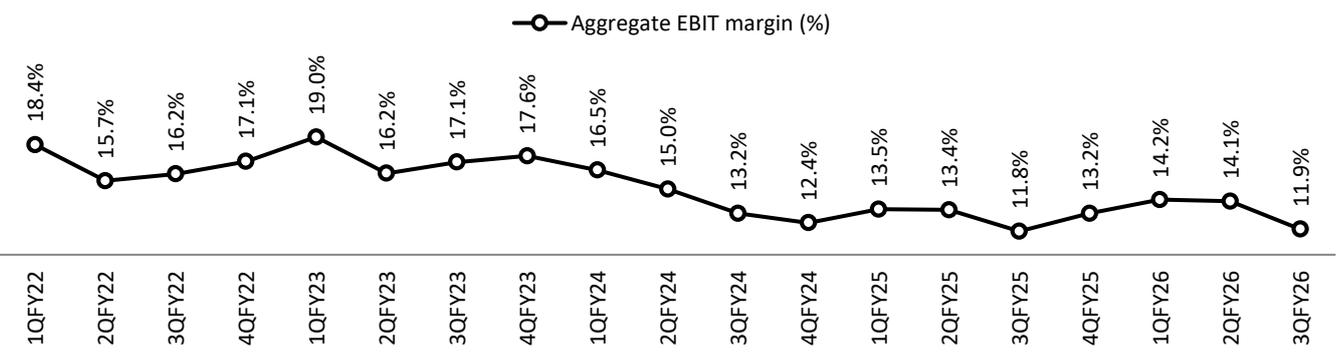
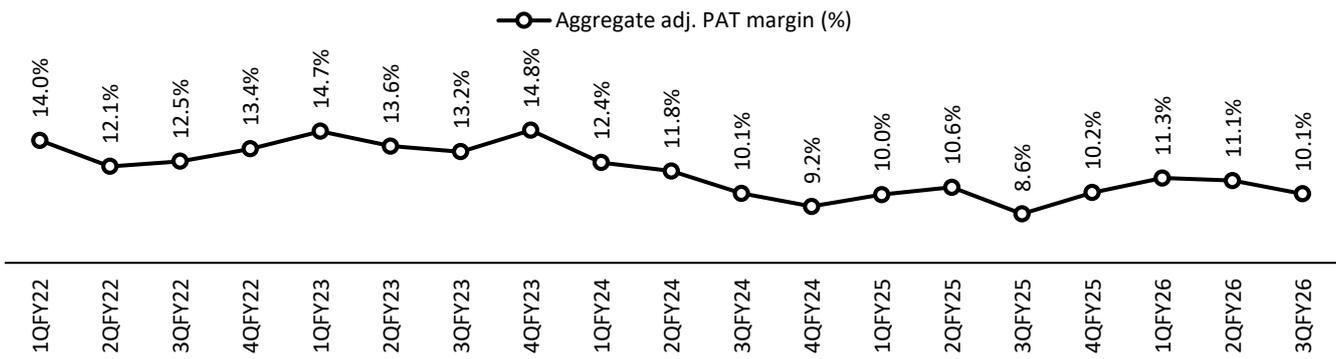


Exhibit 69: PAT margin for our Coverage Universe



CONSUMER – Positive sentiment across consumption verticals; good start to 2026

- Staples: Food companies outperform other categories** – In 3Q, staple companies witnessed resilient demand conditions in India and remained optimistic about a steady recovery in consumption over the coming quarters. Key government initiatives are driving consumption recovery on its desired path. Milder inflation, improved affordability after the recent GST rate rationalization, and falling interest rates are driving rural/urban consumption catalysts. While Oct’25 was affected by GST-related trade disruptions, subsequent months saw a normalization in trade channels. Food companies fared better than their personal care peers, backed by GST-led tailwinds (NEST +19%, ITC FMCG +13%, Britannia 10% vs. mid- to high-single-digit growth of most personal care companies). Most staple companies saw margin improvement on the back of benign key raw material prices and mix, and companies expect this trend to continue in the near term.
- Liquor: Strong P&A growth but MML impacts performance; beer margins improving** – In the alcobev sector, spirits continued to outperform beers. At a macro level, companies witnessed consumption green shoots, with the top end of the portfolio delivering a strong print in 3Q. USNP volumes were impacted by MML given its high salience in Maharashtra. In Maharashtra, the industry declined by ~20% and MML is slowly gaining pace. Radico Khaitan continued to deliver robust volume growth and strong operating performance in 3QFY26 and continued to beat our expectations on the volume front. P&A volume grew 26% for RDCK, while it dipped 2% YoY for UNSP. Spirit companies expect UK FTA to be implemented from mid-2026 onward. Margins expanded across the spirits category, led by stable RM costs and operating leverage. UBBL volumes declined 1% due to higher excise duties in some states, affordability pressures, and an early winter. Margin expansion was aided by higher bottle return rates, favorable state mix, and multiple operational efficiency initiatives. In UBBL, we noted high margin volatility on the quarterly basis.
- Paints: Demand remains soft** – Despite a favorable base and multiple initiatives, growth delivery remained soft. Management commentary on demand recovery was uninspiring, particularly after constructive commentary post 2QFY26. Demand in Oct’25 was muted due to a curtailed festive period and extended monsoon. However, a marginal demand recovery was noted during Nov-Dec and demand was slightly better by 3Q end. Companies expect current demand trends to continue over the near term and competitive intensity to remain elevated. Asian Paints delivered 4% revenue growth (-6% base), driven by 8% domestic volume growth. Indigo Paints posted 5% YoY growth (-3% base). Margins saw healthy expansion across the sector, aided by benign RM prices and efficiency measures.
- Innerwear: Volume uptick awaited** – Page Industries saw sequential improvement in demand (however, some demand shifted to 2QFY26 due to early Diwali). While volume growth remained subdued and below our expectations, 3Q ASP was driven by a favorable channel and product mix (high-priced athleisure and winter products). GT channel remained relatively weaker compared to EBOs and e-commerce. Management indicated that at least single-digit growth in GT is critical to achieving the company’s overall double-digit growth ambition. The growth recovery in 9MFY26 was below expectation; however, companies continue to target double-digit

volume growth guidance. Improving macro conditions and companies' own initiatives should drive volume growth in the coming quarters.

- **Outperformers (3Q): NEST, BRIT and RDCK**
- **Underperformers (3Q): JYL, Colgate, HUL**
- **Near-term outlook:** As highlighted in [our sector note](#) and 3QFY26 preview, packaged food companies were expected to be the key beneficiaries of the GST transition, with minimal trade disruption. 3Q performance of food companies validates this thesis, delivering robust growth across categories and channels. We expect supportive macroeconomic factors to act as a catalyst for boosting consumption sentiment in quarters ahead. A favorable winter should further aid health supplements, winter personal care, and packaged foods. Moreover, the industry expects a strong summer season, and thus summer products' offtake from Mar'25 onwards should support growth. Paint is expected to see a gradual recovery on a soft base. In liquor, premiumization continues to support healthy double-digit spirits growth. The innerwear segment is seeing a slow but steady recovery as GT channel trade sentiment improves. **Our top picks are Britannia, Radico Khaitan and Zydus Wellness.**

Guidance highlights

- **APNT:** Management expects volume growth of 8-10% and value growth of 5-6% in the near term. That said, management maintained its EBITDA margin guidance of 18-20%, aided by formulation and sourcing efficiencies.
- **BRIT:** Management salience in E-com/QC stands in high single digits, and the company expects this to increase to teens by FY27. New CEO will focus on strengthening the Britannia brand (hired new CMO as well) and creating the category of functional foods (likes of Nutri choice).
- **DABUR:** Management expects 4QFY26 revenue growth to be in high single digits (broadly in line with or slightly better than 3Q) with EBITDA growth ahead of revenue growth. Management expects better performance in beverages in 4Q. 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.
- **HMN:** Management aims to achieve high-single-digit to low-double-digit revenue growth in the near term. Given strong performance in rural markets, Emami will increase its focus on smaller SKUs in FY27, with more focus on shampoo sachets, Smart and Handsome, and other small SKUs.
- **HUVR:** Management expects low single-digit pricing growth in FY27 and guided FY27 revenue growth will be better than FY26, led by portfolio and channel transformation. The company maintains the consolidated EBITDA margin guidance in the range of 22.5%-23.5%, adjusted for the Ice cream business demerger. Management highlighted that A&P spends would be ~10% of sales on a yearly basis.
- **GCPL:** Over the next 18-24 months, it expects volume growth in India to be around 7-8% and India EBITDA margin to be in its guided range of 24-26%. GAUM business is expected to deliver double-digit revenue and profit growth for the year. Indonesia's recovery is anticipated to start meaningfully from FY27 as market conditions normalize.
- **PAGE:** The company continues to aim for double-digit volume growth, led by improving consumer sentiment, new product launches, and distribution expansion. The company may take a price hike in CY26. PAGE maintained its EBITDA margin guidance at 19-21% for FY27.
- **PIDI:** Management plans to bring the overall B2B business back to at least mid-teen growth levels. The company expects to sustain double-digit volume growth, driven by an improving performance of growth brands and a robust pipeline of pioneering innovations and premium products. The company maintains its EBITDA margin guidance of 20-24% for the medium term.
- **RDCK:** The company remains confident of delivering strong double-digit growth in the P&A category. For FY26, its overall volume growth is expected to be in the 20%+ range, led by strong P&A volumes. Management expects to achieve INR5b sales from the luxury portfolio in FY26. It remains on track to be debt-free by FY27.

- **UNSP:** Management expects its historically stated price mix range of 6-8% to be sustainable at the higher end and expects P&A to continue growing in double digits in value. Management expects GM to sustain at current levels or improve slightly. UNSP expects its ad spends to be slightly higher than earlier guidance of 9.5- 10% of net sales for FY26.
- **ZYDUSWELL:** The company guided for consolidated gross margins of 66-67% with organic India EBITDA margin 16-18% range. For Comfort Click, management expects high double-digit revenue growth and ~14% EBITDA margins.
- **TATACONSUMER – The** company has guided for 5-9% growth in the tea/salt business. The company maintains its 30% revenue growth guidance for Tata Sampann. The growth portfolio (~30% of the total portfolio) is expanding at a 30% rate, driven by low penetration, strong category tailwinds, and expanding distribution.

Exhibit 70: Quarterly volume growth

Volume growth (%)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Asian Paints	10.0	6.0	12.0	10.0	7.0	-0.5	1.6	1.8	3.9	10.9	8.0
Britannia	0.0	0.0	5.5	6.0	8.0	8.0	6.0	3.0	2.0	-3.0	6.0
Colgate	3.0	-1.0	-1.0	1.0	7.0	8.0	4.0	0.0	-3.0	-5.0	-2.0
Dabur	3.0	3.0	4.0	3.0	5.2	-7.0	1.2	-5.0	-1.0	2.0	3.0
Emami	3.0	2.0	-1.0	6.4	8.7	1.7	4.0	5.0	-3.0	-16.0	9.0
Godrej Consumer	10.0	4.0	5.0	9.0	8.0	7.0	0.0	4.0	5.0	3.0	9.0
HUL	3.0	2.0	2.0	2.0	4.0	3.0	0.0	2.0	4.0	0.0	4.0
ITC	8.0	5.0	-2.0	2.0	3.0	3.5	6.0	5.0	6.0	6.0	6.5
Jyothy labs	9.0	9.0	11.0	10.0	10.8	3.0	8.0	5.0	3.6	2.8	7.2
Marico	3.0	3.0	2.0	3.0	4.0	5.0	6.0	7.0	9.0	7.0	8.0
Nestle	5.4	5.4	4.0	4.0	2.0	-1.5	2.5	2.0	2.0	7.0	12.0
Page Industries	-11.5	-8.8	4.6	6.1	2.6	6.7	4.7	8.5	1.9	2.5	1.4
UBBL	-12.4	7.0	8.0	10.9	5.0	5.0	8.0	5.0	11.0	-3.0	-1.3
United spirits	5.8	1.0	-1.8	3.7	3.5	-4.4	10.2	6.9	9.4	7.7	-3.2
-P&A	10.3	3.8	4.6	3.7	5.1	-3.7	11.2	9.2	9.0	8.0	-2.0
Radico Khaitan	7.9	-3.1	3.6	-1.0	-4.1	-2.4	15.5	27.5	37.5	37.7	16.6
Radico Khaitan (P&A)	27.1	21.9	20.1	14.5	14.2	12.7	18.0	16.4	40.7	21.6	25.9

Source: Company, MOFSL

Exhibit 71: Revenue/EBITDA/APAT growth for 3QFY26

Company Name	Revenue	3QFY26 YoY %	EBITDA	3QFY26 YoY %	APAT	3QFY26 YoY %
Asian Paints	88,670	3.7%	17,810	8.8%	12,315	9.1%
Britannia	49,698	8.2%	10,286	21.7%	7,182	23.3%
Colgate	14,861	1.7%	4,420	-2.7%	3,297	2.2%
Dabur	35,587	6.1%	7,341	7.7%	5,795	9.2%
Emami	11,518	9.8%	3,842	13.4%	3,408	13.4%
Godrej Consumer	40,991	8.8%	8,804	16.5%	5,626	12.0%
HUL	1,64,410	3.9%	39,010	5.6%	26,219	0.7%
Indigo Paints	3,588	4.7%	683	19.5%	431	19.7%
ITC	2,00,473	6.7%	68,825	8.2%	51,932	11.1%
Jyothy	7,396	5.0%	1,107	-4.4%	811	-7.2%
LT Foods	28,092	23.5%	3,143	25.8%	1,574	9.8%
Marico	35,370	26.6%	5,980	12.2%	4,515	13.2%
Nestle	56,670	18.6%	12,311	9.7%	7,721	12.2%
P&G Hygiene	12,619	1.1%	4,018	8.3%	3,015	12.2%
Page Industries	13,868	5.6%	3,181	5.2%	2,158	5.4%
Pidilite	37,099	10.1%	9,468	18.6%	6,761	22.4%
Tata consumer	51,120	15.0%	7,207	27.6%	4,018	41.7%
United Breweries	20,714	3.7%	2,255	59.8%	996	55.5%
United Spirits	36,830	7.3%	6,180	5.1%	4,668	11.0%
Radico Khaitan	15,467	19.5%	2,672	45.2%	1,647	71.6%
Varun Beverages	42,044	14.0%	6,533	12.6%	2,623	41.7%
Zyduz Wellness	9,649	108.9%	610	312.2%	97	51.6%

Source: Company, MOFSL

Exhibit 72: Gross and EBITDA margin expansion in 3QFY26

Companies	Gross Margin	YoY (bp)	QoQ (bp)	EBITDA Margin	YoY (bp)	QoQ (bp)
Staples						
Britannia	43.3%	454	158	20.7%	230	98
Colgate	70.0%	6	52	29.7%	-134	-89
Dabur	48.4%	33	-106	20.6%	31	220
Emami	70.6%	34	-39	33.4%	108	1100
Godrej Consumer	52.9%	-127	77	21.5%	142	231
HUL	51.4%	8	0	23.7%	37	77
ITC	58.0%	39	-24	34.3%	47	0
Jyothy	46.5%	-326	-154	15.0%	-147	-110
LT Foods	34.2%	72	16	11.2%	21	0
Marico	43.5%	-596	89	16.9%	-217	82
Nestle	55.7%	-66	139	21.7%	-176	-51
P&G Hygiene	66.6%	176	527	31.8%	211	708
Tata consumer	42.8%	170	70	14.1%	139	57
Varun Beverages	55.4%	-70	-134	15.5%	-19	-789
Zydus Wellness	63.4%	1441	1049	6.3%	312	279
Paints & Adhesives						
Asian Paints	44.4%	197	122	20.1%	94	246
Indigo Paints	46.8%	14	198	19.0%	236	414
Pidilite	56.5%	218	146	25.5%	182	159
Liquor						
United Breweries	45.3%	222	255	10.9%	382	454
United Spirits	46.9%	219	-18	16.8%	-35	-442
Radico Khaitan	46.5%	348	287	17.3%	306	137
Innerwear						
Page Industries	57.9%	159	-200	22.9%	-10	128

Source: Company, MOFSL

QSR: Early green shoots visible; all eyes on recovery trend

- Demand gradually improving:** QSR companies saw slight improvement in SSSG in 3Q, as the weak demand phase of Navratri moved to 2Q vs. in 3Q last year. However, most QSR companies witnessed encouraging demand uptick in Jan'26 vs. 3Q. Players prioritized driving affordability through its value platform while maintaining strict execution discipline. In addition, they undertook select tactical initiatives in Jan'26, including targeted promotions and changes in online and offline channel strategies, which have started to show early positive results. While delivery channels remain strong, dine-in is showing a gradual improvement. Our coverage universe posted revenue growth of 10% YoY in 3QFY26 vs. 10% in 2QFY26 and 13% in 3QFY25. Jubilant delivered healthy LFL growth of 5% (on base of 12.5%), and UFBL recorded SSSG of 8% (on base of -2%). Sapphire KFC SSSG grew 1%, while Westlife/Devyani KFC/Devyani PH/Sapphire PH registered same-store sales decline of 3%/3%/9%/12% YoY.
- Easing pressure on profitability:** Gross margins saw modest improvement (ex-WLDL) in 3Q as compared to last 4-5 quarters owing to improvement in SSSG (better ADS due to early Navratri) despite persistent inflation in dairy oil and flour. During 3Q, JUBI undertook calibrated price increases on select products to strengthen margins. GM and EBITDA margin (pre-Ind AS) were better; if demand sustains, improving trends can sustain.
- Outperformers (3Q):** United Foodbrands
- Underperformer (3Q):** Devyani, Westlife

Guidance highlights:

- JUBI:** In FY26, JUBI expects India Domino's sales to grow by 15% YoY, with 5-7% growth from LFL. Management reiterated its guidance of 200bp EBITDA margin expansion (on FY24 margin) over FY28. Management expects Popeyes store count to scale from 73 currently to 100 by 1QFY27, with a medium-term ambition of ~250 stores, generating ~INR10b in sales.

- **Devyani:** The company plans to add 110-120 KFC stores annually, maintaining KFC as the key growth driver. No net store additions are planned for Pizza Hut in FY26.
- **Westlife:** It plans to open 20-25 stores in 4QFY26 and aims to grow its network to 580-630 restaurants by 2027.
- **Sapphire:** The company has plans to open 60-80 KFC stores in CY26.
- **UFBL:** The company plans to add 9-12 stores per quarter, targeting 265 stores by FY26, 300 by FY27 and 400 by FY30. The company plans to operate 15 international stores by FY26 and expand to 23-25 stores by FY27. Management expects short-term net debt to remain within the range of INR1,000m. The company expects to maintain a monthly revenue run rate of ~INR1,250m.

Exhibit 73: Quarterly trends

Particulars	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Revenue Growth (%)									
United Foodbrands	1%	6%	-6%	1%	-1%	-2%	-3%	0%	14%
Devyani (Consol)	7%	39%	44%	49%	54%	16%	11%	13%	11%
-KFC	14%	11%	7%	7%	9%	3%	10%	5%	6%
-Pizza Hut	-2%	-4%	-1%	0%	6%	8%	3%	1%	-6%
Jubilant (Standalone)	3%	15%	10%	9%	19%	10%	18%	16%	12%
Sapphire	12%	13%	10%	8%	14%	13%	8%	7%	8%
-KFC	16%	16%	11%	9%	12%	12%	11%	7%	11%
-Pizza Hut	-4%	-3%	3%	3%	10%	5%	-6%	-6%	-11%
Restaurant Brands (Consol)	15%	16%	6%	1%	6%	6%	8%	11%	12%
Restaurant Brands (Standalone)	20%	20%	16%	9%	11%	12%	13%	16%	17%
Westlife	-2%	1%	0%	1%	9%	7%	7%	4%	3%
Total	6%	9%	5%	5%	11%	8%	11%	10%	10%
SSSG									
United Foodbrands	-5%	1%	-7%	-3%	-2%	-2%	-3%	-2%	8%
Devyani - KFC	-5%	-7%	-7%	-7%	-4%	-6%	-1%	-4%	-3%
Devyani - PH	-13%	-14%	-9%	-6%	-1%	1%	-4%	-4%	-9%
Jubilant (LFL)	-3%	0%	3%	3%	13%	12%	12%	9%	5%
Sapphire - KFC	-2%	-3%	-6%	-8%	-3%	-1%	0%	-3%	1%
Sapphire - PH	-19%	-15%	-7%	-3%	5%	1%	-8%	-8%	-12%
Restaurant Brands (Standalone)	3%	2%	3%	-3%	-1%	5%	3%	3%	5%
Westlife	-9%	-5%	-7%	-7%	3%	1%	1%	-3%	-3%
Gross profit margin (%)									
United Foodbrands	67.9%	68.9%	68.1%	68.1%	68.2%	68.5%	67.7%	66.2%	66.4%
Devyani (Consol)	70.6%	69.2%	69.2%	69.3%	68.7%	68.5%	68.2%	67.8%	68.9%
-KFC	69.4%	69.9%	69.5%	69.0%	68.6%	68.3%	67.1%	68.1%	69.8%
-Pizza Hut	75.8%	77.3%	76.8%	76.7%	76.2%	75.6%	74.7%	74.7%	76.0%
Jubilant (Standalone)	76.7%	76.6%	76.1%	76.1%	75.1%	74.5%	74.1%	74.4%	74.9%
Sapphire	68.9%	68.9%	68.6%	68.8%	68.6%	68.2%	67.4%	67.8%	68.7%
-KFC	68.4%	68.3%	68.2%	68.3%	68.2%	68.0%	67.1%	67.2%	68.6%
-Pizza Hut	75.7%	75.5%	76.1%	76.5%	75.6%	74.8%	74.6%	74.4%	74.9%
Restaurant Brands (Consol)	64.4%	64.2%	64.5%	64.9%	65.6%	65.3%	65.4%	66.1%	67.2%
Restaurant Brands (Standalone)	67.1%	67.7%	67.6%	67.5%	67.8%	67.8%	67.7%	68.3%	69.9%
Westlife	70.3%	70.2%	70.6%	69.7%	70.1%	70.0%	71.6%	72.4%	67.5%
RoM % (pre-Ind AS)									
United Foodbrands									
Devyani (Consol)	15.4%	13.6%	15.3%	13.6%	14.3%	13.8%	13.1%	11.7%	13.9%
-KFC	19.0%	19.0%	19.5%	16.6%	17.2%	16.2%	15.5%	14.1%	16.8%
-Pizza Hut	6.1%	4.4%	4.9%	3.1%	2.1%	0.7%	-1.1%	-0.2%	0.8%
Jubilant (Standalone)									
Sapphire	16.0%	13.8%	15.2%	13.8%	15.5%	12.0%	12.1%	11.3%	15.0%
-KFC	20.1%	18.7%	18.8%	16.5%	18.2%	15.7%	15.7%	13.8%	18.8%
-Pizza Hut	4.6%	-2.7%	4.6%	4.1%	4.7%	-4.6%	-2.5%	-1.8%	-3.1%
Restaurant Brands (Consol)	9.3%	6.0%	7.1%	7.2%	8.2%	7.7%	7.7%	7.5%	9.7%
Restaurant Brands (Standalone)	12.2%	7.8%	8.9%	10.6%	12.0%	10.5%	9.7%	10.4%	13.0%
Westlife									
EBITDA Pre-Ind AS margins (%)									

Particulars	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Jubilant (Standalone)	11.0%	6.4%	6.9%	5.4%	10.3%	6.5%	4.6%	1.1%	9.6%
Devyani (Consol)	9.3%	9.2%	11.6%	9.4%	10.1%	8.9%	8.1%	6.8%	8.6%
Jubilant	12.9%	10.9%	11.6%	11.7%	12.4%	11.8%	12.0%	12.1%	13.3%
Sapphire	10.8%	8.6%	9.8%	8.5%	10.7%	7.1%	7.1%	6.1%	9.5%
Restaurant Brands (Consol)	2.8%	-0.5%	1.3%	0.6%	2.1%	2.3%	1.7%	1.6%	3.4%
Restaurant Brands (India)	6.8%	2.4%	3.6%	5.0%	6.2%	5.4%	4.1%	5.0%	7.0%
Westlife	11.4%	8.7%	8.1%	7.7%	9.1%	7.6%	7.7%	6.2%	9.2%
ADS ('000')									
United Foodbrands	175	153	155	153	162	141	140	141	168
Devyani									
-KFC	104	93	104	96	96	83	98	89	90
-Pizza Hut	37	32	36	35	35	31	33	33	31
Jubilant (Standalone)	78	75	79	78	84	82	85	81	84
Sapphire									
-KFC	125	114	122	111	115	108	116	103	112
-Pizza Hut	45	41	48	47	48	42	44	42	41
Restaurant Brands (India)	119	105	119	118	114	108	120	119	117
Westlife	176	157	170	168	173	153	165	158	163
Store (India)									
United Foodbrands	210	217	219	222	226	230	236	241	249
Devyani India	1,387	1,429	1,473	1,557	1,658	1,664	1,767	1,802	1,877
-KFC	590	596	617	645	689	696	704	734	788
-Pizza Hut	565	567	570	593	644	630	618	621	639
Jubilant	2,007	2,096	2,148	2,199	2,266	2,304	2,362	2,450	2,528
Sapphire	725	748	762	784	835	836	846	867	895
-KFC	406	429	442	461	496	502	510	529	556
-Pizza Hut	319	319	320	323	339	334	336	338	339
Restaurant Brands	441	455	456	464	510	513	519	533	577
Westlife	380	397	403	408	421	438	444	450	458
PBT (INR M)									
United Foodbrands	75	(9)	(55)	(100)	47	(165)	(170)	(232)	(10)
Devyani (Consol)	97	44	381	(9)	56	(208)	19	(297)	35
Jubilant (Standalone)	819	508	683	698	788	677	883	856	1,083
Sapphire	140	8	118	53	168	45	(18)	(166)	78
Restaurant Brands (Consol)	(376)	(742)	(488)	(655)	(547)	(604)	(454)	(633)	(457)
Restaurant Brands (Standalone)	(64)	(310)	(269)	(166)	(186)	(254)	(116)	(202)	(48)
Westlife	231	20	45	7	65	13	16	(71)	129
PBT Margins									
United Foodbrands	2.3%	-0.3%	-1.8%	-3.3%	1.4%	-5.6%	-5.7%	-7.6%	-0.3%
Devyani (Consol)	1.1%	0.4%	3.1%	-0.1%	0.4%	-1.7%	0.1%	-2.2%	0.2%
Jubilant (Standalone)	6.0%	3.8%	4.7%	4.8%	4.9%	4.3%	5.2%	5.0%	6.0%
Sapphire	2.1%	0.1%	1.6%	0.8%	2.2%	0.6%	-0.2%	-2.2%	1.0%
Restaurant Brands (Consol)	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%	-6.5%	-9.0%	-6.4%
Restaurant Brands (Standalone)	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%	-2.1%	-3.6%	-0.8%
Westlife	3.9%	0.4%	0.7%	0.1%	1.0%	0.2%	0.2%	-1.1%	1.9%

CONSUMER DURABLES: Strong growth in C&W; RAC revenue better than estimates

- Aggregate revenue up ~16% YoY (~5% beat):** Revenue for our consumer durables coverage universe grew ~16% YoY to INR307.2b (~5% beat) in 3QFY26. The cable and wire (C&W) segment revenue grew ~42% YoY to INR142.1b (~11% above estimates), and the UCP segment revenue grew ~3% YoY to INR37.8b (~8% above estimates). Meanwhile, other FMEG revenue grew ~6% YoY to INR46.1b (in line with estimates). Revenue growth stood at ~46%/42% YoY for POLYCAB/RRKABEL, followed by ~19%/14% for KEII/HAVL and ~7%/4% for CROMPTON/BLSTR. However, VOLT/LGEIL reported a revenue decline of ~1%/6% YoY in 3QFY26. C&W continues to deliver strong growth, led by robust demand and sustained commodity-led value growth. Moreover, the RAC segment showed a recovery, supported by channel stocking of new BEE-rated products ahead of the upcoming summer season. Companies expect inventory levels to normalize by Mar'26-end, with an improvement in secondary sales and the onset of the summer season providing a favorable boost. Other FMEG categories (fans, switchgear, lighting, SDA)

showed mixed demand trends. Companies expect overall consumer durables demand to remain healthy in the coming quarters.

- **C&W margin flat YoY (down 1.5pp QoQ); UCP margin under pressure:** Average EBIT margin in the C&W segment was largely flat YoY at 11.5% (-1.1pp vs. our estimates). EBIT margin in the UCP segment contracted 1.5pp YoY to 2.9% (in line with estimates). Aggregate EBITDA for our coverage universe grew ~16% YoY to INR28.4b (in line). EBITDA margin was flat YoY at 9.2% (-50bp vs. our estimates). EBITDA increased ~85% YoY for KEII, followed by ~37%/32%/21% for POLYCAB/RRKABEL/HAVL and ~5%/4% for BLSTR/CROMPTON in 3QFY26. However, VOLT/LGEIL EBITDA declined ~10%/39% YoY in 3QFY26. Aggregate PAT for our coverage universe grew ~16% YoY to INR18.2b (in line). PAT grew ~94% for KEII, followed by ~48%/42%/20% for RRKABEL/POLYCAB/HAVL, and 4%/3% for BLSTR/CROMPTON in 3QFY26. VOLT/LGEIL reported a PAT decline of ~19%/50% YoY in 3QFY26.
- **Our earnings revisions:** At an aggregate level, we largely maintained earnings for FY26/FY27/FY28. We cut our EPS estimates for FY26 for VOLT (~6%), BLSTR (~4%), and POLYCAB/HAVL (~3% each), while maintaining our estimates for FY27/FY28. For KEII, we cut EPS estimates by ~3% for FY27/FY28 (each) due to higher depreciation estimates. We maintain our earnings for CROMPTON/RRKABEL/LGEIL.
- **Top picks:** POLYCAB and LGEIL are our preferred picks in the consumer durables space.
- **Surprises:** KEII, RRKABEL, and CROMPTON
- **Misses:** HAVL and LGEIL

Guidance highlights:

- **POLYCAB:** Management indicated that domestic C&W revenue grew ~59% YoY, led by ~40% volume growth. Wire growth outpaced cable demand due to inventory stocking by channel partners amid rising RM costs. Meanwhile, institutional sales grew higher than channel sales in cable, reflecting strong growth in the projects business. The company has remained cautious in passing on cost increases to consumers, transferring only ~75%-80% of RM cost inflation. Exports contributed to ~6% of revenue vs 8.3%/6.5% in 3QFY25/2QFY26.
- **LGEIL:** It highlighted strong traction in 4Q, with revenue growth expected to be in double digits and margins expanding YoY. LGEIL maintains FY26 guidance of early single-digit revenue growth with double-digit margins, while FY27 is projected to achieve double-digit revenue growth with margins returning to FY25 levels. It targets to double export revenue in FY27E, with exports currently contributing ~6-7% to its revenue.
- **HAVL:** It indicated that demand remained modest during the quarter, with some pickup during the festive season but uneven consumption trends. Winter-led categories like water heaters performed well, while RAC and fans remained under pressure. Channel inventory in cooling categories has started to normalize ahead of the summer season. The company also noted that the industry needs a ~5-10% price hike to offset higher costs.
- **VOLT:** It indicated that UCP exit market share stood at 17.9% in Dec'25 vs. 18.5%/15.8% in 2QFY26/4QFY25. The company has seen strong primary billing, which is likely to support market share gains in 4QFY26E. Channel inventory is near 5-6 weeks, which is expected to be fully consumed by Mar'26. Margin is expected to expand sequentially, though guidance remains uncertain due to multiple moving parts, such as currency depreciation, commodity inflation, and the new BEE star-label transition.
- **KEII:** It indicated a strong demand outlook in domestic and export markets, and continued strong momentum in the institutional, retail, and overseas segments. It remains confident of delivering over 20% revenue growth in FY26 and ~25% growth in 4QFY26, aided by higher copper prices. It is targeting ~20% CAGR over the next 3-4 years, led by Sanand ramp-up, strong order inflows, and export growth. It expects to achieve an EBITDA margin of ~11% in FY27.
- **BLSTR:** It indicated that RAC demand has returned to a growth trajectory and expects a stronger 4Q. The segment is expected to clock an 18-20% CAGR. The company did not provide any discount to push volumes and achieved a modest growth in market share. Its initial target is to achieve ~15% market share in RAC (vs. the current 14%+). Channel inventory remained comfortable at 5-6 weeks, lower than the industry average of 8-10 weeks. It has guided for a UCP margin of 8.5% in 4QFY26/FY27, with the potential to achieve ~9% margin with a strong summer.

- **RRKABEL:** It highlighted that the C&W segment delivered robust performance with overall ~30% YoY volume growth. It achieved ~17-18% volume growth in 9MFY26, in line with its target. Further, OPM expansion was led by positive operating leverage, better cost absorption, and continued focus on procurement and execution efficiency. It reiterated a steady margin expansion plan, guiding for ~100bp annual improvement and targeting 10.5% EBIT margins in the wires and cables business by FY28 vs. 7.7% in 9MFY26.
- **CROMPTON:** The company has announced the launch of residential wires, a large market with strong adjacency, leveraging its pan-India distribution and dealer network. The products would be rolled out in select markets over the next 6-7 weeks. It has also executed a seamless BEE-2 transition in ceiling fans, effective Jan'26. It has seen a recovery QoQ in 3Q, driven by volume and margin expansion in ECD and sustained strength in lighting.

Exhibit 74: Aggregate* UCP revenue and growth

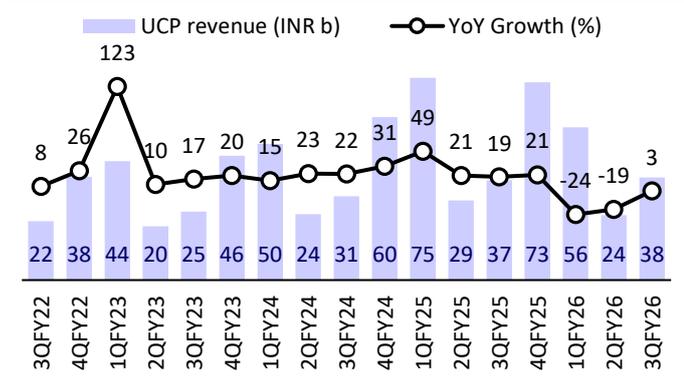
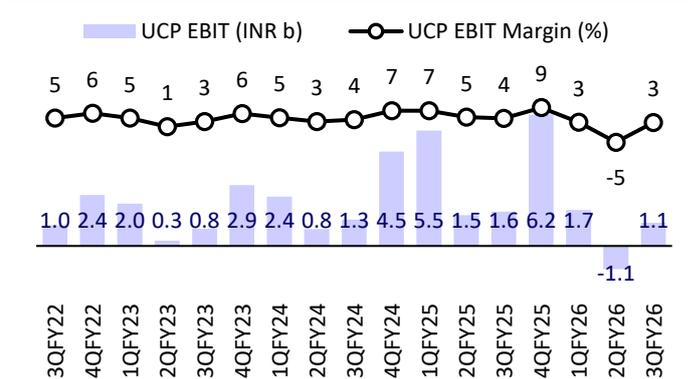


Exhibit 75: Aggregate* UCP EBIT and margin



Source: Company, MOFSL; Note: *In UCP revenue and EBIT, we have considered VOLT, HAVL, and BLSTR

Exhibit 76: Aggregate* C&W revenue and growth

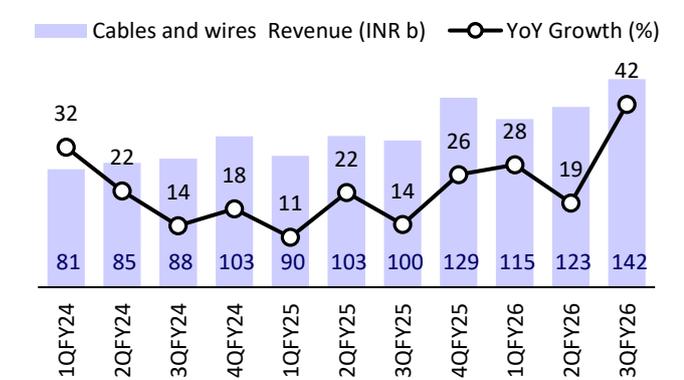
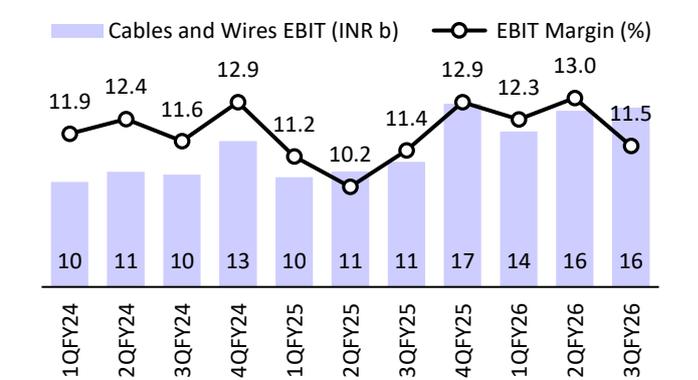


Exhibit 77: Aggregate* C&W EBIT and margin



Source: Company, MOFSL; Note: *In Cables and Wires, for revenue and EBIT, we have considered Polycab, KEIL, HAVL, and RRKABEL

EMS: Robust order book brightens revenue visibility

- **Continued revenue growth across EMS players:** The EMS sector continued its growth trajectory, with aggregate revenue rising 11% YoY to INR166b. AVALON led the pack with revenue surging 49% YoY, driven by growth in both the domestic (up 23% YoY) and US (up 69% YoY) businesses, followed by DATAPATT (up 48%), SYRMA (45%), Amber (38%), and Kaynes (22%). Cyient DLM witnessed a revenue decline of 32% YoY due to the high base of BEL order execution. Looking ahead, we expect strong revenue momentum in 4Q, led by execution of large orders in hand (~INR205.8b as of Dec'25; excluding Dixon and Amber, i.e., ~1.8x the TTM revenue of these companies). For our coverage universe, we expect an aggregate revenue growth of ~16% in 4Q and a CAGR of 30% over FY25-FY28.
- **Order book (ex-Dixon, Amber) continues to remain healthy, led by client additions and increasing wallet share with existing clients:** The sector continued to witness healthy order inflows (~INR48.2b) in 3QFY26. Most companies are experiencing expanding order books, providing them with clear revenue visibility for the short to medium term. Among our coverage universe, KAYNES witnessed the highest order book growth of 50% YoY, followed by Avalon/Syrma/CyientDL at ~26%/21%/10% YoY. DATAPATT continues to see a declining order book

trend (down 32% YoY). From the order book in hand, a clear strategic shift is underway from low-margin consumer segments toward high-margin verticals such as defense, aerospace, automotive, telecom, power electronics, and clean energy.

- **Improving margins across companies with better product mix and operating leverage:** EBITDA margin for our coverage universe expanded 100bp YoY, led by an expansion across companies except Avalon (EBITDA margin contracted 76bp). SYRMA witnessed the highest EBITDA margin expansion of ~350bp YoY benefitting from a favorable business mix and operating leverage during the quarter, followed by CYIENTDL (up 210bp), led by a better business mix (higher Aerospace mix of 37%). Amber's EBITDA margin expanded ~90bp YoY, while Dixon's margin improved marginally by 20bp YoY. **Going forward, we expect margins for our coverage universe to gradually expand, led by the execution of high-margin orders and operating leverage.**
- **The quarter experienced four earnings downgrades and no upgrades for FY27/FY28:** We reduced our FY26/FY27/FY28 earnings for Dixon, Amber, Kaynes, and Cyient DLM while retaining the same for Avalon, Syrma, and Data Patterns (refer to Exhibit 2).
- **Surprises:** AVALON, SYRMA, DATAPATT, and AMBER
- **Misses:** KAYNES and CYIENTDL

Guidance highlights:

- **Kaynes** has revised its full-year revenue guidance downwards to INR41b (from INR4.5b) due to deferral in the Railway's Kavach order worth INR3b. Management has maintained its NWC guidance of 85 days, with the CFO expected to turn positive.
- **Avalon** has revised its revenue guidance upwards to 40% (vs. earlier 28-30%), driven by strong execution, a healthy order book, and operational efficiency. Asset turnover is expected to be in the range of 7-10x. The company plans to keep the manufacturing mix at 80-20% for India-US.
- **Syrma SGS** revised its EBITDA guidance upwards to more than INR5b for FY26, with revenue guidance of more than INR1.6b in 4QFY26. Revenue and EBITDA growth guidance for FY27 is 30%. The company expects to deliver a blended EBITDA margin of 10% in FY27. It expects to reach INR11b in exports by FY27.
- **Cyient DLM:** The book-to-bill ratio stood at ~1.6x for 9MFY26, and the company expects to sustain it above ~1x by the end of FY26. Additionally, the company anticipates YoY revenue growth in 4QFY26, primarily driven by sustained momentum in the industrial and automotive segments.
- **Data Patterns:** Management stated that FY26 is shaping up to be the largest year in the company's history, reflecting strong execution, deeper domain expertise, and rising relevance in India's defense electronics ecosystem. The company intends to deliver ~20-25% revenue growth over the medium term while maintaining healthy margins and a net debt-free balance sheet, as part of its opening outlook commentary.
- **Amber Enterprises:** The RAC industry is expected to be flat YoY in FY26, while they expect consumer durables to grow 13-15% YoY. Industry will continue to clock a 12-15% CAGR over the next 4-5 years. Electronics division margins will be in double digits in FY27. The Railway and defense revenue is expected to double over the next two years. They acknowledged some near-term margin pressure from commodity (copper, CCL, gold) inflation but said most impacts in consumer durables are limited to about 0.25-0.5 percentage points, with pass-through typically occurring with a one-quarter lag.
- **Dixon Technologies** expects mobile phone volume to be in the range of 7.0-7.5m. Mobile exports to Motorola stood at INR40-45b in 9MFY26, which is expected to rise to INR55-60b for the full year. In IT hardware, the management is expecting revenues of around INR15b for FY26 and INR35-40b 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.

Exhibit 78: Key operating indicators

	Revenue (INR m)					EBITDA margins (%)					Adj PAT (INR m)				
	3Q	3Q	YoY	2Q	QoQ	3Q	3Q	YoY	2Q	QoQ	3Q	3Q	YoY	2Q	QoQ
	FY26	FY25	(%)	FY26	(%)	FY26	FY25	(%)	FY26	(%)	FY26	FY25	(%)	FY26	(%)
Kaynes	8,040	6,612	22	9,062	-11	14.8	14.2	60	16.3	-150	785	665	18	1,214	-35
Avalon	4,175	2,809	49	3,825	9	11.6	12.3	-80	10.1	150	328	240	37	250	31
Cyient DLM	3,033	4,442	-32	3,106	-2	10.2	8.1	210	10.0	10	147	168	-13	126	17
Syrma SGS	12,642	8,692	45	11,459	10	12.6	9.1	350	10.1	260	1,055	509	107	641	65
Data Patterns	1,731	1,170	48	3,075	-44	46.5	46.2	40	22.3	2430	583	447	31	492	19
Dixon	1,06,716	1,04,537	2	1,48,550	-28	3.9	3.7	10	3.8	10	2,873	1,712	68	6,700	-57
Amber	29,428	21,333	38	16,470	79	8.4	7.4	90	5.5	280	-69	359	NA	-69	0
Agg.	1,65,766	1,49,595	11	1,95,547	-15	6.6	5.7	100	5.4	120	5,702	4,099	39	9,353	-39
Agg. (ex. Dixon, Amber)	29,622	23,725	25	30,527	-3	14.8	12.6	220	13.2	160	2,898	2,029	43	2,722	6

Source: MOFSL, Company

Exhibit 79: Our revised EPS estimates (INR)

	Rev			Old			Change %		
	FY26	FY27	FY28	FY26	FY27	FY28	FY26	FY27	FY28
Dixon	148	190	292	146	247	322	2	-23	-9
Amber	79	138	202	81	144	215	-2	-4	-6
Kaynes	69	116	166	78	123	180	-11	-5	-8
Avalon	17	26	35	15	25	34	10	3	3
Cyient DLM	9	15	21	10	17	24	-5	-10	-11
Syrma SGS	18	25	32	15	23	31	19	5	4
Data Patterns	50	68	85	46	64	83	8	5	3

FINANCIALS – BANKS: Growth outlook improving; NIM pressures bottoming out; asset quality steady

- The banking sector posted a steady quarter, supported by stable margins, healthy loan growth and continued improvement in asset quality, with credit costs remaining well under control. Deposit growth was largely steady; however, CD ratios for most private banks moved higher as banks utilized liquidity accumulated through the CRR cut. Unsecured lending activity has revived, with early signs of easing credit costs and improving collection efficiency. MFI disbursements also began to pick up during 3QFY26. The impact of the new labor codes on the banking sector was limited, with PSU banks witnessing a minimal impact. Select banks, including HDFC and ICICI, made provisions for certain agri-PSL portfolios, in line with RBI guidance (following similar actions taken by Axis Bank in the previous quarter). Looking ahead, most banks expect healthy momentum in 4QFY26, supported by steady NIMs and improving credit cost metrics. We remain constructive on the banking sector, as we believe the positive earnings momentum is expected to continue over the coming quarters. We project sector credit growth to remain at ~12.5% YoY for FY26.
- NII for our coverage universe grew 5.2% YoY, with private banks recording 5.5% YoY growth and PSBs posting 4.8% growth. Within our coverage, all private banks reported growth in NII, barring Bandhan and IIB. NIM for HDFCB improved 8bp QoQ, whereas Federal Bank saw a 12bp QoQ expansion, led by a decline in CoF and healthy loan growth in medium- and high-yielding segments. IDFCB/INBK/UNBK reported margin expansion ahead of our expectations. We expect margins to improve further in 4Q, aided by CRR cuts, better business growth and improving credit cost metrics. Earnings growth is expected to be positive in 4QFY26, with a more meaningful rebound in FY27 as easing stress translates into lower credit costs and as margin recovery takes hold. For FY26, we forecast earnings growth of 5% YoY for our coverage universe before accelerating to 15%/18% in FY27E/28E.
- Asset quality for all banks continued to strengthen in 3QFY26, with most private banks witnessing a revival in unsecured portfolios and easing stress in MSME, even as some remain cautious on retail CV and micro-LAP. Fresh slippages improved for most banks, with better collection efficiencies in segments like MFI, although areas like micro-LAP, CV and affordable housing still require monitoring. The disciplined approach to provisioning over the last few years has resulted in high PCR, providing a significant buffer against potential future slippages. Moreover, select banks, including HDFC and ICICI, made provisions on certain agri-PSL portfolios in line with RBI

guidance. Credit costs, though still elevated for certain mid-tier private banks, have shown some improvement and are expected to moderate gradually as macro conditions strengthen and recoveries improve. The new MFIN guardrails introduced in FY26 should support more disciplined growth and aid a steady decline in delinquencies. Provision coverage ratios remained healthy across banks, and the restructured book continued its steady decline, though we remain watchful on provisioning requirements for ECL transition for select banks.

- **Private Banks – Business momentum healthy; margin witnesses some recovery:** Advances growth was healthy at 4% QoQ for our banking universe coverage. HDFCB/ICICIBC reported 3%/4% QoQ growth, while AXSB/KMB posted 4% QoQ growth each. IDFCB reported 5% QoQ growth. However, only IndusInd reported a fourth consecutive quarter of decline in advances. Deposit growth was in line with our expectations at 2% QoQ. As a result, CD ratio increased further for our private banking coverage universe. NIMs for most private banks expanded sequentially or remained stable due to better management of funding costs. However, Axis Bank saw NIM contraction due to changes in CASA mix and faster growth in corporate book.
- **Public Sector Banks – Healthy pickup in credit growth; asset quality steady:** NII for PSBs grew 3.4% QoQ, as NIMs expanded for banks like SBI and UNBK, whereas others saw contraction. SBI, UNBK and Indian Bank reported 5-6% QoQ growth in NII, while BOB posted a decline. Slippages remained well-contained for most PSBs, supported by minimal exposure to unsecured lending. The GNPA ratio improved across the board, with healthy PCR levels at ~75-90%. SMA pools also stayed under control, with no significant concerns, while restructured books continued to decline in 3Q.
- **Small Finance Banks – Asset quality broadly stable; NIMs expanded in 3Q:** AUBANK posted strong advances growth of 24% YoY/6.7% QoQ, led by growth in commercial banking and retail secured. MFI book grew by 2% QoQ, aided by improving macro conditions. Deposit growth was healthy at 23.3% YoY/4.5% QoQ. Slippages moderated during the quarter, leading to GNPA/NNPA declining to 2.3%/0.88%, while PCR slipped to 62%. NIMs expanded 25bp QoQ, led by CoF reduction, improved portfolio mix and surplus liquidity utilization. Multiple levers are aligning for AUBANK—margin expansion, credit cost normalization, Mr. Sanjay Agarwal’s term extension, universal banking license and renewed traction in the unsecured segment. Supported by consistent balance sheet growth, we expect a robust FY26-28E PAT CAGR of ~35%. EQUITASB reported 9.6% QoQ growth in advances. MFI (ex DA) grew 12% QoQ. Meanwhile, deposits grew 7% YoY (down 1% QoQ). The bank expects advances growth of 15% YoY for FY26.
- **Our view:** Buoyed by resilient margin performance and improved asset quality, we earlier raised our aggregate FY26/27 earnings estimates by ~3%/1% in 2QFY26 results. In 3QFY26, we broadly maintain our estimates. NIMs for the sector remained broadly stable, with some banks showing healthy expansion. Slippages remained under control as most banks witnessed easing stress in unsecured portfolios. We factor in a calibrated expansion in margins over the coming quarters as we remain watchful of further cuts in repo rates. Credit costs have started to ease and are expected to fall further in 4Q, led by new MFIN guardrails, steady portfolio diversification and early signs of stabilization. Steady traction across RAM segments has helped PSBs sustain healthy credit momentum, while asset quality ratios continue to strengthen. With lower credit costs and stable-to-improving NIMs, the earnings outlook remains robust. Over FY26-28, we project an aggregate earnings CAGR of 21% for private banks and 11% for PSBs. For our overall coverage universe, we estimate a 16% earnings CAGR. **Our preferred picks** are ICICIBC, HDFCB, AUBANK and SBIN.
- **Surprises: AXSB and SBIN**
- **Misses: PNB and BOB**

Guidance highlights

- **HDFCB** expects loan growth to outpace system growth in FY27, with LDR projected to trend below the 90% mark by FY27. The bank will continue to expand its branch network, albeit at a moderated pace, with new branches contributing nearly 20% of incremental deposit accretion. On the liability side, institutional deposits registered mid-single-digit growth, while non-individual deposits grew at a higher single-digit pace and individual branch-sourced deposits delivered strong double-digit growth, reflecting improving franchise traction.

- **ICICIB** created INR12.8b of provisions after identifying certain agricultural loan exposures as not fully compliant with PSL classification norms, with the underlying affected portfolio estimated at INR200-250b. Loan growth momentum has strengthened meaningfully during the quarter, which is expected to sustain in 4QFY26. The board has approved a two-year extension for CEO Mr. Sandeep Bakhshi following its consultation process.
- **KMB** indicated that a 25bp rate cut will be fully transmitted in 4Q, with TD repricing moderating and CRR cuts providing a full-quarter benefit, supporting NIM stability with gradual improvement from 1QFY27 onward. Reported NIMs were temporarily impacted by IPO-related surplus liquidity, even as unsecured lending grew gradually in line with its strategy. The bank remained cautious in the retail CV segment.
- **AXSB** has reiterated its through-cycle NIM guidance of ~3.8%, underscoring confidence in margin resilience across interest rate cycles. The bank continues to target loan growth of ~300bp above industry levels while adhering to the RaRoC-led underwriting framework. Encouragingly, unsecured disbursements, which had moderated earlier, are now seeing a recovery in traction. Meanwhile, staff costs declined during the quarter, supported by reversals of provisions that were no longer payable.
- **SBIN** has upgraded its 4QFY26 credit growth guidance to 13-15% (from 12-14%). NIM guidance for FY26 stands at 3%+ and long-term visibility remains unchanged. The bank aims to maintain a cost-to-income ratio at ~50%.
- **BOB** has given credit growth guidance of 11-13% and deposit growth guidance of 9-11% while lowering credit cost guidance to below 60bp (from 75bp earlier). BOB continues to operate comfortably at an elevated CD ratio of ~82-84% domestically and ~86-88% internationally while maintaining a steady NIM outlook in the 2.85-3.0% range.

Exhibit 80: PAT for banking coverage universe grew 9.4% YoY/9.5% QoQ

	Rating	NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
		Dec'25	YoY (%)	QoQ (%)	Dec'25	YoY (%)	QoQ (%)	Dec'25	YoY (%)	QoQ (%)
Financials										
AU Small Finance	Buy	23,413	15.7	9.2	12,153	0.9	0.5	6,677	26.3	19.0
Axis Bank	Neutral	1,42,866	5.0	3.9	1,08,757	3.2	4.4	64,896	2.9	27.5
Bandhan Bank	Buy	26,883	-5.0	3.9	14,450	-28.5	10.3	2,056	-51.8	83.8
DCB Bank	Buy	6,247	15.1	4.8	3,228	19.1	6.2	1,847	22.0	0.5
Equitas Small Finance	Buy	8,516	4.1	10.1	3,072	-7.7	27.7	900	35.8	273.1
Federal Bank	Buy	26,527	9.1	6.3	17,293	10.2	5.2	10,412	9.0	9.0
HDFC Bank	Buy	3,26,150	6.4	3.4	2,70,978	8.4	-3.0	1,86,538	11.5	0.1
ICICI Bank	Buy	2,19,322	7.7	1.9	1,73,560	2.8	0.3	1,13,179	-4.0	-8.4
IDFC First Bank	Neutral	54,924	12.0	7.4	20,334	15.6	8.2	5,025	48.1	42.6
IndusInd Bank	Neutral	45,617	-12.7	3.5	22,696	-37.0	10.9	1,279	-90.9	-129.3
Kotak Mahindra Bank	Buy	75,646	5.1	3.5	53,798	3.8	2.1	34,461	4.3	5.9
RBL Bank	Buy	16,572	4.6	6.9	9,124	-8.4	25.3	2,139	555.5	19.8
Banks – Private		9,72,683	5.5	3.7	7,09,443	2.3	1.0	4,29,409	2.1	4.0
Bank of Baroda	Neutral	1,18,004	3.4	-1.3	73,771	-3.7	-2.6	50,546	4.5	5.1
Canara Bank	Buy	92,523	1.1	1.2	91,195	16.4	6.2	51,551	25.6	8.0
Indian Bank	Buy	68,956	7.5	5.3	50,236	5.8	3.9	30,615	7.3	1.4
Punjab National Bank	Buy	1,05,326	-4.5	0.6	74,809	13.0	3.5	51,002	13.1	4.0
State Bank of India	Buy	4,51,904	9.0	5.1	3,28,624	39.5	20.3	2,10,281	24.5	25.4
Union Bank	Neutral	93,279	0.9	5.9	69,416	-7.3	1.9	50,168	9.0	18.1
Banks – PSU		9,29,992	4.8	3.4	6,88,050	18.8	10.3	4,44,163	17.5	15.3
Total Banks		19,02,675	5.2	3.6	13,97,493	9.8	5.4	8,73,572	9.4	9.5
SBI Cards	Neutral	17,513	11.5	1.2	19,713	7.7	4.2	5,566	45.2	25.2
PAYTM	Neutral	21,940	20.0	6.4	1,560	NA	-11.9	2,250	NA	6.6

SBI 2QFY26 PAT excludes exceptional item*
Company

Source: MOFSL,

Exhibit 81: Margin trend across key banks under our coverage

NIM (%)	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	YoY (bp)	QoQ (bp)
AXSB	3.99	3.93	3.97	3.8	3.73	3.64	-29	-9
HDFCB	3.46	3.43	3.54	3.35	3.27	3.35	-8	8
ICICIBC	4.27	4.25	4.41	4.27	4.3	4.3	5	0
IDFCFB	6.18	6.04	5.95	5.71	5.59	5.76	-28	17
IIB	4.08	3.93	2.25	3.46	3.32	3.52	-41	20
KMB	4.91	4.93	4.97	4.65	4.54	4.54	-39	0
FB	3.12	3.11	3.12	2.94	3.06	3.18	7	12
BoB	3.1	2.94	2.98	2.91	2.96	2.79	-15	-17
CBK	2.86	2.71	2.73	2.55	2.5	2.45	-26	-5
PNB	2.92	2.93	2.81	2.7	2.6	2.52	-41	-8
SBIN	3.14	3.01	3	2.9	2.97	2.99	-2	2
UNBK	2.9	2.91	2.87	2.76	2.67	2.76	-15	9
INBK	3.49	3.57	3.48	3.35	3.34	3.28	-29	-6
AUBANK	6.05	5.9	5.8	5.4	5.5	5.7	-20	20
RBK	5.04	4.9	4.89	4.5	4.51	4.63	-27	12
BANDHAN	7.4	6.9	6.7	6.4	5.8	5.9	-100	10
DCBB	3.27	3.3	3.29	3.2	3.23	3.27	-3	4
EQUITAS	7.69	7.39	7.13	6.55	6.29	6.72	-67	43

Exhibit 82: Overall business momentum is improving, with CASA ratio remaining under pressure

INR b	Loans			Deposits			CASA ratio (%)		
	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)
AUBANK	1,234	24.0	6.7	1,384	23.3	4.5	29.0	(160)	(40)
AXSB	11,591	14.2	3.8	12,608	15.0	4.8	39.0	-	(100)
BANDHAN	1,411	10.8	4.8	1,567	11.1	(0.9)	27.3	(447)	(70)
BoB	13,251	15.1	5.3	15,467	10.3	3.1	38.5	(88)	3
CBK	11,728	14.6	3.8	15,213	12.9	1.4	29.5	(48)	(117)
DCBB	566	18.5	6.8	678	19.5	4.6	22.8	(232)	(75)
FB	2,556	10.9	4.5	2,978	11.8	3.1	32.1	191	106
HDFCB	28,214	12.0	2.7	28,601	11.6	2.1	33.6	(39)	(27)
ICICIBC	14,662	11.5	4.1	16,596	9.2	2.9	40.2	(27)	(63)
IDFCFB	2,700	21.0	5.0	2,911	22.9	5.2	51.6	390	150
IIB	3,175	(13.5)	(2.6)	3,938	(3.8)	1.1	30.2	(464)	(50)
INBK	6,255	15.4	3.4	7,909	12.6	1.8	37.4	(94)	21
KMB	4,807	16.1	3.9	5,426	14.6	2.6	41.3	(100)	(100)
PNB	11,962	11.8	5.5	16,603	8.5	2.7	37.1	(102)	(19)
RBK	1,031	14.0	2.5	1,197	12.1	2.6	30.9	(192)	(98)
SBIN	46,277	15.6	6.1	57,013	9.0	2.0	39.1	(7)	(50)
UNBK	9,909	7.7	4.5	12,229	3.4	(1.0)	34.0	53	140

Exhibit 83: Asset quality ratios improved overall for banks

Asset quality (%)	2QFY26 (%)			3QFY26 (%)			QoQ change (bp)		
	GNPA	NNPA	PCR	GNPA	NNPA	PCR	GNPA	NNPA	PCR
AUBANK	2.41	0.88	64.2	2.30	0.88	62.1	(11)	-	(207)
AXSB	1.46	0.44	70.5	1.40	0.42	70.0	(6)	(2)	(48)
BANDHAN	5.02	1.37	73.7	3.33	0.99	70.8	(169)	(38)	(290)
BoB	2.16	0.57	74.1	2.04	0.57	72.2	(12)	-	(192)
CBK	2.35	0.54	77.4	2.08	0.45	78.6	(27)	(9)	118
DCBB	2.91	1.21	59.2	2.72	1.10	60.3	(19)	(11)	111
FB	1.83	0.48	74.3	1.72	0.42	76.0	(11)	(6)	169
HDFCB	1.24	0.42	66.6	1.24	0.42	65.9	-	-	(68)
ICICIBC	1.58	0.39	75.6	1.53	0.37	75.9	(5)	(2)	31
IDFCFB	1.86	0.52	72.2	1.69	0.53	69.1	(17)	1	(313)
IIB	3.60	1.04	71.8	3.56	1.04	71.5	(4)	-	(28)
INBK	2.60	0.16	93.9	2.23	0.15	93.2	(37)	(1)	(69)
KMB	1.39	0.32	77.0	1.30	0.31	76.3	(9)	(1)	(67)
PNB	3.45	0.36	90.0	3.19	0.32	90.2	(26)	(4)	23
RBK	2.32	0.57	75.9	1.88	0.55	71.1	(44)	(2)	(483)
SBIN	1.73	0.42	75.8	1.57	0.39	75.5	(16)	(3)	(25)
UNBK	3.29	0.55	83.8	3.06	0.51	83.6	(23)	(4)	(16)

Source: MOFSL, Company

Exhibit 84: Snapshot of the restructured books across banks (%)

INR b	Absolute	Restructured book								
		Dec'23	Mar'24	Jun'24	Sep'24	Dec'24	Mar'25	Jun'25	Sep'25	Dec'25
AXSB	10.7	0.18	0.16	0.14	0.13	0.12	0.12	0.11	0.10	0.09
DCBB	7.4	3.00	2.62	2.34	2.07	1.81	1.60	1.51	1.39	1.23
ICICIBC	16.2	0.29	0.26	0.22	0.20	0.16	0.15	0.13	0.12	0.11
IIB	2.6	0.48	0.40	0.34	0.29	0.18	0.12	0.10	0.08	0.07
KMB	NA	0.13	0.10	0.08	0.06	0.05	0.05	NA	NA	NA
FB	12.1	1.10	0.97	0.83	0.71	0.68	0.61	0.55	0.49	0.45
RBK	NA	0.63	0.51	0.44	0.38	0.32	0.29	0.29	NA	NA
AUBANK	2.3	0.70	0.60	0.40	0.40	0.30	0.30	0.30	0.20	0.20
SBIN	NA	0.54	0.47	0.38	0.38	0.34	0.31	0.31	NA	NA
INBK	43.5	1.93	1.67	1.51	1.34	1.23	0.85	0.85	0.72	0.66
UNBK	80.5	1.57	1.48	1.30	1.21	1.08	0.91	0.91	0.83	0.77

Exhibit 85: We broadly maintain our earnings estimates for the sector

PAT (INR b)	Old estimates			Revised estimates			Change (%)		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Private Banks									
AXSB	244.8	308.8	368.8	242.6	306.8	370.5	-0.9%	-0.7%	0.5%
BANDHAN	13.7	28.4	36.8	15.8	29.4	37.9	15.2%	3.4%	3.0%
DCBB	7.6	9.6	12.0	7.6	9.5	11.6	-0.6%	-1.5%	-3.4%
HDFCB	749.9	861.7	1,019.2	751.0	837.1	990.6	0.1%	-2.9%	-2.8%
ICICIBC	511.8	580.5	675.2	518.4	589.1	682.0	1.3%	1.5%	1.0%
IDFCFB	20.8	42.2	62.3	21.9	45.3	66.1	5.1%	7.4%	6.2%
IIB	5.8	34.1	51.5	10.7	38.8	57.3	84.6%	13.8%	11.2%
KMB	140.4	165.6	200.3	140.6	167.3	202.2	0.2%	1.0%	0.9%
FB	38.7	50.8	64.0	40.2	51.6	66.5	3.9%	1.6%	3.9%
RBK	9.6	27.8	41.7	10.2	22.7	31.3	6.6%	-18.3%	-25.0%
AUBANK	26.0	35.6	47.0	26.2	35.5	46.9	0.8%	-0.2%	-0.2%
EQUITASB	0.2	6.7	10.0	0.2	6.5	10.3	18.7%	-3.3%	3.0%
Total Private Banks	1,769.3	2,151.9	2,588.7	1,785.4	2,139.5	2,573.2	0.9%	-0.6%	-0.6%
YoY growth (%)	3.0%	21.6%	20.3%	3.9%	19.8%	20.3%			
PSU Banks									
BOB	195.7	205.6	233.7	192.7	213.8	249.5	-1.5%	4.0%	6.8%
CBK	190.2	196.8	222.9	194.1	207.6	232.6	2.1%	5.5%	4.4%
INBK	123.2	131.5	146.2	125.5	129.9	144.5	1.8%	-1.2%	-1.2%
PNB	164.2	220.3	265.1	165.7	217.6	253.5	0.9%	-1.2%	-4.4%
SBIN	774.5	833.7	939.7	759.7	824.6	929.1	-1.9%	-1.1%	-1.1%
UNBK	163.8	171.7	192.7	167.9	183.4	209.9	2.5%	6.8%	8.9%
Total PSU Bank	1,611.6	1,759.7	2,000.3	1,605.6	1,777.0	2,019.2	-0.4%	1.0%	0.9%
YoY growth (%)	5.3%	9.2%	13.7%	4.9%	10.7%	13.6%			
Total for Banks	3,380.9	3,911.5	4,589.0	3,391.0	3,916.5	4,592.4	0.3%	0.1%	0.1%
YoY growth (%)	4.1%	15.7%	17.3%	4.4%	15.5%	17.3%			
Other Financials									
SBICARD	22.2	32.5	39.7	23.6	33.6	41.6	6.3%	3.4%	4.9%
PAYTM	6.7	13.0	20.1	5.6	8.9	17.4	-16.7%	-31.5%	-13.8%

FINANCIALS – NBFC: Mixed loan growth trends; asset quality stable with an improvement bias

- NBFCs delivered a mixed performance in 3QFY26 across loan growth, with signs of demand revival visible in vehicle finance (post-GST rate cut) and unsecured lending, while housing financiers continued to see relatively weaker loan growth due to intense pricing competition from banks, resulting in higher portfolio attrition. Asset quality trends were broadly stable with an improvement bias reflected in early delinquencies, overall collection efficiencies, and improvement in stage 2. NBFCs (incl. HFCs) under our coverage reported AUM growth of ~16% YoY in 3QFY26. Vehicle financiers (VFs) clocked AUM growth of 16% YoY. Large HFCs (PNBHF, LICHF, and BAJAJHFL) grew 11% YoY; affordable and small-ticket HFCs reported ~13% YoY growth; NBFC-MFIs' AUM declined ~16% YoY (grew 1% QoQ), and gold loan NBFCs' AUM rose ~52% YoY (driven by strong gold loan growth in both MUTH and MGFL). For our coverage of NBFCs, NII/PPoP/PAT grew 19%/18%/24% YoY.

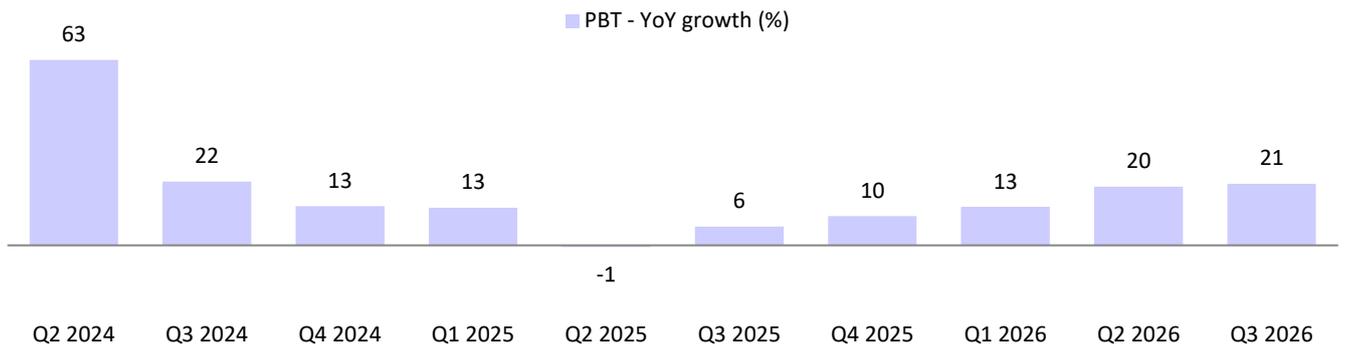
- For HFCs (including affordable HFCs), NIM trends were mixed during the quarter. Even among the large HFCs, margin trajectories were divergent, with BHFL reporting stable NIMs, LICHF seeing a ~5bp sequential improvement, while PNBHF reported a ~5bp decline, driven by lower disbursement yields amid heightened competition in a declining interest-rate environment. In contrast, affordable HFCs reported margin expansion, supported by a decline in borrowing costs. HomeFirst reported NIM expansion of ~45bp QoQ (primarily due to a decline in leverage), while Aavas and Repco also recorded a sequential expansion in NIM. Most NBFCs reported a decline in their cost of funds, aided by the repricing of EBLR-linked borrowings and the very gradual pass-through of MCLR cuts from banks. However, NBFCs acknowledged that they have started seeing some hardening of yields in the bond markets.
- For vehicle financiers, asset quality remained broadly stable with a mild improvement bias. This was supported by healthy monsoons and higher vehicle utilization rates, which translated into better rural cash flows and improved repayment capacity across borrower segments. Affordable HFCs reported broadly stable asset quality, with no incremental stress observed in tariff-affected regions, resulting in benign credit costs during the quarter.
- NBFC-MFIs continued to report a broad-based improvement in PAR across key geographies, including Karnataka. On a sequential basis, credit costs moderated, supported by sustained collection efforts and a decline in fresh PAR accretion. Collection efficiency improved further, and forward-flow rates declined, with this positive trend extending into Jan'26. MFIs also indicated that loans originated under the revised MFIN guardrails are showing materially stronger collection performance, and as this book becomes a larger share of the portfolio, further improvement in PAR and credit costs is expected over the coming quarters.
- **HFCs/AHFCs – competitive intensity remains high; weak loan growth but asset quality stable:** Demand trends during the quarter remained subdued, primarily due to heightened competitive intensity from banks. In the prime housing segment, HFCs faced aggressive pricing competition from banks, leading to higher portfolio attrition through BT-Outs. Asset quality remained broadly stable during the quarter. Margin trends were mixed across large HFCs, while affordable HFCs reported margin expansion. However, yields came under pressure due to lower disbursement yields driven by heightened competitive intensity and PLR cuts implemented by large HFCs in the previous quarter. In addition, affordable HFCs have announced PLR cuts effective from 4QFY26 to pass on the benefit of lower funding costs and have also seen rising competitive intensity, which has further weighed on new business yields.
- **Vehicle financiers – Strong traction in PV/2W/Tractors from GST cuts; asset quality broadly stable:** Demand across vehicle categories remained strong, with healthy traction in PV, CVs (especially LCVs and SCVs), tractors, and two-wheelers, driven by pent-up demand, GST cuts, and the festive season. Lenders also shared that this demand has sustained in Jan'26 as well, albeit at slightly moderated levels compared to the festive quarter. However, vehicle disbursement growth was somewhat tempered by lower vehicle prices following the GST cut. Used vehicle demand was slightly subdued as both lenders and borrowers adopted a wait-and-watch stance amid a decline in used vehicle prices; however, demand has rebounded since Dec'25/Jan'26. Asset quality remained broadly stable with a slight improvement bias, reflected in lower Stage 2 assets, higher collection efficiencies, and reduced slippages, supported by healthy monsoons and improved utilization levels during the quarter. Disbursements grew 12% YoY/19% QoQ for the three VFs in our coverage universe. While SHFL and CIFC have a diversified AUM mix, we have classified them under VFs for this exercise. All three vehicle financiers reported sequential margin expansion, driven by a decline in the cost of funds. For SHFL, the reduction in surplus liquidity also aided in NIM expansion, which is likely to continue in 4QFY26 as well.
- **Diversified financiers – Pickup in unsecured loan disbursements; Stress persists in micro-LAP <INR500K ticket size; Asset quality broadly stable across other segments:** Diversified NBFCs reported stable credit costs sequentially, although stress persisted in the small-ticket LAP and unsecured MSME segments. However, early signs of improvement were visible across most of the unsecured product segments, including unsecured MSME, with lenders highlighting further improvement over the next two quarters. Diversified lenders are now showing increased conviction in scaling up their personal loan business, with a clear shift toward prime and near-prime customers, higher ticket sizes, and borrowers with strong CIBIL scores, reflecting a more risk-calibrated approach

to growth. Asset quality across most product segments (except small-ticket LAP) remained broadly stable over the quarter.

- **Gold financiers – Robust gold loan growth driven by higher gold prices and credit rationing in unsecured segments:** Demand for gold loans remained strong during the quarter. This was primarily driven by lower availability of MFI/Unsecured loans and a steady rise in gold prices over the past year. MUTH/MGFL reported ~50%/58% YoY growth in gold loans in 3QFY26. For Asirvad, while losses have reduced sequentially due to moderation in credit costs, MFI AUM continued to witness a rundown. MGFL reported a decline in its gold loan yields as part of its strategy to realign pricing in line with other gold loan NBFC peers. Meanwhile, Muthoot reported stable NIMs, supported by higher recoveries from legacy NPAs, auctions, and ARC sales.
- **Microfinance (MFIs) – Sequential Loan book growth expected for all NBFC-MFIs from 4Q onwards; credit costs declined sequentially, driven by an improvement in PAR rates:** NBFC-MFIs reported continued improvement in PAR and overall asset quality during the quarter, with the positive trend further strengthening in Jan'26. Disbursement momentum for MFI lenders is likely to improve going forward, as new loans originated under the MFIN guardrails are demonstrating strong collection performance, translating into lower incremental PAR accretion. NBFC-MFIs are focusing on portfolio diversification, aided by the recent regulatory change of lowering the qualifying asset requirement to ~60%, which provides a supportive framework. AUM for CREDAG grew at a modest 3% QoQ, while for Fusion and Spandana, AUM continued to report a minor QoQ decline due to disbursements lagging the rundowns, alongside elevated technical write-offs. Reported NIM also expanded for MFIs due to a reduction in interest income reversals, driving improvement in overall yields.
- **Power financiers – Muted loan growth; Asset quality improves, driven by the resolution of stressed assets:** PFC and REC posted a muted performance in the quarter, with loan growth remaining subdued. Loan growth came in at ~13% YoY for PFC and about ~3% YoY for REC. NIMs rose by ~15bp for PFC, while they declined by ~10bp for REC, while asset quality improved during the quarter, driven by the resolution of stressed assets (TRN energy for PFC and Repayments from Kaleshwaram and the resolution of Bhadreshwar Vidyut for REC).
- **Our view:** NBFCs reported a steady 3QFY26, with improving disbursements and broadly stable asset quality supported by festive demand, healthy rural cashflows, and better lender confidence in borrowers' ability to repay. While lower funding costs are positive, intense competition in secured retail segments like housing and gold loans is limiting yield and margin expansion. Asset quality showed a mild improvement bias, though pockets of stress remain in small-ticket MSME and micro-LAP, while MFIs and other unsecured segments improved on better collections and improved underwriting. **Our preferred ideas are SHFL, PNBHF, LTFH, and AB Capital.**
- **Positive Surprises:** Muthoot, MMFS, and ABCL
- **Misses:** BAF, PNBHF, Poonawalla, and Spandana
- **Rating Change:** NA

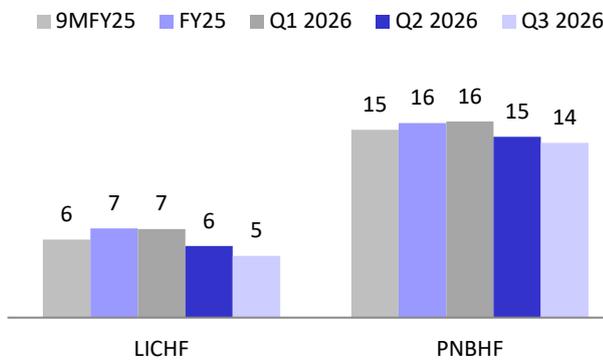
Guidance highlights: a) CIBC reiterated its AUM growth guidance of 20-22% for FY26; b) MUTH has revised its gold loan growth guidance to 45% (from the earlier 30-35%), and it expects NIM to sustain at current levels; c) BAF guided for AUM growth of ~22-23% in FY26, driven by a slowdown in the MSME business and winding down of the captive 2W/3W finance book. The company guided for FY27 credit costs of ~165-175bp (including higher provisions from increase in PCR); d) PNBHF guided for retail loan growth of ~17-18%, with a clear strategic focus on affordable and emerging segments and e) NBFC-MFIs witnessed improvements in collection efficiencies and guided for moderation in credit costs and a resumption of AUM growth from 4QFY26 onwards.

Exhibit 86: PBT grew 21% YoY and 2% QoQ for our NBFC coverage universe*



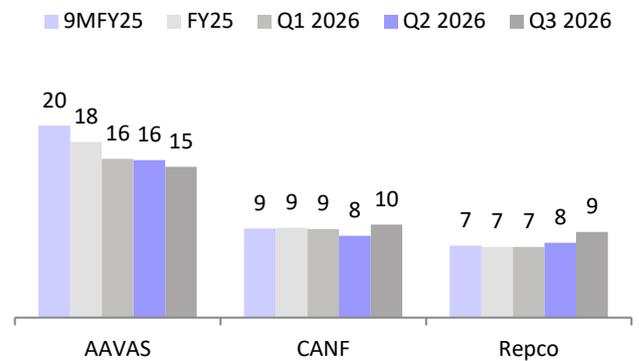
Source: MOFSL, Company, *MOFSL universe excl. Indostar

Exhibit 87: LICHF loan growth has lagged the industry, while PNBHF retail loan growth was slightly muted due to intense competition



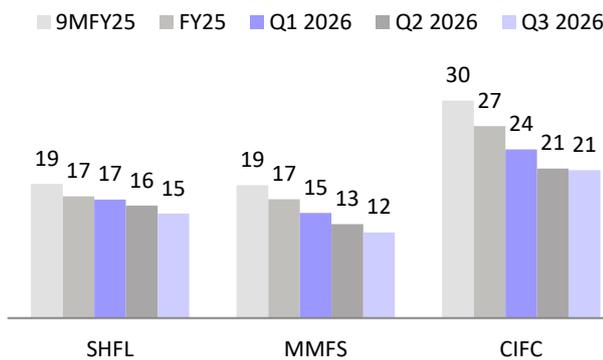
Source: MOFSL, Company;
Note: YoY AUM growth for large HFCs

Exhibit 88: Loan growth was broadly stable across all affordable HFCs during the quarter



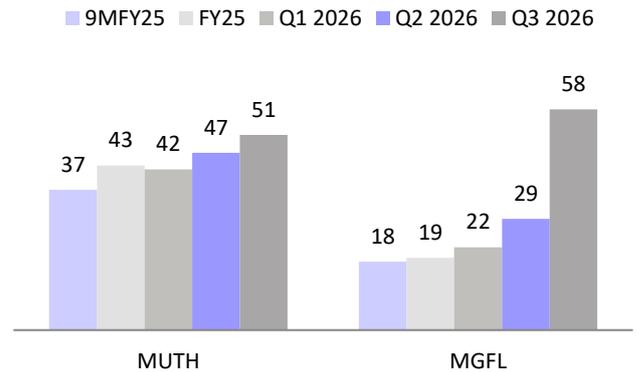
Source: MOFSL, Company;
Note: YoY AUM growth for affordable housing financiers

Exhibit 89: AUM growth for VFs was broadly stable; however, signs of demand revival were visible across all segments



Source: MOFSL, Company
Note: YoY AUM growth for vehicle financiers

Exhibit 90: Gold loan growth remained strong, aided by higher gold prices and lower availability of unsecured loans



Source: MOFSL, Company
Note: YoY AUM growth for gold financiers

Exhibit 91: PAT grew 24% YoY for our NBFC coverage universe*

INR m	NII			PPOP			PAT			NIM		
	3QFY26	YoY (%)	QoQ (%)	2QFY26	YoY (%)	QoQ (%)	2QFY26	YoY (%)	QoQ (%)	2QFY26	YoY (bp)	QoQ (bp)
AAVAS	2,993	18	4	2,272	16.8	3.6	1,700	16.1	3.7	7.1	30	4
ABCAP (NBFC)	21,277	23	7	14,587	22.3	9.2	7,720	28.7	8.1	5.9	-1	2
ABCAP (HFC)	4,720	63	12	2,570	112.7	15.8	2,290	108.5	18.0	4.1	7	11
BAF	1,13,178	21	5	90,543	16.0	2.0	40,660	-5.6	-17.8	9.6	-16	2
Bajaj Housing Finance	9,638	20	1	9,209	23.0	4.4	6,649	21.3	3.4	4.0	-	-
CANF	4,210	22	4	3,511	20.5	4.9	2,648	24.8	5.3	4.2	45	6
CIFC	35,808	24	6	26,432	24.2	7.5	12,877	18.5	11.5	7.0	18	8
Fivestar	6,073	12	2	4,259	9.7	-1.6	2,770	1.2	-3.2	18.8	-71	7
HomeFirst	2,347	44	14	1,970	41.1	4.5	1,402	44.0	6.3	6.5	82	48
HDB Financial	22,850	22	4	15,725	23.2	2.7	6,439	36.3	10.7	8.1	63	14
IIFL Finance	15,822	28	10	10,626	79.3	0.5	4,643	1,038.3	23.4	3.1	-37	-1
LTHF	28,753	14	6	17,435	18.0	6.7	7,380	18.0	0.4	10.4	-36	7
LICHF	21,017	5	3	18,961	8.4	1.2	13,840	-3.4	2.2	2.7	-1	6
MMFSL	23,045	21	9	15,403	26.1	2.8	8,104	-9.9	42.4	7.2	48	42
MASFIN	1,701	14	3	1,623	17.4	3.1	903	15.6	0.7	7.8	60	9
MGFL	12,989	-18	-6	6,569	-29.4	-2.1	2,385	-14.3	9.8	10.8	-365	-161
Muthoot	44,671	64	12	36,925	79.3	13.1	26,564	94.9	13.3	13.2	133	4
PIEL	10,839	31	6	5,041	-29.4	16.5	4,010	940.0	22.6	7.1	-	-
PNBHF	7,666	11	2	6,279	8.4	-2.9	5,204	7.7	-10.5	3.6	-7	-4
PFL	9,209	50	20	5,277	38.4	36.5	1,502	-	102.5	7.6	-25	-15
REPCO	2,082	5	3	1,334	-7.6	-5.4	1,088	2.1	1.7	5.6	-10	10
SHFL	65,740	18	9	46,705	14.3	5.2	25,217	21.2	9.4	9.2	19	47
CREDAG	9,756	13	4	6,805	9.2	-2.1	2,521	-353.3	100.4	13.9	140	60
FUSION	2,394	7	-3	936	44.5	5.1	141	-102.0	-163.5	11.3	242	47
SPANDANA	1,164	-57	11	-670	-185.4	-2.8	-950	-78.4	-61.9	13.1	4	230
PFC	56,065	19	6	59,625	15.7	3.1	47,633	14.6	6.8	3.9	13	15
REC	52,755	3	-3	52,274	4.1	-8.1	40,431	0.3	-8.6	3.6	-6	-9
Total	5,88,762	19	5	4,62,226	17.6	3	2,75,771	24	3			

Source: MOFSL, Company, *MOFSL universe excl. Indostar

Exhibit 92: Advances/AUM growth

INR b	Advances/AUM		
	3QFY26	YoY (%)	QoQ (%)
AAVAS	222	15.4	4.0
ABCAP (NBFC)	1,482	24.1	6.2
ABCAP (HFC)	422	58.0	10.3
BAF	4,845	21.7	4.8
Bajaj housing finance	1,334	23.2	5.3
CANF	407	9.5	2.6
CIFC	2,107	20.7	5.8
Fivestar	130	16.0	0.9
HomeFirst	149	24.9	5.3
HDB Financial	1,146	12.2	2.8
IIFL Finance	983	37.7	9.1
LTHF	1,143	20.1	6.7
LICHF	3,143	5.1	0.8
MMFSL	1,290	12.0	1.4
MASFIN	138	18.0	6.0
MGFL	522	18.1	13.8
Muthoot	1,476	51.4	11.5
PIEL	967	23.4	5.7
PNBHF	822	14.3	3.0
PFL	550	77.6	15.3
REPCO	154	8.8	2.4
SHFL	2,917	14.6	3.7
CREDAG	266	7.1	2.6
FUSION	69	-35.1	-2.3
SPANDANA	39	-55.8	-3.4
PFC	5,696	13.1	1.5
REC	5,818	2.9	-0.1
Total	38,236	15.6	3.7

Source: MOFSL, Company

Exhibit 93: Asset quality snapshot

Asset quality (%)	As on 2QFY26 (%)			As on 3QFY26 (%)			QoQ change (bp)		
	GNPA	NNPA	PCR	GNPA	NNPA	PCR	GNPA	NNPA	PCR
AAVAS	1.2	0.9	31.9	1.2	0.8	33.9	-5	-6	202
ABCAP (NBFC)	1.7	0.9	46.0	1.5	0.8	44.3	-17	-7	-170
ABCAP (HFC)	0.6	NA	NA	0.5	NA	NA	-7	-	-
BAF	1.24	0.6	51.8	1.21	0.5	61.3	-2	-13	956
Bajaj Housing	0.26	0.1	55.7	0.27	0.1	58.8	1	-1	312
CANF	0.9	0.5	48.8	0.9	0.5	46.6	-2	-1	-214
CIFC	3.4	1.9	43.2	3.4	2.0	43.0	1	1	-20
HomeFirst	1.9	1.5	21.0	2.0	1.6	22.0	12	7	99
HDB Financial	2.8	1.3	54.7	2.8	1.3	55.6	0	-3	85
IIFL Finance	2.1	1.0	52.8	1.6	0.8	53.2	-54	-22	40
LTFH	3.3	1.0	70.3	3.2	0.9	71.9	-10	-6	165
LICHF	2.5	1.2	53.1	2.5	1.1	54.5	-6	-6	143
MMFSL	3.9	1.9	53.0	3.8	1.8	53.0	-14	-7	2
MASFIN	2.5	1.7	41.3	2.6	1.7	39.9	3	3	-137
MGFL	3.0	2.6	NA	2.6	2.2	NA	-40	-40	-
Muthoot	2.3	NA	NA	1.6	NA	NA	-67	-	-
PIEL	2.4	1.8	29.4	2.5	1.8	27.9	3	6	-158
PNBHF	1.0	0.7	34.2	1.0	0.7	34.7	0	-1	52
PFL	1.6	0.8	49.7	1.5	0.8	47.8	-8	-1	-190
REPCO	3.2	1.5	52.5	2.9	1.4	52.7	-24	-12	12
SFL	4.6	2.5	46.7	4.5	2.4	48.8	-3	-11	207
CREDAG	3.7	1.3	66.3	4.0	1.4	67.2	39	10	90
FUSION	4.6	0.4	92.1	4.4	0.6	86.3	-24	25	-592
SPANDANA	5.6	1.3	79.3	4.2	1.0	78.6	-138	-30	-65
PFC	1.9	0.4	80.2	1.6	0.3	84.2	-23	-11	403
REC	1.1	0.2	77.1	0.9	0.2	77.0	-18	-4	-9

Source: MOFSL, Company

FINANCIALS – CAPITAL MARKETS AND INSURANCE: Capital market players see a sequential recovery; mid-teen premium growth for general insurers; VNB margins expand for life insurers

- Sequential growth in retail participation; MTF book continues to expand:** Capital market activity saw a sequential growth in 3QFY26, driven by a 3% QoQ rise in Cash ADTO and an 18% QoQ increase each in F&O and Option Premium ADTO. Demat account additions improved to 8.9m in 3QFY26 from 7.9m in 2QFY26, indicating a gradual pickup in investor participants. ANGELONE continues to witness a sequential revenue recovery, with F&O regulations impact (in 4QFY25) largely being absorbed, driven by 7% QoQ growth in F&O orders, 24% QoQ growth in commodity activity, and a continued expansion in the MTF book. GROWW witnessed strong revenue growth during the quarter, supported by the launch of the commodities segment and MTF book expansion.
- Premium-to-notional turnover ratio improves for exchanges; commodity sees a strong surge:** Strong growth in the premium turnover market share (27.7% in Dec'25 vs 14.6% in Dec'24)—driven by an improving premium-to-notional turnover ratio and increased non-expiry day trading activity—significantly boosted BSE's top line and profitability. Star MF continued to report healthy performance, marking a 14%/4% YoY/QoQ growth in revenue led by increased orders. The **commodities** market witnessed strong volume growth, led by rising precious metal prices, which drove robust revenue growth for MCX. Options ADT surged 3.3x YoY in 3QFY26, largely supported by a 2.2x/1.3x YoY growth in bullion/energy contracts. Futures ADT rose 3x YoY, fueled by 2.1x YoY growth in bullion contracts, while energy/base metals grew 1.5x/2.4x YoY.
- AMCs reported strong SIP inflows; other income rose sequentially:** MF industry QAAUM rose 5% QoQ to INR81t at the end of Dec'25, driven by robust SIP flows, with equity QAAUM share stable QoQ at 57.6% (vs. 57.5% in Sep'25). SIP inflows remained robust at INR900b in 3QFY26 (vs INR861b in 2Q), including a record INR310b in Dec'25, and **AMCs** expect this momentum to sustain. Yields marginally softened across AMCs, RTAs, and distributors, largely due to telescopic pricing. Other income rose sequentially for most players owing to a favorable market environment, resulting in MTM gains. **Depository** revenue declined sequentially, impacted by

seasonality. The **wealth management** sector witnessed healthy flows during the quarter with the cost-to-income ratio improving, while yields remained broadly stable.

- **Strong double-digit growth for most players; rising contribution of traditional products:** Private life insurance players reported strong premium growth backed by GST exemption as well as recovery in the ULIP momentum. The rising contribution of protection, higher sum assured, and improved rider attachment continue to support VNB margins across the industry, offset by the impact from the loss of input tax credit. IPRULIFE/HDFCLIFE/CANHLIFE/SBILIFE/MAXLIFE/LIC reported an APE growth of 4%/11%/37%/24%/30%/50%. VNB margins for IPRULIFE/CANHLIFE/MAXLIFE/LIC expanded 320bp/280bp/90bp/180bp, while for HDFCLIFE/SBILIFE contracted 210bp/30bp YoY. While GST exemption has aided volumes, insurers continue to guide for some profitability impact from the loss of input tax credit, which has been mitigated to some extent through cost optimization, product mix actions, and distributor renegotiations.
- **GST exemption boosts premium growth for general insurers:** The general insurance industry's growth rate in 3QFY26 recovered to mid-teens, led by a sharp acceleration in retail health insurance following the GST exemption and a modest improvement in the motor insurance growth on the back of stronger vehicle sales post GST rationalization. ICICIGI witnessed growth recovery in 3QFY26, backed by strong underlying demand in motor and health, with NEP growth of 13% YoY. The claims ratio remains elevated YoY with heightened competitive intensity in motor. STARHEAL/NIVA BUPA witnessed strong fresh business growth owing to GST exemption and reported stable retail health loss ratios based on IFRS accounting.

Valuation and view: Participation and volume trends of Jan'26 indicate a strong trajectory, with ADTO and demat account additions hitting multi-month highs. NSE active clients also increased after 10 consecutive months of decline. Resultantly, exchanges and brokers are likely to witness a strong revenue and profitability trajectory going ahead. SIP momentum continues to be strong despite weak returns over the past few months, indicative of a sustained flow momentum for AMCs, Wealth Managers, and RTAs. Pricing pressure, however, would continue to be a key monitorable for RTAs.

In **life insurance**, growth is expected to stabilize from the stellar trajectory witnessed in 3QFY26, while VNB margins are likely to expand further as the product mix shifts toward protection and non-par savings. For **general insurance**, sustaining growth momentum will be critical. For both life and general insurance companies, developments in commission regulations will be a key monitorable.

- **Top Picks:** ABSLAMC, ANGELONE, NUVAMA, CANHLIFE, MAXF
- **Surprises:** PB FINTECH, HDFC AMC, UTI AMC, LIC, MAXF
- **Misses:** ICICIGI, NSDL

Guidance highlights:

- **NUVAMA:** Management maintained its medium-term growth outlook, targeting 20–25% earnings growth, though FY26 may be softer due to Asset Services headwinds. Nuvama expects 28–30% MPIS CAGR in wealth, ~25% private AUM growth, ~20% transactional income growth, and 20–30% loan book growth in FY27. Asset Management may witness INR 70–80b net inflows at 1.5–1.75% yields, while Asset Services is likely to stabilize by 4QFY26 (2.6–2.9% yields). Opex growth remains guided at 10–12%, with FY26 opex at INR4.4–4.5b.
- **ANGELONE:** The company has reiterated confidence in sustaining 40–45% operating margins in its broking and distribution businesses, with fixed costs expected to remain largely stable. Management indicated that finance cost pressures from regulatory changes are temporary and should ease with system upgrades. Growth investments in AMC and wealth will continue, while MTF expansion will remain within internal risk thresholds.
- **GROWW:** It expects continued scaling in commodities and a steady quarterly expansion in the MTF book (~INR6b addition trend), subject to market conditions. Management guided for 10–20% growth in employee and marketing costs, but anticipates further margin expansion as long as revenue growth outpaces costs. In AMC,

the partnership with State Street is expected to accelerate capability building and support a faster scale-up, with optionality for inorganic growth. Wealth growth will be driven by deeper cross-sell within the existing ecosystem.

- **CAMS:** CAMS guided for >20% revenue growth in the non-MF segment, with an aspiration to scale non-MF margins to 25–30% over the next 2–3 years and improve incremental profitability (INR400–500m flowing to the bottom line). Cost growth is expected to be contained at ~10% YoY, with limited incremental labor code impact ahead. MF yield stability is expected over the next 18 months, while platform businesses such as KRA and Rep could deliver 30–40% EBITDA margins over time.
- **BSE:** BSE remains focused on deepening liquidity in the derivatives segment before expanding into commodities. Management indicated scope for calibrated increases in transaction charges over time, while colocation revenues are expected to remain stable at current levels (capacity expanding ~80 racks to a total of ~500). The SGF corpus has reached the 150% threshold, ensuring capital prudence. Star MF continues to show strong momentum, supporting steady growth in the non-derivatives segment.
- **NIPPON AMC:** Margins are expected to remain stable, supported by operating leverage as AUM scales, with gradual commission optimization via selective pass-throughs and efficiency gains offsetting regulatory impact. Management reiterated ~15% expense growth guidance for the next year and guided FY27 ESOP costs at ~INR260m, while viewing SIF as a potential long-term standalone vertical.
- **ABSLAMC:** The company expects limited impact from the TER circular and aims to maintain margins broadly at current levels, with expense growth tracking inflation. Management indicated that improving fund performance should support a gradual flow recovery and market share stabilization in mutual funds, while alternates and PMS will remain key long-term growth and margin drivers. The new ESOP scheme will begin reflecting in costs from 4QFY26 and FY27.
- **ICICIGI:** The company reiterated its intent to grow 100–200bp faster than the industry in FY27 while sustaining 18–20% RoE. Excluding the one-time wage code impact, the company aims to maintain a normalized combined ratio near current levels (~102–103%). Management remains focused on profitable growth in motor and health, with comfort in holding ~90% loss ratios in group health and 65–70% in retail health over the medium term.
- **NIVABUPA:** The company remains confident of meeting EoM regulatory requirements by end-FY26 under both accounting methods and is targeting a high-teen IFRS RoE over the medium term. Management expects GST-led tailwinds and strong new business momentum to continue, with retail health loss ratios guided at ~67% and group health expected to improve as the focus shifts toward more profitable cohorts.
- **HDFCLIFE:** HDFCLIFE expects growth momentum to sustain into 4QFY26 and FY27, supported by continued strength in protection and steady demand across savings segments. Management reiterated its aspiration to double VNB every 4–4.5 years, with directionally similar margin expansion in 4Q and a return to FY25-like margin run rates by FY27 as GST impacts are neutralized over 3–6 months. The agency channel is expected to grow faster than overall business, with a long-term target of >25% contribution, while solvency remains comfortable with no immediate capital requirement for organic growth.
- **MAXLIFE:** The company expects the merger to conclude within 12–14 months, subject to regulatory clarity. Management reiterated its intent to grow 300–500bp faster than the industry, with FY26 growth trending better than earlier guidance, while sustaining ~25% VNB margins. GST impact on margins is largely mitigated (70–80% on run-rate), with full normalization expected over the next few quarters. The company also targets balanced product mix growth, continued strength in protection and annuity, and operating RoEV in the mid-teens range.
- **CANHSBC:** The company expects continued expense rationalization alongside ongoing investments in technology, which may weigh on near-term profitability but support medium-term efficiency. Management aims to gradually increase double-digit protection contribution, sustain annuity momentum, and improve rider attachment in ULIPs to aid margins. Despite GST and labor code impacts, further mitigation through commission adjustments and cost control is expected, while agency scale-up will be calibrated to protect margins.

INR m AMCs	Revenue			EBITDA			PAT		
	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)
HDFCAMC	10,751	15	5	8,764	15	9	7,694	20	7
ABSLAMC	4,781	7	4	2,897	6	3	2,695	20	12
NAM	7,053	20	7	4,701	22	9	4,037	37	17
UTIAM	3,947	5	1	1,799	-6	21	1,378	-21	4
Broking/Exchanges									
ANGELONE	9,089	2	9	3,735	-4	27	2,687	-5	27
GROWW	12,611	26	18	7,198	-29	19	5,469	-28	16
BSE	12,441	62	16	8,015	84	16	5,966	173	7
MCX	6,656	121	78	4,952	156	103	4,011	151	103
Wealth Management									
360 ONE WAM	8,057	33	6	4,071	43	12	3,306	20	5
NUVAMA	7,549	4	-2	3,511	5	5	2,615	4	3
ANANDRAT	2,896	22	-3	1,314	23	-4	1,001	30	0
PRUDENT	3,432	20	7	778	18	8	576	20	8
Intermediaries									
CAMS	3,901	6	4	1,789	4	7	1,246	0	9
KFINTECH	3,709	28	20	1,516	16	12	920	2	-1
CDSL	3,044	9	-5	1,610	0	-9	1,329	2	-5
NSDL	3,596	-1	-10	1,074	18	-16	897	5	-19
General Insurance	Gross Premium			Underwriting Profit/(Loss)			PAT		
	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)
STARHEAL	46,242	22	5	-1,250	na	na	1,282	-40	134
NIVABUPA	22,313	55	21	-2,315	na	na	-876	-762	148
ICICIGI	74,330	15	5	-3,538	na	na	6,588	-9	-20
Life Insurance	APE			VNB			PAT		
	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)
HDFCLIFE	39,740	11	-5	9,530	2	-6	4,207	1	-6
IPRU	25,250	4	4	6,150	19	4	3,872	19	31
SBILIFE	86,000	24	45	22,900	22	38	5,767	5	17
MAXF	27,330	30	9	6,590	35	3	450	-36	650
CANHLIFE	10,027	37	67	1,986	60	68	277	-6	-32
LIC	1,49,730	50	-9	31,770	65	0	1,29,582	17	29
Insurtech	Revenue			EBITDA			PAT		
	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)
PBFINTECH	17,710	37	10	1,590	468	62	1,895	164	40

Healthcare: DF revives after GST implementation; new hospitals drag down overall EBITDA growth

- Aggregate revenue, EBITDA and PAT of pharma companies under our coverage were in line with our estimates. After modest YoY growth in EBITDA/PAT of 5%/3.3% YoY in 2QFY26, our coverage companies delivered healthy YoY growth of 11.5%/10.8% in 3QFY26. Interestingly, they maintained the uptrend in YoY revenue growth, with 12.7% growth in 3Q.
- A strong recovery in domestic formulation (DF) segment after the GST implementation was witnessed across companies. While chronic therapies saw consistent growth, acute therapies picked up in 3Q after a lull in the past 2-3 quarters. Given the intense competition in the industry, companies are implementing multiple strategies to offer differentiated products to add better value to patient pool. Companies are gearing up for the launch of semaglutide in India market after patent expiry.
- US sales struggled to grow as companies faced competition in one of the potential products (g-Revlimid). However, the currency benefit and higher volume off-take of base products helped to offset part of the impact of competition in certain products.
- The sector remained active in M&A, with a) TRP gaining control of JBCP, b) ALKEM buying medtech company Occlutech, c) Senores buying ANDAs, d) Emcure completing a minority buyout of Zuventus, and e) ARBP acquiring an additional 20% stake in a China-based JV.
- Out of 27 companies under our coverage, 14 delivered higher-than-estimated performance for the quarter. About five companies delivered lower-than-estimated earnings, while the remaining eight companies delivered an in-line

performance. Specifically, GNP/LAURUS/LUPIN/APHS were strong outperformers for the quarter, whereas PIRPHARM/LAXMIDEN were underperformers. GNP delivered a surprise outperformance at the PAT level due to better operating leverage.

- **Super-specialty hospitals** (APHS/MAXH/MEDANTA) reported aggregate revenue growth of 15.2% YoY to INR87b. EBITDA grew at a relatively slower pace of 12% YoY to INR16b, primarily impacted by higher operating costs associated with newly commissioned facilities. APHS emerged as the front-runner, delivering strong growth across revenue/EBITDA/PAT. In contrast, Medanta reported an earnings decline, largely attributable to the ramp-up and cost pressures at its Noida facility.
- **US sales** recorded 11 consecutive quarters of growth up to FY25, reflecting a strong and steady expansion in its largest market. However, growth momentum moderated in FY26, with US sales growing modestly by 1.6% YoY (in cc terms) in 3QFY26/2QFY26, reaching USD2.4b in each quarter. While the US generics outlook remains promising, our coverage companies' revenue growth moderated due to certain high-value products facing competition. Given ongoing R&D effort toward complex products, wherein there is uncertainty in terms of approval/competition, we expect this volatility to continue in US sales growth trajectory.
- Among our coverage companies, US sales of CIPLA/DRRD/ARBP declined 26.1%/16.6%/3.4% YoY. Lower G-Revlimid contribution and price erosion/supply challenges in key products during the quarter dented the trajectory of DRRD/CIPLA. Competitive landscape in US generics, particularly in oral solids, led to a pullback for ARBP. Notably, LPC/GNP/ALKEM/TRP showed healthy YoY revenue growth, primarily driven by higher volume uptake, supported by new product launches and an increased focus on specialty and innovative drugs, which helped to offset competitive pressures and price erosion in the generics segment.
- **DF business** grew 12% YoY to INR264b, driven largely by chronic therapies, with some support from acute. IPM growth in Dec'25 was 15%.
- Among therapies, Antineoplast/Cardiac/Anti-Diabetic/Urology/Neuro/Respiratory delivered YoY growth of 27.6%/16.9%/15.5%/14.4%/12.7%/12.4%, outperforming IPM (11.7% YoY growth). However, Anti-Infective/Pain/Gastro/Derma underperformed IPM by 770bp/330bp/270bp/250bp.
- Among our coverage companies, GNP/DRRD/AJP/SUN delivered 22.1%/19.1%/18.6%/16.2% YoY growth. GNP's outperformance was led by differentiated product launches in key therapies such as cardiac and respiratory. DRRD momentum was aided by its focus on portfolio innovation and the addition of its acquired portfolio (Stugeron). AJP continued to deliver industry-beating YoY growth in DF, driven by new launches, addition of MRs, and scale-up of new therapies. In addition, SUN's performance was supported by strong execution and new launches. Most of the companies under coverage are gearing up to take the benefit from Semaglutide patent expiry in India market.
- Among our coverage companies that have reported earnings so far, four recorded earnings upgrades, while five registered earnings downgrades. Upgrades in FY26/FY27/FY28 earnings were observed for LAURUS (18%/6%/9%), LUPIN (8%/4%/7%), AGARWALE (7%/4%/2%), and DRRD (-4%/6%/2%). Meanwhile, LAXMIDEN (down 35%/21%/18%) and CIPLA (down 13%/13%/11%) witnessed the maximum downgrades. TRP earnings were modified due to the inclusion of JBCP financials from 4QFY26 onward.
- **Top picks: APOLLO, LAURUS, RUBICON**
- **Surprises: GNP, LAURUS, LUPIN, APHS**
- **Misses: PIRPHARM, LAXMIDEN**

Guidance highlights

- **AJP** expects mid-teens YoY total revenue growth in FY26, with a gross margin of 78% ($\pm 1\%$) and an EBITDA margin of 27% ($\pm 1\%$), alongside mid-teens growth in its Africa branded generics business.
- **ALPM** expects DF segment growth to align with industry levels from 1QFY27 onward; guides for 10–15% YoY growth in the US business over the next 12–15 months.
- **ALKEM** will invest INR1-2b over next 1–2 years to fund Occlutech's R&D program; sees a potential INR800m–1b impact from the MIP on Pen-G but plans partial mitigation via higher trade generics/existing 4–5M of inventory.

- **APHS** expects ~100bp expansion in base hospital EBITDA margins in FY27, targets 12–14% YoY organic revenue growth in base hospitals, anticipates 3–4% incremental revenue from new beds, guides for ~INR1.5b in incremental costs from new hospital commissioning, and expects first-year occupancy of ~40% for new beds.
- **ARBP** reiterates its FY26 EBITDA margin target of 20–21%, expects to produce over 10K MT of PEN-G in the next 12 months with improved yields/operating efficiency, and guides for organic capex of USD150–200m in FY27.
- **BIOS** reiterated annualized interest cost savings of ~INR3b from FY27 onward and guided for mid-20s EBITDA margins in the biologics segment for FY26. It noted that while Phase III trials are required for semaglutide approval in India, it is engaging with regulators to explore a potential waiver based on global trial data.
- **CIPLA has** lowered its FY26 EBITDA margin guidance to 21% (from 22.7–24.0%) and expects two respiratory launches, including g-Advair, over the next six months, along with one peptide launch likely to generate lower sales. It plans to launch two g-Symbicort peptides over the next 6–12 months.
- **DIVI** highlighted GLP capacity build-out progress with pilot phase completion and commercial block validations underway for a specific customer. The volume benefit is being offset by pricing pressure in generics segment.
- **DAHL** plans to add 55–60 facilities annually (~20% network growth), with ~75% comprising surgical centers. It intends to launch 16 centers in 4QFY26, including 11 surgical facilities across the south, west, and north regions.
- **DRRD** expects ex-Revlimid gross margins of 52–55% going forward. It reported 17%+ YoY organic growth in India with a target to sustain 15%+ growth. It awaits semaglutide approval in Canada with launch readiness in place.
- **ERIS** will enter the semaglutide market in India through partnership with NATCO for a Day 1 launch. It targets a net debt-to-EBITDA ratio of 1.5x by CY26. It plans a capex of ~INR7.5b over FY26-28.
- **GLAND** remains confident of mid-teen YoY revenue growth in FY26 ($\pm 2\%$), it has visibility to utilize 15-20m pen/cartridge capacity in FY27, and plans to expand base operations across ophthalmic, BFS, and lyophilization
- **GLXO** reiterated its sales guidance of ~INR80b over next 4–5 years, with its pipeline focused on next-generation immuno-oncology ADCs, multiple myeloma therapies, RSV adult vaccines, and liver disease treatments.
- **GNP** will commence commercial production at Monroe with EBITDA break-even targeted in four years. It awaits approvals for 44mcg g-Flovent (110mcg filed in Dec'25).
- **GRAN** is on track to achieve EBITDA break-even in its Peptide/CDMO businesses, has 8–9 products in controlled substances segment within its complex generics portfolio, and expects 3–4 launches over medium term.
- **LAXMIDEN** expects recovery from 4QFY26 onward, driven by easing global policy headwinds and internal course corrections, and guides for 20%+ YoY revenue growth in FY27, subject to limited geopolitical disruption.
- **LAURUS** expects gross margins to be sustained at ~60%, anticipates YoY growth in 4QFY26 CDMO sales. It guides for ~INR10b capex in FY26 with a similar level in FY27 while maintaining broadly stable net debt.
- **LPC** highlighted a USD75 plus per-unit licensing fee outgo for Mirabegron while maintaining confidence in profitability. It has created a dedicated 200-MR division to drive the semaglutide opportunity.
- **MANKIND** is on track for a Day-1 launch of semaglutide in India, continues to drive prescription generation under its strategic reset, and indicated that growth is returning to track despite a slower-than-expected revival.
- **MAXHEALT** targets doubling bed capacity over 4–5 years via ~2,000 greenfield and ~3,000 brownfield additions along with M&A and built-to-suit leases. It expects near-term performance recovery driven by normalization of cashless insurance, CGHS tariff revisions, stable payer mix, and incremental margins from new capacity.
- **MEDANTA** plans to add 496 beds via brownfield expansions at Lucknow (193), Patna (81), and Noida (222), supporting near- to medium-term growth with minimal incremental capex. It guides for FY27 capex of sub-INR5b with limited spending on existing units and most new-project capex back-ended.
- **PIRPHARM** maintains its guidance of stable YoY revenue in FY26, noting a recovery in biopharma funding in 2HCY25 (nearly double vs. 1HCY25 and >50% higher vs. 2HCY24).
- **SUNP** reported innovative R&D at 30.5% of total R&D spend in 3QFY26, expects this to rise with advancing clinical programs, including GL0034. It plans to expand its field force ahead of the semaglutide launch in India.
- **TRP** expects INR4–4.5b in synergies over the next 2–3 years from integrating JBCP. It plans to increase MR strength to 7,000 by end-FY26, targets 10–15% YoY revenue growth from the Brazil market.

- **ZYDUSLIF** expects 23%+ EBITDA margin in 4QFY26 despite minimal contribution from g-Revlimid. It is part of the first wave of semaglutide launches in India with select out-licensing agreements in place.
- **RUBICON** guided for R&D spend at 10–11% of sales (to remain at this level over the next several years), expects cumulative R&D spend of ~INR5b across FY26/FY27/1QFY28 to drive revenue visibility from FY29/FY30 onward.

Exhibit 94: US sales grew 1.6% YoY (CC terms)

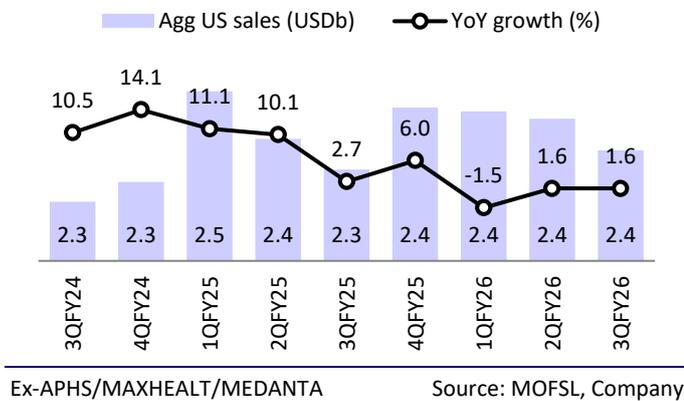


Exhibit 95: DF sales up 12% YoY

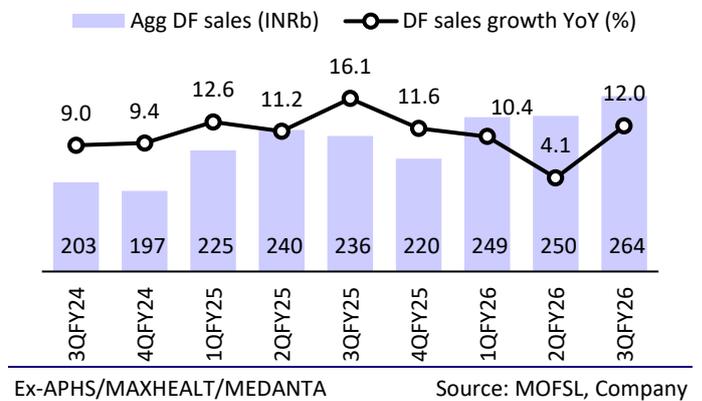


Exhibit 96: Aggregate EBITDA up 11.5% YoY to INR208b for the pharma universe

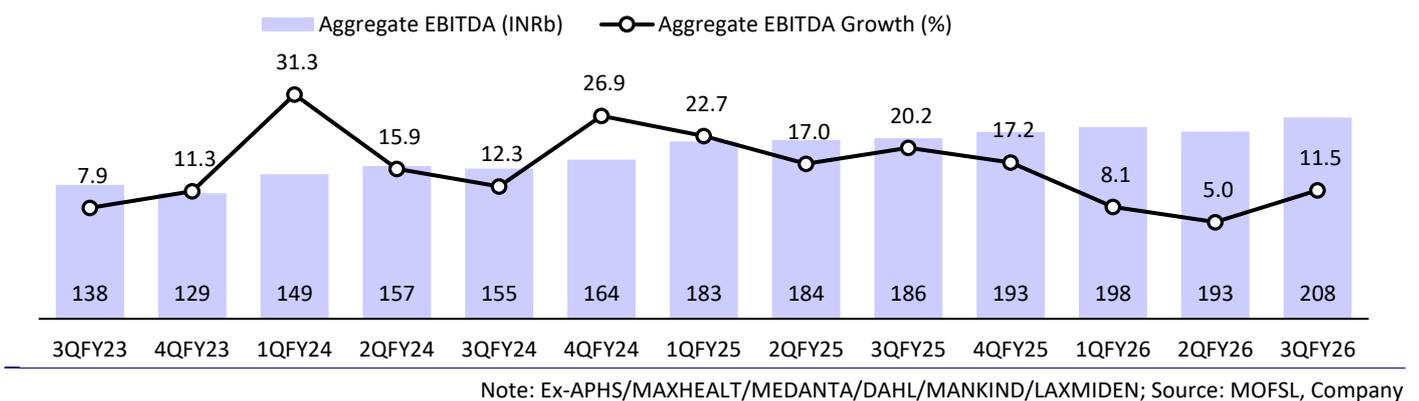


Exhibit 97: Aggregate PAT up 10.8% YoY for pharma companies under coverage

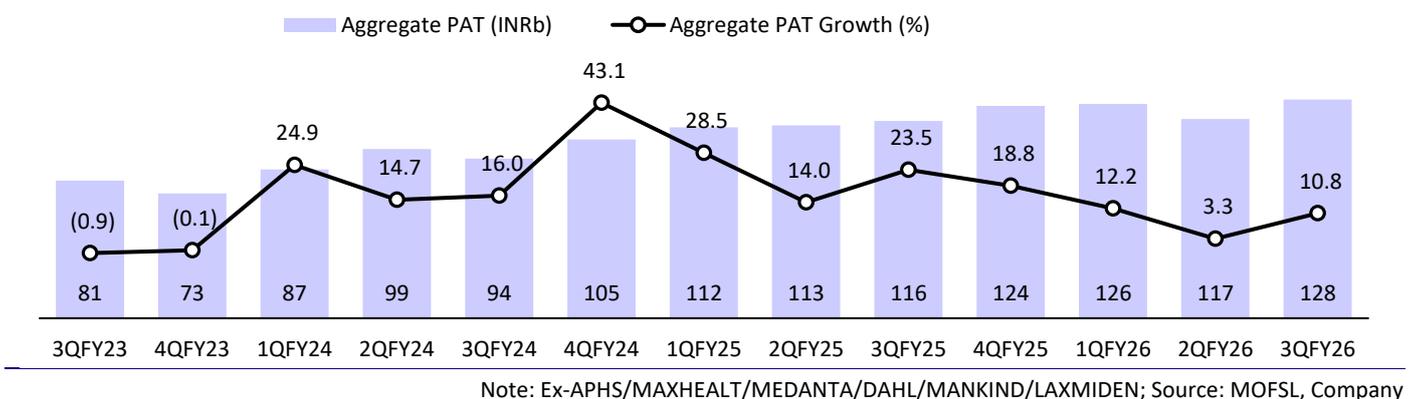


Exhibit 98: USFDA inspection history of our coverage companies for the quarter

Company	Inspection Date	Inspection Facility	Outcome	Observations
Biocon	Oct-25	Cranbury, New Jersey	EIR	VAI
	Nov-25	API Facility (Site 6), Visakhapatnam	EIR	VAI
Aurobindo Pharma	Dec-25	Unit V, Apitoria, Sangareddy	Form 483	3
	Dec-25	Unit IV, APL Healthcare, SPSR Nellore	Form 483	5
Dr Reddy	Nov-25	API Facility, Srikakulam	Form 483	0
	Dec-25	Formulations Facility, Srikakulam	Form 483	5
Lupin	Nov-25	Nagpur Unit-1	Form 483	0
	Nov-25	Bioresearch Centre, Pune	Form 483	0
	Nov-25	Goa	Form 483	7
Zydus	Nov-25	SEZ I, Ahmedabad	Form 483	2
IPCA	Dec-25	Tarapur, Palghar	EIR	VAI
Glenmark Pharma	Nov-25	Formulations Facility, Chhatrapati Sambhajanagar	Form 483	0

Source: MOFSL, Company

Exhibit 99: Performance of top therapies in Dec'25 - (INR b)

Therapy	MAT Dec'25 value (INR b)	Market share (%)	Growth (%)	YoY growth (%) in the last eight quarters								One month Dec'25
				Mar'24	Jun'24	Sep'24	Dec'24	Mar'25	Jun'25	Sep'25	Dec'25	
IPM	2,498	100.0	8.9	5.7	9.0	8.3	9.6	7.5	8.8	7.3	11.7	15.0
Cardiac	331	13.3	12.9	10.8	12.5	12.2	12.1	10.4	10.5	11.5	16.9	19.3
Anti-Infectives	262	10.5	4.7	-3.2	5.9	8.2	9.0	3.9	3.7	4.4	4.0	8.4
Gastro Intestinal	262	10.5	6.7	5.4	11.2	9.7	10.4	10.1	9.0	1.7	9.0	12.2
Anti Diabetic	225	9.0	10.2	7.2	7.6	9.1	9.4	7.0	6.6	9.4	15.5	18.4
Respiratory	201	8.1	10.5	-2.8	1.7	2.8	3.9	3.9	5.6	14.0	12.4	16.1
Pain / Analgesics	195	7.8	6.8	6.0	8.4	7.7	11.0	6.6	5.2	5.0	8.4	12.5
Vitamins/Minerals/Nutrients	195	7.8	8.5	6.7	9.1	8.2	11.3	7.7	6.9	6.3	11.7	15.6
Derma	171	6.8	6.3	8.3	9.9	9.8	12.4	7.5	6.5	2.6	9.2	10.8
Neuro / Cns	152	6.1	9.8	7.9	8.5	9.4	8.6	8.9	8.6	7.2	12.7	15.2
Gynaec.	120	4.8	6.8	5.5	6.9	3.1	5.9	3.7	3.9	5.9	11.8	16.1
Antineoplast/Immunomodulator	72	2.9	19.5	21.7	21.3	12.2	11.6	11.3	11.0	24.1	27.6	31.2
Ophthalm / Otologicals	48	1.9	8.3	3.5	5.5	-4.0	11.2	8.0	7.6	5.5	11.1	11.4
Urology	57	2.3	11.9	14.0	13.7	13.2	14.7	13.6	12.9	9.1	14.4	16.6
Hormones	38	1.5	9.5	2.9	7.2	5.2	6.5	6.1	6.6	9.8	12.3	14.4

Source: IQVIA, MOFSL

Healthcare BPO: Strong show, broadly in-line

- Aggregate performance:** Healthcare BPO companies under our coverage, Inventurus Knowledge Solutions, Sagility and Indegene, posted median USD revenue growth of 11.7% QoQ in 3QFY26 (+4.2%/+1.4% in 2QFY26/3QFY25), aided by acquisitions and seasonality. Largely all large-cap companies managed to beat/meet revenue estimates, helped by contribution from existing and new deals and cross-selling. However, management commentary indicated that demand remains strong. In terms of margins, they broadly met or beat our expectations this quarter, largely aided by lower operating expenses. There are concerns about the structural demand outlook, impact of AI and challenges in the US healthcare space. We believe a sustainable rerating will likely require stability in US healthcare space, which currently appears some distance away. We maintain BUY on IKS and Sagility and remain Neutral on Indegene as we wait for sustainability of momentum in its organic business.
- Deal momentum and client addition:** Sagility secured USD30.5m (potential steady-state ACV) in new SOWs from 22 existing clients and added three new clients in 3Q (total 12 in 9MFY26), taking the total active client count to 81. IKS expanded partnership and engagement with VitalMD, Femwell, Stridecare, Top-5 health systems and

behavioral health systems. Indegene secured deal wins from the top 20 accounts and multiple deal wins in two accounts with aggregate revenue potential of more than USD15m.

- **Headcount movement:** Hiring activity was strong in 3Q, with QoQ net headcount additions of ~4.3k in Sagility and 252 in Indegene. Attrition rates fell QoQ. IKS added 410 employees QoQ; notably, it just added 1.5% headcount YoY and delivered 24% growth.
- **Top picks:** We believe IKS is uniquely positioned to benefit from long-term structural tailwinds in US healthcare technology, supported by its strong financial profile, differentiated tech-first platform and expanding market opportunities. We believe Sagility's new logo additions, cross-selling and synergy from Broadpath will drive revenue and earnings. We believe Indegene's strong performance mainly comes from the recent acquisition of BioPharm, excluding the organic business as usual.
- **Significant beats:** Sagility (revenue growth and margin), Indegene (revenue growth), IKS (in line)
- **Major EPS upgrades/downgrades:** Sagility's FY26/FY27/FY28 EPS estimates were increased by 10.2%/11.0%/11.7% following lower earnouts and deduction in SAR. IKS estimates were broadly maintained, and Indegene EPS estimates, adjusted for BioPharm acquisition, were tweaked by -5.0%/-4.1%/+4.3% for FY26/FY27/FY28.

Guidance highlights

- **IKS:** Demand remains strong from existing clients, along with healthy contribution from new deals and partnerships. About 50% of revenue is outcome-driven, and IKS aims to increase this contribution. At present, the company has 13,350 employees, and notably, it just added 1.5% headcount YoY and delivered 24% growth. In the past five years, more and more tech leverage has been clearly visible, where growth is not linked to headcount addition. Broader AI advancements, particularly in code generation and developer productivity, represent a structural tailwind. Anthropic and Palantir platforms accelerate software development, enabling faster, cheaper, and more scalable deployment. IKS is increasing investments in sales and marketing and R&D. At present, it is comfortable with an EBITDA margin range of 33-35% and aiming to outperform the industry growth rate of 12%.
- **Sagility:** Organic growth remained healthy at 19.9% YoY during 3Q, driven by continued expansion within existing clients and increasing contribution from new clients acquired in FY26. Top client concentration improved, with the top 10 clients contributing 84.6% of revenue, down from 90.5% in FY25, reflecting diversification into mid- and small-market segments. Sagility has raised its FY26 CC revenue guidance to 22.5%, including 13.8% organic growth, while maintaining adjusted EBITDA margin guidance at 25%.
- **Indegene:** Growth was broad-based across client segments and geographies, supported by improving industry sentiment and faster customer decision-making. EBITDA margins are expected to remain broadly stable in the near term and gradually improve from 1QFY27 onward, supported by operating leverage, normalization of deal-related setup costs, and realization of integration-led synergies. Margins are expected to trend back toward ~20% over the next 6-8 quarters. We raise our earnings estimates considering the acquisition impact and the possibility of increased work outsourcing from the global pharma and life science companies.

Exhibit 1: IKS QoQ revenue maintained its trajectory

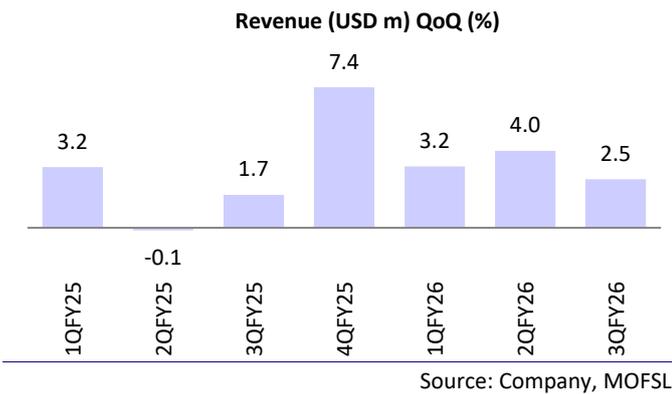


Exhibit 2: IKS margin expected to remain in this range

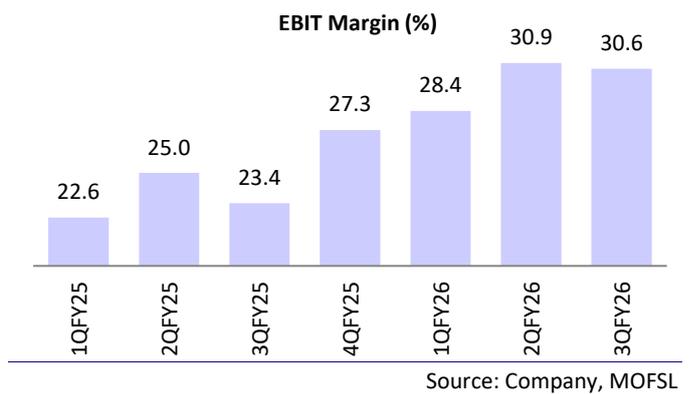


Exhibit 3: H2 seasonally strong for Sagility

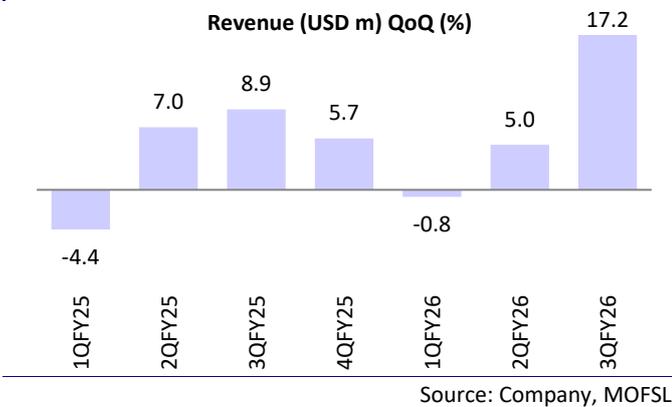


Exhibit 4: Sagility's EBIT margin improved amid lower D&A

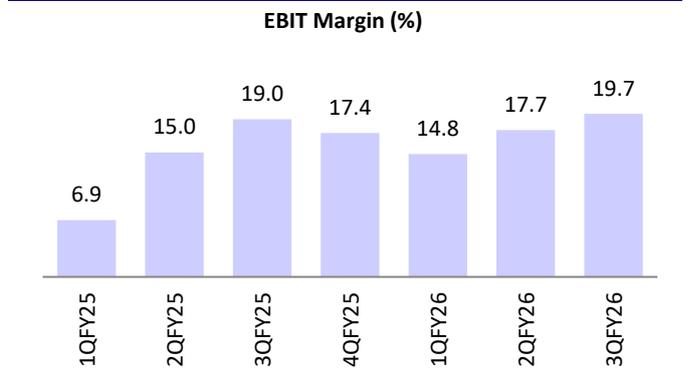


Exhibit 5: Indegene posted acquisition-led growth, organic business grew at steady rate

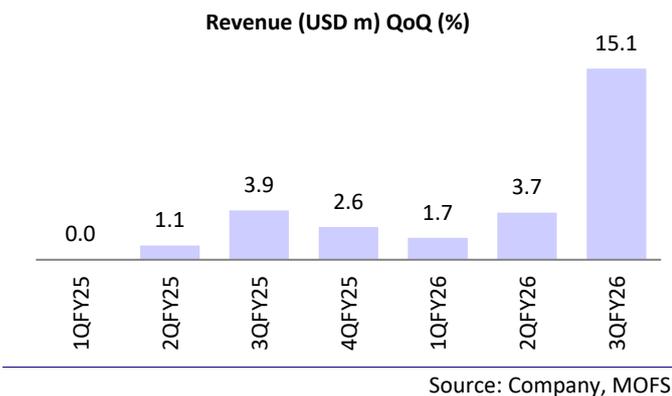


Exhibit 6: Indegene margin to improve over the next 6-8 quarters

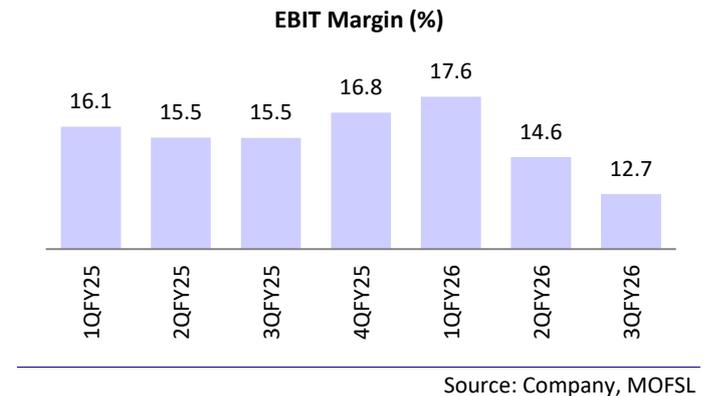


Exhibit 7: Performance summary

INR m	USD Revenue (mn)			Revenue			EBIT			EBIT%			PAT		
	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)	3QFY26	YoY (%)	QoQ (%)
IKS	93	18.2	2.5	8,150	24.0	4.3	2,496	62.4	3.3	30.6	+720bp	-30bp	1,833	41.4	1.4
Sagility	222	29.1	17.2	19,712	35.7	18.9	3,876	40.4	32.0	19.7	+70bp	+200bp	2,677	23.4	6.7
Indegene	106	24.5	15.1	9,421	30.8	17.1	1,199	7.2	2.3	12.7	-280bp	-190bp	1,029	-6.2	0.9

Infrastructure: Execution remains a mixed bag; order pipeline remains strong

- **Execution improves; order inflows remain muted:** Companies within our coverage universe (ex-IRB) reported a 21% YoY rise in revenue in 3QFY26, with KNR revenues falling 17% YoY and GRIL revenues rising 39% YoY (on account of higher execution in the oil and gas segment). IRB’s revenue fell by 8% YoY. The pace of project awarding by NHAH has remained muted in the initial months of FY26, with only ~1,135km awarded from Apr’25 to date against the annual target of 6,376km. The subdued awarding, coupled with delays in appointed dates, weighed on order inflow for road EPC players. With awarding momentum yet to pick up, both KNR and GRIL are actively pursuing diversification into non-road infrastructure segments such as oil and gas, power transmission, water projects, and solar EPC to broaden their order books. GRIL has set an FY27 order inflow target of INR200b, while KNR has placed bids worth INR80-90b and plans to bid for an additional INR300-400b of projects.
- **Margins under pressure:** Coverage universe companies (ex-IRB) experienced a 540bp YoY contraction in gross margin and a 350bp YoY dip in EBITDA margin for 3QFY26, due to elevated costs and a thin executable order book. Commodity prices have moderated from their peak levels, with cement prices declining ~16% from the Oct’23 highs; however, other construction inputs continue to remain elevated compared to pre-COVID averages.
- **Focus on asset monetization:** For FY26, NHAH has set an asset monetization target of INR300b (vs INR287b achieved in FY25). The monetization drive will be executed through the Toll-Operate-Transfer (ToT) model and Infrastructure Investment Trusts (InvITs). A pool of 24 assets covering 1,472km has been earmarked for monetization, with proceeds to be deployed for highway development, debt repayment, and generating returns for investors. FASTag toll collections rose ~16% YoY in volume and ~12% YoY in value during Oct’25–Jan’26, reinforcing monetization prospects.
- **Our view:** Awarding activities by NHAH and execution have been muted and are expected to improve ahead. Companies with decent order backlogs and presence in multiple segments are well-positioned to benefit in the near to medium term.

Exhibit 100: Revenue rose ~21% YoY for our coverage universe

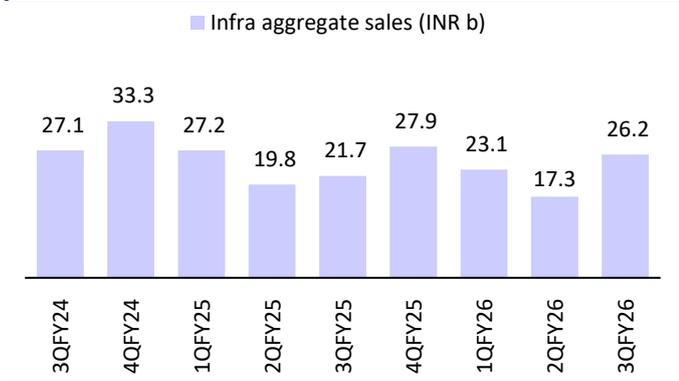


Exhibit 101: Gross margin contracted on a YoY basis

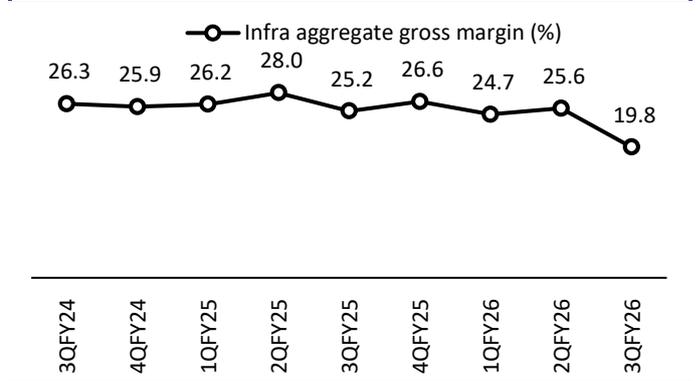


Exhibit 102: EBITDA margin dipped on a YoY basis

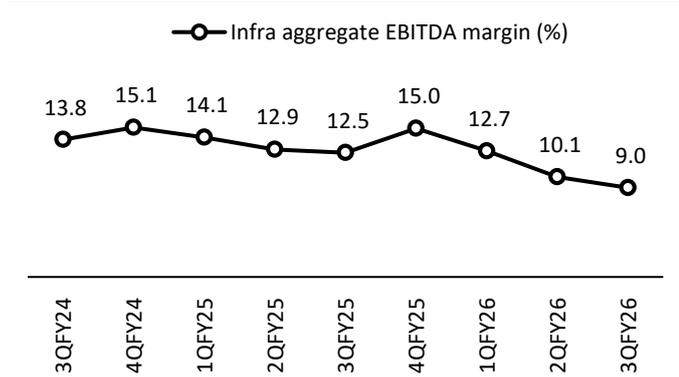
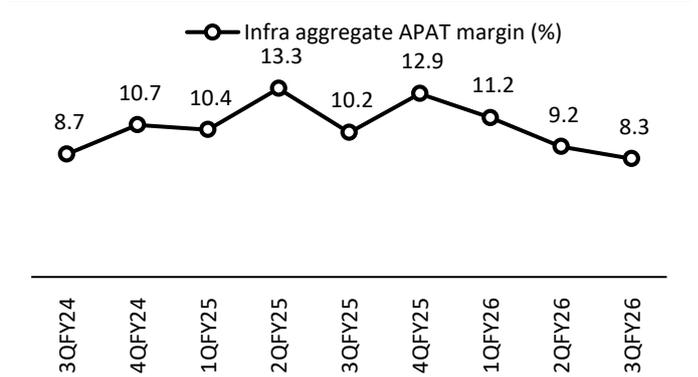


Exhibit 103: APAT margin dipped



Note: Data in charts above is for our coverage universe excluding IRB

Logistics: Healthy volume growth in 3Q, led by a strong festive season and GST rate cut; margins improve

- Logistics sector posts healthy volume growth:** Logistics companies (excl. APSEZ and JSWINFRA) posted ~11% YoY revenue growth in 3Q FY26, reflecting healthy improvement in demand over last year, supported by strong festive season momentum and GST rate cut benefits. Revenue growth was driven by strong volumes and selective yield improvements. APSEZ and JSWINFRA reported 9% and 8% YoY growth in cargo volumes, respectively. Growth was moderated by a slowdown in coal and iron ore handling at select terminals, partially offset by strong traction in container volumes, which remained a key growth driver. In 3QFY26, APSEZ managed ~26% of the country's total cargo and ~46% of container cargo. With volume ramp-up at recently acquired ports/terminals, volumes are expected to be strong ahead for APSEZ and JSWINFRA.
- EBITDA margins improve:** Gross margin for our coverage universe, barring APSEZ and JSWINFRA, stood at 29.8% in 3QFY26 (up 120bp YoY and down 90bp QoQ). EBITDA margin rose 120bp YoY and 80bp QoQ, driven by improved volume growth, yield improvement, targeted cost-control measures, and operational efficiencies in organized networks. APSEZ's margins stood at 59.6% (down 70bp YoY and 90bp QoQ), and JSWINFRA's margins were 47.7% (down 190bp YoY/50bp QoQ).
- Organized players with a pan-India network and technological advantage to gain higher market share:** The introduction of GST 2.0, e-way bills, and reduced e-invoicing turnover limits have driven businesses to partner with organized logistics providers. Express companies are expanding their infrastructure and digitalizing operations. This positions them to capture higher volumes. The government's port privatization efforts offer opportunities, with APSEZ and JSWINFRA well-placed to benefit due to their strong balance sheets.
- Top picks:** Delhivery and APSEZ are our preferred picks in this space.

Guidance

- APSEZ:** Management maintains its guidance to handle 505-515MMT (including NQXT) of cargo in FY26, with containers being the primary growth driver. Revenue is projected to reach INR380b, while EBITDA's guidance is revised upwards by INR8b (INR5b from incremental organic growth + INR3b from consolidation of NQXT) to reach INR228b.
- JSWINFRA:** Management is targeting cargo volumes of ~125MT in FY26, followed by 6-7% growth in FY27 and a sharp acceleration in FY28 driven by the operationalization of newly expanded capacities. JSWINFRA maintains its plan to invest INR35b in capex for FY26 (INR20b for ports and INR15b for logistics), compared to INR24.4b spent in FY25, reflecting a continued momentum in capacity expansion.
- Delhivery:** Management expects to sustain the strong momentum in the express business going forward. Revenue growth is likely to be driven by Express Parcel and PTL, with SCS and new services contributing in subsequent quarters. The integration cost of Ecom Express stood at INR350m this quarter and is expected to be ~INR200-300m in 4QFY26.
- VRL:** Management expects volume growth to recover, driven by increasing tonnage from existing customers and the onboarding of new clients. Volume is expected to grow ~5% QoQ in 4QFY26. Management expects revenue to grow ~10-11% in FY27, primarily driven by tonnage growth. EBITDA margins are expected to normalize to ~20%, with margin stability supported by improving tonnage growth.
- TRPC:** The company maintains its consolidated revenue and profit growth guidance in the range of 10-12% for FY26. Management indicated that Seaways' EBIT margins are expected to moderate with two new vessels coming on stream, as higher depreciation is likely to cap margins at ~30-40%. During 9MFY26, the company invested ~INR2.7b and plans to close the year with total capex of ~INR3.5b.
- BDE:** Management did not specify a growth target but expects to gain share, led by e-commerce and SME-driven B2C. Margin expansion is expected through better yields, cost controls, product mix, and network efficiencies. B2C ground express may see demand-linked volatility with road infrastructure supporting stronger pricing. Growth will be driven by the ground express (B2C) segment.
- CCRI:** For FY26, CCRI maintained its guidance of 13% growth in total volume, with 10%/20% growth in EXIM/domestic volumes. Management targets revenue of ~INR150bn by FY29, with EXIM and domestic

segments expected to grow at ~15% and ~20% CAGR, respectively, driven by WDFC-led volume ramp-up and incremental cement tank container contracts. The commissioning of the Western DFC to JNPT is expected by Mar'26.

- **MLL:** Management guided that it is constantly focusing on profitable growth, driven by pricing discipline and cost control. Last-mile delivery is expected to improve gradually from 4QFY26, supported by ongoing discussions and negotiations with customers. MLL reiterated its commitment to improving profitability without providing a specific timeline, while remaining positive on margin expansion over the near to medium term.
- **TCIE:** Management provided yield improvement guidance of ~1% in FY26, followed by ~2% each in FY27 and FY28. For FY27, management guided to 15% volume growth along with a ~2% price hike, implying ~17% revenue growth. Multimodal revenue share is targeted to rise from 17-18% currently to 20-22% over the next 2-3 years, aided by separate service networks for air, rail, international, and C2C segments.

Exhibit 104: Sales rose ~11% YoY for our Coverage Universe

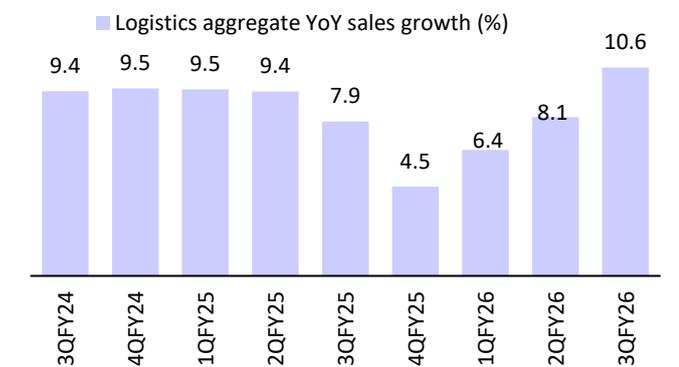


Exhibit 105: Margin improved on a YoY basis

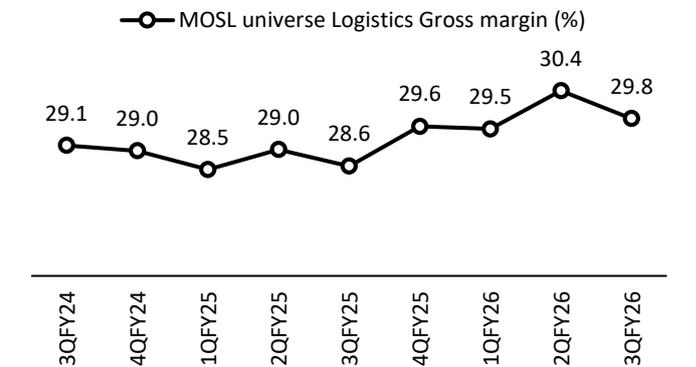
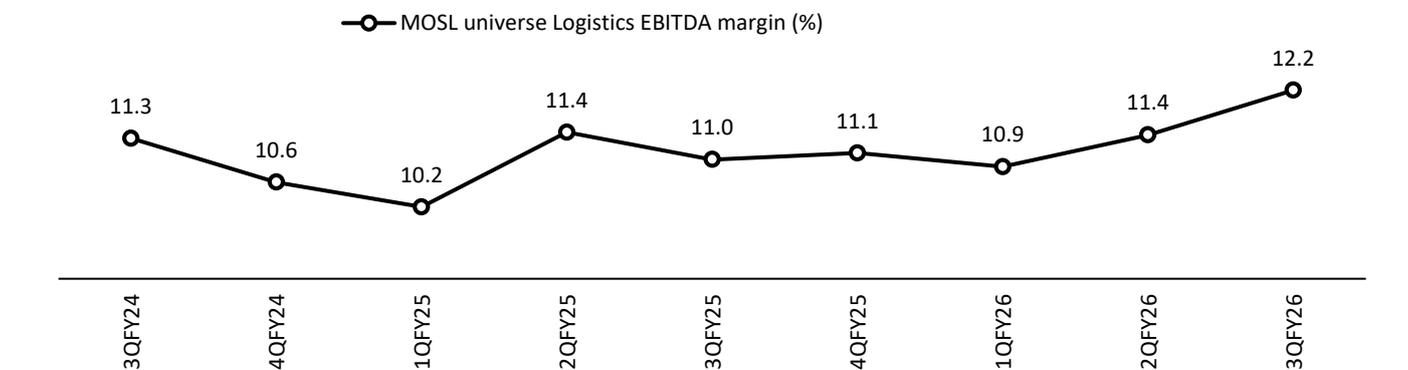


Exhibit 106: EBITDA margin expanded 120bp YoY



Note: Data in charts above is for our coverage universe excluding APSEZ & JSWINFRA

Source: Company, MOFSL

METALS: Muted NSR drags ferrous profitability; favorable LME propels non-ferrous earnings

Overall, metal earnings were in line with expectations. Ferrous companies' revenues were flat QoQ (+9% YoY), supported by volume recovery but offset by softer realizations. Accordingly, EBITDA corrected 11% over muted NSR (+12% YoY). Non-ferrous companies posted strong earnings growth, led by favorable metal prices and steady volumes. Revenue and EBITDA for our coverage companies rose 16%/23% YoY and 23%/17% QoQ, respectively, driven by strong performance from VEDL and HZL. Mining companies posted decent earnings, supported by a sequential volume recovery post monsoons. NMDC's earnings were in line, while COAL reported an EBITDA/PAT beat over lower operating costs.

Ferrous companies: In-line 3Q earnings; healthy volumes offset muted NSR impact

- Aggregate revenue for ferrous companies under coverage increased 9% YoY and remained flat QoQ (in line with our est.), aided by healthy volume growth of 12% YoY and 6% QoQ, which was offset by muted average realizations of 3% YoY and 5% QoQ in 3QFY26. Volume growth was largely driven by post-monsoon demand

recovery, capacity ramp-ups across the board, and lower imports. During 3Q, average blended steel prices declined 4% YoY and 4% QoQ (HRC -5% QoQ and Rebar -2% QoQ), following the lapse of the 200-day provisional safeguard duty. Companies across coverage (ex-TATA) saw double-digit volume growth, while TATA volume grew 6% YoY during 3Q.

- Aggregate EBITDA for our coverage companies increased 12% YoY but declined 11% QoQ (in line with our estimate), primarily due to muted NSR and a rise in input costs (especially coking coal). Aggregated EBITDA/t for our coverage stood at INR8,000/t (-2% YoY and -14% QoQ), while companies across the board (JINDALST ex-startup cost of new capacity) saw an INR1,000-1,500/t QoQ decline in 3QFY26. TATA EU reported an EBITDA/t loss of USD2 for 3QFY26 against a USD8 profit in 2QFY26, mainly on account of muted earnings in TATA Netherlands.
- Aggregate APAT for ferrous companies increased 110% YoY (-3% QoQ; +8% above our est.) in 3QFY26, led by healthy operating performance supported by better volume.

Non-ferrous companies: Favorable prices with a decent volume-led earnings growth

- Aggregate revenue for non-ferrous companies rose 16% YoY and 9% QoQ (in line with our estimate), supported primarily by favorable metal prices and decent volume growth. A big earnings surprise was reported by HZL/VEDL, where revenue and EBITDA came above our estimate, primarily on account of a surge in silver prices and favorable metal prices (Other players - NACL/HNDL stood broadly in line with our estimate).
- HNDL's domestic earnings were strong, where revenue/EBITDA grew 21%/15% YoY and 17%/7% QoQ, supported by favorable metal pricing and decent volume growth. Novelis (HNDL's subsidiary) reported weak volumes (-11% YoY and 14% QoQ), led by the fire incident at the Oswego (NY) capacity, which impacted consolidated earnings during the quarter.
- EBITDA for non-ferrous companies rose 23% YoY and 17% QoQ, driven by healthy NSR with decent revenues and muted costs. Novelis Adj EBITDA (USD430/t) declined 5% YoY and 18% QoQ, impacted by USD54m related to the Oswego fire-led shipment loss and USD34m due to the tariff impact.
- Non-ferrous companies' aggregate APAT increased 50% YoY and 41% QoQ (+20% above our estimate), driven by healthy operating performance in 3Q.

Mining companies: Volume recovery and resumption in mining activity support earnings in 3Q

- NMDC's earnings were broadly in line, where revenue grew 16% YoY and 19% QoQ, supported by strong volume (+6% YoY and 19% QoQ) and NSR growth (+9% YoY and flat QoQ) in 3Q.
- COAL reported decent earnings in 3Q, where revenue came in line and reported a beat of 10%/38% on EBITDA/PAT. Sales (dispatches) declined 3% YoY but rose 13% QoQ to 188mt, which drove revenue/EBITDA growth of 16%/72% QoQ during the quarter.
- **Top picks:** TATA and JDSL
- **Surprises:** HZL, VEDL, and COAL

Guidance highlights:

- **TATA:** Management expects INR2,300/t QoQ improvement in India realizations in 4Q, while coking coal costs are expected to be higher by USD15/t in 4Q. India steel volumes in 4Q are expected to be ~0.5mt higher vs. 3QFY26. NSR for the Netherlands operations is expected to dip ~EUR30-33/t QoQ in 4QFY26 due to product-mix dilution. Despite lower NSR, EBITDA of the Netherlands operation is expected to improve in 4Q over cost takeouts and higher volumes by ~0.4mt QoQ. UK steel prices remained depressed at GBP500-510/t, and management expects the UK government to implement measures by mid-2026 to safeguard local steel players.
- **JINDALST:** Management reiterated its volume guidance of 8.5-9.0mt for FY26 and highlighted that the steel prices for JINDALST have improved by INR3,000-3,500/t so far in 4Q vs. the end-3QFY26 levels. Coking coal costs are expected to increase USD18-23/t in 4QFY26 on a consumption basis.

- **JDSL:** Exports were weak as customers deferred orders amid the implementation of CBAM. While CBAM calculation thresholds have been announced, the lack of clarity on verification methodology and authorized verifiers continues to create uncertainty. The company maintains its FY26 EBITDA/t guidance of INR19,000-21,000/t. The SMS project in Indonesia is progressing as planned and will be commissioned by 1HFY27, while the downstream capacity expansion at Jajpur, comprising two CR mills, will be commissioned by mid-FY27.
- **HNDL:** India's aluminum (Upstream) CoP is expected to rise ~1% QoQ, primarily due to higher CP Coke (anode) prices amid China supply-demand tightness. Novelis' cost to serve is expected to remain elevated, in line with 3Q levels, due to increased external slab sourcing and supply chain reorientation. The Oswego hot mill is expected to restart late in 2QCY26 (vs. Dec'25 earlier). Total estimated FCF impact will be USD1.3-1.6b for restoration capex, working capital strain, and operational disruption. Full-year EBITDA impact is estimated at USD150-200m, primarily from lost contribution and unabsorbed fixed costs. Insurance coverage is expected to recover 70-80% over 15-18 months. Net debt increased ~INR240b during 9MFY26, largely driven by Novelis' negative FCF (capex + working capital + fire impact) and working capital build-up of ~INR40b due to higher copper concentrate inventory.
- **VEDL/HZ:** VEDL is on track to achieve alumina volume guidance of ~3mt for FY26. Aluminum CoP is expected to remain positive, with alumina costs expected to decline ~USD25/t in 4Q, while a net USD50-60/t QoQ reduction in hot metal costs will be partially offset by planned power plant maintenance. Company reiterated its refined metal guidance to 1,075-1,100ktpa and expects to achieve its silver output guidance of 680t (±10t) for FY26. In 4QFY26, management anticipates silver volumes to improve QoQ, driven by the resumption of capacity post shutdowns, favorable weather conditions, and operational improvements. HZ expects further cost improvement to USD950-975/t by 4QFY26, supported by higher renewable-energy usage and better ore grades. Renewable energy contributed 20% of total power in 3QFY26, and the company expects to reach 25% by FY26-end.

Exhibit 107: Domestic spot steel spreads (USD/t) moved below their LTA

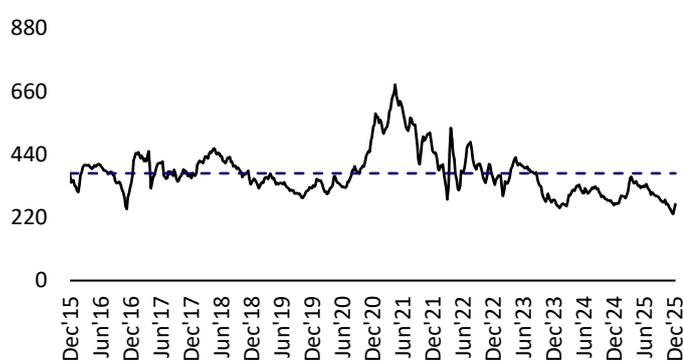
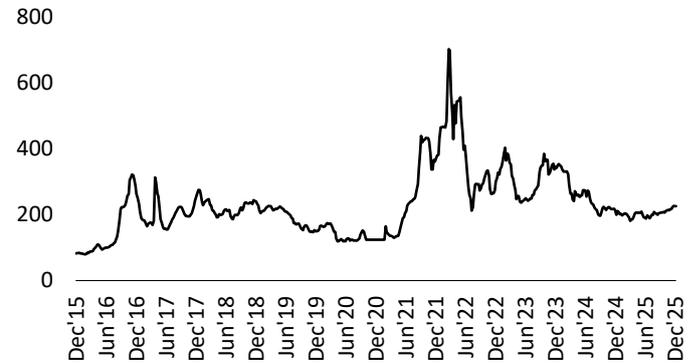
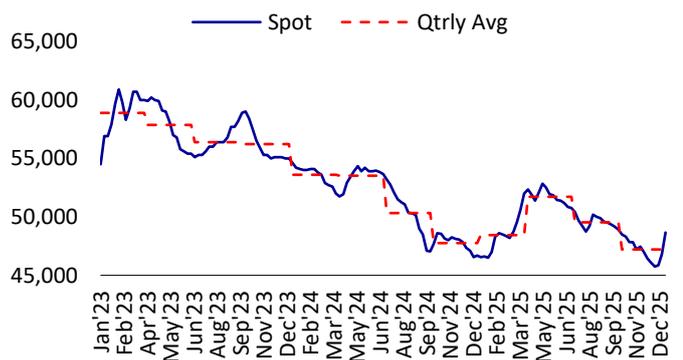


Exhibit 108: Coking coal CNF India (USD/t) prices steadily increasing to USD250/t



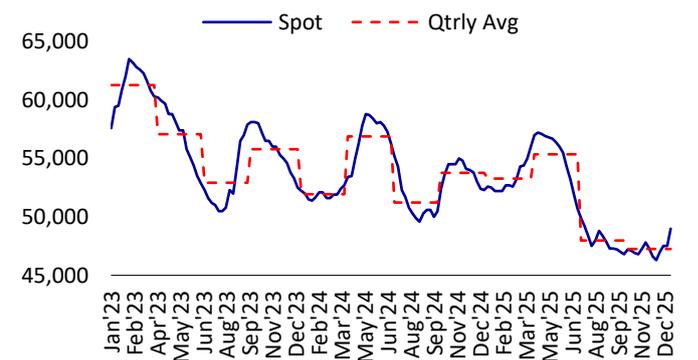
Source: MOFSL, BigMint

Exhibit 109: HRC (INR/t) prices softened to INR47,000/t in 3Q amid lapse of provisional safeguard duty

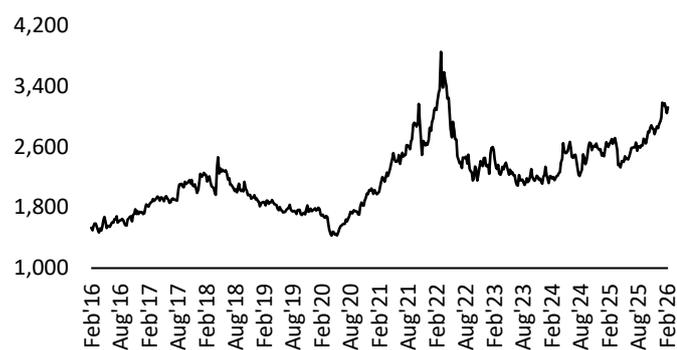


Source: MOFSL, BigMint

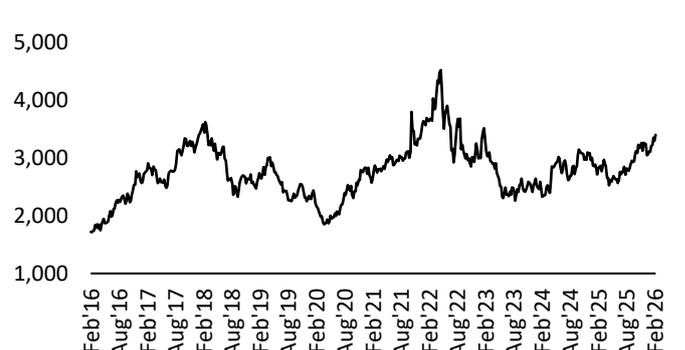
Exhibit 110: Rebar (INR/t) prices corrected to 47,000/t in 3Q amid overall pressure on steel prices



Source: MOFSL, BigMint

Exhibit 111: Aluminum prices rose to ~USD3,110/t


Source: MOFSL, Bloomberg

Exhibit 112: Zinc prices rebound to ~USD3,400/t


Source: MOFSL, Bloomberg

Exhibit 113: Copper prices surge to USD13,000/t levels


Source: MOFSL, Bloomberg

Exhibit 114: Lead prices hover below USD2,000/t


Source: MOFSL, Bloomberg

Exhibit 115: Steel companies witnessed EBITDA/t contraction in 3Q

EBITDA/t	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
JSW Steel	9,100	9,003	8,869	8,314	8,515	11,324	9,693	8,503
Tata Steel	8,271	9,059	7,343	9,268	7,874	10,432	11,247	9,987
SAIL	3,879	5,536	3,111	4,582	6,536	5,704	5,149	4,455
JSPL	12,162	13,585	11,780	11,226	11,647	15,419	10,027	6,986
JDSL	18,161	20,964	21,000	20,536	16,499	20,915	21,416	21,665

Source: MOFSL, Company

OIL & GAS: Stable performance by OMCs; soft performance by CGDs amid headwinds

- Overall performance:** Revenue came in 10% above our estimates. However, excluding OMCs, revenue was 3% above our estimates. EBITDA was in line with estimates (up 18% YoY). Excluding OMCs, EBITDA remained in line (flat YoY). Adjusted PAT was 7% above estimates (up 33% YoY), primarily as OMCs reported strong profitability. Excluding OMCs, adjusted PAT was 3% above estimates (flat YoY).
- Reliance Industries posted a soft 3Q:** Its consolidated EBITDA was flat QoQ at INR460b (+5% YoY, 4% below estimates), hurt by a weaker performance of Reliance Retail (RRVL). O2C EBITDA grew 31% YoY to INR124.3b, driven by a sharp rise in transportation fuel cracks, partly offset by weaker downstream chemical margins and higher feedstock freight costs. E&P 3QFY26 revenue declined 8.4% YoY due to lower volumes (KGD6 production down 10% YoY) and weaker price realization from KGD6 gas and condensate.
- Upstream: ONGC's 3QFY26 revenue** came in line with our est. at INR315.5b. Crude oil/gas sales were in line with our est. at 4.7mmt/3.9bcm. VAP sales stood at 662tmt (est. 635tmt). Reported oil realization was USD61.6/bbl, at USD1.5/bbl discount to Brent in 3Q. EBITDAX came in line with our est. at INR173b. However, PAT came in 21% above estimates. **OINL's** 3Q oil/gas sales at 0.82mmt/0.66bcm came 3%/1% below our estimate. Production volumes continue to remain soft as oil/gas production was down 1%/3% YoY at 858mmt/801bcm in 3Q. Oil

realization stood at USD62.84/bbl (our est. USD61.1/bbl). EBITDA was 34% below our estimate at INR13.1b, down 39% YoY, primarily due to a significant rise in contract costs.

- **OMCs:** Strong refining margins and healthy marketing margins in 3Q led to another strong quarter for OMCs. **IOCL** reported a beat, with EBITDA/PAT coming in 36%/45% above our estimates. In contrast, **HPCL's** 3QFY26 EBITDA/PAT was 17%/20% below our estimate, while those of **BPCL** came in line with our estimate. Two equal monthly instalments of LPG compensation totaling INR24.1b/12.7b/13.2b have been recognized by IOCL/BPCL/HPCL in 3Q. While LPG under-recovery moderated QoQ in 3Q, this relief appears short-lived, with under-recoveries expected to revert to 2Q levels or even higher in 4Q amid rising Saudi propane prices.
- **CGDs:** Overall, CGD's performance remained soft amid margin headwinds due to elevated raw material costs and rupee depreciation. **MAHGL's/IGL's** EBITDA came in 14%/4% above our estimates, while **GUJGA's** EBITDA came in 7% below our estimates. Total volumes for MAHGL/GUJGA were in line with our estimates at 4.6/8.4mmscmd, while IGL's volumes were slightly below our estimates at 9.42mmscmd.
- **Gas utilities:** **GAIL's** standalone 3QFY26 EBITDA came in 9% below our estimates at INR26.6b. EBIT for the gas transmission/marketing segment missed our estimates by 4%/19%. Volumes for natural gas transmission came in line with our estimate at ~125.5mmscmd. **GUJS's** EBITDA was 8% below our estimates, driven by transmission volumes of 27.5mmscmd, which was 4% lower than expected, and higher-than-estimated opex. **PLNG's** EBITDA (adjusted for the labor codes impact) was 7% above our estimate. Adjusted PAT was 10% above our estimate. Total volumes came 3% above our estimate at 233tbtu.
- **Others:** **CSTR's** EBITDA margin contracted 230bp YoY and expanded 180bp QoQ. Its 4Q volumes stood in line with our estimates at 63.7m liters (up 8% YoY). **Aegislog's** EBITDA came in line with our estimates. Normalized EBITDA of the gas division came in 5% above our estimate, while that of the liquid division stood in line with our estimates.
- **Ratings and earnings revisions:** There have been no changes in ratings across our coverage universe following the 3QFY26 earnings season. We have revised up our FY27/FY28 estimates for **OMCs** as we raise our MS/HSD marketing margin assumptions for FY27/28 slightly to INR4.5/lit (from INR3.5/lit earlier). We cut our FY27/28 EBITDA estimate of **PLNG** by 9%/11% as we lower volumes at Dahej, given delays in the commissioning of the new capacity, absence of long-term contracts, and soft spot and service volumes. We also cut our FY26 EBITDA estimates for **GAIL** by 6% as we cut margins for the petchem, LPG, and LHC segments.
- **Top picks:** **HPCL:** We continue to prefer HPCL among OMCs. We view the following as key catalysts for the stock: 1) the ramp-up of its bottom-upgrade unit by the end of FY26, and 2) the start of its Rajasthan refinery by Dec'25. **MAHGL** remains our preferred pick among CGDs, given the robust 11% CAGR volume growth over FY25-28 and a stable EBITDA/scm margin outlook (~INR8.79/scm).
- **Surprise:** IOCL, PLNG, ONGC, MAHGL
- **Misses:** HPCL, GAIL, OINL, Reliance, GUJGA

Guidance highlights

- **Upstream: ONGC:** For FY27, guidance is maintained at 21mmt/21.5bcm of oil/gas. FY27 capex guidance is INR320-330b. The Daman Upside Development project (~4-5mmscmd peak gas output) is expected to be operational by 4QFY26-end, while DSF is under development and targeted for commissioning by 4QFY27. **OINL:** Well drilling intensity remains high, with 19 new wells dug in 3QFY26 (51 wells in 9MFY26). The company aims to drill 75/100 wells in FY26/FY27. Management targets production of 7.5/8.5mmtoe in FY27/28, with crude oil production target of 3.8/4mmt in FY27/28. The Numaligarh refinery expansion from 3mmtpa to 9mmtpa is progressing, with commissioning of the mother units having commenced in Dec'25. Stabilization is expected by 4QFY26, with FY27 exit throughput targeted at 4mmtpa.
- **OMCs: HPCL:** The Residue Upgradation Facility (RUF) in Visakhapatnam is expected to attain 100% utilization in 1QFY27, with distillate yield to be 82% once RUF is fully operational. The HPCL Rajasthan Refinery Ltd has achieved 90%+ overall physical progress. From FY28, the entire complex, including petchem, will be operational.

- CGDs: MAHGL:** Two large CNG stations in South Mumbai are expected to be developed in FY27. Additionally, two more large stations are planned—one each on the Western and Eastern Express Highway. The Wadala mega CNG station, with 60 dispensers, will start in phases, with the first phase scheduled to commence in April/May'26. **GUJGA:** FY26 capex is expected to be INR6.5-7b, with similar spend expected in FY27-28. The Board plans to own propane infrastructure; discussions are underway with port authorities for storage and unloading facilities. **IGL's** management had guided its EBITDA margin guidance to be INR7per scm in the long term. Volume guidance is maintained at FY26-exit volume of 10mmscmd. The company plans to add 1mmscmd per annum over FY26-28.
- Others: GAIL:** The 1,250ktpa PTA plant should be commissioned in 4QFY26, and the 500ktpa PDH-PP project is scheduled for commissioning in CY26. Meanwhile, the 60ktpa plant at Pata is at an advanced stage and may be commissioned imminently. Gas marketing volumes should grow at 5-6% YoY. FY26/FY27 gas transmission volume guidance is maintained at 124-125mmscmd/134-135mmscmd. **PLNG:** Dahej terminal's 5mmtpa capacity shall be mechanically completed by end-Mar'26. Kochi terminal - KMBPL is likely to be connected to NGG by the end of Jun'26. The FY26/27 capex shall be INR30b/90b.

Exhibit 116: Implied gross marketing margin (INR/lit)

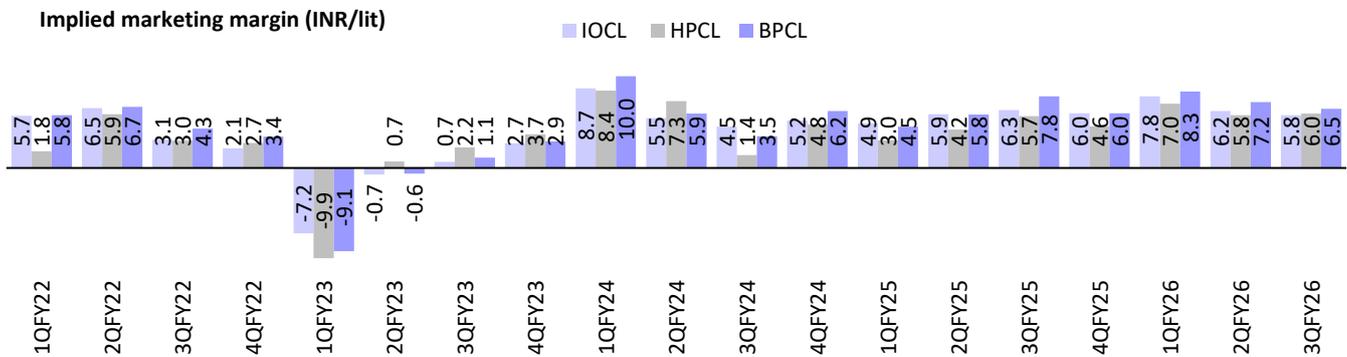


Exhibit 117: Reported refining margin (USD/bbl)

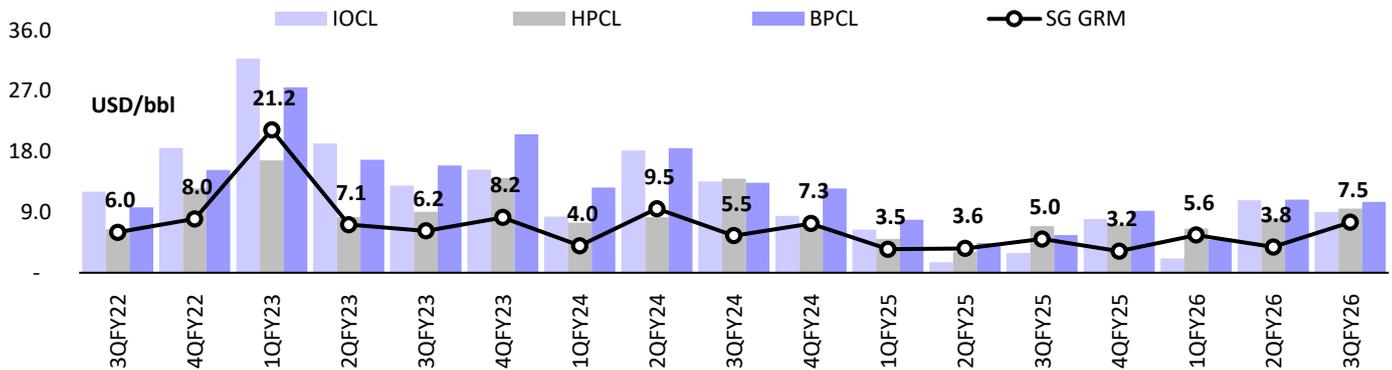


Exhibit 118: Sales volume of CGDs (mmscmd)

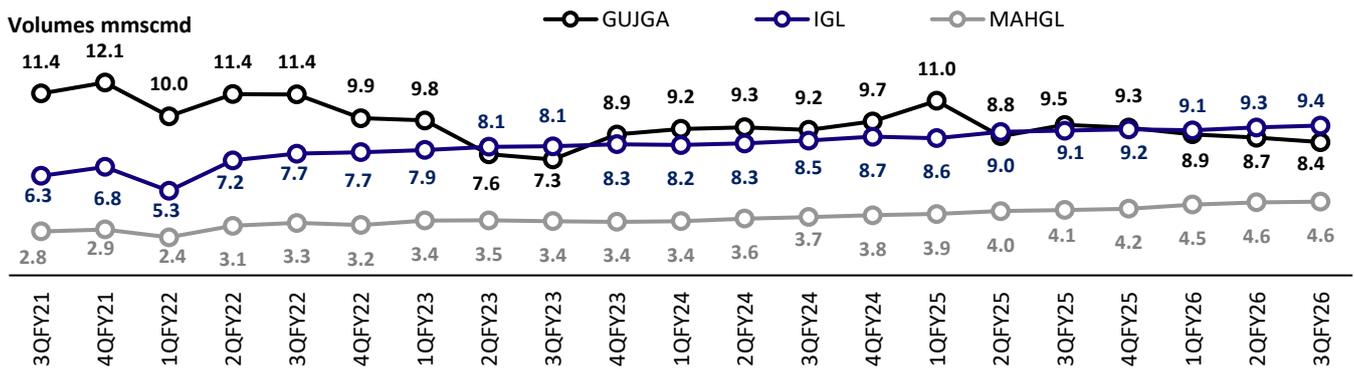
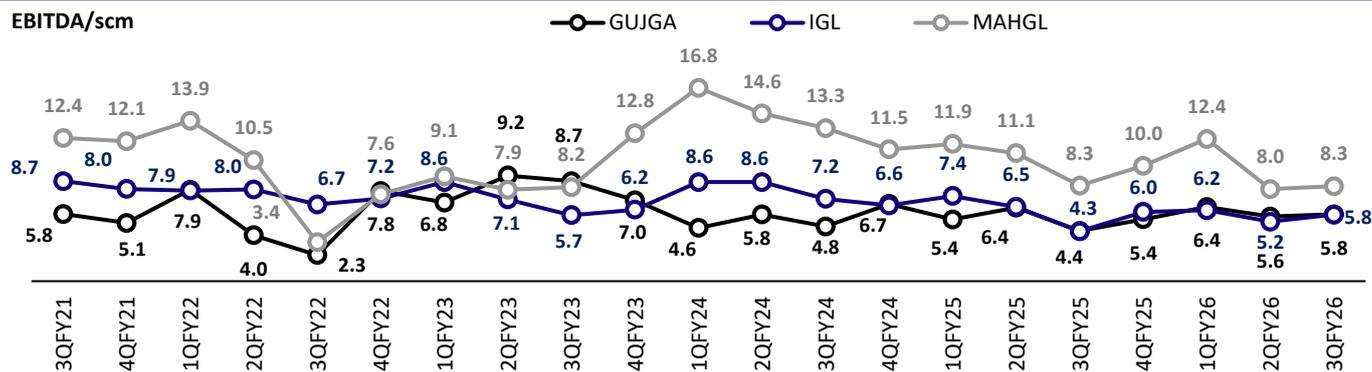


Exhibit 119: EBITDA/scm trend for CGDs (INR)



Plastic Pipes: Healthy volume growth by large players, indicating industry consolidation

- Healthy volume growth but muted revenue growth:** The plastic pipes sector reported a muted quarter amid volatile PVC prices and a weak demand scenario. Aggregate revenue (coverage companies) grew 7% YoY to INR48b. This growth was led by large players (SI/ASTRA), which reported healthy pipe volume growth (16%/17% YoY), followed by muted 3% YoY growth by PRINCIPI. Other companies, such as FNXP/APOLP, posted a volume decline of 14%/6% YoY in 3Q. Also, blended realization continued to decline in 3Q on both YoY and QoQ by 3%/7%. For our coverage universe, we expect an aggregate revenue growth of ~12% in FY26 (implying 18% YoY growth in 4QFY26) and a CAGR of 13% over FY25-FY28.
- Mixed bag margin performance across companies:** The quarter witnessed a drop in PVC prices (down 17% YoY/ 8% QoQ) as no ADD or BIS were implemented, resulting in inventory losses for the companies. This led to industry-wide sequential EBITDA margin contraction of 110bp (100bp for coverage companies). For YoY, large players witnessed marginal contraction in EBITDA margins YoY, smaller players’ (FNXP, PRINCIPI) ex-APOLP margins improved significantly (440bp/540bp YoY) on the back of a low base as inventory losses were higher in 3QFY25 vs. the current quarter. APOLP continued to see margin contraction (down 270bp YoY/180bp QoQ) to 4.9%. With PVC prices seeing a sharp jump (INR11-12/kg) in Jan’26 and strong volume growth being witnessed in Jan’26, we expect the 4QFY26 performance of the industry to improve drastically with continued momentum in FY27.
- Outlook remains positive with an improving demand scenario and recovery in PVC prices:** A common indication from all the companies is the expectation of a strong demand in 4Q, backed by a spurt in PVC prices and improving residential real estate activity. While 9MFY26 was challenging due to macroeconomic headwinds, subdued demand, and raw material price volatility, a pickup is expected from 4QFY26. PVC resin prices have increased significantly, which should improve channel sentiment, leading to channel filling. Also, there is a possibility of inventory gains going ahead, which the companies plan to pass on to gain market share. Hence, all our coverage companies have retained their FY26 guidance despite a weak performance in 3QFY26/9MFY26.
- The quarter experienced no downgrades/upgrades:** We have retained our estimates for FY27/FY28 for all our coverage companies. We have only reduced our FY26 earnings estimate on the back of lower 3Q performance for SI/ASTRA/PRINCIPI by 9%/6%/29%.
- Surprises:** None **Miss:** SI, ASTRA, and PRINCIPI

Guidance highlights

- ASTRA:** The company is expected to see healthy growth momentum in 4Q/FY27, led by an improving demand outlook for pipes (gaining market share and recovery in PVC prices), improving performance of the UK adhesive business, steady growth in the India adhesive business, and a healthy outlook of paint business. FY26 volume growth guidance of 12-15% remains intact, with Jan’26 volumes already growing over 20%, and management continues to target 20%+ volume growth in 4QFY26. EBITDA margins are guided at ~16-18% for FY26, with upside toward ~18% in 4Q supported by inventory normalization.

- **SI:** Management cut its full-year margin guidance to 13.5-14.0% from 14.5-15.0% due to continuous PVC price erosion until Dec'25. Normal margins of 14.5-15.0% are expected to return once price volatility stabilizes and volumes scale up (expected in 4Q). Plastic piping business growth is coming back to normalcy as the continuous downward price trend scenario has been arrested, and restocking has been started by channel partners. Polymer prices have moved up in CY26 (currently at ~USD650 vs. a low of USD580), broadly aided by an improvement in demand in the market. China's export restrictions, starting from Apr'26, are expected to further drive prices up.
- **PRINCIPIP:** Management also retained its earlier guidance of a high single-digit volume growth in FY26 despite 2% growth in 9MFY26, implying a strong 4Q YoY growth of 25-30% with recovery in margins due to agriculture and plumbing demand revival, aided by restocking. For FY27, the company has anticipated double-digit volume growth with EBITDA margin at 10-12% (excluding the Bathware segment loss).

Exhibit 120: Key operating indicators

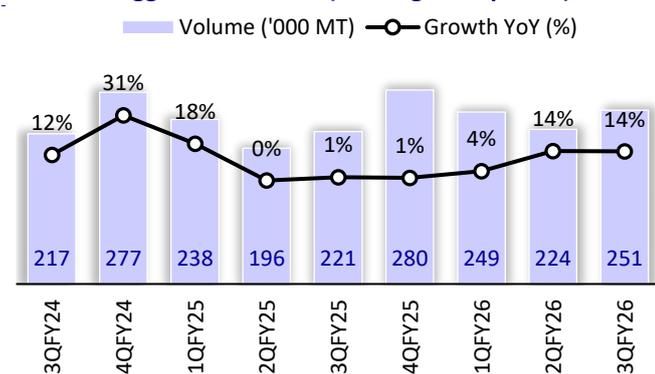
	Revenue (INR m)					EBIT/kg (INR)					Adj. PAT (INR m)				
	3Q FY26	3Q FY25	YoY (%)	2Q FY26	QoQ (%)	3Q FY26	3Q FY25	YoY (%)	2Q FY26	QoQ (%)	3Q FY26	3Q FY25	YoY (%)	2Q FY26	QoQ (%)
ASTRA	15,415	13,970	10	15,774	-2	22.5	26.6	-15	25.7	-12	1,201	1,141	5	1,348	-11
SI	26,869	25,099	7	23,939	12	9.2	10.9	-16	10.6	-13	1,649	1,870	-12	1,647	0
PRINCIPIP	5,733	5,777	-1	5,946	-4	-1.3	-5.7	NA	5.3	NA	-8	-204	NA	146	-106
FNXP	8,977	10,010	-10	8,587	5	9.1	3.7	143	10.3	-11	1,161	940	23	1,236	-6
APOLP	2,472	3,079	-20	2,357	5	-1.3	4.3	NA	0.6	NA	-33	62	NA	16	-301
Aggregate	48,017	44,846	7	45,658	5	10.7	11.5	-8	13.7	-22	2,841	2,806	1	3,142	-10
Aggregate (inc Finolex and Apollo)	59,466	57,935	3	56,603	5	9.5	8.9	6	12.1	-21	3,970	3,809	4	4,394	-10

Source: MOFSL, Company

Exhibit 121: Our revised EPS estimates (INR)

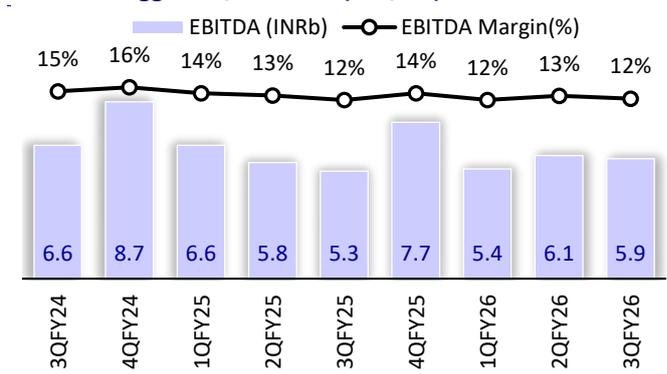
	FY26E			FY27E			FY28E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)	Rev	Old	Chg (%)
SI	68	75	-9	103	107	-4	125	128	-3
ASTRA	21	22	-6	28	28	-1	36	35	2
PRINCIPIP	6	8	-29	14	14	-1	20	20	-2

Exhibit 8: Agg. volume trend (coverage companies)



Source: Company, MOFSL

Exhibit 9: Agg. EBIT/KG trend (INR/KG)



Source: Company, MOFSL

REAL ESTATE: Lack of material launches dent presales by 16% YoY

- **Presales down 16% YoY:** In 3QFY26, our coverage universe reported bookings of INR302b, down 16% YoY, due to a lack of material launches in the quarter, while the presales were 19% below our estimates. In 9MFY26, presales stood at INR1.09t, up 18% YoY. Presales for DLFU in 3Q declined the most (97% YoY) due to Dahlias on halt and no new launches in the quarter. Other players like ABREL/GPL/LOTUSDEV/SOBHA/MAHLIFE delivered strong YoY growth of 276%/55%/248%/52%/71%. These players contributed 46% of overall presales in the

quarter. The total booking area of listed players in our coverage universe was flat YoY at 19.3msf. In 9MFY26, booking area was 73.6msf, up 16% YoY. Overall demand for premium and luxury remained strong, though higher sales in mid-premium/premium segments led to a decline in realization in the quarter.

- In 3Q, ABREL and LOTUSDEV were the best performers in terms of YoY presales growth at 276% and 248%, respectively. GPL performed the best in terms of value, i.e., INR84.2b out of total reported bookings of INR302b from our coverage universe.
- Realization declined 16% YoY to INR15,626/sqft due to a change in the product mix and the focus moving toward the mid-premium segment. In 9MFY26, realization declined 13% YoY.
- **Double-digit growth aspiration intact for FY26:** Our coverage universe posted a 40% CAGR in cumulative bookings over FY21-25. However, due to launch spillovers, cumulatively ~10-20% growth is expected in FY26 instead of a high 30%. In 9MFY26, business development remained strong, led by LODHA, GPL and PEPL, which added new projects worth GDV of INR588b, INR247b, and INR399b, respectively. Consequently, companies have a robust launch pipeline for 4QFY26, which can support their future growth aspirations.
- **Launches, although weak, dominated by few players:** Launches in 9MFY26 grew 25% YoY, mainly led by large launches by ABREL, LODHA, PEPL and MAHLIFE. These players increased their launches by 96%/56%/95%/77% YoY, while other listed players in our coverage universe reported a declining trend or flat performance.
- **Collections:** Total collections for 3QFY26 increased 21% YoY to INR260b, with an increase in collection efficiency (collections-to-sales) to 86% (due to lower sales this quarter) from 60% in 3QFY25. In 9MFY26, collections stood at INR706b, up 18% YoY, with collection efficiency of 65%, flat YoY.
- **P&L performance – mixed bag:** Aggregate revenue for our coverage universe grew 18% YoY to INR185b (13% below our estimate). Individual performance was a mixed bag for a few of our coverage stocks – DLFU/LODHA/LOTUSDEV/PEPL/MAHLIFE/SRIN reported healthy revenue growth, while other coverage companies were affected by lower project deliveries. Cumulative EBITDA in 3Q stood at INR47b, up 5% YoY (30% below estimate), with an EBITDA margin of 25%. PAT in 3Q stood at INR40b, up 13% YoY (32% below estimate), with PAT margin of 21%. In 9MFY26, revenue stood at INR494b (up 15% YoY), EBITDA stood at INR122b (up 3% YoY) with margin at 25%, and PAT stood at INR117b (up 17% YoY) with margin at 24%.
- **View:** The operational performance of our coverage universe missed our expectations due to weak launches. We have cut our FY26 pre-sales estimates for all the companies, except for LODHA/LOTUSDEV/MAHLIFE/SRIN, where there is no change, and PEPL, where estimates have been increased as it is expected to beat guidance. However, we will critically monitor launches and deliveries as many companies have expressed concerns regarding approval delays. We prefer DLF, LODHA and ABREL as our top picks.
- **Surprises:** LODHA, SRIN, LOTUSDEV and MAHALIFE
- **Misses:** KPDL, SIGNATUR

Company commentary:

- **LODHA:** In 9MFY26, launches totaled INR229b across MMR, Pune and Bangalore, with FY26 sales contribution from new launches expected at ~30–35%, quarterly presales guided to scale to ~INR50b and 5–6% price growth. Bangalore is emerging as a key growth market, while NCR has entered the pilot phase with JDAs planned for FY27. Township monetization at Palava, supported by improving connectivity and a rising premium mix, along with land monetization for data centers, is expected to drive medium-term visibility. Digital infrastructure, data centers (400 acres, 3GW power) and annuity rentals are positioned as long-term cash flow drivers, with rental income targeted at INR5b by FY26 and INR15b over time, supporting balance sheet strength.
- **OBER:** OBER saw no launches in 3QFY26, with only Elysian Tower D launched in 9MFY26, while multiple towers across Goregaon, Borivali and Gurugram are lined up for 4QFY26/1QFY27 and several Mumbai projects slated for FY27. The annuity portfolio continues to improve with Commerz assets nearing stabilization and Sky City Mall expected to achieve full occupancy by 1QFY27. Approvals for the Gurugram project are in the final stage, and three large BD deals in Mumbai are expected to be concluded in 4QFY26. Reported QoQ price softness reflects

sales of lower-floor inventory, while the Thane project is progressing through its typical high-rise sales cycle with confidence in steady annual sales and price improvement as construction advances.

- **DLFU:** DLF's residential demand remains healthy in Gurugram, with 9MFY26 presales largely driven by Privana North and Westpark. Dahlias sales resumed in January after a brief regulatory pause, with margins intact. Collections improved sharply in 3QFY26, enabling a gross debt-zero position. Collections are expected to grow steadily ahead, supported by upcoming launches across Arbour 2, Goa, Panchkula, Mumbai Phase 2 and the next phase of Dahlias, alongside a medium-term pipeline of INR602b and gradual release of RERA-escrowed cash. On the commercial side, low vacancy and assets across Gurugram and Chennai nearing stabilization or commencing rentals should support rental income growth from INR64b in FY26 to ~INR75b in FY27, aided by Downtown, Atrium Place and mall assets.
- **GPL:** GPL aims to strengthen leadership across its key markets amid favorable demand drivers, with 9MFY26 presales at ~74% of FY26 guidance and improving geographic diversification, supported by a multi-year BD pipeline of ~INR1,350b, entry into commercial at Panvel, and a strong OC pipeline in 4QFY26-1QFY27 expected to aid revenue and cash flows. In 3QFY26, launches worth INR110b GDV contributed ~59% of sales from new projects, and management maintains FY26 launch guidance of INR400b and presales guidance of INR325b, with extensive upcoming launches across NCR, MMR, Bengaluru, Pune, Hyderabad and other cities, while revenue in 9M remained muted due to limited completions but is expected to be lumpy in 4QFY26, alongside steady sustenance sales and market-wise growth across Mumbai, NCR, Bengaluru and Pune.
- **PEPL:** In 9MFY26, PEPL launched ~23.8msf across residential and commercial projects with GDV of INR196b, while inventory stood at 12.4msf across key markets. FY26 presales guidance has been raised to INR300b, with ~74% already achieved, supported by a strong 4Q pipeline and ~30% sustenance sales. Business development remained aggressive with 16 project additions (~INR399b GDV) and further land closures underway across major cities. Mixed-use, hospitality, retail and data center initiatives are progressing across Bengaluru, Mumbai and other regions. FY26 revenue is guided at INR110-120b, with INR619b of unrecognized revenue visibility, sustainable EBITDA margins of 28-30%, and steady project completions.
- **BRGD:** BRGD highlighted strong demand with ~30-35% sales from new launches and the balance from sustenance, led by Bengaluru, Hyderabad and Chennai. In 9MFY26, it launched 5.56msf (GDV INR48b). Gateway Phase 2 saw healthy traction; ~4.5msf (GDV INR54b) is lined up for 4QFY26 across Chennai, Bengaluru and Hyderabad. Collections were led by real estate with positive operating cash flows, while BD spend of INR21b added ~14msf (GDV INR160b) largely in Bengaluru and Hyderabad. Commercial occupancy remains healthy at 93% with revenue visibility of INR13b in FY26. The listed hospitality arm continues to scale up. Unsold inventory stands at 5.5msf, with portfolio IRRs guided at ~18%.
- **MAHLIFE:** Approval delays in luxury projects are affecting launch timing due to site complexities and regulatory scrutiny rather than demand. Key launches such as Mahalaxmi (INR16.5b) and Bhandup Phase 1 (~INR25-30b) are lined up for 4QFY26, with additional Pune and Borivali redevelopment projects planned in FY27, while strong business development in 9MFY26 has expanded the pipeline to INR468b with a meaningful share towards redevelopment and large-format opportunities. The company remains net cash positive with healthy operating cash flows, and OC receipts towards the end of the quarter are expected to support collections recovery in 4QFY26.
- **SOBHA:** SOBHA launched six projects in 9MFY26 (2.58msf TDA) across NCR, Bangalore, Kochi, Gurgaon and Mumbai, expanding into new markets and segments. 4QFY26 and 1QFY27 will see key launches in Gurgaon, Greater Noida, Chennai, Calicut and Hoskote (~5.4msf), with ~45% of FY26 launches in NCR. Management guides ~35% presales growth in FY26, supported by a 17msf residential and 0.6msf commercial pipeline and unsold inventory of 8.6msf (INR107b). Project-level EBITDA margins of ~30% are targeted on the remaining INR186b revenue to be recognized, with margin improvement as completions scale up. Land spend of INR8.7b in 9MFY26 and a 1,752-acre land bank provide strong multi-year launch visibility.
- **SIGNATUR:** In 9MFY26, presales stood at INR67b from 4.4msf, with guidance revised to match FY25 after a 27% YoY dip in 3Q. Collections stood at INR31b (~50% of guidance) with strong 3Q momentum, and a sharp pickup

expected in 4QFY26. Two projects (6.8msf, GDV INR106b) were launched with healthy traction, and another 2–3msf is planned before year-end. Over the past 24 months, 21msf has been launched and another 21msf (INR350–400b) is lined up over the next 8–10 quarters. With 13.8msf nearing completion and high single-digit price growth expected, revenue and cash flows are set to improve.

- **KPDL:** Launches in 9MFY26 totaled 3.71msf, with late 3Q additions likely aiding 4Q sales. Inventory of ~37.2msf across stages provides multi-year visibility in Pune, Mumbai and Bengaluru. The pipeline holds ~INR298b GDV, largely led by Pune. Life Republic anchors presales with ~53% contribution and ~16.7msf potential. Bhugaon BD and faster approvals/JVs aim to improve turnover and liquidity.
- **SRIN:** FY26 presales guidance of INR30b is maintained, with collections expected to improve as Nepean Sea construction begins. BD spend rose to INR6.8b in 9MFY26 vs INR1.8b in FY25, while operating cash flow grew 12% YoY to INR3.5b. One Naigaon tower (INR4–5b) launched in 3Q, and 5th Avenue ODC in 4Q has begun receiving EOs. Upcoming launches span Vasai, Mira Road, Bandra West, Naigaon, Andheri redevelopment and the balance Nepean Sea inventory (GDV ~INR54b). Groundwork at Nepean Sea is underway with demolition completed on ~1 acre.
- **PHNX:** Retail consumption grew 25% YoY to INR48b, supporting 13% YoY rental and 16% YoY EBITDA growth in 3QFY26, with renewable energy usage rising to 30% and trading density on track for 90% by Mar'26. Lease renewals across 50% of GLA and upcoming Thane and Kolkata projects provide visibility. Office leasing reached 1.2msf YTD, taking occupancy in key assets to 76% and new assets to 41%. Residential bookings in 9MFY26 stood at INR4.1b, with INR2.7b recognized and the balance expected in 4QFY26.
- **ARCP:** ARCP reported 3QFY26 revenue of INR6.4b (+20% YoY), EBITDA of INR1.7b and margin of 26.5%, while adj. PAT rose 31% YoY to INR1.4b; 9MFY26 revenue/EBITDA/PAT grew 23%/40%/33% YoY. On the real estate side, Estate One (1.1msf) is slated for 4QFY26 launch, with additional approvals across Phase V, a 6.39-acre group housing project, and commercial development at Ashok Estate underway; Navya Phase-2 and Ashok Estate deliveries are nearing completion. In data centers, Ashok Cloud expansion at Manesar and Panchkula will be operational in 4QFY26, with Panchkula (7 MW) and Manesar (21 MW) already live. Rai, Sonipat expansion (initial 20 MW; ~200 MW planned) and a 50 MW Andhra Pradesh MoU take total planned capacity to 357 MW IT load, with ~INR45b investment earmarked for AP.
- **LOTUS:** Luxury demand across key MMR micro-markets remains strong, with deliveries 12–18 months ahead of RERA and a net cash position of INR8.45b. The pipeline includes 6 ongoing and 14 upcoming projects (mostly western suburbs), with 19 of 20 asset-light and redevelopment-led. Arcadian, Amalfi, and Varun drove most 3Q presales, while Aquaria, Celestia, and Trident are next in line; FY27 has 7–8 launches planned. FYTD BD additions total INR75–85b GDV, with low unsold inventory and firm pricing outlook. Management retains FY26 presales guidance, supported by a high-margin, referral-driven model and tech-led customer engagement.
- **ABREL:** Birla Pravaah (INR18.5b GDV) sold out at launch, while Evam booked INR2.8b. 4Q launches total ~INR62b across MMR, Bengaluru, NCR, and Pune, with Evara also RERA-approved. Margins remain healthy at 25–30% for JDAs and ~40% for own/JV projects, with most land payments completed and IFC JV parcels funded via SPVs. Leasing assets are fully occupied, and rentals are targeted to scale from ~INR1.5b to INR10b over 4–5 years. Key projects like Tisya, Vanya, and Niyaara will drive FY27–29 revenue recognition. Strong collections (INR132.7b) and surplus visibility support the INR100b FY26 BD guidance.

Exhibit 122: Presales for our coverage universe fell 16% YoY...

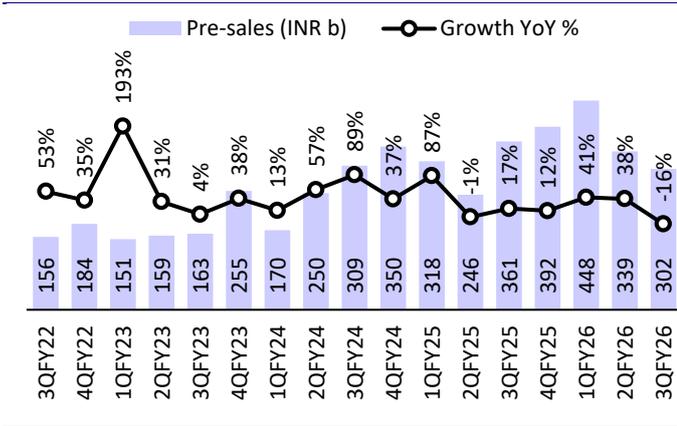


Exhibit 123: ...while volumes declined 1% YoY

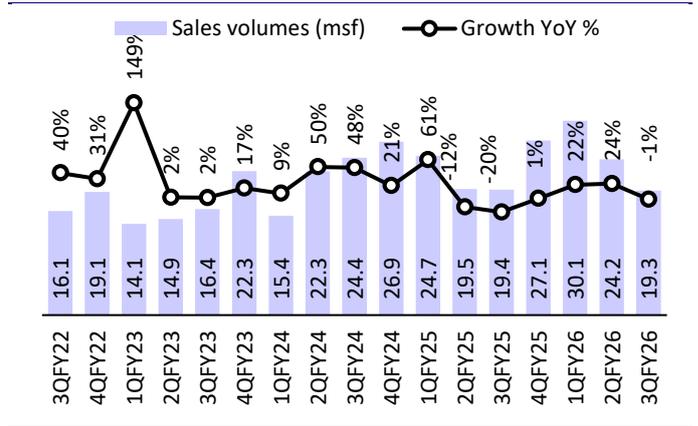


Exhibit 124: Collections improved 21% YoY

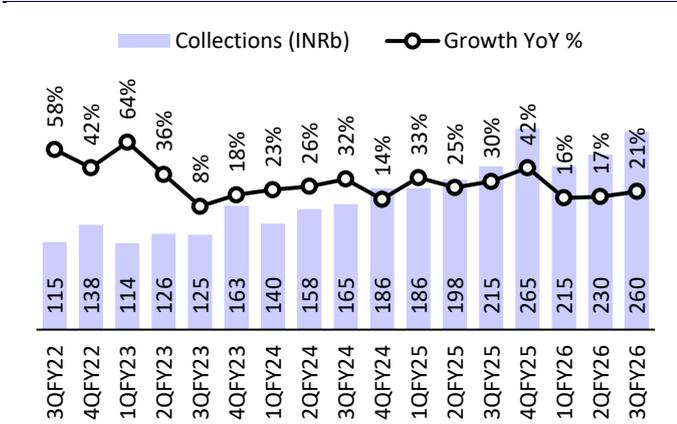


Exhibit 125: Bookings grew 23% YoY in FY25

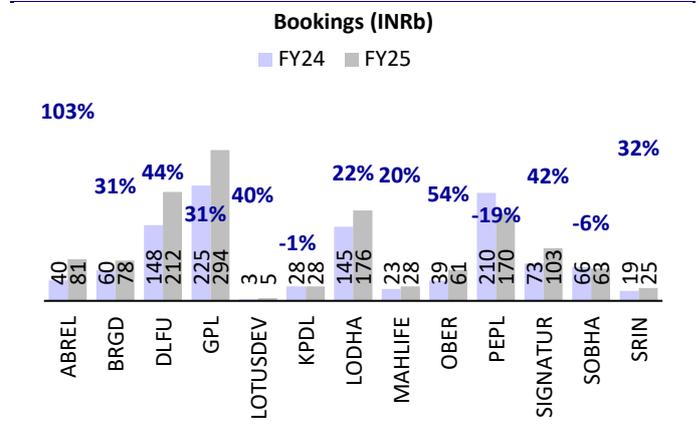


Exhibit 126: Summary of our revised estimates for our coverage universe

INR b	Revenue								
	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Aditya Birla Real Estate	15	20	59	4	28	63	-73%	39%	6%
DLF	102	104	110	80	122	110	-22%	17%	0%
Godrej Properties	54	58	66	40	60	69	-26%	3%	4%
Lodha	181	189	193	174	192	195	-4%	2%	1%
Lotus	11	16	22	9	16	22	-17%	0%	0%
Oberoi Realty	64	89	91	57	79	92	-10%	-11%	1%
Prestige Estates	114	141	153	114	141	167	0%	0%	9%
Brigade	50	62	88	60	91	94	19%	46%	7%
Sobha	50	58	72	47	58	72	-7%	0%	0%
Mahindra Lifespaces	5	8	11	6	8	11	14%	-9%	0%
Sunteck	11	15	20	11	15	20	0%	0%	0%
Phoenix Mills	47	50	62	44	50	62	-8%	0%	0%
Anant Raj	22	27	51	24	26	49	12%	-3%	-3%
Kolte Patil	17	34	48	8	28	39	-52%	-16%	-20%
Signature Global	44	74	105	24	60	72	-45%	-19%	-32%

INR b	EBITDA								
	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Aditya Birla Real Estate	0	3	10	-4	3	10	NA	30%	1%
DLF	31	31	32	13	31	30	-57%	-1%	-7%
Godrej Properties	7	9	10	-8	3	3	NA	-70%	-64%
Lodha	52	54	55	50	55	56	-4%	2%	1%
Lotus	4	8	10	3	8	10	-28%	0%	0%
Oberoi Realty	41	50	54	32	42	50	-21%	-15%	-6%
Prestige Estates	31	34	36	35	34	40	15%	0%	9%
Brigade	18	24	32	15	22	23	-19%	-5%	-27%
Sobha	6	8	11	3	7	10	-60%	-12%	-8%
Mahindra Lifespaces	-1	0	0	-1	0	0	NA	NA	0%
Sunteck	3	3	5	3	3	5	0%	0%	0%
Phoenix Mills	27	30	38	26	30	38	-6%	0%	0%
Anant Raj	6	6	18	7	5	16	25%	-14%	-11%
Kolte Patil	3	7	11	0	6	8	NA	-19%	-23%
Signature Global	8	18	26	-1	15	17	NA	-15%	-34%

INR b	PAT								
	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Aditya Birla Real Estate	0	2	10	-3	3	9	NA	11%	-7%
DLF	48	43	45	41	45	45	-14%	6%	1%
Godrej Properties	38	26	41	18	33	48	-53%	24%	18%
Lodha	36	38	41	34	38	40	-5%	-1%	-3%
Lotus	3	6	8	3	6	8	-16%	0%	0%
Oberoi Realty	29	36	40	23	32	38	-19%	-12%	-4%
Prestige Estates	9	12	13	11	12	16	24%	5%	29%
Brigade	10	14	20	7	13	14	-26%	-5%	-31%
Sobha	4	6	8	1	5	8	-65%	-12%	-7%
Mahindra Lifespaces	2	3	3	2	3	3	11%	-8%	0%
Sunteck	2	2	3	2	2	3	0%	0%	0%
Phoenix Mills	16	18	25	11	15	23	-32%	-16%	-9%
Anant Raj	3	2	9	6	3	11	68%	54%	26%
Kolte Patil	2	5	7	0	4	5	NA	-18%	-23%
Signature Global	8	18	26	0	15	17	NA	-17%	-35%

INR b	Pre-sales								
	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Aditya Birla Real Estate	118	148	160	88	140	202	-26%	-6%	26%
DLF	245	281	328	200	250	290	-19%	-11%	-12%
Godrej Properties	321	341	339	319	341	339	-1%	0%	0%
Lodha	213	253	317	213	253	317	0%	0%	0%
Lotus	11	35	59	11	35	59	0%	0%	0%
Oberoi Realty	83	102	101	62	76	93	-25%	-25%	-8%
Prestige Estates	264	316	463	287	324	499	9%	3%	8%
Brigade	105	115	133	73	115	133	-30%	0%	0%
Sobha	101	123	104	87	105	124	-14%	-14%	19%
Mahindra Lifespaces	34	35	34	34	35	34	0%	0%	0%
Sunteck	30	39	45	30	39	45	0%	0%	0%
Kolte Patil	32	48	43	25	48	43	-21%	0%	0%
Signature Global	123	178	232	83	124	171	-32%	-31%	-26%

INR b	Collections								
	Old			New			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
Aditya Birla Real Estate	42	72	94	42	72	94	0%	1%	0%
DLF	173	206	258	146	190	251	-16%	-8%	-3%
Godrej Properties	263	284	276	221	284	276	-16%	0%	0%
Lodha	144	172	214	126	172	217	-13%	0%	1%
Lotus	11	17	40	6	22	40	-45%	28%	0%
Oberoi Realty	65	85	87	57	68	83	-13%	-20%	-5%
Prestige Estates	151	214	364	172	233	378	13%	9%	4%
Brigade	78	94	123	51	85	114	-35%	-9%	-8%
Sobha	67	113	119	65	105	128	-4%	-7%	8%
Mahindra Lifespaces	29	34	40	29	34	40	0%	0%	0%
Sunteck	23	31	41	18	31	41	-21%	0%	0%
Kolte Patil	29	39	43	25	37	41	-14%	-4%	-4%
Signature Global	63	103	151	46	74	109	-27%	-27%	-28%

Retail - Jewelry: Festivities enables strong revenue growth; focusing on absolute PBT growth

- Jewelry companies continued to deliver robust sales growth buoyed by a strong festive demand and a significant rise in gold price in 3Q (~60% YoY and ~20% QoQ). These companies indicated that revenue growth was driven by substantial average selling price increases, offsetting flat buyer growth. Titan (Jewelry standalone, ex-bullion), Kalyan, P N Gadgil (retail), and Senco delivered revenue growth of 40%, 42%, 46%, and 50%, respectively, in 3Q. Titan/Kalyan SSSG stood at 32%/27%, while Senco's SSSG grew 39% in 3Q.
- Amid inflationary gold price scenario and high coin growth, the studded mix deteriorated for Titan, P N Gadgil and Senco, while it remained flat for Kalyan. Moreover, we observed margins were supported by one-time inventory gains (mainly for silver, and select companies due to low hedging) in 3Q. **In Jewelry space, we continue to like Titan and Kalyan.**
- **Outperformers (3Q):** Titan, Kalyan, P N Gadgil, Senco
- **Underperformer (3Q):** NA

Guidance highlights:

- **TTAN:** Management remained focused on the exchange program, looking to improve buyer trajectory, which was flat in 3Q and -2% in 2Q. Jewelry margin has multiple variables, and looking for healthy EBIT growth vs. chasing EBIT margin. Caratlane should sustain double-digit EBIT margin.
- **Kalyan Jewellers:** A new regional brand is expected to launch in 4QFY26 in a single state; more expansions are expected in FY27 with five stores. Management plans to repay ~INR1,500m in 4QFY26, targeting INR4,000m debt by Mar'26 and a debt-free status by FY27. The company plans to add 80-90 stores over the medium term in India and 6-7 overseas stores annually over the medium term. Maintenance capex in India is estimated at ~INR175cr for FY26.
- **Senco:** The company remains on track to open 20 stores in FY26 and plans to add 3-4 more outlets to cross the 200-store milestone. For FY27, the company plans to open 18-20 stores, split evenly between COCO (8-10) and franchisee (8-10) formats. For FY27, the company maintained its EBITDA guidance at 7.5-7.8% and reiterated revenue growth of 20-22% and for 4QFY26, sales growth is expected at 25%+.
- **P N Gadgil:** The company targets addition of 78-80 stores by FY26-end and ~25 stores in FY27 across COCO, FOCO, and LiteStyle formats. Management guides for 13-14% gross margins, EBITDA margins of 7.0-7.25%, and PAT margins of 3.75-4.0% as sustainable. Management expects PNG lifestyle to contribute 10% of revenue in the near term. Marketing costs are expected to remain within the range of 1.25-1.5% of total revenue.

RETAIL: Festive shift leads to muted demand trends in 3Q; robust cost control boosts margins

- Apparel and grocery retail: Growth adversely impacted by festive shift; cost control drives margin expansion**
 - Demand in 3Q was adversely impacted by a partial shift in festive season (to 2Q), delayed winter onset and subdued consumer sentiment despite recent GST rationalization. The demand for fashion and lifestyle category continues to depend on festive and occasion-led purchases or discounted offerings during EoSS.
 - **Aggregate revenue** for the 10 apparel stocks under our coverage grew **11% YoY to INR200b** (vs. 13.4% YoY in 2Q), largely due to a shift in the festive calendar (9MFY26 growth at ~13% YoY). Vishal Mega Mart (VMM, 17%), Trent (16%) and Arvind Fashion (15%) were the standout performers in 3Q, while Go Colors (-9%) and Vedant Fashions (-4%) were the key laggards. Including DMart, aggregate revenue rose **12% YoY** (vs. 14% in 2Q).
 - **Aggregate gross profit** (ex-DMart) **grew 11% YoY to INR92b** (vs. 13% YoY in 2Q) and **gross margins expanded ~15bp YoY** (35bp beat). Vedant (-195bp) and Shop (-130bp) were the key drags in aggregate gross margins, while Raymond (240bp) and ABFRL (200bp) saw notable margin expansion. Aggregate GP grew ~14% YoY in 9MFY26.
 - **Aggregate reported EBITDA** (excl. D-Mart) grew **~15.5% YoY (vs. ~18% YoY in 2Q) to INR35b and margins expanded ~70bp YoY** (vs. 50bp YoY in 2Q, ~55bp beat), aided by robust cost control. Raymond (RLL, +260bp), V-Mart (+190bp), Trent (+180bp, pre-INDAS EBITDA ~90bp YoY), and ABLBL (+200bp) saw margin improvement, whereas Go Colors (-575bp), Vedant (-270bp) and SHOP (-240bp) saw contraction. Aggregate reported EBITDA grew 18% YoY in 9MFY26. V-Mart (+32%), Trent (+30%), VMM (+24%), RLL (+19%) and Arvind Fashions (+16%) key outperformers.
 - **Aggregate adj. PAT** stood at **INR 13.5b, up 22% YoY**. Trent's 40% YoY growth was mainly driven by one-off tendering of Zara India shares in buyback. V-Mart (23%), VMM (19%) and ABLBL (+66%) delivered strong profitability.
 - DMart delivered 13% YoY revenue growth (vs. 15% YoY in 2Q). Gross margins expanded 50bp YoY to 14.6% (60bp beat), supported likely by discounts provided by brands to clear out pre-GST rate cut inventory. EBITDA margins expanded ~50bp YoY to 8.4% (80bp beat), driving 20%/18% YoY growth in EBITDA/PAT (~11-12% beat).
- Footwear: Early signs of recovery after nine lackluster quarters**
 - Aggregate revenue for footwear stocks under our coverage grew **~8% YoY to ~INR30b** (vs. low-single digit growth in the last nine quarters), led by modest recovery in mass segment after recent GST rationalization and continued resilience in premium segment. Campus (+15%) and Metro (+14%) continued to lead, while Bata (+3%) and Relaxo (flat) witnessed early signs of recovery. Aggregate gross profit rose **8% YoY**, with gross margins expanding **~50bp YoY (~45bp beat)**, led by rising salience of premium portfolio for Campus (+180bp). Aggregate EBITDA grew **~13% YoY** (vs. 2% YoY decline in 2Q), with margins expanding **~105bp YoY to 22.1% (20bp beat)**. Relaxo (-135bp) saw margin pressure due to high trade promotions, while Campus (+275bp) and Metro (+110bp) benefitted from operating leverage. Aggregate adj. PAT grew **14% YoY to INR3b (~6% beat)**, reversing the **15% YoY fall in 2QFY26**, supported by growth recovery and cost discipline. **For 9MFY26, aggregate revenue/EBITDA grew 3%/6% YoY.**
- Store additions pick up pace, while retail LTL moderates owing to the festive shift**
 - 3Q aggregate revenue for 15 covered retailers grew 12% YoY to INR406b (vs. ~13-15% YoY in last five quarters). The slight moderation was largely driven by shift in festive dates, with 9MFY26 aggregate revenue growth steady at ~13% YoY. Excl. RRVL, net store additions accelerated to 288 (vs. 203 in 2Q), taking total footprint to 15,696 (+6% YoY), led by ABFRL and ABLBL (combined 95 net additions), Trent (63), VMM (29), Arvind Fashions and Metro (24 each), and V-Mart (21). Retail LFL moderation was largely attributed to the shift in festive period. Aggregate gross profit grew 12% YoY (similar to past few quarters) as margin was steady YoY (vs. 40-70bp margin compression in last four quarters). Aggregate EBITDA rose ~16% YoY (vs. ~13% in 2Q), driven by cost control-led ~55bp margin expansion. Aggregate adj. PAT surged 20% YoY (vs. 15% YoY in 2Q), driven by Trent (+40%, higher other income) and DMart (+18%).

Broad-based earnings downgrades after muted 3Q: Given a muted festive season and no visible demand uptick from the recent GST rationalization, we have cut our FY26-27E EBITDA by ~1% each, with Go Colors, SHOP, Vedant, Bata and Relaxo witnessing 5%+ cuts. Our FY26-27E earnings cut was steeper at ~7-8% (vs. our estimates after 2Q results), with V-Mart and Campus being the only retailers to witness 3%+ earnings upgrades for FY26.

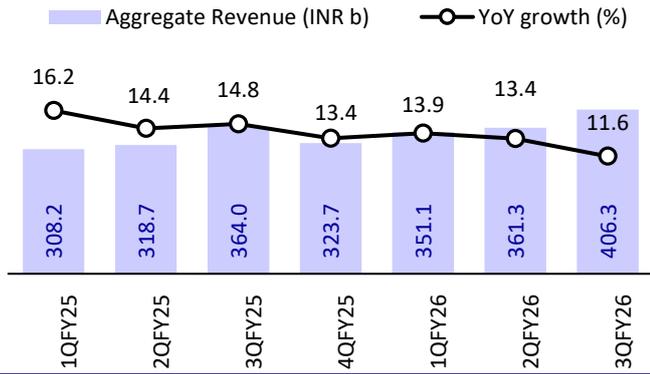
Top picks: V-Mart, VMM

- **Surprises:** Campus, V-Mart, D-Mart
- **Misses:** Go Colors, Relaxo, Shop, Vedant Fashions

Guidance highlights:

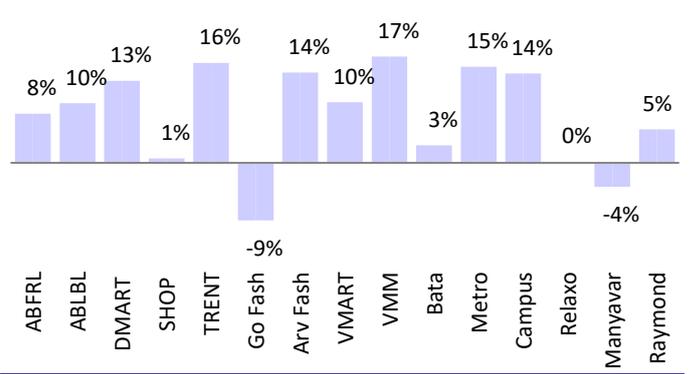
- **VMM:** 3Q SSSG was hit by ~210bp due to the shift in Pujo to 2QFY26 (vs. 3QFY25). However, adj. SSSG in 9MFY26 remained robust at ~10.3%. Despite delayed onset, winter merchandise delivered double-digit SSSG. Store additions are expected at the upper end of 80-100 guidance in FY26, with a similar guidance for FY27.
- **VMART:** Eastern markets saw disruptions due to excess rainfall and political disturbances during the festive period. North India was impacted by a delay in the onset of winter (till ~late Dec'25), leading to a lull in post-festive demand. South India delivered a relatively better performance, supported by improved product acceptance and execution in Unlimited. Guidance of opening ~75 stores in FY26, annual area additions of ~13-14% over the medium term, and SSSG target of 5-8% was reiterated.
- **Arvind Fashion:** 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.
- **Metro Brands:** Revenue CAGR guidance remains at ~15% in the medium term, driven by mid-to-high single-digit SSSG and store additions. Medium-term target: 55-58% gross margin, ~30%+ EBITDA margin, and ~15% PAT margin.
- **Campus Activewear:** Outperformance was driven by wider distribution and a richer mix, with strong traction in sneakers and women's categories. Premiumization remains central, as sneaker volumes doubled YoY and women/kids mix grew to 22%. GM expanded ~175bp to 52.6%, aided by premium mix and seasonality.
- **ABLBL:** The company targets ~12% revenue CAGR in the medium term, with 6-7% driven by LTL and the remaining from network expansion (~200 stores annually on a base of ~3,300). ABLBL targets pre-IND AS margin of ~11-12%, driven by an improved channel mix, lower discounting, and operating leverage benefits.
- **ABFRL:** Pantaloons reported ~3% LFL growth (adjusted for festive/EOSS shifts), with improved sell-through driven by merchandising resets and strength in women's western wear and non-apparel. Store rationalization in Pantaloons is largely complete, with ~20 additions planned annually and mid-to-high single-digit LTL targeted. Core business (ex-TMRW) is near EBITDA breakeven, TCNS losses have narrowed sharply, and profitability inflection is expected from FY27.
- **Raymond Lifestyle:** Demand momentum strengthened meaningfully in 3Q, driven by tax-led discretionary uplift and a strong festive/wedding season, particularly in tier-2/3 markets. Growth was largely volume-led with premiumization supporting margins.
- **Vedant Fashion:** VFL continues to prioritize the quality of retail network over store count, closing sub-1,000 sqft. stores, SIS and weaker micro-market stores while shifting toward larger flagship formats. Store count may decline in the near term, but square footage remains the more relevant metric tracked by the company.
- **Shoppers Stop** reported weaker 3Q due to early Diwali, post-festive slowdown, and pollution disruptions, resulting in flat LFL despite premium traction. INTUNE underperformed sequentially due to legacy inventory and freshness issues, prompting a pivot toward supply chain and execution fixes, with full refresh targeted by end-4Q to enable FY27 recovery.
- **BATA:** Early demand recovery is visible, supported by GST-led formalization and stronger internal execution. Scaled ZBM improving sell-through, sharper brand focus, and leaner inventory are driving better availability and turns. Growth is broad-based across price points, including lower ASPs, indicating value proposition recalibration is working, while product funnel re-engineering remains the key medium-term accelerator.
- **Go Fashion:** 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 small formats and skewing additions toward mid-sized stores should mechanically lift blended SSSG.

Exhibit 127: Aggregate revenue for retailers under our coverage grew 12% YoY (vs. 13-15% in last few quarters)



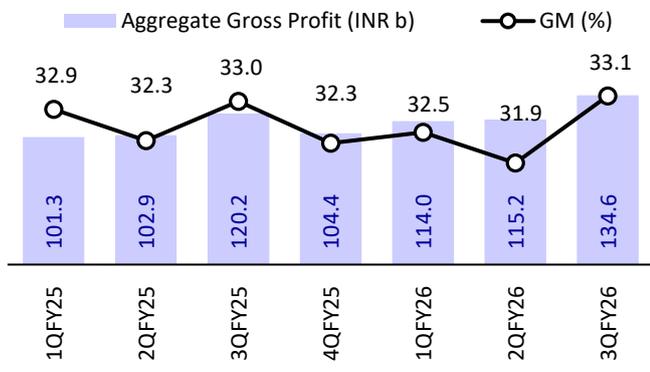
Source: Company, MOFSL

Exhibit 128: VMM and Trent continue to outperform; Metro and Campus sustain strong growth momentum in 3Q



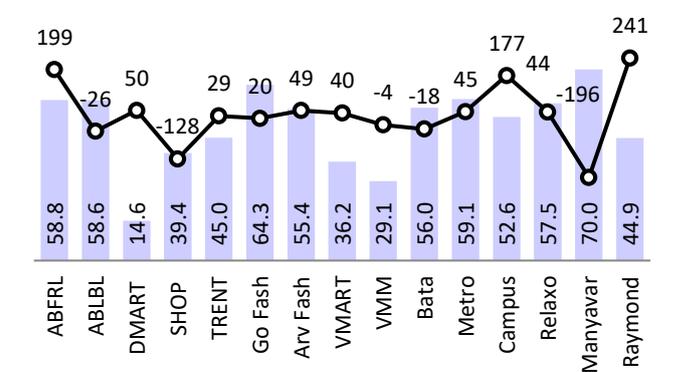
Source: Company, MOFSL

Exhibit 129: Aggregate gross profit up 12% YoY in 3Q, driven by ~10bp YoY gross margin expansion



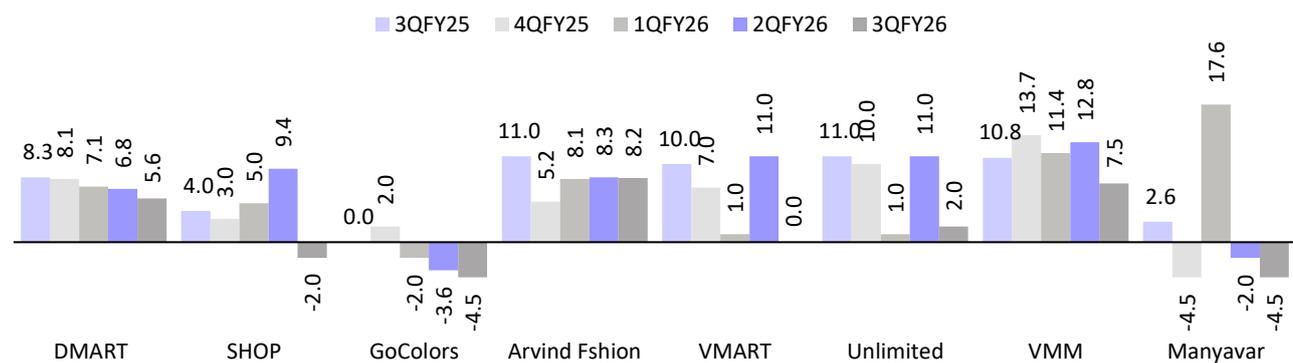
Source: Company, MOFSL

Exhibit 130: Manyavar and SHOP were the key drags on margin, while margin spurts for Campus, RLL and ABFRL



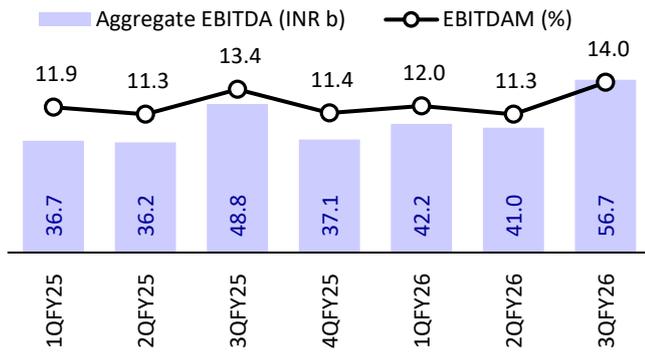
Source: Company, MOFSL

Exhibit 131: SSSG adversely impacted across the board due to shift in festive



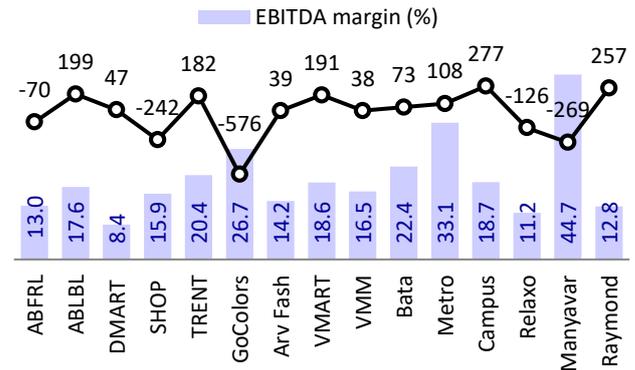
Source: Company, MOFSL

Exhibit 132: Aggregate EBITDA rose ~16% YoY (vs. 13% YoY in 2Q) as margins expanded ~55bp YoY



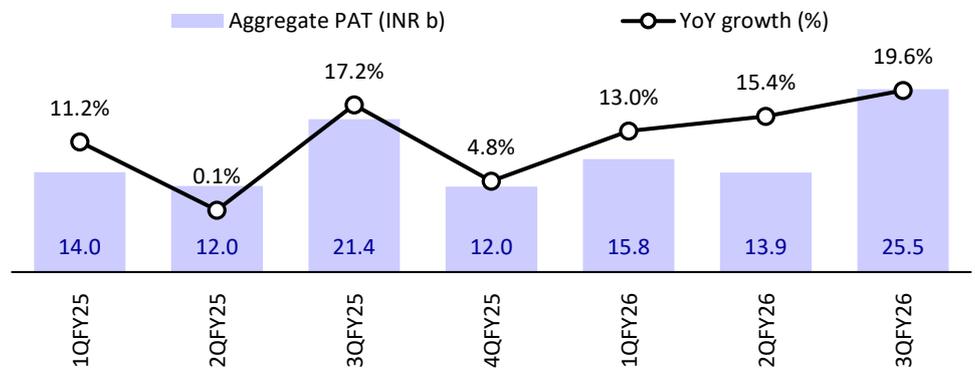
Source: Company, MOFSL

Exhibit 133: Healthy margin expansion for V-Mart, Trent, Campus, Raymond dragged by Manyavar, Shop, Go Colors



Source: Company, MOFSL

Exhibit 134: Aggregate PAT rose ~20% YoY (vs. ~15% YoY in 2QFY26), led by heavy weights such as Trent (+40% on higher other Income) and D-Mart (+18%)



Source: Company, MOFSL

Exhibit 135: Store consolidation largely complete, retailers now gearing up for expansion

Total Stores	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	YoY	QoQ
ABFRL + ABLBL	4,753	4,664	4,607	4,538	4,492	4,420	4,398	4,446	4,541	1%	2%
Arvind Fashions	912	931	944	954	947	977	987	998	1,022	8%	2%
Bata	1,835	1,862	1,916	1,955	1,953	1,962	1,978	1,975	1,975	1%	0%
Raymond	1,512	1,518	1,539	1,592	1,653	1,688	1,675	1,663	1,675	1%	1%
TRENT	715	811	823	831	907	1,043	1,043	1,101	1,164	28%	6%
Metro	840	839	854	873	895	908	928	966	990	11%	2%
Go Fashion	704	714	734	755	775	776	803	812	825	6%	2%
VMM	589	611	626	645	668	696	717	742	771	15%	4%
Vedant Fashion	673	676	662	650	666	678	684	671	664	0%	-1%
VMART	454	444	448	467	488	497	510	533	554	14%	4%
DMART	341	365	371	377	387	415	424	432	442	14%	2%
Relaxo	399	405	399	403	410	418	406	414	412	0%	0%
SHOP	290	306	320	341	345	363	362	365	363	5%	-1%
Campus	250	268	275	288	290	296	290	290	298	3%	3%
Total (Ex-RRVL)	14,267	14,414	14,518	14,669	14,876	15,137	15,205	15,428	15,725	6%	2%
YoY	3,230	3,056	2,787	2,290	609	723	687	739	820		
QoQ	1,888	147	104	151	207	261	68	203	288		

Source: Company, MOFSL

Exhibit 136: Summary of the retail performance in last two years

% YoY Growth	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Revenue (YoY Change)	16.0	14.1	14.8	13.4	13.9	13.4	11.6
D-Mart	18.4	14.2	17.5	16.7	16.2	15.4	13.2
Footwear	-1.0	3.7	2.9	1.6	-1.5	1.3	7.5
Apparel retail	17.8	16.2	14.7	12.6	14.6	13.4	11.0
% Gross Margin	32.9	32.3	33.0	32.3	32.5	31.9	33.1
D-Mart	14.9	14.2	14.1	13.5	14.6	14.2	14.6
Footwear	57.7	56.9	56.0	56.0	57.2	56.5	56.5
Apparel retail	45.4	45.0	45.8	46.0	45.7	44.8	46.0
Gross Margin (Change in bps)	-5	30	-68	-61	-43	-42	10
D-Mart	34	21	-14	-24	-27	6	50
Footwear	142	-41	-33	-184	-47	-42	48
Apparel retail	20	66	-40	33	29	-15	13
EBITDA (YoY Change)	11.3	12.4	12.9	12.6	14.8	13.3	16.2
D-Mart	17.8	10.3	10.2	4.4	7.6	11.3	19.9
Footwear	-14.0	0.5	12.4	6.5	4.9	-1.9	12.8
Apparel retail	17.6	17.4	14.1	18.6	22.1	17.7	15.4
% EBITDA Margin	11.9	11.3	13.4	11.4	12.0	11.3	14.0
D-Mart	8.9	7.9	7.9	6.8	8.2	7.6	8.4
Footwear	19.8	18.7	21.0	22.1	21.1	18.1	22.1
Apparel retail	13.4	13.4	16.9	14.1	14.2	13.9	17.6
EBITDA Margin (Change in bps)	-51	-20	-23	-9	10	-1	55
D-Mart	-4	-27	-53	-80	-66	-28	47
Footwear	-300	-59	178	101	130	-59	105
Apparel retail	-5	6	-8	71	87	51	68
Adj. PAT (YoY Change)	11.2	11.1	10.7	4.8	13.0	15.4	19.6
D-Mart	16.8	7.9	6.5	2.6	2.1	5.1	17.6
Footwear	-14.3	-0.8	21.0	-4.9	-8.2	-15.2	14.0
Apparel retail	36.5	-18.7	25.4	17.6	54.6	55.1	22.4

Source: Company, MOFSL

TECHNOLOGY: Better-than-feared quarter, but evolving AI debate raises uncertainty

- Aggregate performance:** The IT service companies within the MOFSL universe, despite seasonally weak conditions in 3QFY26, reported better-than-feared earnings, with median revenue growth of 1.6% QoQ CC (+1.5%/-1.1%/-0.6%/+1.7% in 2QFY26/1QFY26/4QFY25/3QFY25). Management commentary on discretionary spending and early AI-related demand remained relatively constructive, although broader sector sentiment turned cautious following commentary from AI-native players such as Palantir and Anthropic, which highlighted accelerated AI-led productivity gains, compression of implementation timelines, and potential disruption across application development, testing, and potentially ERP implementation. These developments have intensified the ongoing debate around the extent and timing of AI-driven deflation vs incremental revenue opportunities from AI adoption. Among large-cap IT companies, five reported revenue beats (one in line), while margins were better than expected in three cases (three in line). HCLTech stood out with ~5% YoY CC services growth and an upgrade to FY26 services guidance to 4.75–5.25% CC, positioning it among the fastest-growing large-cap IT players. The revised guidance implies ~1.7% QoQ (~5.5% YoY CC) organic growth in 4Q despite seasonality. Infosys' guidance upgrade (FY26 CC revenue growth to 3-3.5% vs. 2-3% earlier) is a positive signal and an early step toward an AI-led growth inflection; the revised outlook implies ~5.4% YoY CC growth in 4Q, providing a stronger base for FY27. Tech Mahindra continues to execute well on margins, with its 15% EBIT margin target for FY27E now within reach. Within Tier-2, Persistent posted 4.1% QoQ CC growth, above consensus, and surprised positively on margins as AI tools embedded in delivery translated into margin gains despite wage hike pressure. Coforge reported strong growth (4.4% QoQ CC) and we expect it to remain the growth leader within our coverage. We continue to expect the Tier-2 pack to outpace Tier-1 peers. Margin performance was broadly in line, supported by favorable currency movement, pyramid rationalization, productivity, and SG&A efficiencies for selective companies. Demand trends are likely to remain steady through Mar–Apr'26 as client budgets reset, though debate around the extent and

timing of AI-led deflation and revenue displacement remains a key monitorable. Valuations are not the problem anymore, but questions are being asked of the structural demand outlook. We believe a sustained re-rating will likely require clear evidence that GenAI-led spending is translating into meaningful revenue momentum, which, at present, still appears some distance away. Among large caps, we prefer Infosys and Tech Mahindra, while Coforge remains our top mid-cap pick.

- **Tier-2 pack outpaces tier-1:** Tier-1 players posted a median revenue growth of 1.6% QoQ CC, while tier-2 companies recorded a growth of 1.7% QoQ CC. COFORGE (4.4% CC QoQ growth), Persistent (4.1% QoQ CC), HCLT (4.2% QoQ CC), and LTIM (2.4% QoQ CC) reported robust performance this quarter. Infosys (0.6% QoQ CC), LTTS (-2.8% QoQ CC), HEXT (-1.4% QoQ CC), and ZENT (-1.3% QoQ CC) reported weak growth. On the margin front, tier-1 companies reported a margin expansion of ~40bp YoY, while tier-2 companies posted a margin contraction of 30bp YoY. Margins are largely aided by productivity, pyramid mix, and better revenue per employee, with some help from currency. For selective companies, margin gains were offset by furloughs impact, acquisition integration, and wage hikes. That said, we expect margins to remain largely flat over the next 18–24 months across the industry.
- **Steady TCV performance:** A majority of tier-1 companies reported steady TCV performance, except for Infosys (up 54.8% QoQ). Tier-2 companies also reported resilient growth in TCV, with Coforge's 12-month executable order book rising 30% YoY to USD1.7b. It added nine new logos during the quarter. PSYS's TCV was USD674.5m, up 11%/13.5% QoQ/YoY, while MPHL's TCV stood at USD428m (up 21.9% YoY). About 64% of the deal wins were in NextGen Services. The 1Q book-to-bill was decent at ~1.0x for tier-1 firms and ~1.2x for tier-2 players.
- **Headcount movement:** Hiring activity declined in 3Q, with a net headcount decline of ~1.5k in tier-1 firms, while tier-2 companies saw ~2.0k additions. Attrition rates remained stable in 2Q, while utilization declined slightly in 3Q due to a seasonally weak quarter. For PSYS/MPHL, utilization stood at 89%/82%, and we believe this margin lever is now maxed out.
- **Top picks:** We prefer INFO and TECHM among large caps, while COFORGE remains our top pick among mid-caps. We like INFO as it is well-placed to benefit from enterprise-wide AI spending, given its discretionary-heavy mix and improving revenue quality, with pass-through revenue likely to stay low. At current valuations, upside risks meaningfully outweigh downside risks. For TECHM, we see signs of transformation under the new leadership and improving execution in BFSI. We believe TECHM's transformation remains relatively decoupled from discretionary spending. In mid-caps, Coforge remains our top pick. We believe Coforge's strong executable order book and resilient client spending across verticals bode well for its organic business. Encora's acquisition expands Coforge's presence in the Hi-Tech and Healthcare verticals. We continue to view Coforge as a structurally strong mid-tier player well-placed to benefit from vendor consolidation/cost-takeout deals and digital transformation.
- **Significant beats:** TCS (margin), HCLT (revenue growth and margin), INFO (revenue growth), LTIM (revenue growth), Persistent (margins and revenue growth), and TELX (revenue growth and margin).
- **Significant misses:** LTTS (revenue growth), HEXT (margin), and KPIT (revenue growth and margin).
- **Significant surprises:** HCLT (IT services' guidance upgraded to 4.75-5.25% YoY cc vs. 4-5% earlier) and INFO (Revenue guidance for FY26 CC revenue growth to 3-3.5% (from 2-3% earlier). The ask rate for the top end of guidance in 4QFY26 is now flat (vs. earlier expectation of 1% decline), HEXT (guided for CY26 EBIT margins (incl. other income) of 13–14%, which implies a lower baseline vs CY25 adj. EBIT levels (excl. other income) of 14%, TECHM (NN deal TCV at USD1,096m was up 34% QoQ/47% YoY).
- **Major EPS upgrades/downgrades:** LTTS's FY27E/FY28E EPS estimates were lowered by -4.6%/-3.9% following the guidance revision, weaker exit, and portfolio rationalization. HEXT saw cuts of 13%/16% for CY26/CY27E to factor in slower conversion timelines, modeling broadly stable CY26 growth vs CY25, while KPIT estimates were reduced by 4.2%/5.2% for FY27/FY28. In contrast, PSYS's EPS estimates for FY27/FY28 were raised by 3%/4%, reflecting strong margin gains in 3Q and continued revenue momentum.

Guidance highlights

- **TCS:** Based on client conversations and strong momentum in AI leadership, the company is confident about a good CY26. The company continued to win several large deals, including one mega deal in North America. BFSI is expected to return to sustained growth. Clients remain focused on cost discipline, with technology spend centered on validated solutions and simplified architectures. Providers and payers are leading AI deployment in revenue cycle management, clinical workflows, and network management, moving beyond pilot stages. Annualized AI services revenue reached USD1.8b, up 17.3% QoQ CC. This includes AI programs across value chains and the data work required to deliver them, but excludes AI leveraged within delivery (e.g., testing and software engineering). A normalized labor code impact of 10–15bp is expected from next quarter.
- **INFO:** In BFSI, strong AI adoption is being witnessed among large financial services clients, including partnerships with Cognition. Discretionary spending has increased across banking, payments, mortgages, and asset and wealth management. The manufacturing vertical remains impacted by tariff uncertainty, delaying long-term client commitments. In the Hi-Tech vertical, performance remains mixed, with some client groups performing well and others under pressure. Cost pressure persists, and clients continue to seek productivity improvements. The overall macro environment remains stable, with expectations of potential interest rate cuts. INFO expects to have multiple partnerships, including with several smaller firms that bring capabilities across AI foundation models, agents, and coding. INFO upgraded its FY26 cc revenue growth guidance to 3.0-3.5% from 2.0-3.0% earlier. Guidance excludes any contribution from the Telstra JV. Adjusted EBIT margin guidance for FY26 was maintained at 20-22%.
- **WPRO:** There is no major change in the demand environment yet, especially for discretionary spending, as uncertainty continues. Overall, clients remain cautious and are still in a wait-and-watch mode. Management highlighted incremental margin dilution from Harman DTS going forward. Wage hikes have not yet been announced. Restructuring was mainly related to obsolete skills, primarily in Europe (due to labor laws) and at Capco, similar to actions taken in 1Q. Tech and communications are the key areas where management sees the biggest upside from the Harman acquisition. IT Services revenue for 4QFY26 is guided at USD2,635m–USD2,688m, implying a 0%-2% QoQ growth in CC. Guidance includes an incremental two-month contribution from Harman DTS. Deal ramp-ups have been delayed, but management stressed these are timing issues rather than cancellations.
- **HCLT:** While global macro uncertainty continues to weigh on overall IT spending, structural demand for technology-led business transformation remains intact. HCLT highlighted strong demand for augmenting GCCs with advanced capabilities across engineering, data, and AI services. Growth was broad-based across service lines and geographies, with HCLT capturing market share despite facing a constrained demand environment. Strong momentum was witnessed in Applications and ER&D services, with ACV bookings reaching their highest level in the last four years. Restructuring is expected to impact margins by ~50bp for FY26. Minimal incremental impact is expected from new labor codes (10-20bp at most going forward). For FY26, revenue growth guidance was changed to 4-4.5% YoY in CC (vs. 3-5% earlier). Services revenue growth is expected to be around 4.75% to 5.25% (vs. 4-5% earlier). EBIT margin guidance was maintained at 17-18%.
- **TECHM:** TECHM continues to target growth ahead of the peer average by FY27. Management indicated confidence in sustaining deal win momentum, with no expectation of deterioration from recent levels. Europe is expected to move from stabilization to growth, led by large deal wins. The hi-tech sector is expected to remain volatile as clients continue to operate under cost pressure and remain cautious in IT spending. Wage hikes have not yet been decided. The company reiterated its intent to avoid large deals that materially dilute margins, including the recently won large telecom deal. The communications vertical is viewed as a key growth area. A large net-new deal has been signed, with delivery expected to start in 1HFY27. Clients with revenue above USD20m continue to grow consistently—faster than the company average. These large clients are also the most profitable, and there is a significant opportunity to cross-sell multiple service lines in this segment.
- **LTIM:** The company is reimagining its service lines with a clear focus on AIOps and integrated transformation capabilities. It expects growth momentum to continue through the remainder of the year and is preparing for

the next phase of its journey in FY27 and beyond. Decline in the top five customers continued, with one of these top five accounts expected to eventually bottom out. Given the material size of the top five accounts, short-term declines will persist until all five complete this journey. BFSI is expected to bottom out in 4Q, followed by an accelerated growth trajectory. The labor code impact is expected to be largely one-time, with any recurring impact contingent on clarifications and unlikely to be material. Wage hikes will begin in 4Q and be spread over a couple of quarters, with 50% of employees receiving hikes in 4Q. The company remains confident of closing the year with better EBIT margins than the previous year.

Exhibit 137: Tier 1 companies grew 2.4% YoY

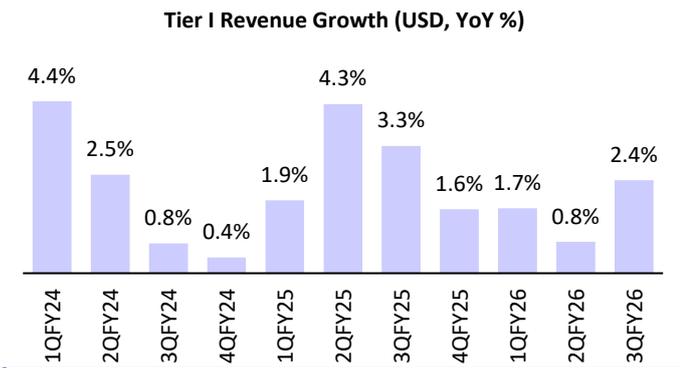


Exhibit 138: Tier-2 companies' revenue growth moderates

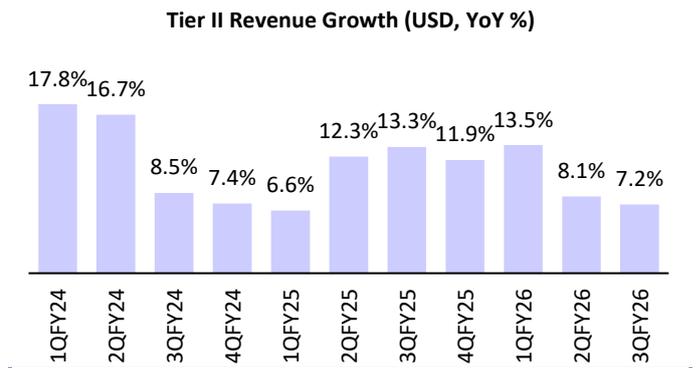
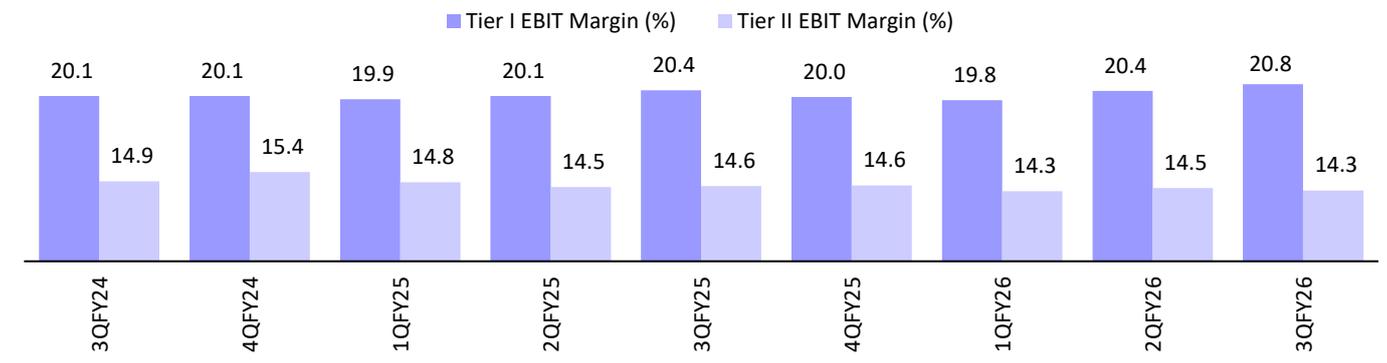
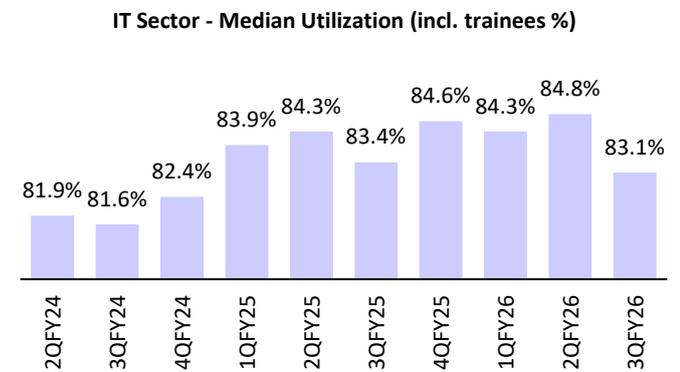


Exhibit 139: Margins expanded for tier-1, while tier-2 margin contracted 20bp QoQ



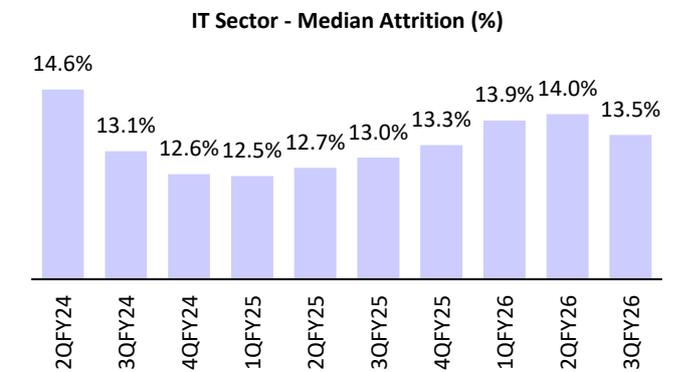
Source: Company, MOFSL

Exhibit 140: Median utilization (%) declined 170bp QoQ



Figures excl. LTTS from 2QFY24; MPHL (Offshore); Source: Company, MOFSL

Exhibit 141: Median attrition declined 50bp in 3Q



Figures exclude KPIT & MPHL; Source: Company, MOFSL

TELECOM: Steady 3Q, broadly on expected lines

As expected, 3QFY26 was a steady quarter for telcos, with modest ~2-2.5% QoQ growth in combined wireless revenue and EBITDA for the three private telcos. The combined wireless revenue for the three private telcos grew ~2% QoQ to INR683b (+8% YoY), largely on expected lines. The growth was primarily driven by a 1.3% QoQ (~5% YoY) increase in blended wireless ARPU to INR218, led largely by subscriber mix improvements. Subscriber net adds across telcos remained steady, with combined wireless net adds for three private telcos remaining stable at ~6m QoQ. The combined wireless EBITDA for the three private telcos grew ~2.5% QoQ (+12% YoY), led by a healthy ~63% combined incremental margin (though weakest in the last six quarters). Among private telcos, the revenue market share (RMS) was broadly stable QoQ, while Vi lost further ~47bp QoQ in subscriber market share (SMS). Home broadband (HBB) continued its strong momentum, with both RJio (~2.5m) and Bharti (~1.15m) witnessing rapid adoption of fixed wireless access (FWA). Going ahead, the focus would be on tariff hikes, valuations for the impending JPL IPO (vs. our assigned market cap of USD134b), and debt raise for Vi. We continue to model a 15% (or INR50/month) tariff hike on smartphone plans from Jul'26, which should aid double-digit revenue and EBITDA growth over the medium term.

Subscriber mix improvement drives ARPU growth; Vi surprises on ARPU growth even as subs decline

Given continued improvement in the quality of the subscriber base, blended ARPU for the private telcos grew 1.3% QoQ (+5% YoY). Surprisingly, Vi was the biggest beneficiary of subscriber mix premiumization with ~3% QoQ growth in wireless ARPU (vs. ~1% QoQ for peers).

Overall, wireless net adds in 3QFY26 remained in line with 2QFY26 (~6m). Subscriber net adds trend remained stable QoQ for RJio with ~5.6m wireless net adds, while after two quarters of muted net adds, Bharti added ~4.5m net adds in 3QFY26. Conversely, Vi's subscriber decline accentuated in 3QFY26 to ~4m (vs. ~1m quarterly on average in the last three quarters). As a result, the combined wireless revenue for the private telcos rose ~2% QoQ to INR683b (+8% YoY). After a very long period, the revenue growth trends were broadly similar across three private telcos, driven by the biggest ARPU improvement for Vi in 3QFY26. BHL reported a weaker ~1.3% QoQ growth in wireless revenue despite favorable seasonality.

Healthy ~60%+ incremental margins drive ~2.5% sequential EBITDA growth for the three private telcos

The combined EBITDA for the private telcos grew ~2.5% QoQ (+12% YoY, largely in line), driven by healthy ~63% incremental margins (though weakest in the last six quarters). With robust cost controls coupled with the highest QoQ ARPU growth, Vi surprisingly led with ~2.8%/~5% QoQ growth in reported/pre-IND AS EBITDA for 3QFY26, followed by RJio (~2.7%) and Bharti (~2.2%). Bharti's consolidated EBITDA grew 6% YoY, driven by robust performance in Airtel Africa (+11% QoQ) and Homes (+8% QoQ). BHL reported modest ~1.7% QoQ growth in wireless EBITDA; however, ramp-up in HBB drove robust ~4% QoQ growth in its overall EBITDA.

Significant improvement in FCF generation and leverage for Bharti; Vi's capex picks up

- Bharti's consolidated capex grew +4% QoQ at INR118b (+29% YoY), largely due to higher capex in Africa. India capex (ex-Indus) rose ~3% QoQ (+7% YoY) to INR73b.
- Bharti's 3Q consolidated FCF jumped to INR169b (vs. ~INR146b in 2Q), driven by better operational performance (OCF pre-WC changes up 5% QoQ) and higher WC release of INR34b (vs. INR19b QoQ).
- Bharti's net debt (excl. leases) declined INR141b QoQ to INR1.125t. Bharti's net debt-to-EBITDAaL dipped to 1.02x (vs. 1.19x QoQ).
- Similar to Bharti, BHL's capex dipped in 3QFY26. Further, its consolidated FCF (after leases and interest payments) improved to INR6.6b (vs. INR4.4b QoQ), driven by favorable working capital changes and lower interest payments (~INR1.1b lower QoQ), which led to a similar QoQ dip in net debt (exc-leases), leading to modest ~0.48x leverage.
- RJio's quarterly capex has meaningfully reduced with the completion of 5G rollouts and was INR75b in 3QFY26.

- Vi's capex rose to INR22.5b (vs. ~INR17.5b in 2QFY26). Management has guided ~INR450b investments over the next three years toward network expansion (coverage parity in 17 priority circles, 100% coverage on key highways/airports in remaining circles, seamless urban 5G, and adjacencies such as FWA and satcom).
- Vi's management ruled out an equity raise in the medium term, indicating that ~INR250b debt raise (~INR350b including non-funded limits) along with improving cash EBITDA would be sufficient to fund capex and meet ~INR500b spectrum repayments over FY26–29, with promoters also assuring support if required.
- Vi's net debt (excl. leases) increased ~INR30b QoQ to ~INR2.03t, primarily due to interest accrual on deferred spectrum liabilities and the recent NCD raise. However, with AGR dues frozen, the quarterly interest accrual will reduce significantly from 4QFY26.

Operationally steady quarter with uptick in tenancy additions; moderated capex leads to modest FCF generation

Indus Towers' (Indus) 3Q recurring results were broadly in line with estimates, with recurring EBITDA (ex-provision reversals) rising 2% QoQ. Operationally, tower additions moderated QoQ, while tenancy additions improved, driven by pickup in Vi's rollouts. Management indicated that the order book for both tower and tenancy additions remains healthy in the near term; however, the company has yet to receive detailed rollout plans from Vi.

A QoQ decline in capex (though still elevated) led to modest FCF generation of ~INR8b in 3Q (and ~INR27b in 9M), though there was a partial offset from an increase in receivables (up INR4.5b QoQ).

TCOM's steady performance with continued improvement in data EBITDA margins

TCOM delivered a steady 3Q with 9% YoY data revenue growth (+3.5% QoQ) and ~60bp QoQ consolidated EBITDA margin expansion. Consolidated reported revenue grew ~1.5% QoQ (+7% YoY). However, adjusted for FX benefits, the growth was muted at ~0.5% QoQ. Consolidated EBITDA grew 5% QoQ (+7% YoY) as margin expanded 60bp QoQ (though it was down ~15bp YoY on an LFL basis) to 19.8%, led by growth recovery in higher-margin core-connectivity and a seasonally strong quarter for Kaleyra with a partial offset from weaker performance in Voice and TCTS.

- **Top picks:** BHARTI, RIL, and BHL
- **Surprises:** Airtel Africa and Vi

Guidance highlights:

- **RJio:** The 5G user base expanded to 253m in 3QFY26 (vs. 234m QoQ), with 5G contributing ~53% of overall wireless data traffic. Superior 5G network experience drove ~99% share of incremental industry VLR net adds over the last 12 months. Management remains pleased with rising customer traction-led organic growth in ARPU (+5% YoY), while the company continues preparations for the JPL IPO pending minimum float approval.
- **Bharti:** FY26 India (ex-Indus) capex is guided to be lower YoY, with room for step-up in 5G transport, HBB, and DC investments; radio capex is expected to taper off, while DC capacity is targeted to scale to ~1GW over 3–4 years (vs. ~12% current share).
- **BHL:** Its growth lagged Bharti, with the underperformance attributed to the continuation of certain external challenges (including interference from BSNL's network in Rajasthan). Nationwide HBB penetration potential stands at ~33–40% (~100m of ~250–300m households); the penetration in BHL's circles could be relatively lower, though FWA is seen as a key lever to drive adoption, with HBB revenue mix improving from ~2.5% to ~4% over the past few years (vs. ~6.5% for Bharti India).
- **Vi:** Management has set three-year targets of sustained subscriber additions, double-digit revenue growth, and 3x cash EBITDA. To support this, it has outlined ~INR450b capex over three years to regain coverage parity in 17 priority circles, achieve 100% coverage on key highways/airports in remaining circles, roll out seamless 5G across urban markets, and tap adjacencies such as FWA and satcom; ~70% of capex would be toward radio (with higher deployment in FY27–28).
- **TCOM:** The order book remains strong with healthy double-digit growth YoY (and QoQ), driven by large deal wins in core connectivity. The funnel remains robust with digital portfolio contribution at ~70%. Management remains committed to 23-25% margin guidance over the medium term.

■ **Indus:** Order book remains healthy with a high share in key customer rollouts and migration-led share gains from other towercos, while detailed rollout plans from Vi are awaited. The reinstatement of dividends will be considered in 4QFY26, along with a potential buyback, given the recent change in taxation.

Exhibit 142: Subscriber trends for the industry in 3Q

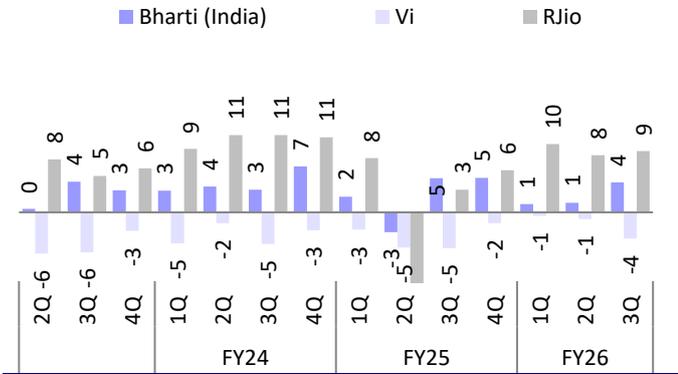


Exhibit 143: Bharti continued to lead peers on ARPU

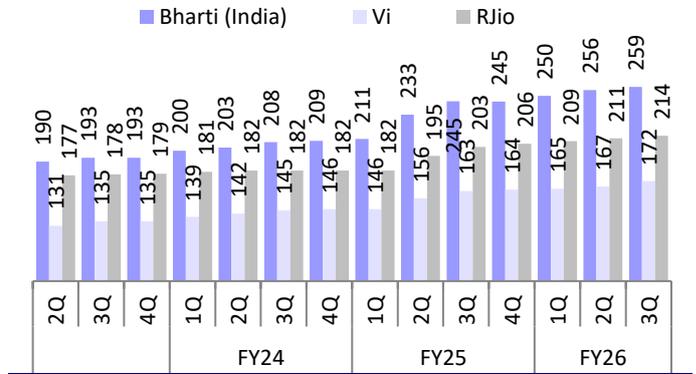


Exhibit 144: Wireless KPI comparison

	FY24				FY25				FY26			YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
EOP SUBS (m)													
Bharti (India)	339	342	346	352	355	352	357	362	363	364	369	3.4	1.2
Idea (incl. M2M)	221	220	215	213	210	205	200	198	198	197	193	-3.5	-1.9
Rjio (incl. FTTH)	449	460	471	482	490	479	482	488	498	506	515	6.9	1.8
Avg. Wireless Subs (m)													
Bharti (India)	337	340	344	349	353	353	354	359	362	363	366	3.5	0.8
Idea (incl. M2M)	224	221	218	214	211	208	202	199	198	197	195	-3.8	-1.2
Rjio (incl. FTTH)	444	454	465	476	486	484	480	485	493	502	511	6.3	1.7
ARPU (INR/month)													
Bharti (India)	200	203	208	209	211	233	245	245	250	256	259	5.4	1.1
Idea (incl. M2M)	139	142	145	146	146	156	163	164	165	167	172	5.5	3.0
Rjio (incl. FTTH)	181	182	182	182	182	195	203	206	209	211	214	5.1	1.1
MOU/Sub (min)													
Bharti (India)	1,138	1,123	1,127	1,158	1,128	1,135	1,160	1,163	1,143	1,145	1,152	-0.7	0.6
Idea	626	613	615	626	607	586	593	598	589	585	590	-0.4	0.9
Rjio	1002	979	981	1008	974	977	1013	1024	1007	996	998	-1.4	0.3
Voice traffic (B min)													
Bharti (India)	1,149	1,148	1,161	1,210	1,195	1,200	1,233	1,254	1,242	1,249	1,266	2.6	1.3
Idea	420	406	401	402	385	365	360	357	350	346	345	-4.2	-0.3
Rjio (incl. FTTH)	1335	1334	1370	1440	1420	1420	1460	1490	1490	1500	1530	4.8	2.0
Data usage/Sub (Gb)													
Bharti (India)	21.1	21.7	22.0	22.6	23.7	23.9	24.5	25.1	26.9	28.3	29.8	21.5	5.0
Idea	14.4	14.6	14.2	14.3	14.5	14.4	14.2	15.0	16.3	17.6	18.3	28.8	3.9
Rjio (incl. FTTH)	24.9	26.6	27.3	28.6	30.3	31.0	32.3	33.6	37.0	38.8	40.7	26.0	4.9
Data traffic (B Gb)													
Bharti (India)	15.3	16.1	16.8	17.8	19.2	19.8	20.7	21.6	23.4	25.0	26.7	29.2	6.6
Idea	6.0	6.1	6.0	6.0	6.1	6.0	5.9	6.2	6.7	7.3	7.6	29.0	3.9
Rjio (incl. FTTH)	33.2	36.3	38.1	40.9	44.1	45.0	46.5	48.9	54.7	58.4	62.3	34.0	6.7

Source: MOFSL, Company

Exhibit 145: Key financial metrics for private telcos

	FY24				FY25				FY26			YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q		
Revenue (INR b)													
Bharti (India Wireless)	204	210	216	221	225	248	263	266	274	281	287	9.1	1.9
Bharti (consolidated)	374	370	379	376	385	415	451	479	495	521	540	19.6	3.5
Idea	107	107	107	106	105	109	111	110	110	112	113	1.9	1.1
RJio (incl. FTTH)	240	248	254	260	265	283	293	300	309	319	328	11.8	2.8
EBITDA (INR b)													
Bharti (India Wireless)	112	115	119	122	125	142	155	158	163	170	173	12.1	2.2
Bharti (consolidated)	196	195	198	194	197	218	246	270	278	296	308	25.2	4.1
Idea	42	43	44	43	42	45	47	47	46	47	48	2.2	2.8
RJio (incl. FTTH)	126	130	133	136	139	150	155	159	167	173	177	14.6	2.7
EBITDA Margin (%)													
Bharti (India Wireless)	54.8	54.9	55.1	55.1	55.6	57.1	58.8	59.2	59.4	60.3	60.5	164bps	19bps
Bharti (consolidated)	52.3	52.7	52.3	51.5	51.2	52.7	54.5	56.4	56.3	56.7	57.0	252bps	33bps
Idea	39	40	40.8	40.9	40	41.6	42.4	42.3	41.8	41.9	42.5	15bps	69bps
RJio (incl. FTTH)	52.3	52.3	52.3	52.4	52.6	53.1	52.8	52.8	54	54.2	54.2	137bps	-5bps
Reported PAT (INR b)													
Bharti (consolidated)	16.1	13.4	24.4	20.7	41.6	35.9	147.8	110.2	59.5	67.9	66.3	-55.1	-2.4
Idea	-78.4	-87.4	-77.4	-76.7	-64.3	-71.8	-66.1	-71.7	-66.1	-55.6	-63.6	3.7	-14.4
RJio (incl. FTTH)	48.6	50.6	52.1	53.4	54.5	62.3	64.8	66.4	67.1	69.7	71.7	10.7	2.9
EPS (INR)													
Bharti	2.8	2.4	4.3	3.6	7.2	6.2	25.5	19	10.3	11.7	11.4	-55.2	-2.4
Idea	-1.6	-1.8	-1.4	-1.6	-1	-1	-1	-1	-0.6	-0.5	-0.5	48.4	3.9

Source: MOFSL, Company

UTILITIES: Sustained weak demand weighs on earnings

- Overall performance:** For our coverage universe, revenue/EBITDA came 9%/3% below our estimates (+8%/+13%YoY), largely due to weaker-than-expected results from TPWR, NTPC, JSWE, and SUEL. Adjusted PAT (APAT) came in 8% below our expectations (+3% YoY). TPWR/NTPC/INOX underperformed 20%/6%/38%, respectively, with a surprise quarterly loss reported by JSW Energy, while ACME/Waaree outperformed, exceeding our APAT estimates by 10%/24%.
- 3QFY26 disappoints across the sector; Waaree and ACME stand out:** IEX's standalone revenue and EBITDA were broadly in line with our estimate, while PAT was 4% above our estimate, primarily due to higher-than-expected other income. IEX's electricity volumes rose 12% YoY, while REC volumes dipped 30% YoY for a second consecutive quarter. JSWE's consolidated revenue missed our est. by 13% due to weaker generation at its thermal power plants. EBITDA came in 6% below our estimates. JSWE reported an adj. loss of INR2.6b, excluding the impact of a DTA worth INR7.5b created during the quarter. The company added 125MW of capacity during the quarter and reported net generation of 11.1BUs (+65% YoY). Installed capacity stood at 13.3GW as of 3QFY26-end. NTPC's revenue/EBITDA came in 9%/7% below our estimates due to persistent muted demand leading to poor generation. APAT came in line with our estimates due to lower-than-expected finance costs combined with higher-than-expected other income. The company's gross generation fell 4% YoY to 87BUs. Group capacity stood at 85.6GW at the end of 3QFY26 after adding 1.7GW during the quarter. TPWR missed our Revenue/EBITDA/APAT estimates by 23%/4%/20%, largely attributable to the Mundra plant shutdown in 3Q. In contrast, the Odisha distribution business continued to improve its profitability, with TPDDL also improving its profitability sharply. The company's total portfolio now stands at 26.3GW, with 16.3GW operational and 10.0GW under construction. PWGR reported standalone revenue, while EBITDA was broadly in line with our estimates. Standalone reported PAT came in 3% above our estimate, aided by higher-than-expected other income, partially offset by an increased tax rate. The transmission segment remained the primary revenue driver, contributing 94% of total revenue. ACME Solar reported an in-line revenue and EBITDA and a 10% beat on APAT, driven by higher-than-expected other income. The company commissioned 72MW and signed PPAs for 450MW of capacity during 3QFY26, with operational capacity at 2.96GW at the end of 3QFY26. IWL's revenue

came in 34% below our estimate due to a 16% miss on execution vs. our expectations. EBITDA beat our estimate by 15%, with EBITDA margin reported at 23% vs. our estimate of 18%. **SUEL** reported a 6% revenue miss vs our estimates on account of lower-than-expected deliveries of 617MW (~8% lower than our estimates). EBITDA also missed our estimates by 11%, with an EBITDA margin of 17%. The company's adjusted PAT missed our estimates by 12%. **WEL's** revenue/EBITDA came in 16%/12% higher than our estimates due to improved operational efficiency and a favorable DCR/Non-DCR product mix. During 3QFY26, WEL added 5.1GW of module capacity, with module/cell production improving 34%/35% QoQ to 3.5GW/0.8GW.

- **Ratings and earnings revisions: ACME Solar** – We cut our TP by 8% due to a reduced multiple of 9.5x EV/EBITDA (in line with NTPC Green) vs the earlier 10x EV/EBITDA. **NTPC** – We have increased the TP by 7% due to NTPC's reiteration on FY27/28 capacity targets and execution ability. **JSWE**– We cut FY26E APAT/TP by 40%/10% to build in the increased depreciation and finance cost. **TPWR** – We cut our TP by 9%, factoring in the continued shutdown of the Mundhra plant.

Top picks: ACME Solar, Suzlon, and WEL are our preferred picks.

Surprises: WEL and ACME Solar

Misses: NTPC, JSWE, TPWR, Suzlon, and INOX Wind

Guidance highlights:

- **PWGR:** Management revised its FY26 capex targets for FY26/FY27 to INR320b/INR370b, with the target for FY28 reiterated at INR450b. Capitalization targets for FY26/27/28 were revised to INR220b/300b/350b, with 80-90% additions coming from TBCB. Management has guided a total transmission pipeline of INR6.6t up to 2032, with PWGR retaining a 60% market share. Pursuant to the issuance of revised RoW guidelines in Mar'25, several states have issued formal orders in Sep-Oct'25. These are likely to result in a pick-up in the project execution pace. PWGR is actively participating in upcoming BESS tenders, as it expects BESS to become an integral part of transmission planning in the coming years. Skilled manpower shortage is emerging as a constraint, which management is planning to solve via training programs.
- **JSWE:** Management remains firm on its commitment to add 1.5GW of organic RE capacity in 2HFY26, with JSWE remaining on track to achieve its long-term goal of 30GW by 2030. Management expects elevated levels of depreciation and finance costs over the next 2-3 years, in line with the capitalization trends of new assets. JSWE aims to close GE Power's boiler plant acquisition by Jul'26. Once the preferential allotment of INR30b is fully received, the net leverage position of the company is expected to reduce.
- **TPWR:** Management indicated that discussions with the Gujarat government for an SPPA for its Mundhra plant are nearing completion, in time for summer demand. A similar arrangement is also being worked out with other states to enable a broad-based recovery. TPWR has a total renewable energy pipeline of 5.2GW, which is being aligned with transmission network availability. Management has guided additions of 2.5-3GW during the next year, half of which is expected to be solar. TPWR expects structural changes in the distribution sector going forward, with greater policy clarity on nuclear power. Decisions on wafer and ingot technology are still under evaluation.
- **IEX:** CERC had ordered DAM market coupling by Jan'26, and IEX has filed an appeal with APTEL; hearings have concluded, and an order is expected in a month. Management has guided 15-20% growth in traded electricity volume on its platforms, with strong tailwinds expected from BESS arbitrage, FDRE, VPPAs, and electricity derivatives. IEX is seeking approval for three new products: 1) Long-duration TAM contracts, 2) Green Market RTM, and 3) Peak power DAM and RTM instruments. Management has guided gas volumes to grow 25-30%. IEX plans to list IGX in CY26. It is also working to set up the nation's first coal exchange.
- **ACME Solar:** Management has guided capex of INR120b/100b in FY27/28, with capacity additions of 1.5GW in FY27. The company has also targeted a 10GWh BESS capacity by end-CY27. Having signed PPAs for 450MW in 3QFY26, ACME expects to sign further PPAs for 770MW of projects in the near term. China's VAT export rebate withdrawal (effective Apr'26) is expected to have a marginal impact, as the company has already imported 50% of the modules required. Curtailment is expected to have less than 1% impact on annual revenue. ACME is

targeting 450MW of additions for FY26, with the total portfolio now at 7.77GW, out of which PPA is signed for 5.46GW of projects. The long-term target is to reach 10GW of operational capacity by 2030. The company has guided ~INR1.7b of EBITDA per 1GWh of BESS deployed, assuming an INR5/unit arbitrage and single battery charge-discharge cycle.

- SUEL:** Management expects a sharp pickup in execution and installations in 4QFY26, with momentum sustaining thereafter. Export markets under evaluation include Europe, Australia, South Africa, the Middle East, and Portugal. Order inflows are expected from FY27, with revenue contribution commencing from FY28. The company has planned deliveries of 2.5GW for FY26 vs installed capacity of 4.5GW due to offtake constraints. Management expects a pick-up in wind demand, driven by data centers. SUEL expects no cash tax outflow until cumulative profits of INR44b are exhausted. Additionally, the company has INR65b of carried-forward losses, providing further tax shield beyond this level.
- NTPC:** NTPC reached its full-year target of thermal additions of 2.78GW. Targets for thermal additions are 1.6GW/2.1GW in FY27/28. Additionally, NTPC expects to be awarded 4GW of thermal projects in FY27, with a strategic focus on brownfield projects. The company has guided 8GW of renewable additions in both FY27 and FY28, through its subsidiary, NTPC Green. DISCOM losses are expected to continue to reduce due to lower AT&C losses and improving payment discipline. Going forward, NGEL curtailment is expected to reduce to near zero following the commissioning of the Narela-Khetri line.
- WEL:** Management is now fairly confident of surpassing its EBITDA guidance of INR55-60b for FY26. Through its investment in United Solar Holding (Oman), WEL has secured its polysilicon supply, with polysilicon production at the Oman facility expected to start in 4QFY26 itself. As compared to the present CUF (cell) of 56%, management expects to improve the CUF to as high as 85-90% with a shift to the standardized G-12R cells. Post a successful fundraise of INR10b in equity for its 20GWh BESS plant, WEL expects to commission 3.5GWh of manufacturing capacity in FY27.
- IWL:** From its earlier practice of providing execution targets, management has shifted to offering guidance on revenue and profitability numbers. Management has guided for revenue of INR50b, with a 20-22% EBITDA margin for FY26, and 75% growth in consolidated revenue in FY27. Management reiterated strong demand in the wind sector, with 10GW of wind additions expected in FY27. With respect to Inox Green, management expects the demerger of the substation business from Inox Green to be approved by NCLT in due course. With the expansion of its total O&M portfolio to 13.3GW FY27 onwards, management has guided an EBITDA of INR6b in FY27.

Exhibit 146: Key snapshot

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	1HFY26*	3QFY26**
Total generation growth (%)	5.4	5.2	0.7	-0.6	8.1	9.0	7.2	5.0	0.4	-1.9
Conv. Generation growth (%)	4.1	3.6	0.0	-1.6	7.1	7.7	6.7	4.0	-2.1	-3.8
RE generation growth (%)	24.9	24.4	7.8	7.7	16.2	19.1	10.9	11.7	15.5	11.6

*1HFY26 compared with 1HFY25

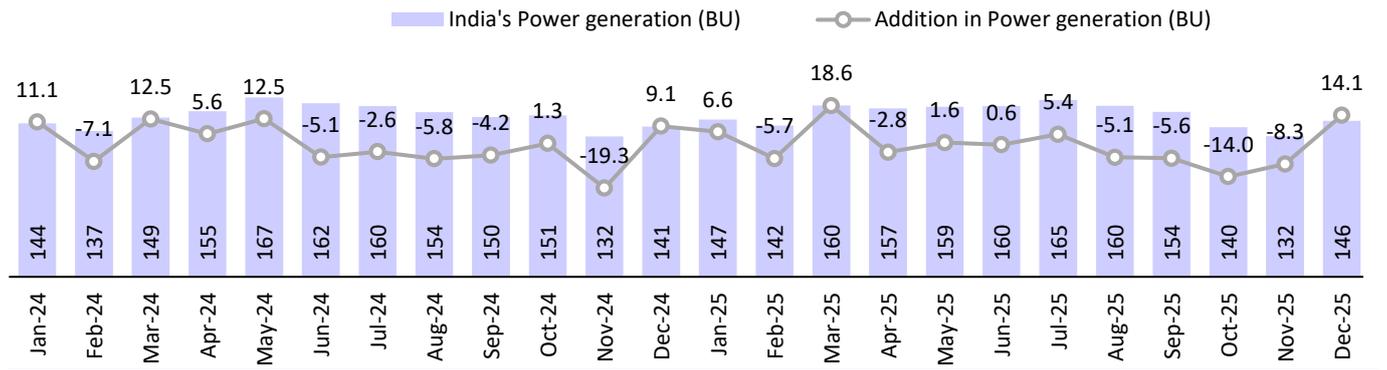
**3QFY26 compared with 3QFY25

All India Peak Demand (GW)	161	176	183	189	201	212	240	250	242	241
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Capacity addition (GW)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	1HY26	3QFY26
Thermal	5.4	3.4	4.3	4.1	1.4	1.2	5.9	3.7	-2.2	2.2
Nuclear	0	0	0	0	0	0	1.4	0	0.6	0
Hydro	0.8	0.1	0.3	0.5	0.5	0.1	0.1	0.8	2.4	0.8
Solar	9.4	6.5	6.4	5.5	13.9	12.8	15	23.8	21.7	8.5
Wind	1.8	1.6	2.1	1.6	1.1	2.3	3.3	4.2	3.1	1.4
Other RE	0.6	0.5	0.9	0.4	0.4	0.2	0.2	0.7	0.1	0
Total capacity addition	18	12.1	14	12	17.3	16.6	25.9	33.3	25.7	12.9
Total capacity (GW)	344	356.1	370.1	382.2	399.5	416.1	442	475.2	500.9	513.7

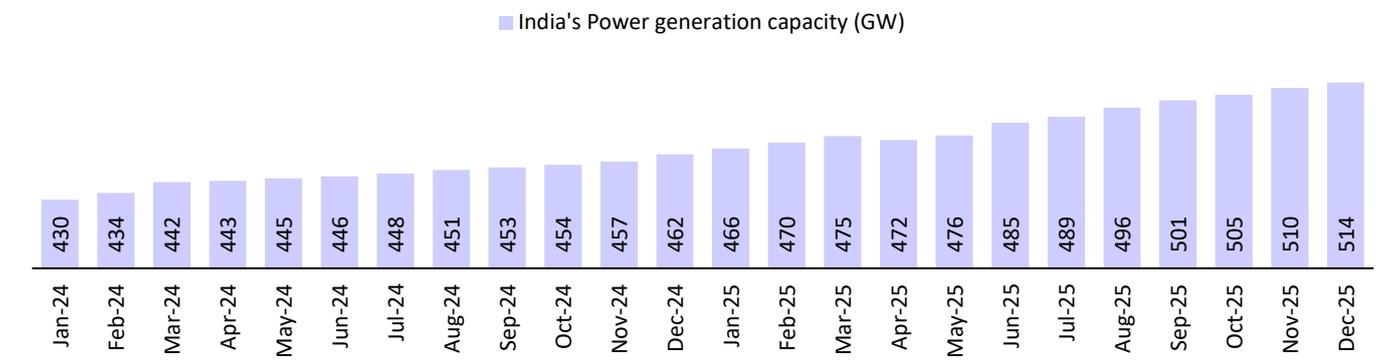
Source: NPP, CEA, MOFSL

Exhibit 147: India's power generation



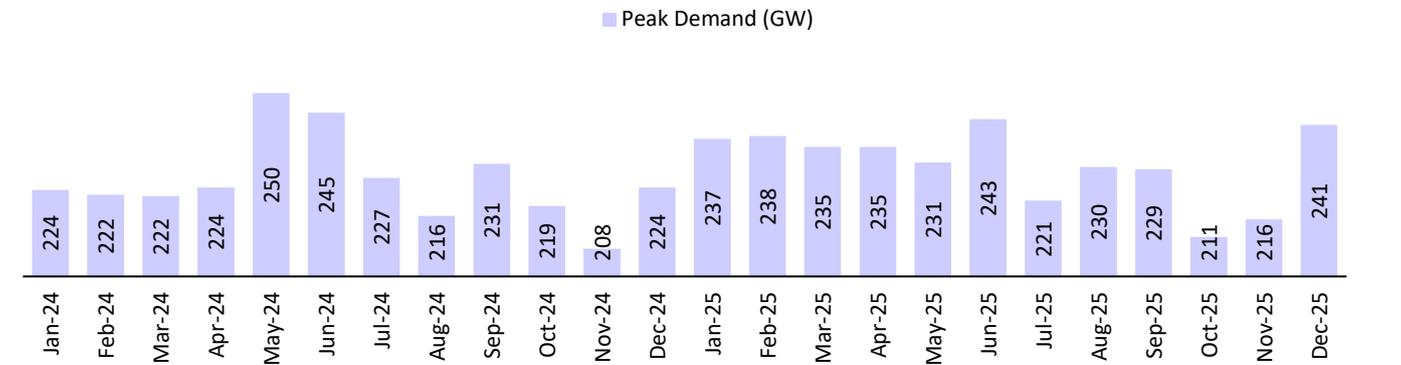
Source: NPP, CEA, MOFSL

Exhibit 148: Domestic power generation capacity (GW)



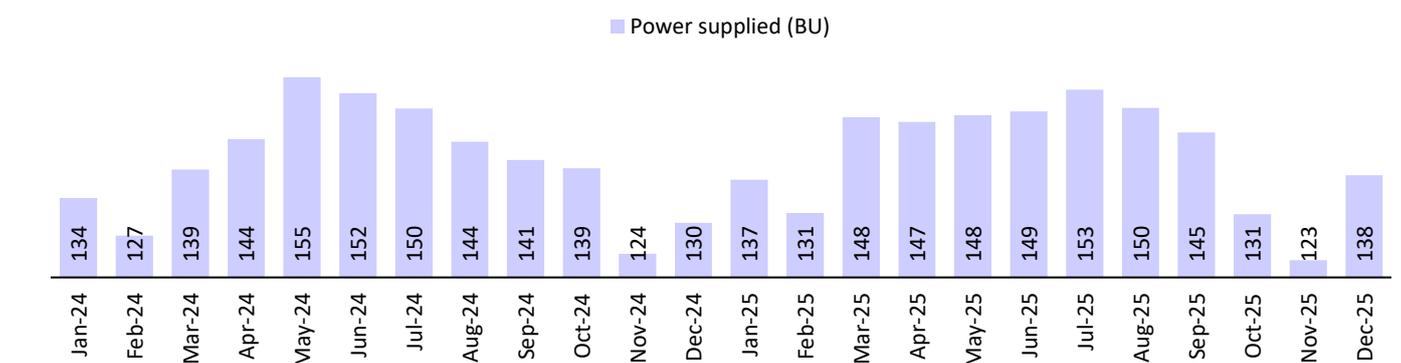
Source: NPP, MOFSL

Exhibit 149: India's peak demand



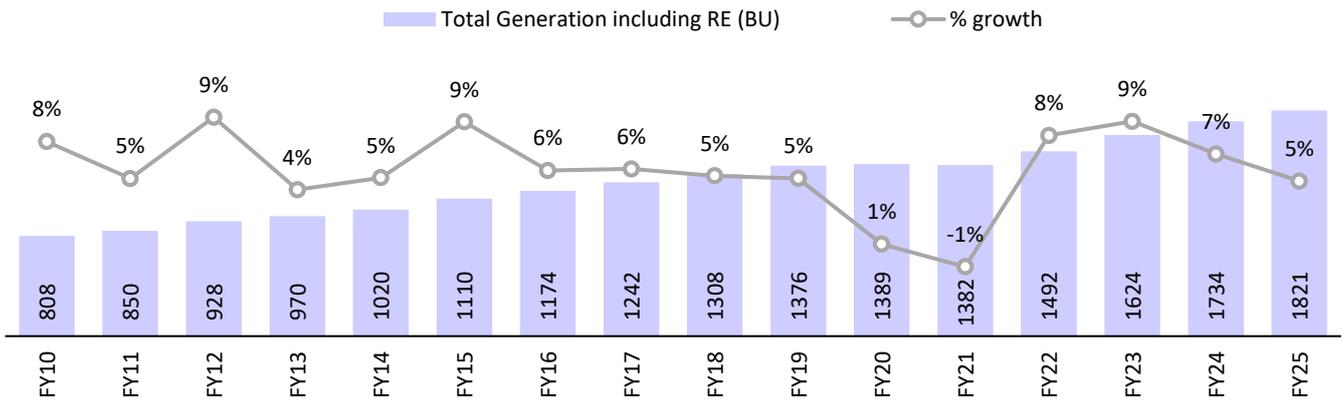
Source: CEA, MOFSL

Exhibit 150: Domestic power supply (BUs)



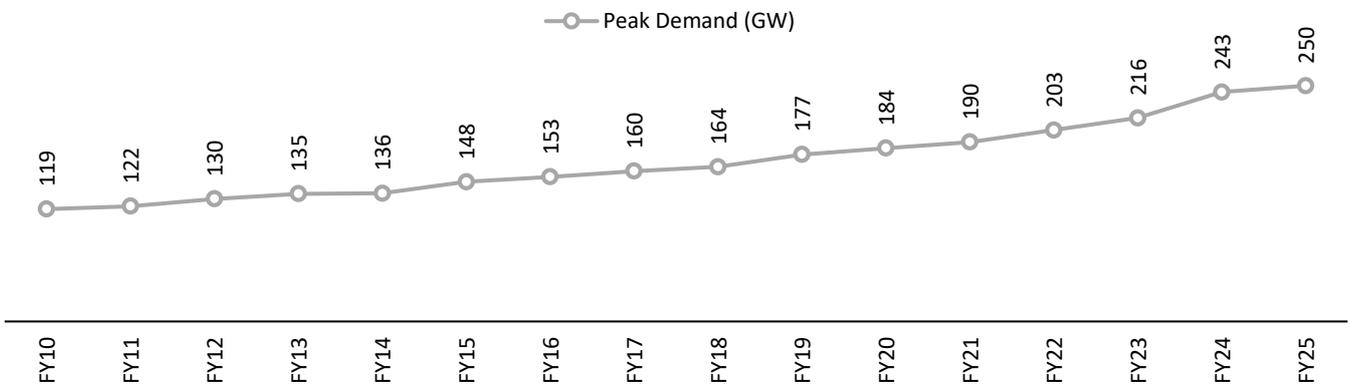
Source: CEA, MOFSL

Exhibit 151: Domestic power generation growth



Source: NPP, CEA, MOFSL

Exhibit 152: Peak demand growth



Source: CEA, MOFSL

ANNEXURE: MOFSL UNIVERSE (ACTUAL V/S EXPECTATIONS)

Company	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
	Dec-25	YoY	QoQ	Var. over Exp. (%)	Dec-25	YoY	QoQ	Var. over Exp. (%)	Dec-25	YoY	QoQ	Var. over Exp. (%)
Automobiles	3,394.0	6.6	6.9	-5.3	386.8	-8.6	16.4	-8.1	214.5	-12.7	16.8	-10.9
Amara Raja Energy	33.5	5.9	-1.1	-4.6	3.7	-9.9	-7.7	-12.6	1.8	-19.8	-13.1	-15.2
Apollo Tyres	77.4	11.8	13.4	3.1	11.9	25.2	16.2	2.5	4.9	43.6	29.3	4.2
Ashok Leyland	115.3	21.7	20.3	2.1	15.4	26.7	32.1	4.5	10.3	34.7	28.1	6.5
Bajaj Auto	152.2	18.8	2.0	0.0	31.6	22.5	3.6	-0.7	25.5	20.9	2.8	-1.7
Balkrishna Inds	26.8	4.3	15.6	6.5	6.1	-4.0	22.7	5.5	3.8	-13.2	43.9	34.7
Bharat Forge	20.8	-0.6	7.0	-3.4	5.7	-7.1	2.8	-11.3	3.2	-6.8	2.4	-14.7
Bosch	48.9	9.4	1.9	-2.3	6.3	8.7	2.6	-6.3	5.5	11.2	-1.1	-5.0
CEAT	41.6	26.0	10.2	1.4	5.6	65.3	11.9	4.6	2.0	104.5	6.9	4.5
Craftsman Auto	20.6	30.5	2.8	-1.9	3.1	56.9	3.4	-3.3	1.1	353.2	20.4	13.8
Endurance Tech.	36.1	26.2	0.7	-2.7	4.8	28.1	0.1	-2.8	2.4	28.7	4.4	-1.3
Eicher Motors	61.1	22.9	-0.9	1.5	15.6	29.6	3.0	5.3	14.3	22.0	4.3	2.8
Escorts Kubota	32.6	11.1	17.4	2.0	4.4	30.9	20.8	0.9	4.0	38.4	25.1	3.9
Exide Inds.	40.3	4.7	-3.6	-9.0	4.7	4.7	19.0	-7.7	2.6	7.9	19.8	-7.1
Happy Forgings	3.9	10.4	3.7	-1.4	1.2	18.7	4.0	3.9	0.8	22.4	7.5	7.6
Hero Motocorp	123.3	20.7	1.7	4.1	18.1	22.6	-0.7	4.2	14.4	19.6	3.3	5.5
Hyundai Motor	179.7	8.0	2.9	0.2	20.2	7.6	-16.9	-12.2	12.3	6.3	-21.5	-11.1
Mahindra & Mahindra	385.2	26.1	15.2	-4.4	56.7	26.8	16.6	-3.3	40.1	35.1	-11.4	2.7
Maruti Suzuki	498.9	28.7	17.9	-1.0	61.7	21.7	21.3	5.7	42.5	16.1	28.6	-3.9
Samvardhana Motherson	314.1	13.5	4.1	-0.4	30.4	13.3	16.6	7.5	10.6	20.1	23.9	3.9
Motherson Wiring	28.9	25.5	4.5	-3.5	2.6	10.4	-6.2	-17.6	1.5	6.8	-9.6	-23.5
MRF	79.3	15.3	9.4	3.8	13.6	70.2	25.2	16.7	7.4	140.4	44.1	32.3
Sona BLW Precis.	12.1	39.2	5.7	6.8	3.0	30.1	5.4	9.5	1.8	15.1	4.9	6.6
Tata Motors CV	204.0	19.7	21.0	-1.9	26.1	29.3	25.1	-5.3	15.9	10.4	18.3	-13.7
Tata Motors PV	711.0	-25.2	-2.8	-19.4	14.9	-87.7	LP	-71.1	-25.7	PL	Loss	Loss
Tube Investments	21.5	12.7	1.6	1.4	3.1	27.3	11.9	13.2	2.0	24.7	7.3	8.7
TVS Motor	124.8	37.1	4.8	2.1	16.3	51.1	8.3	3.7	9.7	57.0	7.2	-3.3
Capital Goods	1,145.2	11.4	3.5	-4.0	149.0	18.9	8.0	-2.9	100.6	24.0	4.7	-2.2
Astra Microwave	2.6	0.7	21.3	-0.7	0.8	8.3	72.5	34.0	0.5	-1.3	95.8	53.6
Bharat Dynamics	5.7	-31.9	-50.6	-50.5	0.3	-79.5	-86.1	-87.4	0.7	-50.4	-66.2	-64.7
Bharat Electronics	71.2	23.7	23.6	5.0	21.2	28.1	24.9	10.8	15.9	20.8	23.6	6.9
Cummins India	30.5	-1.0	-3.6	3.8	6.3	5.7	-8.7	5.7	5.5	7.0	-13.8	-0.5
Hind.Aeronautics	77.0	10.7	16.1	-2.2	18.7	11.2	20.1	-5.0	18.7	29.6	11.8	0.4
Hitachi Energy	20.8	28.5	13.6	-5.5	3.5	106.9	15.5	-2.0	2.9	241.2	15.9	7.4
KEC International	60.0	12.2	-1.5	-2.2	4.3	14.8	-0.1	-5.3	1.7	34.5	8.4	-1.4
Kalpataru Proj.	57.9	19.9	6.8	2.5	4.8	19.8	7.6	0.3	2.3	48.2	16.6	7.0
Kirloskar Oil	13.8	18.6	-5.4	-3.6	1.7	44.3	-17.2	-11.4	1.0	57.1	-23.5	-16.7
Larsen & Toubro	714.5	10.5	5.1	-4.8	74.2	18.6	9.0	-4.1	41.0	22.1	4.4	-4.6
Siemens	38.3	6.8	-25.9	-13.7	4.2	5.2	-31.6	-20.6	3.5	-5.4	-27.5	-19.9
Siemens Energy	19.1	26.0	-27.8	-4.2	4.6	37.4	-3.9	12.7	3.6	57.4	1.4	20.4
Thermax	26.3	5.1	6.5	-2.9	2.5	34.8	48.1	-9.5	1.6	43.6	36.8	-3.7
Triveni Turbine	6.2	24.0	23.3	11.4	1.3	22.7	17.0	12.9	1.0	11.3	12.8	3.9
Zen Technologies	1.2	-17.9	-6.8	-16.5	0.5	43.2	25.8	3.6	0.5	23.8	3.6	-2.3
Cement	689.3	18.4	8.4	2.2	96.2	33.1	3.3	-3.7	30.3	39.3	-22.9	-13.8
ACC	64.6	21.8	9.0	4.4	6.9	45.4	-16.2	-8.5	3.3	48.5	4.2	-17.3
Ambuja Cements	102.8	19.7	12.0	3.4	13.5	52.8	-23.2	-23.6	1.1	-75.7	-80.1	-80.9
Birla Corporation	21.6	-4.3	-2.2	-10.8	2.9	18.0	-4.0	-8.2	0.8	141.6	-16.7	-30.8
Dalmia Bharat	34.7	9.1	1.5	0.1	5.7	10.6	-18.8	-8.0	1.2	100.4	-49.9	-30.6
Grasim Industries	104.3	28.5	8.5	7.1	4.8	77.1	30.9	23.1	-1.4	Loss	PL	Loss
India Cements	11.1	23.4	-0.3	6.0	0.8	LP	-2.3	35.5	0.0	LP	LP	LP
J K Cements	34.6	18.2	14.7	6.4	5.6	13.3	24.8	0.9	2.1	9.7	29.3	-13.9
JK Lakshmi Cem.	15.9	6.1	3.7	-6.5	2.1	1.7	-1.5	-20.3	0.7	-4.7	-11.8	-34.5
JSW Cement	16.2	13.2	12.9	5.7	2.9	33.4	6.5	16.4	1.3	LP	49.6	240.0
Ramco Cements	21.0	6.3	-6.0	-4.5	2.8	0.5	-27.4	-10.5	0.1	64.8	-92.9	-79.3
Shree Cement	44.2	4.3	2.6	-9.4	9.2	-3.2	4.7	-8.8	3.2	41.3	10.5	-6.9

Company	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
	Dec-25	Gr (%)		Var. over	Dec-25	Gr (%)		Var. over	Dec-25	Gr (%)		Var. over
		YoY	QoQ	Exp. (%)		YoY	QoQ	Exp. (%)		YoY	QoQ	Exp. (%)
Ultratech Cement	218.3	22.8	11.3	3.4	39.2	35.3	26.5	5.7	17.9	31.9	45.6	9.1
Chemicals-Specialty	167.5	3.7	-4.1	-2.2	29.8	6.4	-12.4	-7.1	16.9	21.5	-12.6	-2.8
Alkyl Amines	3.5	-4.6	-9.1	-5.6	0.7	-5.7	-4.4	-0.7	0.4	-3.4	-1.6	-2.5
Atul	15.7	11.1	1.4	-2.8	2.9	28.7	7.8	5.0	2.0	74.3	11.9	26.8
Clean Science	2.2	-8.8	-10.2	-9.2	0.7	-26.4	-16.8	-15.7	0.5	-29.8	-16.9	-21.8
Deepak Nitrite	19.7	3.8	3.8	4.4	2.1	25.1	3.2	-14.2	1.1	11.2	-8.1	-29.0
Ellenbarrie Industrial	0.8	19.6	-8.8	-2.1	0.2	-8.0	-25.7	-15.3	0.3	35.9	-28.9	5.2
Fine Organic	5.5	8.1	-7.1	5.9	1.0	2.5	-24.9	0.3	0.8	-4.3	-27.0	-8.9
Galaxy Surfactants	13.3	27.6	0.3	0.2	1.2	13.1	8.0	6.5	0.7	6.1	3.1	6.2
Navin Fluorine	8.9	47.2	17.7	16.4	3.1	108.8	24.9	35.8	2.0	140.1	35.3	56.6
P I Industries	13.8	-27.6	-26.5	-18.5	3.0	-41.0	-44.2	-25.0	2.3	-37.6	-43.2	-23.6
Privi Speciality	6.0	23.2	-10.9	-7.0	1.6	37.6	-14.7	3.3	0.8	82.1	-13.8	21.8
SRF	37.1	6.3	2.0	-2.5	8.2	25.4	1.9	4.3	5.5	78.9	30.4	37.1
Tata Chemicals	35.5	-1.1	-8.4	-0.7	3.5	-20.5	-35.8	-36.5	-0.5	Loss	PL	PL
Vinati Organics	5.3	1.4	-3.1	-7.8	1.6	12.6	-10.0	-9.9	1.1	13.5	-15.9	-11.8
Consumer	975.9	9.2	3.2	-0.1	225.7	10.7	5.2	2.2	156.8	11.4	5.1	1.4
Asian Paints	88.7	3.7	3.9	-2.6	17.8	8.8	18.5	-1.3	12.3	9.1	20.9	-1.5
Britannia	48.9	9.5	2.8	-2.7	10.3	21.7	7.8	4.2	7.2	23.3	9.6	4.1
Colgate	14.9	1.7	-2.2	-0.5	4.4	-2.7	-5.0	-3.9	3.3	2.2	0.7	1.1
Dabur	35.6	6.1	11.5	-1.3	7.3	7.7	24.8	-0.7	5.8	9.2	25.8	3.2
Emami	11.5	9.8	44.2	-0.9	3.8	13.4	115.2	-0.2	3.4	13.4	99.2	3.1
Godrej Consumer	41.0	8.8	7.2	-1.5	8.8	16.5	20.1	2.0	5.6	12.0	16.9	-7.7
Hind. Unilever	164.4	3.9	1.2	2.1	39.0	5.6	4.3	4.3	26.2	0.7	4.9	2.0
Indigo Paints	3.6	4.7	15.0	-4.2	0.7	19.5	46.9	3.7	0.4	19.7	71.8	9.0
ITC	200.5	6.7	2.8	-3.2	68.8	8.2	2.8	1.5	51.9	11.1	2.6	0.4
Jyothy Labs	7.4	5.0	0.5	-1.3	1.1	-4.4	-6.4	-10.8	0.8	-7.2	-7.6	-14.7
L T Foods	28.1	23.5	1.6	1.9	3.1	25.8	1.6	3.4	1.6	9.8	-4.0	-6.0
Marico	35.4	26.6	1.6	-0.9	6.0	12.2	6.8	0.2	4.5	13.2	7.5	1.5
Nestle	56.7	18.6	0.4	5.8	12.3	9.7	-1.9	-0.5	7.7	12.2	3.7	1.4
P&G Hygiene	12.6	1.1	9.7	-2.7	4.0	8.3	41.1	8.7	3.0	12.2	43.6	9.4
Page Industries	13.9	5.6	7.4	-0.4	3.2	5.2	13.8	2.9	2.2	5.4	10.8	0.5
Pidilite Inds.	37.1	10.1	4.4	-1.8	9.5	18.6	11.3	5.4	6.8	22.4	16.7	6.0
Radico Khaitan	15.5	19.5	3.5	1.1	2.7	45.2	12.4	7.2	1.6	71.6	18.5	10.3
Tata Consumer	51.1	15.0	2.9	2.7	7.2	27.6	7.3	2.6	4.0	41.7	-0.7	0.5
United Breweries	20.7	3.7	1.0	2.6	2.3	59.8	73.3	86.2	1.0	55.5	112.1	116.5
United Spirits	36.8	7.3	16.2	0.4	6.2	5.1	-8.0	-5.3	4.7	11.0	-5.6	1.3
Varun Beverages	42.0	14.0	-14.1	6.7	6.5	12.6	-43.1	3.9	2.7	43.6	-64.1	2.8
Zydu Wellness	9.6	108.9	48.3	1.3	0.6	312.2	165.2	-2.0	0.1	51.6	LP	-18.9
Consumer Durables	307.2	16.2	5.9	4.8	28.4	16.3	0.1	0.0	18.2	16.4	-4.3	-3.4
Blue Star	29.3	4.2	20.8	-5.0	2.2	5.4	20.3	-2.7	1.3	3.7	29.0	-1.4
CG Consumer Elect.	19.0	7.3	-0.9	3.2	2.0	3.9	18.5	13.5	1.1	3.1	31.2	19.1
Havells India	55.9	14.3	16.9	4.1	5.2	21.0	17.7	-6.6	3.3	20.2	5.0	-14.6
KEI Industries	29.5	19.3	8.4	-1.6	3.3	32.5	23.2	6.0	2.4	47.8	19.7	7.1
LG Electronics	41.1	-6.4	-33.4	-1.5	2.1	-38.7	-61.9	-23.0	1.2	-50.3	-70.2	-37.1
Polycab India	76.4	46.1	17.9	15.8	9.9	37.0	-0.2	3.2	6.5	41.9	-1.6	2.1
R Kabel	25.4	42.3	17.2	13.6	2.0	84.8	16.2	14.5	1.3	93.8	14.3	18.2
Voltas	30.7	-1.1	30.8	1.7	1.8	-10.2	151.8	4.4	1.1	-18.5	213.9	-5.4
EMS	165.8	10.8	-15.2	2.1	11.0	29.7	4.3	14.1	5.5	34.2	13.0	10.6
Amber Enterp.	29.4	37.9	78.7	16.1	2.5	55.0	169.6	46.1	0.8	111.5	LP	22.7
Avalon Tech	4.2	48.7	9.2	20.9	0.5	39.5	25.1	19.0	0.3	36.9	31.5	27.9
Cyient DLM	3.0	-31.7	-2.3	-17.7	0.3	-14.5	-0.9	-13.8	0.1	-13.0	16.6	-6.9
Data Pattern	1.7	47.9	-43.7	40.9	0.8	49.2	17.7	67.8	0.6	35.6	23.1	46.0
Dixon Tech.	106.7	2.1	-28.2	-0.6	4.1	6.1	-26.2	1.7	1.8	6.4	-26.4	11.7
Kaynes Tech	8.0	21.6	-11.3	-13.1	1.2	26.9	-19.4	-19.4	0.8	18.2	-35.3	-33.5
Syrma SGS Tech.	12.6	45.4	10.3	5.3	1.6	101.6	38.3	39.0	1.1	107.1	64.7	47.9
Financials	4,642.5	11.6	3.3	2.2	1,959.9	12.6	5.1	3.0	1,341.1	13.8	10.6	3.8
Banks-Private	972.7	5.5	3.7	-0.5	709.4	2.3	1.0	-0.9	429.4	2.1	4.0	-1.7
AU Small Finance	23.4	15.7	9.2	2.7	12.2	0.9	0.5	-4.6	6.7	26.3	19.0	3.8

Company	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
	Gr (%)			Var. over Exp. (%)	Gr (%)			Var. over Exp. (%)	Gr (%)			Var. over Exp. (%)
	Dec-25	YoY	QoQ		Dec-25	YoY	QoQ		Dec-25	YoY	QoQ	
Axis Bank	142.9	5.0	3.9	0.4	108.8	3.2	4.4	4.9	64.9	2.9	27.5	10.6
Bandhan Bank	26.9	-5.0	3.9	-2.3	14.5	-28.5	10.3	4.6	2.1	-51.8	83.8	-24.8
DCB Bank	6.2	15.1	4.8	1.1	3.2	19.1	6.2	-0.9	1.8	22.0	0.5	-2.6
Equitas Small Fin.	8.5	4.1	10.1	3.7	3.1	-7.7	27.7	13.0	0.9	35.8	273.1	27.1
Federal Bank	26.5	9.1	6.3	5.4	17.3	10.2	5.2	7.9	10.4	9.0	9.0	7.3
HDFC Bank	326.2	6.4	3.4	-2.1	271.0	8.4	-3.0	-3.8	186.5	11.5	0.1	-0.5
ICICI Bank	219.3	7.7	1.9	-1.1	173.6	2.8	0.3	-2.9	113.2	-4.0	-8.4	-9.4
IDFC First Bank	54.9	12.0	7.4	0.9	20.3	15.6	8.2	0.5	5.0	48.1	42.6	0.2
IndusInd Bank	45.6	-12.7	3.5	6.4	22.7	-37.0	10.9	22.6	1.3	-90.9	LP	-2.5
Kotak Mahindra Bank	75.6	5.1	3.5	-1.3	53.8	3.8	2.1	-3.5	34.5	4.3	5.9	-2.8
RBL Bank	16.6	4.6	6.9	-0.1	9.1	-8.4	25.3	8.9	2.1	557.8	19.8	-19.6
Banks-PSU	930.0	4.8	3.4	-0.1	688.1	18.8	10.3	7.8	444.2	17.5	15.3	14.5
Bank of Baroda	118.0	3.4	-1.3	-4.7	73.8	-3.7	-2.6	-8.4	50.5	4.5	5.1	3.8
Canara Bank	92.5	1.1	1.2	-3.2	91.2	16.4	6.2	7.4	51.6	25.6	8.0	15.1
Indian Bank	69.0	7.5	5.3	2.3	50.2	5.8	3.9	1.8	30.6	7.3	1.4	-1.0
Punjab National Bank	105.3	-4.5	0.6	-2.8	74.8	13.0	3.5	8.2	51.0	13.1	4.0	6.8
State Bank	451.9	9.0	5.1	0.9	328.6	39.5	20.3	13.4	210.3	24.5	25.4	18.4
Union Bank	93.3	0.9	5.9	5.9	69.4	-7.3	1.9	8.1	50.2	9.0	18.1	31.8
Insurance	2,081.9	15.6	2.4	4.9	69.8	28.6	7.3	9.7	150.9	12.8	24.3	-2.4
HDFC Life Insur.	188.0	8.8	-2.5	-5.7	9.5	2.5	-5.7	-1.7	4.2	1.4	-5.9	-3.9
ICICI Lombard	56.9	12.7	0.6	-5.2	-3.5	Loss	Loss	Loss	6.6	-9.1	-19.6	-22.7
ICICI Pru Life	122.3	-3.4	-0.6	-13.0	6.2	19.0	3.9	0.8	3.9	19.1	30.9	21.4
Life Insurance Corp.	1,256.1	17.5	-0.7	9.9	31.8	65.0	0.3	30.0	129.6	17.2	28.9	-2.4
Max Financial	97.1	18.0	6.7	3.2	6.6	34.8	3.1	11.9	0.5	-35.5	650.0	NA
Niva Bupa Health	14.5	28.0	2.2	2.2	-2.3	Loss	Loss	Loss	-0.9	PL	Loss	Loss
SBI Life Insurance	304.5	21.8	21.4	4.6	22.9	22.5	38.0	2.6	5.8	4.7	16.6	10.1
Star Health	42.5	11.9	4.2	2.3	-1.2	Loss	Loss	Loss	1.3	-40.4	133.6	0.2
NBFC - Lending	549.4	18.4	5.3	1.7	440.0	18.1	2.6	1.0	274.3	27.7	6.9	1.0
AAVAS Financiers	3.0	18.2	3.9	-1.0	2.3	16.8	3.6	-0.2	1.7	16.1	3.7	0.5
Bajaj Finance	113.2	20.6	4.9	0.4	90.5	16.0	2.0	-2.4	53.2	23.5	7.5	2.8
Bajaj Housing	9.6	19.6	0.8	-3.7	9.2	23.0	4.4	-0.8	6.6	21.3	3.4	-1.7
Can Fin Homes	4.2	22.1	4.0	0.6	3.5	20.5	4.9	1.8	2.6	24.8	5.3	-0.5
Chola. Inv & Fin.	35.8	24.0	6.0	0.1	26.4	24.2	7.5	0.8	12.9	18.5	11.5	-1.2
CreditAccess	9.8	13.1	4.4	-1.1	6.8	9.2	-2.1	-2.3	2.5	LP	100.4	-3.3
Five-Star Business	6.1	12.5	2.4	1.9	4.3	9.7	-1.6	-1.0	2.8	1.2	-3.2	-0.9
Fusion Finance	2.4	6.6	-2.9	0.6	0.9	44.5	5.1	-1.6	0.1	LP	LP	101.9
HDB Financial	22.9	22.1	4.2	0.3	15.7	23.2	2.7	-0.5	6.4	36.3	10.7	-2.2
Home First Fin.	2.3	43.9	13.7	5.2	2.0	41.1	4.5	-2.8	1.4	44.0	6.3	-2.2
IIFL Finance	15.8	28.1	10.0	-1.3	10.6	79.3	0.5	-4.7	4.6	1038.3	23.4	4.5
L&T Finance	25.4	13.4	5.6	2.7	17.4	18.0	6.7	2.9	7.4	18.0	0.4	-3.8
LIC Housing Fin	21.0	5.1	3.1	3.2	19.0	8.4	1.2	2.3	13.8	-3.4	2.2	1.7
M & M Financial	23.0	20.6	9.1	2.5	15.4	26.1	2.8	-4.6	8.1	-9.9	42.4	8.6
Manappuram Finance	13.0	-18.4	-5.6	-4.5	6.6	-29.4	-2.1	5.2	2.4	-14.3	9.8	-2.1
MAS Financial	2.6	27.7	6.3	2.0	1.6	17.4	3.1	-1.1	0.9	15.6	0.7	-4.3
Muthoot Finance	44.7	64.1	11.9	14.6	36.9	79.3	13.1	21.2	26.6	94.9	13.3	23.0
PFC	56.1	19.4	6.0	4.6	59.6	15.7	3.1	8.0	47.6	14.6	6.8	0.6
PNB Housing	7.7	11.0	2.1	0.8	6.3	8.4	-2.9	-4.7	5.2	7.7	-10.5	-4.5
Poonawalla Fincorp	9.2	50.0	20.5	2.4	5.3	38.4	36.5	2.9	1.5	702.0	102.5	-20.6
REC	52.8	2.8	-3.1	-2.2	52.3	4.1	-8.1	-3.2	40.4	0.3	-8.6	-6.7
Repco Home Fin	2.0	10.2	3.9	2.1	1.3	-7.6	-5.4	-10.1	1.1	2.1	1.7	-1.6
Shriram Finance	65.7	17.6	9.1	0.6	46.7	14.3	5.2	-3.6	25.2	21.2	9.4	-1.8
Spandana Sphoorty	1.2	-57.5	11.1	11.6	-0.7	PL	Loss	Loss	-1.0	Loss	Loss	Loss
NBFC - Non Lending	108.6	24.2	8.8	-1.0	52.5	29.5	15.1	4.1	42.4	34.8	14.1	2.7
360 ONE WAM	8.1	33.2	5.6	0.4	4.1	42.5	12.2	7.2	3.3	20.3	4.7	1.0
Aditya Birla AMC	4.8	7.4	3.6	1.4	2.9	5.6	2.5	1.7	2.7	20.1	11.7	5.0
Anand Rathi Wealth	2.9	22.2	-2.6	-4.7	1.3	22.8	-4.4	-7.4	1.0	29.7	0.3	-2.7
Angel One	9.1	2.2	8.8	3.0	3.7	-3.6	27.1	6.5	2.7	-4.6	27.0	5.0
BSE	12.4	62.0	16.4	0.8	8.0	84.4	16.0	-1.4	6.1	182.5	10.3	-2.2

Company	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
	Gr (%)			Var. over Exp. (%)	Gr (%)			Var. over Exp. (%)	Gr (%)			Var. over Exp. (%)
	Dec-25	YoY	QoQ		Dec-25	YoY	QoQ		Dec-25	YoY	QoQ	
Cams Services	3.9	5.5	3.6	-0.5	1.8	3.5	6.7	0.5	1.2	0.4	9.4	2.1
CDSL	3.0	9.4	-4.6	-2.9	1.6	0.2	-9.3	-5.6	1.3	2.4	-5.1	-1.5
HDFC AMC	10.8	15.0	4.6	2.0	8.8	14.7	9.4	5.4	7.7	20.0	7.1	8.8
KFin Technologies	3.7	27.9	19.9	15.1	1.5	16.1	11.7	7.0	0.9	2.0	-1.4	-7.1
MCX	6.7	120.9	77.9	-4.1	5.0	156.4	103.2	-7.1	4.0	150.6	103.1	-4.7
Nippon Life AMC	7.1	20.0	7.2	1.9	4.7	21.9	9.4	6.5	4.0	36.7	17.3	5.1
NSDL	3.6	-0.8	-10.1	-8.0	1.1	18.1	-16.1	2.0	0.9	4.5	-18.8	-5.7
Nuvama Wealth	7.5	4.4	-2.2	-6.1	3.5	5.3	4.9	-1.0	2.6	3.9	3.0	-2.5
PB Fintech	17.7	37.2	9.8	-5.3	2.0	153.2	28.2	13.6	1.9	163.7	39.5	24.2
Prudent Corp.	3.4	20.4	7.3	1.9	0.8	18.0	7.8	3.6	0.6	19.6	7.6	-0.3
UTI AMC	3.9	5.2	1.2	-2.3	1.8	-5.6	21.0	167.8	1.4	-20.6	4.2	16.9
Healthcare	1,005.7	13.0	2.8	2.8	240.2	12.3	7.2	4.4	146.8	12.9	10.1	3.1
Alembic Pharma	18.8	10.8	-1.8	1.4	2.9	12.8	-7.0	-3.3	1.7	21.1	-2.3	-6.7
Alkem Lab	37.4	10.7	-6.6	1.7	8.3	9.0	-10.1	16.7	6.8	8.7	-11.1	17.8
Ajanta Pharma	13.7	20.0	1.6	4.5	3.9	21.3	5.5	6.8	2.7	24.2	4.4	5.1
Apollo Hospitals	64.8	17.2	2.8	5.7	9.7	26.8	2.6	5.8	5.2	38.8	8.3	13.2
Aurobindo Pharma	86.5	8.4	4.3	7.2	17.7	8.9	5.7	4.7	9.3	5.8	10.3	0.0
Biocon	41.7	9.2	-2.9	-8.2	8.3	6.1	-0.1	-6.8	1.2	182.3	36.3	-21.5
Blue Jet Healthcare	1.9	-39.4	16.3	-41.4	0.5	-61.9	-14.7	-59.9	0.4	-59.0	-23.0	-56.9
Cipla	70.7	0.0	-6.8	-2.8	12.6	-36.9	-33.8	-20.9	8.8	-35.6	-35.0	-22.1
Divis Labs	26.0	12.3	-4.1	-2.8	8.9	19.8	0.2	5.5	6.2	7.4	-2.7	1.5
Dr Agarwals Health.	5.3	23.0	6.3	2.5	1.4	31.5	5.8	7.6	0.3	80.3	13.6	7.8
Dr Reddy's Labs	87.3	6.0	-0.9	7.9	20.1	-7.4	-5.3	16.9	13.2	0.2	-14.4	15.1
ERIS Lifescience	8.1	11.0	1.9	-3.5	2.8	12.5	-2.3	-7.5	1.1	34.7	-6.1	-11.2
Gland Pharma	17.0	22.5	14.0	5.5	4.3	20.8	38.5	14.2	2.8	36.3	51.9	18.9
Glenmark Pharma	39.0	15.1	64.1	3.5	8.7	44.9	LP	2.5	5.4	55.9	LP	2.7
Global Health	11.2	18.8	2.0	4.9	2.2	-9.9	-5.9	-9.2	1.2	-13.2	-14.9	-18.5
Granules India	13.9	22.0	7.0	10.1	3.1	33.8	10.7	11.0	1.5	27.7	15.0	7.0
GSK Pharma	10.4	9.7	6.3	-1.1	3.8	35.4	14.1	5.2	2.9	31.1	13.6	5.2
IPCA Labs.	23.9	6.6	-6.4	-0.6	5.3	15.2	-2.1	10.2	3.1	25.7	-4.0	12.2
Laurus Labs	17.8	25.7	7.5	7.1	4.9	71.3	21.1	25.7	2.6	180.1	33.3	59.8
Laxmi Dental	0.7	7.1	-8.6	-2.6	0.1	-27.6	-36.8	-33.7	0.0	-2.3	-45.0	-37.8
Lupin	71.7	25.9	1.7	6.0	22.1	60.5	3.4	16.3	14.7	71.4	10.4	22.2
Mankind Pharma	35.7	11.5	-3.5	-0.1	9.2	13.1	0.2	3.4	5.0	35.0	-0.5	0.0
Max Healthcare	24.7	8.8	-4.0	4.3	6.3	2.4	-8.0	0.4	4.0	1.4	-5.2	2.1
Piramal Pharma	21.4	-2.9	4.7	-6.8	2.0	-42.0	23.3	-34.9	-1.0	PL	Loss	PL
Rubicon Research	4.8	51.7	15.4	3.8	1.1	54.7	14.7	7.3	0.7	91.2	35.2	16.1
Sun Pharma	149.8	14.7	4.0	2.3	42.5	19.0	5.7	6.3	30.4	10.1	8.9	1.0
Torrent Pharma	33.0	17.6	0.0	3.4	10.9	19.0	0.5	5.4	6.4	27.8	7.0	9.6
Zydus Lifesciences	68.6	30.3	12.1	7.8	16.5	27.1	3.1	4.6	9.9	3.8	-2.9	1.8
Healthcare - BPO	37.3	31.7	14.9	5.1	9.5	35.0	15.1	7.4	6.1	21.4	4.4	4.9
Indegene	9.4	30.8	17.1	6.8	1.6	21.0	13.4	-2.3	1.0	-6.2	0.9	-11.5
Inventurus Knowledge	8.1	24.0	4.3	-1.2	2.8	55.2	3.6	0.4	1.8	41.4	1.4	-3.3
Sagility	19.7	35.7	18.9	7.2	5.1	30.3	23.1	15.3	3.2	23.0	7.3	17.5
Infrastructure	45.0	7.1	29.3	15.3	12.6	0.2	14.6	6.0	4.6	4.2	54.1	7.8
G R Infraproject	20.4	39.4	65.3	24.8	2.1	32.9	70.6	4.8	2.0	53.8	53.9	13.7
IRB Infra	18.7	-7.6	6.9	7.0	10.2	3.9	10.6	10.3	2.4	9.4	72.4	15.0
KNR Constructions	5.9	-17.4	18.7	13.5	0.3	-73.9	-42.8	-52.4	0.2	-80.5	-36.8	-55.9
Logistics	220.6	15.5	5.6	2.6	77.7	19.8	5.6	3.8	43.7	17.1	0.1	1.0
Adani Ports	97.0	21.9	5.9	4.3	57.9	20.5	4.2	3.7	32.9	22.9	-3.8	1.0
Blue Dart Express	16.2	6.9	4.3	-1.0	1.9	30.0	20.9	16.4	1.0	30.5	29.8	15.7
Concor	23.0	4.5	-2.1	-3.1	5.1	10.4	-11.1	-6.6	3.3	-4.2	-12.6	-6.5
Delhivery	28.0	17.9	9.6	3.3	2.1	103.8	206.3	32.2	0.7	168.0	LP	8.8
JSW Infra	13.5	14.2	6.6	1.5	6.4	9.8	5.6	3.0	3.8	-14.9	2.7	0.8
Mahindra Logistics	19.0	19.1	12.6	9.3	1.0	39.5	20.8	20.8	0.1	LP	LP	LP
TCL Express	3.1	5.9	1.8	0.8	0.3	16.3	-5.0	-3.6	0.2	19.2	-9.0	-7.0
Transport Corp.	12.5	8.9	3.6	-1.3	1.3	7.2	0.2	-7.1	1.1	13.7	1.9	-0.9
VRL Logistics	8.3	0.2	3.8	-2.1	1.7	2.1	12.4	6.4	0.6	9.0	29.8	11.9

Company	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
	Gr (%)			Var. over Exp. (%)	Gr (%)			Var. over Exp. (%)	Gr (%)			Var. over Exp. (%)
	Dec-25	YoY	QoQ		Dec-25	YoY	QoQ		Dec-25	YoY	QoQ	
Media	49.9	11.1	0.5	0.9	9.7	-2.2	-19.7	-0.4	6.3	-4.2	14.2	3.2
PVR Inox	18.8	9.5	3.1	1.3	3.2	33.3	2.8	8.3	1.5	117.4	17.2	29.0
Sun TV	8.3	4.3	-29.2	4.6	4.1	-5.2	-45.4	4.1	3.2	-7.9	-8.8	0.9
Zee Entertainment	22.8	15.2	15.8	-0.6	2.4	-24.5	64.3	-15.3	1.6	-32.8	114.6	-9.2
Metals	3,254.6	10.1	5.5	1.4	637.6	11.2	11.6	3.0	334.0	33.3	30.5	15.7
Coal India	349.2	-5.2	15.7	1.2	100.7	-12.3	72.3	10.0	89.2	4.9	104.8	37.8
Hindalco	665.2	13.9	0.7	0.1	79.9	5.4	-10.8	0.6	38.8	3.0	-20.4	1.6
Hindustan Zinc	109.8	27.5	28.4	10.1	60.5	34.6	36.2	11.4	38.9	45.3	46.9	15.6
Jindal Stainless	105.2	6.2	-3.4	-6.9	14.1	16.6	1.4	0.1	8.6	31.2	8.8	8.0
Jindal Steel	130.3	10.9	11.5	-3.4	15.9	-25.3	-15.1	-16.4	2.0	-77.8	-53.0	-67.1
JSW Steel	459.9	11.1	1.9	3.6	66.2	22.3	-15.7	-2.8	11.9	75.0	-42.3	-35.6
Midwest	1.3	10.0	-18.8	-32.0	0.3	30.7	-34.4	-44.0	0.2	29.4	-34.1	-51.4
Nalco	47.3	1.5	10.2	-1.1	21.8	-6.4	13.2	-6.3	16.0	1.8	11.6	-3.9
NMDC	76.1	15.9	19.3	7.0	21.4	-9.6	7.6	-4.4	17.6	-6.6	3.4	0.8
SAIL	273.7	11.8	2.5	2.9	22.9	13.0	-9.3	3.3	3.7	229.9	-44.4	-17.3
Tata Steel	570.0	6.3	-2.9	-3.0	82.0	14.6	-7.8	1.5	27.4	270.9	-16.1	13.9
Vedanta	466.5	19.3	17.0	7.3	151.7	36.6	33.1	6.0	79.7	124.8	138.3	40.7
Oil & Gas	7,982.3	5.5	8.2	9.8	1,113.5	18.3	4.6	2.2	554.4	33.5	6.4	6.9
Oil Ex OMCs	3,597.5	6.1	2.0	2.9	706.6	-0.4	-1.5	-3.0	316.9	0.4	-7.4	2.5
Aegis Logistics	17.3	1.1	-24.8	-26.1	3.0	27.6	2.2	-1.1	1.8	42.3	-1.6	0.1
BPCL	1,190.0	5.2	13.4	28.3	118.4	56.2	14.6	2.7	75.5	62.3	17.1	0.7
Castrol India	14.4	6.4	5.7	0.8	3.7	-2.1	14.0	-9.7	2.6	-3.7	14.7	-11.9
GAIL	340.5	-2.5	-2.7	7.8	26.6	-6.4	-16.8	-9.9	16.0	12.3	-27.7	-19.9
Gujarat Gas	36.6	-11.9	-3.2	0.9	4.5	17.6	0.0	-8.0	2.7	19.8	-5.5	-10.6
Gujarat State Petronet	2.2	-7.3	-3.8	-5.4	1.7	-14.0	-4.4	-7.8	1.1	-15.7	-70.1	-7.7
HPCL	1,150.5	4.1	14.2	25.6	72.6	12.6	-4.6	-16.5	40.7	34.7	6.3	-20.3
Indraprastha Gas	40.7	8.2	1.1	-1.1	5.0	37.7	13.1	1.5	3.8	33.0	2.1	1.2
IOC	2,044.2	5.4	14.3	5.9	215.8	135.5	29.1	36.0	121.3	424.8	59.3	45.1
Mahanagar Gas	20.6	11.5	0.4	3.0	3.5	8.4	4.2	14.1	2.0	-9.4	4.4	9.6
Oil India	49.2	-6.2	-9.9	-2.2	13.1	-38.7	-29.1	-33.8	8.1	-33.8	-48.3	-16.6
ONGC	315.5	-6.4	-4.5	2.6	173.2	-9.1	-2.1	3.8	83.7	1.6	-15.0	20.8
Petronet LNG	111.6	-8.7	1.4	-11.1	12.2	-1.9	9.6	7.3	8.7	0.0	7.6	9.7
Reliance Inds.	2,649.1	10.4	4.0	3.5	460.2	5.1	0.3	-3.9	186.5	0.6	2.6	-0.7
Plastic Pipes	48.0	7.1	5.2	-3.9	5.9	11.9	-2.5	-10.4	2.9	2.6	-8.3	-23.3
Astral	15.4	10.3	-2.3	-4.9	2.4	8.1	-7.6	-6.1	1.2	5.2	-10.9	-15.6
Prince Pipes	5.7	-0.8	-3.6	-6.2	0.3	840.2	-49.4	-46.2	0.0	Loss	PL	PL
Supreme Inds.	26.9	7.1	12.2	-2.8	3.3	6.6	10.7	-8.4	1.7	-9.7	2.4	-23.2
Real Estate	185.0	18.0	16.0	-13.1	46.6	4.7	17.6	-29.9	39.6	12.9	-8.0	-31.4
Aditya Birla Real Est.	0.8	-60.3	-17.0	-81.5	-0.9	Loss	Loss	PL	-0.7	Loss	Loss	PL
Anant Raj	6.4	20.0	1.7	10.6	1.7	27.1	1.1	11.2	1.4	30.6	4.4	97.8
Brigade Enterpr.	15.8	7.6	13.9	32.9	4.1	-0.7	25.3	-3.4	1.9	-21.0	14.8	-20.2
DLF	20.2	32.2	23.0	-19.2	3.9	-2.5	37.5	-48.1	12.0	13.7	2.0	18.8
Godrej Properties	5.0	-48.6	-32.7	-68.0	-1.8	PL	Loss	PL	2.1	32.9	-47.8	-81.7
Kolte Patil Dev.	2.7	-24.1	91.4	-60.9	0.1	-68.4	LP	-95.3	0.0	-82.1	LP	-95.9
Lodha Developers	46.7	14.4	23.0	-7.9	14.2	8.4	27.6	-2.1	9.6	2.1	21.5	-6.2
Mahindra Lifespace	4.6	174.5	2514.8	237.7	0.3	LP	LP	LP	1.1	LP	127.4	156.6
Oberoi Realty	14.9	5.8	-16.1	-19.5	8.6	0.1	-16.0	-28.1	6.2	0.7	-18.1	-28.5
Phoenix Mills	11.2	15.0	0.5	-8.8	6.6	18.7	-1.6	-7.4	2.8	4.2	-9.3	-35.6
Prestige Estates	38.7	134.1	59.3	37.3	8.6	45.7	-5.5	13.7	2.2	1157.6	-48.3	-12.0
SignatureGlobal	2.8	-65.6	-16.0	-76.7	-0.6	PL	Loss	PL	-0.5	PL	Loss	PL
Sobha	9.4	-23.0	-33.0	-27.9	0.4	-42.4	-59.5	-84.6	0.2	-28.9	-78.7	-91.1
Sri Lotus Developers	2.2	92.7	27.2	-37.4	0.8	29.0	57.5	-39.1	0.7	36.2	51.1	-28.8
Sunteck Realty	3.4	112.7	36.4	1.8	0.8	68.5	4.7	-3.6	0.6	36.9	18.9	19.2
Retail	889.3	24.5	23.1	3.7	107.6	28.0	43.8	9.2	52.9	39.5	88.2	15.2
Aditya Birla Fashion	23.7	7.9	19.8	1.1	3.1	2.3	348.7	22.4	-1.2	Loss	Loss	Loss
Aditya Birla Lifestyle	23.4	11.4	15.0	0.2	4.1	23.6	30.0	5.2	1.0	49.4	326.3	-3.8
Arvind Fashions	13.8	14.5	-2.9	2.8	1.9	17.7	4.0	3.1	0.3	-7.0	-31.5	-45.6
Avenue Supermarts	181.0	13.3	8.5	0.0	14.6	20.2	20.6	11.1	8.6	18.3	24.6	12.4

Company	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
	Gr (%)			Var. over Exp. (%)	Gr (%)			Var. over Exp. (%)	Gr (%)			Var. over Exp. (%)
	Dec-25	YoY	QoQ		Dec-25	YoY	QoQ		Dec-25	YoY	QoQ	
Bata India	9.4	2.8	17.9	0.3	2.1	6.3	46.3	0.1	0.7	10.7	234.1	14.2
Campus Activewear	5.9	14.3	52.2	3.6	1.1	34.2	121.0	14.9	0.6	37.0	217.3	16.4
Devyani Intl.	14.4	11.3	4.7	-4.0	2.3	3.4	16.7	-3.6	0.0	LP	LP	-79.8
Go Fashion	1.9	-9.2	-13.1	-15.2	0.5	-25.3	-21.8	-28.5	0.1	-70.5	-67.1	-71.8
Jubilant Foodworks	18.0	11.8	6.1	-2.3	3.7	18.1	12.1	0.4	0.8	33.1	24.1	-9.4
Kalyan Jewellers	103.4	41.9	31.7	5.7	7.5	52.0	51.0	17.3	4.5	72.4	71.9	21.9
Metro Brands	8.1	15.4	24.6	3.3	2.7	19.3	57.2	6.6	1.3	11.4	91.8	5.4
P N Gadgil Jewellers	33.0	35.6	51.7	1.5	2.4	99.0	128.0	34.9	1.7	98.6	115.5	47.0
Raymond Lifestyle	18.5	5.4	0.9	-1.7	2.4	31.9	4.9	11.3	1.0	54.4	24.8	20.5
Relaxo Footwear	6.7	0.2	6.3	2.3	0.8	-9.9	-7.5	-12.6	0.3	-2.3	-10.8	-17.6
Restaurant Brands	5.8	16.5	1.5	-1.5	1.0	20.8	17.2	4.7	0.0	Loss	Loss	Loss
Sapphire Foods	8.1	7.6	9.6	-1.1	1.3	-0.1	31.5	-0.4	0.0	-72.0	LP	-26.2
Senco Gold	30.7	50.1	99.9	28.3	4.1	281.8	285.7	156.1	2.7	395.7	450.7	237.6
Shoppers Stop	13.2	0.7	12.4	-4.2	2.1	-12.6	27.9	-15.5	0.3	-38.3	LP	-40.4
Titan Company	254.2	43.3	35.7	9.2	27.1	40.8	44.7	9.9	18.0	44.3	60.7	13.6
Trent	52.6	16.0	11.3	-0.5	10.7	27.3	32.0	2.8	6.6	40.7	46.5	19.5
United Foodbrands	3.8	14.5	23.6	9.5	0.7	10.9	80.8	10.2	0.1	13.4	LP	LP
V-Mart Retail	11.3	9.7	39.6	0.0	2.1	22.3	193.0	14.1	0.9	25.8	LP	24.1
Vedant Fashions	4.9	-3.8	86.9	-6.4	2.2	-9.3	98.3	-11.4	1.4	-13.8	142.7	-15.1
Vishal Mega Mart	36.7	17.0	23.1	-2.5	6.1	19.8	53.4	-0.2	3.1	19.1	105.4	1.2
Westlife Foodworld	6.7	2.6	4.5	-4.4	1.0	8.0	29.9	-1.7	0.1	68.4	LP	38.5
Staffing	118.9	8.2	4.8	-1.2	3.5	17.2	11.1	3.7	2.4	14.3	31.4	-0.9
Qess Corp	39.3	-2.2	2.6	-0.9	0.8	27.5	3.8	2.6	0.6	29.4	19.8	15.5
SIS	41.9	24.5	11.4	3.6	1.9	20.7	12.5	4.0	1.0	-1.3	24.9	-12.9
Team Lease Serv.	30.1	3.1	-0.6	-7.9	0.4	21.2	10.5	-6.8	0.5	69.3	72.6	10.3
Updater Services	7.7	10.4	5.2	0.6	0.4	-11.8	21.2	18.9	0.3	-8.2	30.8	0.5
Technology	2,207.5	8.4	3.0	0.8	503.1	9.3	4.1	1.8	354.4	11.5	5.7	3.6
Coforge	41.9	28.5	5.1	-0.7	7.3	44.6	0.1	-1.1	3.6	62.5	-3.4	-1.7
Cyient	18.5	-4.0	3.8	-1.5	2.4	-14.6	2.3	-23.7	1.4	1.5	-7.8	-27.6
HCL Technologies	338.7	13.3	6.0	2.3	74.3	8.3	12.1	4.4	48.0	4.5	13.3	0.3
Hexaware Tech.	34.8	10.3	-0.2	0.5	5.5	12.1	-8.6	-4.9	3.5	7.6	-6.7	-5.9
Infosys	454.8	8.9	2.2	0.6	109.9	8.3	3.0	1.1	76.3	12.0	3.5	4.8
KPIT Technologies	16.2	9.4	1.9	-1.8	3.3	6.8	-0.5	-3.7	1.3	-28.6	-21.1	-36.8
L&T Technology	29.2	10.2	-1.9	-3.7	5.1	3.9	4.7	-1.0	3.3	3.9	0.1	-5.2
LTIMindtree	107.8	11.6	3.7	0.5	20.0	25.7	3.8	0.9	14.0	29.0	1.5	-2.2
Mphasis	40.0	12.4	2.6	0.6	7.5	10.9	3.9	1.0	4.7	9.5	-0.1	-4.9
Persistent Systems	37.8	23.4	5.5	1.0	7.3	36.2	7.1	11.3	5.1	35.8	7.4	11.7
Tata Elxsi	9.5	1.5	3.9	0.6	2.2	-9.9	15.0	9.0	1.8	-10.0	15.7	5.3
Tata Technologies	13.7	3.7	3.2	1.8	1.9	-17.6	-7.2	4.9	1.4	-19.9	-18.4	-7.9
TCS	670.9	4.9	2.0	0.8	183.4	8.1	2.0	1.8	141.1	13.4	6.4	7.9
Tech Mahindra	143.9	8.3	2.8	1.6	23.7	30.8	9.1	5.1	13.2	34.7	10.9	-8.8
Wipro	235.6	5.5	3.8	-0.1	46.6	0.4	2.7	0.0	33.6	0.3	3.6	2.9
Zensar Tech	14.3	7.9	0.7	0.4	2.5	20.8	13.6	9.6	2.2	37.2	20.3	21.9
Telecom	820.0	14.2	2.6	0.2	425.6	10.3	3.3	0.7	32.6	164.2	-8.1	-26.4
Bharti Airtel	539.8	19.6	3.5	0.6	307.8	25.2	4.1	0.9	69.2	25.5	1.9	-19.0
Bharti Hexacom	23.6	4.8	1.8	-0.5	12.5	8.9	3.8	-1.5	4.8	31.1	14.1	3.5
Indus Towers	81.5	7.9	-0.5	-1.8	44.8	-35.7	-2.1	0.1	17.8	2.4	5.2	0.5
Tata Comm	61.9	7.3	1.5	-1.5	12.3	6.6	4.6	-3.2	4.4	98.8	116.6	33.1
Vodafone Idea	113.2	1.9	1.1	0.9	48.2	2.2	2.8	2.2	-63.6	Loss	Loss	Loss
Utilities	833.3	8.0	2.2	-9.3	300.1	12.8	10.3	-3.2	112.0	2.7	1.9	-7.6
ACME Solar	5.0	42.3	6.2	-2.8	4.4	44.7	11.1	0.7	1.1	-4.4	2.6	10.4
Indian Energy Exch.	1.4	9.6	-5.5	-1.2	1.2	6.7	-8.8	-3.1	1.2	11.6	-5.4	4.5
Inox Wind	12.1	32.5	7.9	-34.4	2.8	38.2	23.7	-14.6	1.2	-5.7	28.0	-38.0
JSW Energy	40.8	67.4	-21.2	-13.0	20.3	122.1	-32.3	-6.2	-2.6	PL	PL	PL
NTPC	406.4	-1.7	3.8	-9.3	119.9	0.3	19.7	-7.5	46.5	0.7	3.0	-6.2
Power Grid Corp.	110.1	8.7	10.1	4.3	94.2	10.5	17.6	0.0	39.6	2.5	26.7	-1.7
Suzlon Energy	42.4	42.4	9.4	-6.4	7.4	47.8	2.4	-11.2	4.5	14.0	-20.7	-11.6
Tata Power	139.5	-9.4	-10.3	-23.3	30.5	-8.9	-7.5	-4.3	7.7	-25.1	-16.0	-19.7

Company	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
	Dec-25	Gr (%)		Var. over	Dec-25	Gr (%)		Var. over	Dec-25	Gr (%)		Var. over
		YoY	QoQ	Exp. (%)		YoY	QoQ	Exp. (%)		YoY	QoQ	Exp. (%)
Waaree Energies	75.7	118.8	24.7	15.5	19.3	167.2	37.1	25.8	12.8	160.7	52.5	23.9
Others	952.5	28.0	11.9	2.4	147.4	12.0	65.8	0.4	55.6	4.3	1724.1	-2.0
APL Apollo Tubes	58.2	7.0	11.7	-5.1	4.7	36.5	5.5	2.9	3.1	42.9	2.8	-0.2
Century Plyboards	13.5	18.4	-2.6	1.6	1.7	31.5	-2.5	-2.8	0.7	22.3	3.8	0.5
Cera Sanitaryware	5.0	11.1	2.3	5.6	0.5	-14.1	-24.0	-25.9	0.4	-8.1	-25.6	-24.5
Coromandel International	87.8	26.6	-9.1	5.6	8.0	10.8	-30.3	-4.8	5.1	-1.2	-37.2	-15.4
EPL	11.5	13.3	-4.7	2.0	2.3	14.5	-8.3	1.8	0.9	-3.0	-13.0	-6.8
Eternal	163.2	201.9	20.1	7.4	3.7	127.2	54.0	20.2	1.0	72.9	56.9	21.2
FSN E-Commerce	28.7	26.7	22.5	-1.9	2.3	63.0	44.5	6.5	0.8	188.3	126.1	4.1
Godrej Agrovet	27.2	11.0	5.9	2.3	2.4	9.8	13.2	-4.0	1.4	23.5	48.7	-11.4
Gravita India	10.2	2.1	-1.8	-2.6	1.2	13.5	3.8	3.7	1.0	25.3	1.8	4.1
Indiamart Inter.	4.0	13.4	2.7	2.1	1.3	-2.7	3.5	9.8	1.9	56.0	127.3	52.0
Indian Hotels	28.4	12.2	39.3	-0.2	10.8	11.9	88.7	-1.3	7.0	19.6	144.5	8.2
Info Edge	7.6	13.9	2.5	-0.3	3.2	12.0	9.9	9.0	3.0	13.8	13.1	9.1
Interglobe Aviation	234.7	6.2	26.5	-0.6	58.6	-1.0	577.4	-2.0	20.8	-14.8	LP	-5.0
Kajaria Ceramics	11.7	1.1	-1.5	-7.2	2.0	31.2	-5.7	-8.9	1.3	63.8	-4.2	-8.7
Lemon Tree Hotel	4.1	14.3	32.6	2.9	2.0	11.1	56.6	4.8	0.9	37.9	149.0	11.8
MTAR Tech	2.8	59.3	105.0	-0.4	0.6	92.5	276.6	-0.3	0.4	135.0	783.7	-2.1
One 97 Comm.	21.9	20.0	6.4	3.0	1.6	LP	9.9	-6.6	2.3	LP	6.6	-4.6
Safari Inds.	5.1	15.7	-4.0	1.1	0.6	10.5	-24.8	-26.6	0.3	5.6	-29.8	-34.5
SBI Cards	17.5	11.5	1.2	-1.9	19.7	7.7	4.2	-0.9	5.6	45.2	25.2	3.0
Swiggy	61.5	54.0	10.6	6.4	-7.8	Loss	Loss	Loss	-10.5	Loss	Loss	Loss
Time Technoplast	15.6	12.8	3.6	0.7	2.3	16.4	4.8	1.9	1.3	25.4	9.4	4.3
UPL	122.7	12.5	2.1	6.2	24.3	12.5	10.3	7.2	6.3	-36.8	-7.9	24.9
Va Tech Wabag	9.6	18.5	15.2	2.0	1.3	24.6	8.7	0.7	1.0	37.3	13.7	5.7

RECENT STRATEGY/THEMATIC REPORTS

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India Strategy

Trade Truce

Reforms Offensive

RBI's Deft Engineering

Atmanirbhar Flows

Strong Edifice, Missing Capstone!

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India Strategy

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GST 2.0

With Livelihood Consumption

Reform, Resilience, Revelry!

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July 2025
India Strategy

Strong Macros

Healthy Earnings

Robust Domestic Demand

Geopolitical Tension

Trade Tariffs

Sluggish Global Growth

Market Volatility

The Crossover Quarter

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Thematic | December 2025
Healthcare | BPO

Regulation + Staff Shortages + Rising Costs → Outsourcing

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Thematic | November 2025
Building Products

Cyclical pause | Solid foundation

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Thematic | September 2025
Consumer | Luggage

Travel, mobility, and aspirations unlock Luggage 2.0!

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Thematic | July 2025
Technology: Auto ER&D

Self-Driving

Loading

An incomplete revolution

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Thematic | April 2025
Plastic Pipes

TAM expansion - companies adding more products (within same product segment or within similar channels)

Increase in construction activities, residential launches

Replacement demand for plastic pipes

Increase in capex spend on infra - NAL so JAL, AMRUT, etc.

Change is the only Constant!

Manish Kumar - Research Analyst (Manish.Kumar@MotilalOswal.com)

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Thematic | April 2025
Financials

Banking

NBFCs

Insurance

Digital Payments

Payments / UPI

FinTechs

The Changing Face of BFSI

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NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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