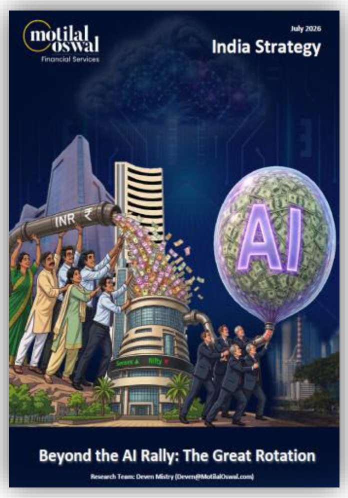
BSE Sensex: 78,095 **Nifty-50: 24,384**

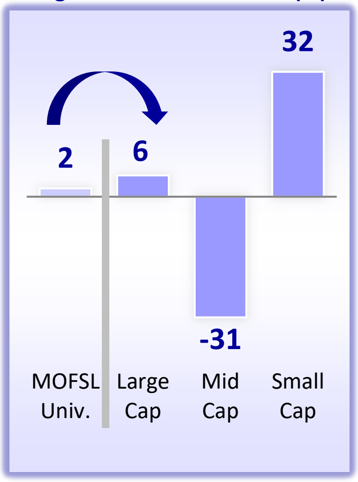
Refer to our Quarterly Preview



Interim review 1QFY27: OMCs temper Financials and Metal strength

- **In this report, we present our interim review of the 1QFY27 earnings season.**
- **As of 31st Jul'26, 211/39 companies within the MOFSL Universe/Nifty have announced their 1QFY27 results.** These companies constituted i) 70% and 76% of the estimated PAT for the MOFSL and Nifty Universe, respectively; ii) 50% of India's market capitalization; and iii) 82% weightage in the Nifty.
- The earnings of the aforesaid 211 MOFSL Universe companies inched up 2% YoY (vs. our est. of a 10% YoY dip), primarily weighed down by OMCs affected by elevated crude prices. **Barring OMCs, earnings remained healthy**; the MOFSL Universe posted a 17% YoY earnings growth (vs. our est. of +13% YoY). In contrast, **ex-Financials** earnings of the MOFSL Universe declined 8% YoY (vs. an est. of -24% YoY).
- The overall MOFSL earnings growth was fueled by BFSI, which grew 20% YoY. Metals jumped 53% YoY, Technology rose 11% YoY, and Automobiles increased 7% YoY. In contrast, earnings growth was hit by OMCs (loss of INR181b vs. profit of INR162b YoY), Cement (-8% YoY), Healthcare (-6% YoY), and Interglobe (loss of INR3.8b vs. profit of INR21.6b).
- **Earnings of the 39 Nifty companies** that have declared results so far have grown 11% YoY (vs. our est. of +7% YoY). The earnings growth was led by Reliance Industries, JSW Steel, ICICI Bank, Bajaj Finance, and Axis Bank. These five companies contributed 59% to the incremental YoY accretion in earnings. Conversely, Interglobe Aviation, ITC, Dr Reddy's Labs, Cipla, and Maruti Suzuki dragged Nifty earnings lower. Six companies within the Nifty reported lower-than-expected profits, while 20 posted a beat, and 13 recorded in-line results.
- **Analyzing the Caps: Large-caps deliver better-than-estimated results, while Mid-caps report a decline:** Within our MOFSL Universe, **Large-caps** (65 companies) posted earnings growth of 6% YoY (vs. our est. of -8% YoY). However, our **Mid-cap** Universe (56 companies) delivered an earnings dip of 31% YoY (vs. our est. of -31%), primarily due to losses in the OMC segment within the O&G sector. Excluding OMCs, Large-caps and Mid-caps delivered earnings growth of 15%/25% YoY vs. our est. of 11%/20%, respectively.
- **Small-caps** (90 companies) delivered a healthy performance, with earnings rising 32% YoY (our est. of +26%), supported by a favorable base (vs. a 2% YoY decline in 1QFY26) and driven largely by Financials. Excluding Financials, Small-caps delivered earnings growth of 12% YoY (vs. our est. of 11%).
- **The beat-miss dynamics:** The beat-miss ratio for the MOFSL Universe was favorable, with 49% of the companies exceeding our estimates, while 22% reported a miss at the PAT level. Conversely, within the large-cap/small-cap universes, the ratio was better, with 57%/51% of the companies exceeding our estimates. In mid-caps, 36% of the coverage universe exceeded our estimates.
- **The upgrade-to-downgrade ratio at 1.6x:** To date, 70/45 companies within the MOFSL Coverage Universe have reported an upgrade/downgrade of more than 3% each, leading to a favorable upgrade-to-downgrade ratio for FY27E.
- **The EBITDA margin** of the MOFSL Universe (ex-Financials) contracted by 350bp YoY to 12.8%, owing to margin contraction in Oil & Gas, Automobiles, Healthcare,

PAT growth YoY in 1QFY27 (%)



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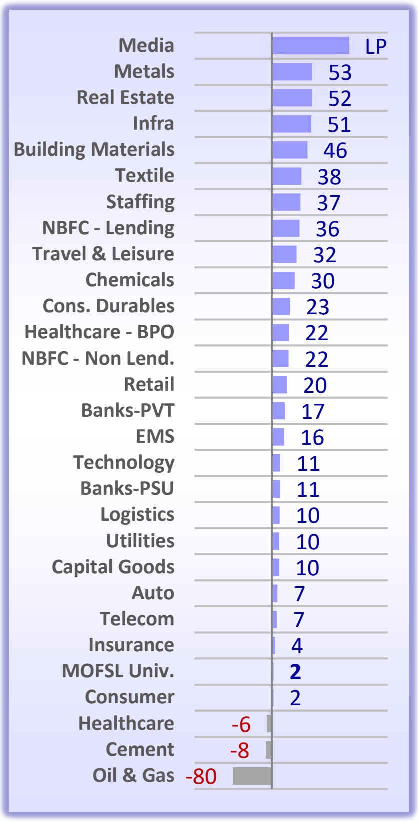
Sectoral PAT growth in 1QFY27 (YoY, %)



Cements, Capital Goods, and Consumer. However, the margin experienced an improvement in the Metals, Utilities, Chemicals, and Real Estate sectors.

- **Nifty EPS stable:** The Nifty EPS for FY27E was stable at INR1,225 (vs. INR1,225), as the upgrades in Reliance Industries, ICICI Bank, Bajaj Finance, Bajaj Finserv, Shriram Finance, Bajaj Auto, Larsen & Toubro, and Ultratech Cement were offset by downgrades of HDFC Bank, Interglobe Aviation, Tata Steel, Maruti Suzuki, Dr Reddy's Labs, and Infosys. The FY28E EPS was also stable at INR1,424 (vs. INR1,422).
- **MOFSL Universe PAT experienced an upgrade so far for FY27E:** Earnings of the MOFSL Universe witnessed a rise of 1.8% for FY27, led by Oil & Gas, NBFCs, Private Banks, and Real Estate. The MOFSL Large-cap and Small-cap Universes experienced an upgrade of 2.3% and 0.6%, respectively, for FY27. In contrast, the mid-cap universes experienced earnings cuts of 0.5% for FY27.
- **Top FY27E upgrades:** Reliance Industries (+7.4%), Bajaj Finserv (+7.4%), Shriram Finance (+6.6%), Nestle (+5.9%), and ICICI Bank (+4.7%).
- **Key FY27E downgrades**: Interglobe Aviation (-32.8%), Dr Reddy's Labs (-19%), Tata Steel (-13.4%), Wipro (-11.8%), and Maruti Suzuki (-7.5%).
- **View:** The 1QFY27 earnings have been better than estimates, with the intensity of earnings cuts moderating. Further, the beat-miss ratio for the MOFSL Universe remains favorable. About 49% of the companies exceeded our estimates, while 22% reported a miss at the PAT level. Over the past two years, the Indian market has experienced a phase of heightened volatility, prolonged consolidation, and time correction, driven by uncertainties related to the US trade tariff war, evolving domestic policy dynamics, energy price shocks, and supply disruptions stemming from the West Asia conflict. India has largely borne the brunt of these geopolitical shocks. It initially faced a higher US tariff burden and subsequently grappled with elevated energy prices, which weighed on key macroeconomic indicators. A robust pipeline of large IPOs and capital-raising activities is likely to test market liquidity. The market's ability to absorb this supply without disrupting secondary-market flows will be an important indicator of underlying liquidity conditions.
- The MOFSL model portfolio broadly reflects our preference for growth visibility, structural domestic growth plays, and select global value names. We firmly believe that this is a bottom-up market, despite India experiencing both time and price corrections relative to EM peers. We are OW on Diversified Financials, Automobiles, New Age Tech Platforms, Manufacturing & Industrials, and Consumer Discretionary sectors. In contrast, we are UW on Private Banks, Consumer Staples, Energy/Telecom, Commodities, Utilities, and Renewables. We maintain our Neutral stance on Healthcare. We have also made numerous additions from a bottom-up perspective across sectors.
- **Top Nifty-50 Ideas:** Bharti Airtel, SBI, ICICI Bank, M&M, Titan, Eternal, Shriram Finance, Bajaj Finance, and Interglobe Aviation.
- **Top Non-Nifty-50 Ideas:** TVS Motors, Radico Khaitan, Indian Hotels, RBL Bank, Dixon Tech, Coforge, Kirloskar Oil Engines, Arvind, TBO TEK, Delhivery, HDFC AMC, Meesho, and BSE.

Sector Review Compendium
Highlights ... (Page 11 onwards)

Key result highlights: Modest performance, anchored by BFSI and Metals

- **Aggregate performance of the MOFSL Universe:** sales/EBITDA/PBT/PAT were +21%/0%/2%/2% YoY (vs. our est. of +17%/-8%/-10%/-10%). Excluding OMCs, the MOFSL Universe recorded a sales/EBITDA/PBT/PAT growth of 18%/11%/17%/17% YoY (vs. our est. of +15%/8%/12%/13%) in 1QFY27 so far.
- **The 39 Nifty stocks** reported a sales/EBITDA/PBT/PAT growth of 19%/6%/11%/11% YoY (vs. an est. of +16%/4%/7%/7%). Of these, 20/6 companies surpassed/missed our PAT estimates, each by more than 5%.
- **Nifty-50 companies that surpassed/missed our estimates:** Reliance Industries, ICICI Bank, Axis Bank, NTPC, JSW Steel, Kotak Mahindra Bank, L&T, Adani Ports, M&M, Bajaj Finserv, Sun Pharma, Bajaj Auto, Ultratech Cement, Tata Steel, Asian Paints, Nestle, Jio Financial, Cipla, SBI Life Insurance, and Tata Consumer exceeded our profit estimates. Conversely, Interglobe, ITC, Coal India, Tech Mahindra, Bharat Electronics, and Eternal missed our profit estimates.

Exhibit 1: Sector-wise 1QFY27 performance of the MOFSL Universe companies (INR b)

Sector	Sales				EBIDTA				PBT				PAT			
(no of companies)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)
Automobiles (13)	1,693	2.6	26.5	2.9	208	-10.2	8.7	0.4	195	-2.1	7.8	5.8	149	-2.8	7.3	5.6
Building Materials (3)	56	-12.3	14.9	-1.9	9	-19.5	35.1	5.9	6	-24.7	35.6	8.2	5	-21.0	46.1	17.3
Capital Goods (7)	832	-19.9	8.4	5.5	85	-34.3	-1.6	-4.2	94	-25.9	13.3	10.8	60	-31.1	9.6	2.0
Cement (8)	571	-7.3	7.7	0.6	101	-10.0	-3.0	-0.2	62	-12.7	-11.5	5.1	45	-15.5	-7.8	8.6
Chemicals (5)	125	13.1	23.5	10.3	26	26.9	30.7	27.3	18	40.2	41.4	46.0	13	251.6	29.6	35.1
Consumer (12)	810	7.7	7.4	-2.8	184	-2.9	1.9	-2.9	175	-3.0	1.4	-2.5	131	-2.1	2.1	-2.2
Consumer Durables (3)	179	-3.4	33.4	2.9	19	-12.4	24.4	-2.2	17	-10.3	23.1	-1.0	13	-13.4	23.3	-0.7
EMS (4)	176	38.9	24.5	1.8	7	-15.1	11.0	-10.0	11	43.2	124.0	71.0	4	-22.0	16.0	-8.7
Financials (59)	3,219	-4.1	14.9	1.9	1,816	6.3	5.7	3.0	1,445	7.7	18.1	3.0	1,063	3.0	19.6	2.8
Banks-Private (12)	1,031	2.8	10.3	-0.1	780	8.4	-5.1	3.1	661	9.6	22.0	5.3	503	4.4	17.0	6.3
Banks-PSU (5)	510	3.7	9.7	-0.1	378	3.5	6.4	4.0	267	-10.1	-6.4	-8.9	200	-15.9	10.7	-9.8
Insurance (7)	640	-28.6	17.2	3.1	29	-34.6	17.3	5.1	33	15.8	2.3	-9.5	28	9.5	4.3	-6.7
NBFC - Lending (21)	517	7.1	22.6	2.6	403	6.2	22.3	0.6	331	12.9	36.2	6.3	251	12.4	36.0	5.8
NBFC - Non Lend.(14)	521	7.8	19.8	6.4	226	12.8	21.4	5.1	153	28.5	25.6	14.4	81	26.8	22.0	12.9
Healthcare (12)	529	6.2	12.3	1.6	122	11.6	1.4	2.7	98	21.8	-3.6	7.3	73	13.6	-5.9	6.5
Healthcare - BPO (2)	30	0.0	31.6	3.5	6	-5.5	22.1	2.7	5	-6.8	25.6	4.4	4	-5.2	22.1	14.1
Infrastructure (1)	21	10.9	1.8	4.9	12	6.4	21.1	2.9	4	2.7	45.5	4.9	3	3.4	51.3	10.2
Logistics (6)	193	0.9	15.7	1.1	81	6.4	18.7	4.4	58	16.8	23.1	15.2	45	0.7	10.2	7.2
Media (1)	16	4.8	10.4	-1.1	2	50.6	119.8	18.0	1	528.7	LP	46.3	1	31.5	LP	9.6
Metals (8)	2,397	-4.6	17.1	6.2	553	-2.3	32.6	-0.1	429	-4.2	51.3	5.6	315	-1.0	52.6	7.3
Oil & Gas (6)	9,049	17.2	29.9	4.8	360	-61.4	-53.1	272.0	106	-82.8	-79.8	LP	73	-82.7	-80.0	LP
Ex OMCs (3)	3,508	6.0	25.1	2.7	542	19.1	16.0	8.9	367	26.6	17.6	15.0	254	43.9	25.5	25.7
Real Estate (7)	125	-15.5	41.6	4.7	44	0.5	47.6	21.6	36	1.7	57.4	30.0	26	0.5	52.1	18.8
Retail (12)	338	2.1	16.3	0.0	35	15.0	18.1	1.4	19	35.4	18.7	2.3	14	26.7	19.5	2.7
Staffing (3)	80	5.6	10.2	2.1	2	-9.3	13.3	-8.1	2	-0.6	39.5	13.7	1	4.1	37.3	19.3
Technology (15)	2,315	3.1	14.9	0.2	510	0.3	15.3	2.2	475	2.9	11.8	-1.3	351	-0.7	11.1	-2.0
Telecom (2)	150	2.4	7.1	-0.5	57	0.0	4.0	-3.3	27	-4.1	0.8	-9.4	20	-2.1	6.5	-9.7
Textile (2)	45	8.7	9.7	1.8	8	45.8	27.2	31.3	6	72.2	39.7	43.1	5	58.0	38.2	41.5
Travel & Leisure (1)	9	13.7	81.1	12.5	1	36.2	84.2	29.0	1	40.2	52.8	29.1	1	38.7	32.4	27.9
Utilities (7)	809	4.7	9.3	2.9	224	9.2	15.7	11.5	115	-19.3	9.7	19.0	83	-0.3	9.9	12.7
Others (12)	694	12.4	46.0	3.3	75	48.4	-13.7	-21.4	17	LP	-52.7	-57.4	8	LP	-70.5	-74.1
MOFSL Universe (211)	**24,463**	**5.1**	**21.1**	**3.3**	**4,546**	**-9.8**	**-0.4**	**8.1**	**3,420**	**-11.2**	**1.6**	**12.5**	**2,505**	**-11.5**	**2.2**	**13.0**
MOFSL Ex OMCs (208)	**18,922**	**0.3**	**18.0**	**2.5**	**4,728**	**3.6**	**10.9**	**2.6**	**3,680**	**4.4**	**16.7**	**4.4**	**2,686**	**3.9**	**17.3**	**4.1**
Ex Financials (152)	**21,244**	**6.7**	**22.1**	**3.5**	**2,730**	**-18.0**	**-4.0**	**11.8**	**1,974**	**-21.4**	**-7.8**	**20.6**	**1,442**	**-19.8**	**-7.8**	**22.0**
Ex Metals & Oil (197)	**13,017**	**-0.2**	**16.4**	**1.7**	**3,633**	**2.6**	**7.6**	**2.2**	**2,885**	**3.5**	**12.8**	**3.0**	**2,117**	**1.3**	**12.6**	**1.6**
Nifty (39)	**12,788**	**0.0**	**18.5**	**2.2**	**2,970**	**1.1**	**5.7**	**1.4**	**2,340**	**1.7**	**11.0**	**3.9**	**1,711**	**3.4**	**10.8**	**4.0**
Sensex (25)	**10,303**	**1.6**	**18.8**	**1.7**	**2,512**	**2.5**	**5.3**	**1.7**	**1,968**	**3.5**	**11.6**	**3.8**	**1,403**	**3.1**	**9.3**	**3.7**

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

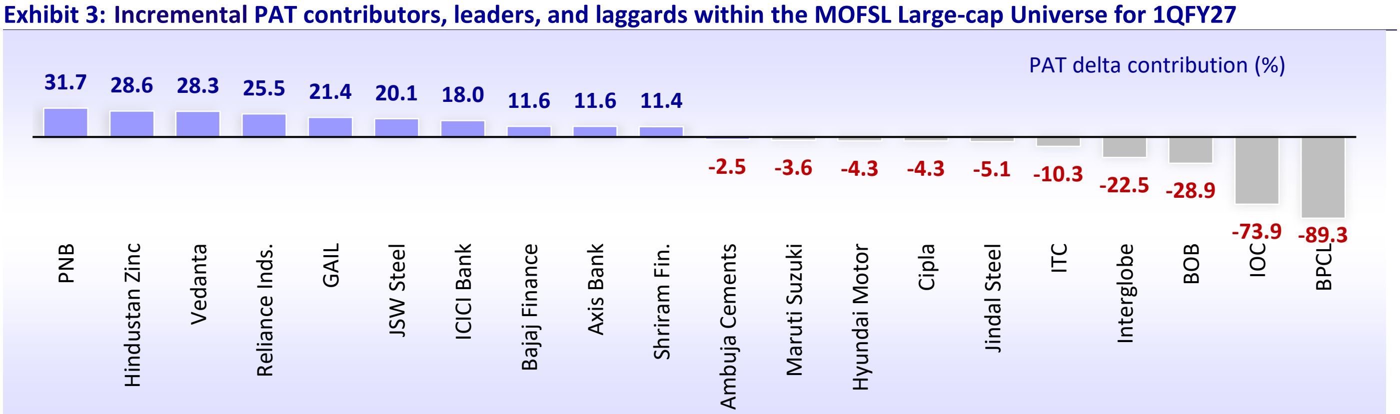
Large-caps deliver earnings growth similar to the overall universe

- Within our MOFSL Universe, Large-caps (65 companies) posted earnings growth of 6% YoY (vs. our est. of -8% YoY). Excluding OMCs, Large-caps and Mid-caps delivered earnings growth of 15%/25% YoY vs. exp of 11%/20%, respectively. Notably, ex-Financials, earnings of the MOFSL large-caps Universe declined 1% YoY.
- Multiple large-cap sectors clocked impressive growth; 16 of 19 sectors under our coverage delivered PAT growth. BFSI, Metals, Technology, Automobiles, and Utilities were the key drivers of healthy earnings performance. In contrast, OMCs, Healthcare, and Interglobe Aviation contributed adversely to the earnings.

Exhibit 2: Sector-wise 1Q performance of the MOFSL Large-cap Universe companies (INR b)

Sector	Sales				EBIDTA				PBT				PAT			
(no of companies)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)
Automobiles (6)	1,485	1.8	27.1	2.4	179	-11.4	7.6	-0.9	175	-2.3	6.1	4.9	134	-3.1	5.8	4.9
Capital Goods (4)	803	-19.3	8.3	5.8	84	-32.9	0.0	-2.8	92	-24.2	15.8	12.4	59	-29.3	12.4	3.6
Cement (2)	341	-7.0	8.2	-0.1	66	-6.5	3.7	2.0	42	-8.0	-3.5	6.8	31	-11.5	2.3	12.7
Consumer (6)	672	8.0	6.5	-3.4	159	-4.5	0.7	-2.9	151	-4.4	0.2	-2.5	113	-3.9	0.9	-2.6
Cons. Durables (1)	82	-7.4	39.0	3.7	11	-2.2	32.5	7.1	11	0.8	32.2	10.5	8	1.5	32.5	10.6
Financials (20)	2,446	-2.5	14.3	2.1	1,498	7.4	4.5	3.8	1,176	5.3	15.1	2.3	857	0.0	16.9	2.1
Banks-Private (4)	805	2.7	8.9	-0.6	663	7.2	-7.3	2.3	591	7.3	17.9	3.8	451	2.5	12.7	4.9
Banks-PSU (5)	510	3.7	9.7	-0.1	378	3.5	6.4	4.0	267	-10.1	-6.4	-8.9	200	-15.9	10.7	-9.8
Insurance (2)	385	-29.3	17.6	5.1	23	-20.8	20.5	14.0	14	5.4	17.2	0.0	13	2.8	17.1	5.0
NBFC - Lending (5)	284	8.5	27.4	2.6	232	12.7	30.8	5.6	181	14.8	44.1	9.4	136	13.1	45.1	9.3
NBFC-Non Lend. (4)	462	8.4	19.5	6.8	201	15.0	21.6	5.5	123	26.2	26.0	14.2	57	22.8	20.7	11.4
Healthcare (3)	272	7.6	13.8	1.2	70	20.7	3.0	5.2	60	34.6	-4.3	11.9	45	31.7	-7.6	9.8
Logistics (1)	108	0.8	18.6	0.6	65	8.7	19.0	5.3	47	24.0	24.9	20.4	37	3.7	9.8	10.3
Metals (6)	2,078	-3.5	18.7	6.8	481	-3.4	28.0	-0.9	375	-5.2	43.8	5.5	276	-1.8	44.6	7.3
Oil & Gas (4)	7,621	16.3	30.5	3.4	518	-37.3	-24.5	144.5	278	-49.5	-39.9	-869.2	186	-49.9	-41.4	-394.5
Ex OMCs (2)	3,484	6.0	25.2	2.7	539	19.0	16.6	8.7	364	26.5	18.4	14.8	253	43.9	26.5	25.5
Retail (1)	188	6.3	14.9	-0.3	15	23.9	15.4	-1.1	12	30.9	11.9	1.4	9	31.4	11.3	1.3
Technology (6)	2,069	2.6	14.0	0.1	466	-0.1	14.6	2.6	441	3.2	11.6	-0.5	326	-0.1	11.2	-1.0
Telecom (1)	84	4.1	4.6	0.2	45	1.2	3.0	-1.9	23	-0.7	0.6	-5.1	18	-2.3	5.6	-4.7
Utilities (2)	629	8.4	3.8	3.9	166	10.2	15.4	14.2	87	-24.7	12.6	22.8	63	-0.8	15.2	15.2
Others (2)	448	12.7	61.9	4.5	43	118.3	-25.2	-31.2	-1	Loss	PL	PL	-3	Loss	PL	PL
Large-cap Univ. (65)	**19,327**	**5.3**	**21.4**	**2.9**	**3,867**	**-5.8**	**2.7**	**10.5**	**2,971**	**-7.7**	**5.2**	**14.8**	**2,157**	**-8.3**	**5.5**	**15.1**
Ex OMC (63)	**15,190**	**0.6**	**18.1**	**2.6**	**3,888**	**4.2**	**9.8**	**2.8**	**3,057**	**3.5**	**14.5**	**3.9**	**2,223**	**3.1**	**15.4**	**4.0**
Ex Financials (45)	**16,881**	**6.5**	**22.5**	**3.0**	**2,369**	**-12.6**	**1.7**	**15.2**	**1,795**	**-14.6**	**-0.4**	**24.8**	**1,300**	**-13.0**	**-0.8**	**25.7**
Ex Metals & Oil (55)	**9,627**	**-0.3**	**15.6**	**1.6**	**2,869**	**3.1**	**6.2**	**2.4**	**2,318**	**2.1**	**10.3**	**2.2**	**1,695**	**-0.2**	**10.4**	**0.9**

Exhibit 3: Incremental PAT contributors, leaders, and laggards within the MOFSL Large-cap Universe for 1QFY27



Mid-caps record a decline, led by HPCL

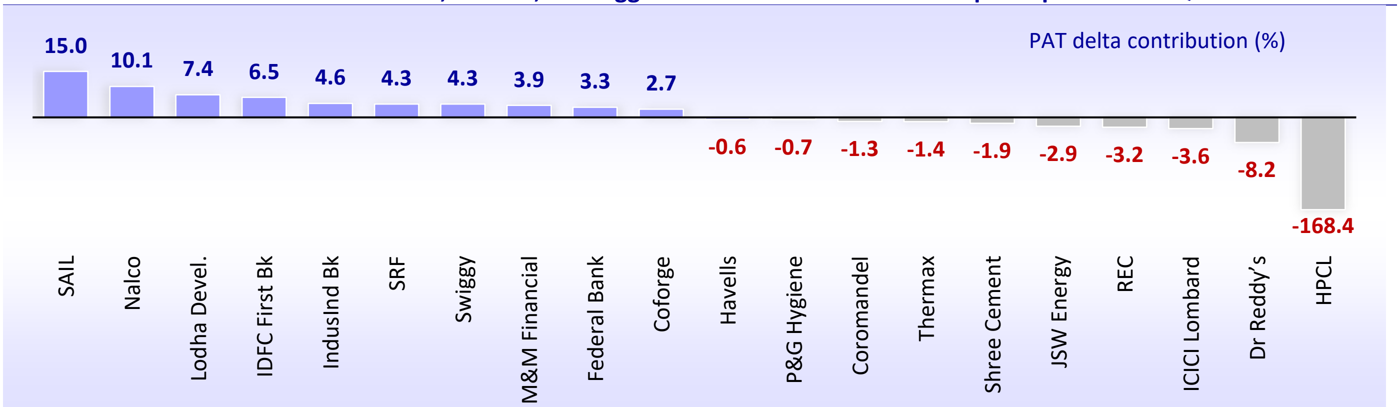
- Our Mid-cap Universe (56 companies) delivered an earnings decline of 31% YoY (vs. our est. of -31%) primarily due to losses in the OMC segment within the O&G sector. Excluding OMCs, Mid-caps delivered earnings growth of 25% YoY (vs. our est. of 20% YoY).
- Within the mid-cap universe, 66% of the companies exceeded/met our estimates.

Exhibit 4: Sector-wise 1QFY27 performance of the MOFSL Mid-cap Universe companies (INR b)

Sector	Sales				EBIDTA				PBT				PAT			
(no of companies)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)
Automobiles (2)	47	13.3	30.7	9.3	10	3.1	17.0	4.4	8	28.0	47.8	14.6	6	26.5	46.0	11.6
Building Materials (1)	27	-23.0	4.2	-14.8	4	-36.1	24.8	-5.6	3	-44.0	16.9	-7.8	3	-35.3	38.8	12.2
Capital Goods (1)	23	-32.8	6.7	-5.5	1	-81.7	-69.5	-66.5	0	-87.3	-80.1	-73.4	0	-91.0	-85.6	-80.7
Cement (3)	135	-1.7	13.5	4.2	25	-10.9	-9.7	1.7	15	-5.6	-19.1	15.7	10	-12.6	-21.0	13.4
Chemicals (1)	50	9.1	31.8	12.5	13	16.2	63.0	33.3	11	20.8	90.6	47.2	8	21.9	96.2	50.7
Consumer (5)	106	5.2	8.3	-1.4	22	5.3	7.0	-4.8	21	5.5	10.2	-4.1	16	8.6	11.2	-1.1
Consumer Durables (1)	65	-2.8	19.5	-1.8	5	-36.1	-9.6	-23.7	4	-38.2	-16.5	-28.8	3	-44.8	-16.6	-28.6
EMS (1)	155	47.9	21.1	1.7	5	13.4	-4.0	-8.2	9	136.4	139.8	130.5	2	12.3	-2.9	-1.2
Financials (14)	495	-13.8	15.8	2.1	210	2.7	10.3	-2.1	175	19.4	21.6	4.4	135	16.6	20.9	3.8
Banks-Private (4)	163	3.1	16.8	3.0	87	24.0	12.8	9.6	54	50.3	63.8	21.2	41	36.0	62.8	21.4
Insurance (2)	162	-36.3	15.0	0.9	-1	PL	PL	-127.0	10	-30.2	-27.8	-31.7	8	-31.7	-24.8	-30.2
NBFC - Lending (6)	154	5.6	14.6	2.6	115	-2.8	9.6	-7.4	100	13.3	13.2	1.7	78	15.5	12.5	0.7
NBFC-Non Lend. (2)	16	1.0	25.3	0.3	9	-4.4	26.4	-1.9	11	32.3	21.2	6.5	8	23.1	21.9	8.3
Healthcare (5)	198	7.5	8.4	0.9	40	7.3	-6.8	-2.7	31	14.3	-8.8	-1.5	24	0.4	-8.0	0.2
Logistics (2)	36	-4.8	6.7	-2.5	11	-6.7	10.2	-1.9	8	-12.5	6.6	-5.9	6	-17.5	2.4	-7.8
Metals (2)	319	-11.1	7.8	2.4	72	6.1	75.4	5.0	53	3.6	139.6	5.7	40	5.2	146.0	6.9
Oil & Gas (1)	1,405	22.3	26.8	13.2	-161	PL	PL	37.3	-174	PL	PL	31.5	-115	PL	PL	16.1
Real Estate (4)	100	-14.6	29.8	4.8	42	-0.2	40.3	23.5	34	1.3	47.8	33.2	24	3.4	50.3	31.6
Retail (1)	37	19.7	18.7	-0.2	5	28.2	18.6	0.0	3	53.6	25.4	1.9	3	54.1	25.6	1.9
Technology (3)	129	11.3	27.6	7.7	25	9.9	37.8	7.5	19	4.6	34.3	-2.0	14	-6.6	30.8	0.3
Telecom (1)	66	0.4	10.5	-1.3	12	-4.2	8.2	-8.4	3	-23.2	1.9	Loss	2	-1.0	14.3	Loss
Utilities (3)	170	-8.1	33.6	-0.9	49	2.5	11.9	3.0	23	-2.6	-5.0	4.4	16	-5.0	-10.3	1.9
Others (5)	214	12.3	21.5	0.6	28	0.5	9.5	-3.5	14	6.0	71.7	-4.2	8	8.9	176.3	-5.1
Mid-cap Univ. (56)	**3,779**	**5.6**	**20.3**	**5.7**	**417**	**-38.1**	**-27.4**	**-8.3**	**260**	**-44.0**	**-35.5**	**-6.5**	**207**	**-41.6**	**-31.3**	**-0.8**
Ex OMCs (55)	**2,374**	**-2.2**	**16.7**	**1.7**	**579**	**1.5**	**16.2**	**1.1**	**434**	**9.0**	**26.1**	**5.7**	**322**	**5.6**	**25.1**	**4.6**
Ex Financials (42)	**3,284**	**9.4**	**21.0**	**6.3**	**208**	**-55.8**	**-46.0**	**-13.8**	**85**	**-73.3**	**-67.3**	**-23.2**	**72**	**-69.7**	**-62.0**	**-8.5**
Ex Metals & Oil (53)	**2,056**	**-0.7**	**18.2**	**1.6**	**507**	**0.9**	**10.9**	**0.5**	**381**	**9.8**	**18.2**	**5.8**	**282**	**5.7**	**16.9**	**4.3**

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

Exhibit 5: Incremental PAT contributors, leaders, and laggards within the MOFSL Mid-cap companies for 1QFY27



Small-caps deliver healthy performance

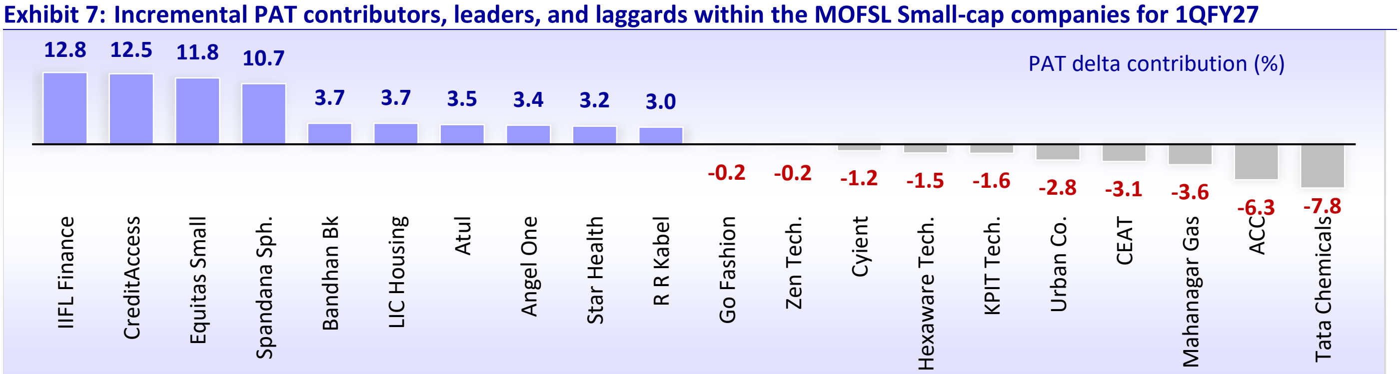
- In contrast, Small-caps (90 companies) delivered a healthy performance, with earnings rising 32% YoY (our est. of +26%), supported by a favorable base (vs. a 2% YoY decline in 1QFY26) and driven largely by Financials.
- Excluding Financials, Small-caps delivered earnings growth of 12% YoY (vs. our est. of 11%).
- Within Small-caps, 80% of the coverage universe exceeded/met our estimates.

Exhibit 6: Sector-wise 1QFY27 performance of the MOFSL Small-cap Universe companies (INR b)

Sector	Sales				EBIDTA				PBT				PAT			
(no of companies)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)	Jun-26	Chg. % QoQ	Chg. % YoY	Var. over Exp. (%)
Automobiles (5)	161	7.4	19.9	6.5	19	-4.9	15.8	11.7	12	-13.8	13.9	14.3	9	-13.3	10.9	11.7
Building Materials (2)	29	0.8	27.2	14.4	5	3.9	45.4	18.5	3	4.5	55.8	26.0	2	4.8	55.3	23.6
Capital Goods (2)	6	-30.5	33.6	9.6	1	-31.2	21.3	6.6	1	-31.1	9.0	12.6	1	-35.0	11.4	11.5
Cement (3)	94	-15.3	-1.2	-2.2	9	-27.3	-22.4	-17.5	4	-50.0	-40.8	-28.5	3	-45.1	-34.1	-26.9
Chemicals (4)	75	16.0	18.5	8.9	13	40.4	8.1	21.6	7	83.9	2.4	44.2	4	LP	-21.9	12.4
Consumer (1)	32	8.4	27.9	7.0	4	31.3	33.3	12.5	2	30.5	12.1	14.2	2	35.2	8.9	15.2
Cons. Durables (1)	32	6.9	53.9	11.7	3	8.2	99.3	10.2	3	16.4	118.5	18.8	2	16.1	117.2	19.9
EMS (3)	21	-4.6	57.3	2.6	2	-43.4	61.5	-13.3	2	-48.1	73.1	-20.5	1	-47.4	67.4	-18.3
Financials (25)	278	0.8	18.7	0.6	109	-2.1	14.5	1.8	93	20.2	61.3	10.1	72	19.9	60.8	10.3
Banks-Private (4)	63	3.1	12.2	-1.4	30	-3.5	0.6	2.4	15	-3.9	119.7	13.6	12	-2.5	127.8	14.0
Insurance (3)	94	-5.6	19.1	-1.0	6	-21.8	65.9	26.6	10	499.5	34.4	12.0	7	416.0	34.3	11.2
NBFC - Lending (10)	78	5.5	22.7	2.5	56	1.4	18.4	-1.4	49	5.4	73.1	5.0	38	4.2	70.5	5.0
NBFC-Non Lend. (8)	43	4.0	21.0	3.7	16	-1.4	17.1	4.2	19	43.3	25.6	21.2	16	46.5	27.0	21.6
Healthcare (4)	59	-3.5	19.7	6.2	11	-16.0	30.3	8.7	6	-23.0	49.3	12.0	4	-34.5	41.0	10.0
Healthcare - BPO (2)	30	0.0	31.6	3.5	6	-5.5	22.1	2.7	5	-6.8	25.6	4.4	4	-5.2	22.1	14.1
Infrastructure (1)	21	10.9	1.8	4.9	12	6.4	21.1	2.9	4	2.7	45.5	4.9	3	3.4	51.3	10.2
Logistics (3)	49	5.6	16.7	4.9	4	10.9	41.5	6.9	3	20.9	63.3	9.4	2	16.4	52.7	6.4
Media (1)	16	4.8	10.4	-1.1	2	50.6	119.8	18.0	1	528.7	LP	46.3	1	31.5	LP	9.6
Oil & Gas (1)	24	15.6	13.9	2.8	3	31.7	-31.5	41.6	3	45.2	-40.1	62.6	2	46.8	-39.4	62.5
Real Estate (3)	24	-18.8	126.8	4.4	2	16.7	1,346.2	-4.8	2	9.0	4,524.8	-3.8	2	-27.3	81.8	-49.0
Retail (10)	113	-8.3	18.0	0.7	15	3.4	20.9	4.7	3	35.3	40.8	5.6	2	-3.3	50.2	8.7
Staffing (3)	80	5.6	10.2	2.1	2	-9.3	13.3	-8.1	2	-0.6	39.5	13.7	1	4.1	37.3	19.3
Technology (6)	118	4.6	17.5	-5.4	19	-1.7	9.0	-11.9	15	-7.3	-4.8	-18.0	11	-9.6	-9.1	-26.8
Textile (2)	45	8.7	9.7	1.8	8	45.8	27.2	31.3	6	72.2	39.7	43.1	5	58.0	38.2	41.5
Travel & Leisure (1)	9	13.7	81.1	12.5	1	36.2	84.2	29.0	1	40.2	52.8	29.1	1	38.7	32.4	27.9
Utilities (2)	10	40.7	55.7	7.9	9	38.0	51.2	12.4	5	47.6	46.7	31.2	4	45.4	39.4	26.2
Others (5)	32	7.8	42.0	4.8	3	30.2	10.5	10.8	4	95.8	5.7	24.8	3	281.8	-5.2	18.3
Small-cap Univ. (90)	**1,358**	**1.3**	**19.3**	**2.6**	**261**	**0.9**	**17.0**	**3.8**	**188**	**10.5**	**35.8**	**8.8**	**141**	**13.4**	**32.4**	**5.4**
Ex Financials (65)	**1,080**	**1.5**	**19.5**	**3.1**	**153**	**3.1**	**18.9**	**5.3**	**95**	**2.4**	**17.5**	**7.6**	**70**	**7.4**	**12.1**	**0.8**
Ex Metals & Oil (89)	**1,334**	**1.1**	**19.4**	**2.6**	**258**	**0.6**	**18.1**	**3.4**	**186**	**10.2**	**38.2**	**8.3**	**140**	**13.0**	**34.6**	**4.9**

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

Exhibit 7: Incremental PAT contributors, leaders, and laggards within the MOFSL Small-cap companies for 1QFY27



Aggregate performance of the MOFSL Universe companies that have announced results so far in 1QFY27

Of the 28 major sectors, 25 have experienced a YoY profit growth

Exhibit 8: Sectoral PAT growth for 1QFY27 (YoY %)

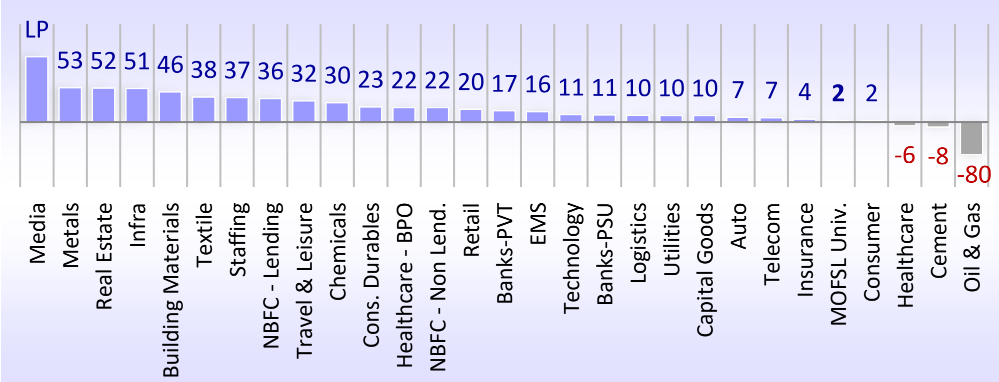


Exhibit 9: Sales grew in line at 21% YoY (vs. est. of +17% YoY)

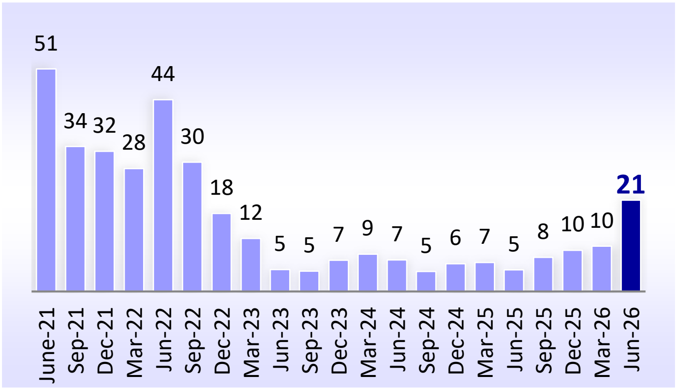


Exhibit 10: PAT inched up 2% YoY (vs. est. of -10% YoY)

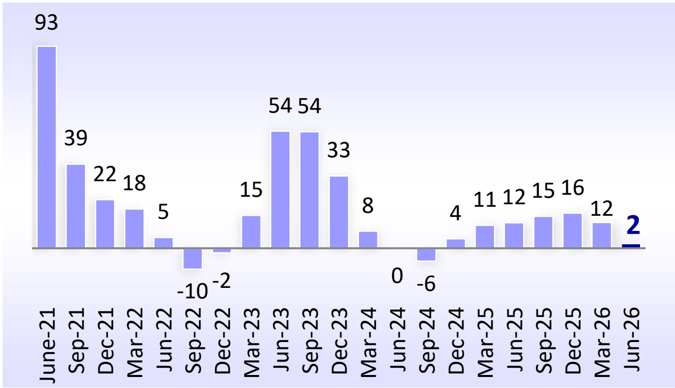


Exhibit 11: EBITDA was flat YoY (vs. est. of -8% YoY)

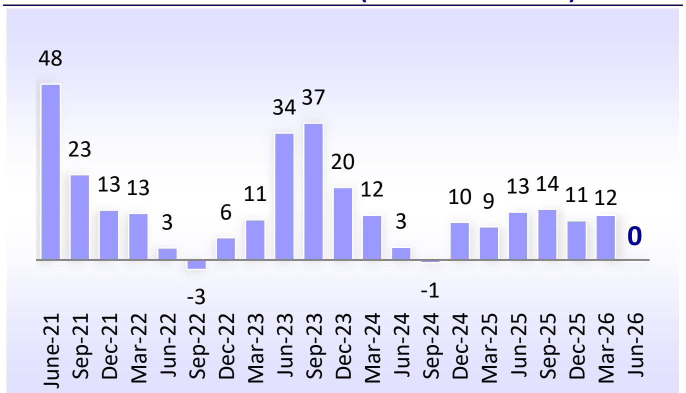


Exhibit 12: EBITDA margin (ex-Financials) contracted sharply by 350bp YoY to 12.8%, led by OMCs

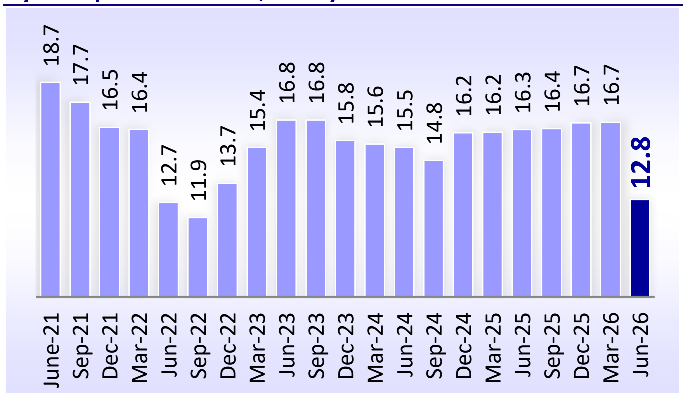
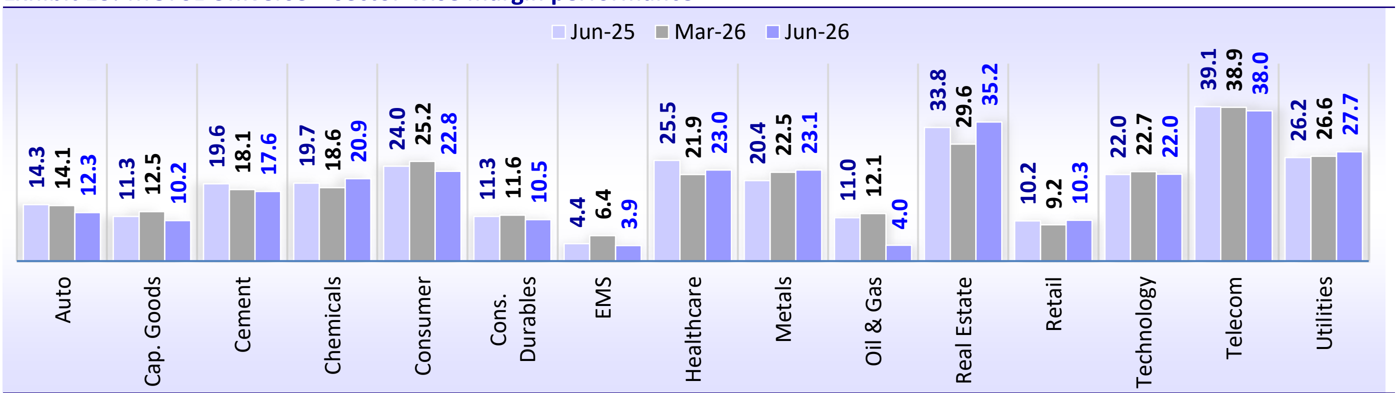


Exhibit 13: MOFSL Universe – sector-wise margin performance



Source: Company, MOFSL

Aggregate performance of 39 Nifty companies in 1QFY27

- The Nifty stocks have reported a sales/EBITDA/PBT/PAT growth of 19%/6%/11%/11% YoY (vs. our est. of +16%/4%/7%/7%).
- Of these, 20/6 companies surpassed/missed our PAT estimates, each by more than 5%. On the EBITDA front, 12/7 companies exceeded/missed our estimates during the quarter.

Exhibit 14: Nifty sales up 19% YoY (vs. est. of +16% YoY)

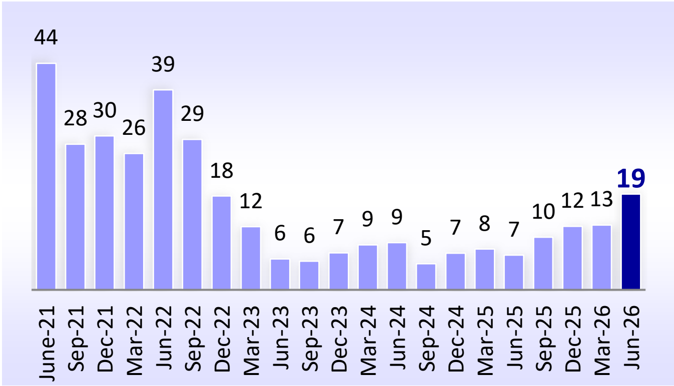


Exhibit 15: Nifty PAT up 11% YoY (vs. est. of +7% YoY)

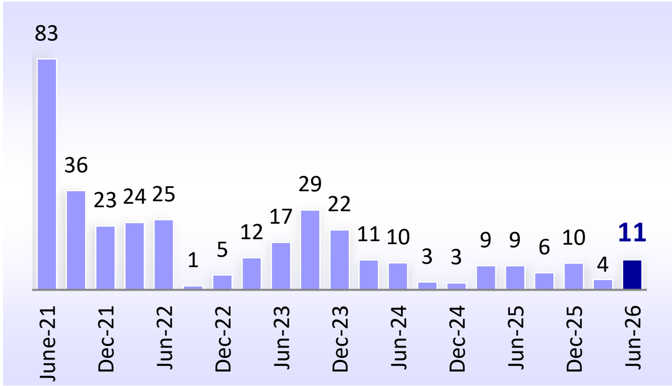


Exhibit 16: Nifty EBITDA up 6% YoY (vs. est. of +4% YoY)

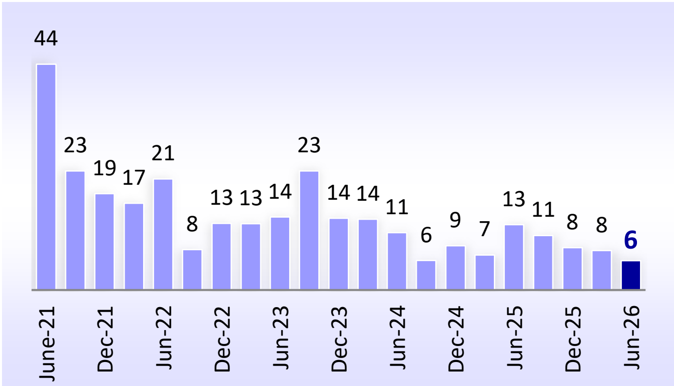


Exhibit 17: Nifty EBITDA margin (ex-Financials) contracted 190bp YoY to 17.7%

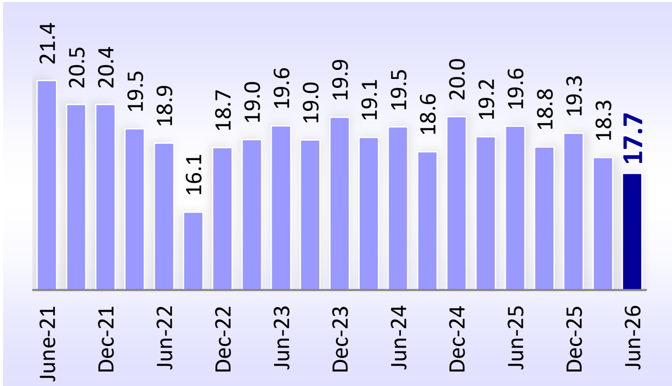
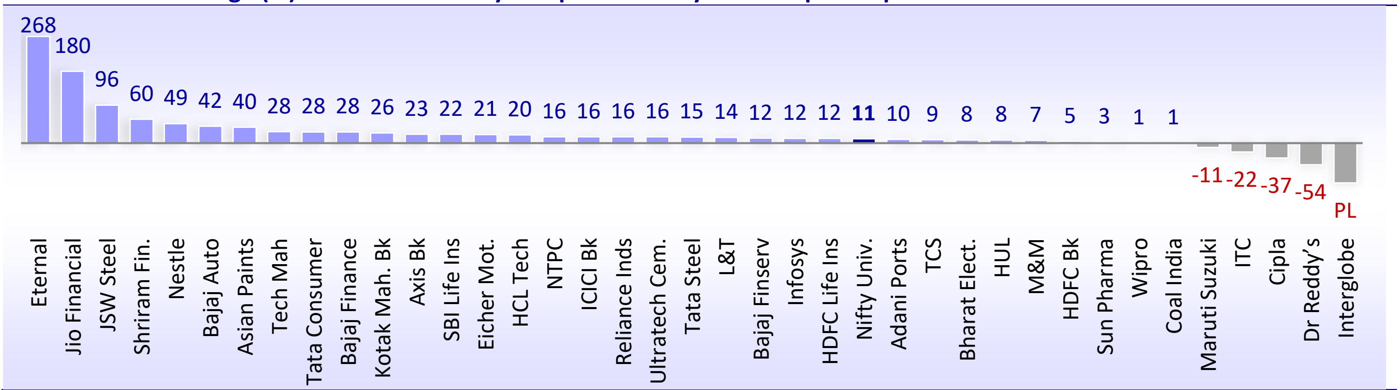


Exhibit 18: YoY change (%) in the PAT of Nifty companies – only five companies posted a YoY decline in PAT



Performance of the Nifty stocks that have declared their results thus far

- Earnings of the 39 Nifty companies that have declared results so far have grown 11% YoY (vs. our est. of +7% YoY). The earnings growth was led by Reliance Industries, JSW Steel, ICICI Bank, Bajaj Finance, and Axis Bank. These five companies contributed 59% to the incremental YoY accretion in earnings.
- Conversely, Interglobe Aviation, ITC, Dr Reddy's Labs, Cipla, and Maruti Suzuki dragged Nifty earnings lower.

Exhibit 19: 1QFY27 performance of the 39 Nifty companies that have announced their results so far (INR b)

		Sales				EBITDA				PBT				PAT			
Company	Sector	Jun-26	Chg. % YoY	Chg. % QoQ	Var. over Exp. (%)	Jun-26	Chg. % YoY	Chg. % QoQ	Var. over Exp. (%)	Jun-26	Chg. % YoY	Chg. % QoQ	Var. over Exp. (%)	Jun-26	Chg. % YoY	Chg. % QoQ	Var. over Exp. (%)
Bajaj Auto	Automobiles	172	37.0	7.7	2.3	36	44.9	8.2	5.8	40	43.0	9.9	8.5	30	42.3	9.7	8.3
Eicher Motors	Automobiles	66	31.5	9.1	4.7	16	32.2	5.1	7.2	18	22.4	8.9	3.1	15	21.3	-3.8	3.0
M&M	Automobiles	419	23.0	6.0	3.2	51	4.6	-8.2	0.7	48	6.8	-2.2	4.3	37	6.8	-1.4	6.5
Maruti Suzuki	Automobiles	525	35.9	0.0	2.0	43	-6.7	-30.0	-13.6	43	-11.5	-10.2	1.5	34	-10.8	-6.6	1.8
Axis Bank	Banks-Private	146	8.0	1.3	-2.3	117	1.3	16.4	3.0	94	24.7	45.4	5.7	71	22.5	0.6	6.5
HDFC Bank	Banks-Private	335	6.7	1.4	-1.7	282	-21.2	1.3	-1.6	251	17.9	-0.3	-0.9	191	5.0	-0.8	-0.9
ICICI Bank	Banks-Private	244	12.7	6.1	2.0	204	8.7	12.0	7.4	191	13.0	5.6	9.4	148	15.9	8.0	12.5
Kotak Mah. Bk	Banks-Private	79	9.2	0.7	-0.8	61	10.2	4.7	3.9	55	25.4	2.3	5.1	41	25.6	2.4	5.1
HDFC Life Insur.	Insurance	172	15.4	-35.0	4.7	9	8.7	-30.3	5.7	6	11.8	28.9	0.0	6	11.9	23.4	2.3
SBI Life Insurance	Insurance	213	19.5	-23.8	5.3	14	29.4	-13.5	19.9	7	22.1	-8.6	0.0	7	22.0	-9.9	7.4
Bajaj Finance	NBFC - Lending	126	22.9	6.7	0.8	101	19.4	7.8	1.2	81	28.0	10.0	4.5	61	27.6	9.5	4.1
Jio Financial	NBFC - Lending	5	105.7	57.7	37.2	10	176.9	209.8	146.2	10	148.4	186.4	131.9	8	180.4	205.0	148.2
Shriram Finance	NBFC - Lending	77	33.5	14.1	6.6	61	45.2	14.3	3.3	46	59.0	18.1	5.3	34	59.8	14.3	4.9
Bajaj Finserv	NBFC-Non Len	420	18.6	9.2	7.4	171	19.6	18.0	5.9	89	24.0	28.9	16.4	31	12.3	23.4	13.6
Bharat Elect.	Capital Goods	55	25.3	-45.6	8.3	14	12.0	-53.1	-6.2	14	8.8	-51.7	-6.6	10	8.2	-52.4	-6.8
Larsen & Toubro	Capital Goods	679	6.7	-17.9	5.6	61	-3.2	-29.0	-2.1	69	18.1	-17.0	19.3	41	14.0	-23.2	7.5
Ultratech Cement	Cement	246	15.9	-4.5	2.3	50	13.7	-10.4	1.4	35	14.5	-12.5	5.1	26	15.7	-12.8	5.5
Asian Paints	Consumer	105	17.9	14.0	1.2	22	33.5	21.4	13.2	21	39.7	29.5	20.3	15	40.0	31.3	19.7
Hind. Unilever	Consumer	173	10.1	6.1	0.7	39	8.4	2.8	-1.0	37	9.1	0.7	-0.4	27	8.1	0.7	-1.7
ITC	Consumer	191	-11.1	7.2	-12.7	52	-24.0	-25.2	-12.8	55	-23.5	-24.2	-13.3	41	-22.2	-24.5	-11.6
Nestle	Consumer	64	25.2	-5.5	5.7	15	39.8	-13.2	13.2	13	47.8	-14.1	16.6	10	49.0	-15.3	14.2
Tata Consumer	Consumer	53	11.9	-1.6	0.3	7	19.3	-8.6	0.9	6	27.2	-7.7	6.5	4	27.8	2.4	6.7
Cipla	Healthcare	71	2.3	8.8	1.7	12	-32.9	19.6	2.6	11	-38.9	44.4	6.3	8	-37.3	43.6	6.2
Dr Reddy' s Labs	Healthcare	81	-5.4	1.5	-1.7	11	-49.3	-7.4	-14.6	8	-57.1	39.7	-6.3	6	-54.4	-0.7	-3.0
Sun Pharma	Healthcare	152	10.1	4.3	-0.6	42	4.3	20.3	4.4	42	11.1	33.8	14.6	31	3.1	29.4	10.9
Adani Ports	Logistics	108	18.6	0.8	0.6	65	19.0	8.7	5.3	47	24.9	24.0	20.4	37	9.8	3.7	10.3
Coal India	Metals	463	7.8	-0.5	5.3	102	-8.5	-17.0	-13.2	115	-1.3	-20.9	-7.2	89	0.6	-18.3	-5.1
JSW Steel	Metals	474	9.8	-7.5	9.8	94	18.9	-3.5	0.9	62	79.4	8.9	19.6	46	95.8	33.6	24.3
Tata Steel	Metals	608	14.3	-3.9	8.2	93	24.7	-5.7	0.5	41	31.0	-18.5	12.8	25	15.3	-19.8	18.9
Reliance Inds.	Oil & Gas	3,095	27.0	5.2	0.6	475	10.7	7.6	3.0	306	8.5	12.6	5.4	209	15.9	23.4	16.0
HCL Technologies	Technology	346	13.9	1.8	0.8	69	15.3	1.7	-1.1	61	17.7	7.1	-3.2	46	20.3	3.0	-2.3
Infosys	Technology	482	14.0	3.9	-0.8	115	13.8	2.9	-3.3	110	13.2	5.9	-1.3	78	12.3	-5.3	-3.5
TCS	Technology	723	13.9	2.2	0.7	188	11.8	-2.7	9.8	186	9.6	1.4	2.5	139	8.6	1.0	2.7
Tech Mahindra	Technology	157	17.7	4.2	1.2	27	41.7	6.9	1.0	20	26.5	14.3	-11.5	15	28.4	8.2	-16.4
Wipro	Technology	245	10.6	1.0	-1.9	47	9.9	-4.9	-2.5	43	1.8	-6.6	-2.5	34	0.6	-3.4	-0.8
NTPC	Utilities	438	3.0	1.7	3.9	126	22.8	1.0	17.2	71	14.2	-28.2	30.0	51	16.2	-3.0	16.7
Adani Enterp.	Others	329	49.9	1.5	0.0	24	-28.2	-36.3	0.0	-13	PL	PL	0.0	10	14.9	LP	0.0
Eternal	Others	202	182.0	16.9	7.7	6	416.5	22.2	-13.4	3	209.1	19.3	-47.2	1	268.0	-47.1	-77.4
Interglobe Avi.	Others	246	19.9	9.6	2.1	38	-34.2	149.4	-33.4	-4	PL	Loss	PL	-4	PL	Loss	PL
Nifty Universe		**12,788**	**18.5**	**0.0**	**2.2**	**2,970**	**5.7**	**1.1**	**1.4**	**2,340**	**11.0**	**1.7**	**3.9**	**1,711**	**10.8**	**3.4**	**4.0**
Ex Financials		**10,970**	**19.1**	**0.7**	**2.1**	**1,940**	**7.6**	**-2.7**	**0.2**	**1,508**	**5.7**	**-2.8**	**2.8**	**1,111**	**7.7**	**2.3**	**2.9**
Ex Metals & Oil		**8,149**	**17.1**	**-1.1**	**1.8**	**2,206**	**4.2**	**1.3**	**1.9**	**1,816**	**10.4**	**2.2**	**3.7**	**1,342**	**9.1**	**2.4**	**2.2**

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

Nifty EPS stable for FY27E/FY28E

- The Nifty EPS for FY27E was stable at INR1,225 (vs. INR1,225), as the upgrades in Reliance Industries, ICICI Bank, Bajaj Finance, Bajaj Finserv, Shriram Finance, Bajaj Auto, Larsen & Toubro, and Ultratech Cement were offset by downgrades of HDFC Bank, Interglobe Aviation, Tata Steel, Maruti Suzuki, Dr Reddy's Labs, and Infosys. The FY28E EPS was also stable at INR1,424 (vs. INR1,422).
- **Top FY27E upgrades:** Reliance Industries (+7.4%), Bajaj Finserv (+7.4%), Shriram Finance (+6.6%), Nestle (+5.9%), and ICICI Bank (+4.7%).
- **Key FY27E downgrades**: Interglobe Aviation (-32.8%), Dr Reddy's Labs (-19%), Tata Steel (-13.4%), Wipro (-11.8%), and Maruti Suzuki (-7.5%).

Exhibit 20: Nifty Universe – eleven upgrades of more than 3% and nine downgrades of over 3% for FY27E

		EPS PREVIEW (INR)			EPS REVIEW (INR)			% Upgrade / Downgrade			EPS Growth YoY (%)		
Company Name	Sector	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
SBI Life Insurance	Insurance	24.7	28.0	34.6	24.7	30.7	36.9	0.0	9.5	6.6	2.4	24.1	20.3
Reliance Inds.	Oil & Gas	53.1	56.0	63.0	53.1	60.1	63.4	0.0	7.4	0.6	3.2	13.3	5.4
Bajaj Finserv	NBFC - Non-Lending	61.3	73.7	82.7	61.3	79.1	90.6	0.0	7.4	9.5	10.3	29.1	14.5
Shriram Finance	NBFC - Lending	53.1	56.4	70.5	53.1	60.1	71.1	0.0	6.6	0.8	20.8	13.1	18.2
Nestle	Consumer	17.1	20.7	23.8	17.2	21.9	24.9	0.5	5.9	4.4	8.1	27.3	13.5
ICICI Bank	Banks-Private	70.2	79.9	92.8	70.2	83.7	96.6	0.0	4.7	4.1	5.2	19.2	15.3
Bajaj Auto	Automobiles	351.5	433.1	487.8	351.5	452.5	529.7	0.0	4.5	8.6	17.4	28.7	17.1
Ultratech Cement	Cement	280.6	317.5	388.8	280.6	331.7	400.5	0.0	4.5	3.0	35.2	18.2	20.7
Bajaj Finance	NBFC - Lending	31.1	40.7	51.3	31.1	42.5	52.6	0.0	4.4	2.4	15.0	36.8	23.6
Asian Paints	Consumer	46.7	54.4	61.7	46.7	56.4	63.4	0.0	3.5	2.7	11.2	20.6	12.4
Cipla	Healthcare	50.7	47.1	59.8	50.7	48.8	61.0	0.0	3.5	2.1	-19.2	-3.8	25.1
Larsen & Toubro	Capital Goods	123.7	144.5	179.1	123.7	147.9	179.4	0.0	2.3	0.2	15.9	19.6	21.3
Eicher Motors	Automobiles	202.6	225.1	258.0	202.6	229.8	262.9	0.0	2.1	1.9	17.3	13.4	14.4
Tata Consumer	Consumer	15.3	19.1	22.2	15.3	19.4	22.5	0.0	1.6	1.6	17.9	26.6	16.4
Kotak Mahindra Bank	Banks-Private	19.4	23.4	28.4	19.4	23.7	28.6	0.0	1.6	0.7	-12.9	22.5	20.6
JSW Steel	Metals	37.3	59.6	83.9	37.3	60.2	84.6	0.0	1.0	0.8	137.3	61.4	40.5
TCS	Technology	146.0	155.8	161.9	146.0	156.2	162.8	0.0	0.2	0.6	8.8	7.0	4.3
Coal India	Metals	53.3	56.5	57.7	53.3	56.6	57.5	0.0	0.2	-0.5	-7.5	6.2	1.5
HDFC Life Insur.	Insurance	8.8	9.7	11.1	8.8	9.7	11.1	0.0	0.0	0.0	6.0	9.4	14.5
ITC	Consumer	16.5	15.2	16.4	16.5	15.2	16.4	0.0	0.0	0.0	5.0	-7.9	7.7
NTPC	Utilities	19.8	23.1	25.2	19.8	23.1	24.9	0.0	-0.1	-1.4	-4.7	16.7	7.7
Tech Mahindra	Technology	56.5	82.6	88.6	56.5	82.4	92.5	0.0	-0.2	4.4	17.9	45.9	12.2
Bharat Electronics	Capital Goods	8.3	9.6	11.3	8.3	9.6	11.2	0.0	-0.3	-1.0	14.4	15.8	16.6
Sun Pharma	Healthcare	46.8	50.6	58.2	46.8	50.3	57.8	0.0	-0.6	-0.7	-0.8	7.5	15.0
Hind. Unilever	Consumer	44.1	49.2	54.3	44.1	48.9	54.2	0.0	-0.7	-0.1	-0.4	10.9	10.8
Axis Bank	Banks-Private	78.8	98.6	123.3	78.8	97.1	120.5	0.0	-1.5	-2.3	-7.6	23.2	24.1
HCL Technologies	Technology	64.0	75.3	79.2	64.0	73.9	78.0	0.0	-1.9	-1.5	0.2	15.5	5.6
Infosys	Technology	72.8	79.0	82.3	72.8	77.3	80.5	0.0	-2.2	-2.1	10.2	6.2	4.2
Mahindra & Mahindra	Automobiles	130.7	139.3	164.2	130.7	135.9	168.6	0.0	-2.4	2.7	32.4	4.0	24.1
Adani Ports	Logistics	59.2	65.6	87.5	59.2	63.5	86.2	0.0	-3.2	-1.5	17.9	7.3	35.8
HDFC Bank	Banks-Private	48.6	54.7	63.8	48.5	53.0	62.4	-0.3	-3.2	-2.3	10.2	9.2	17.7
Jio Financial	NBFC - Lending	2.4	3.3	5.1	2.4	3.2	4.8	0.0	-3.9	-5.9	-5.0	32.8	48.9
Eternal	Others	0.4	2.4	4.6	0.4	2.3	4.5	0.0	-7.1	-1.9	-31.8	466.0	100.0
Maruti Suzuki	Automobiles	459.5	523.9	656.1	459.5	484.4	656.3	0.0	-7.5	0.0	1.0	5.4	35.5
Wipro	Technology	13.6	14.5	15.4	12.8	12.8	13.7	-5.7	-11.8	-11.0	2.2	-0.1	7.2
Tata Steel	Metals	9.0	12.2	14.8	9.0	10.6	14.2	0.0	-13.4	-3.6	167.0	17.5	34.7
Dr Reddy' s Labs	Healthcare	59.1	45.9	62.9	59.1	37.2	60.0	0.0	-19.0	-4.5	-12.2	-37.0	61.3
Interglobe Aviation	Others	-31.5	207.7	214.7	-31.5	139.6	223.0	0.0	-32.8	3.9	PL	LP	59.8

Key sectoral trends – 1QFY27

- **Automobiles:** Results of six auto OEMs and seven auto ancs have been declared thus far. Within Auto OEMs, aggregate operational performance has been in line, with revenue/ EBITDA/PAT growing 12%/1%/-1% YoY. On the operational front, 2W players were able to ward off the sharp surge in input costs much better than PV players. As a result, 2W players were able to post a much stronger 41% YoY growth in EBITDA, with aggregate margins coming in 60bp higher YoY. The input cost pressure was more than offset by better volume growth, improved export mix, and favorable currency benefits. On the other hand, PV players posted a 7% YoY decline in EBITDA with a sharp 320bp margin impact on a YoY basis. Auto Ancs within our coverage have posted better-than-expected results with PAT growth of 23% YoY. Within Auto Ancs, Craftsman, CEAT, Exide, and Gabriel posted better-than-expected operational performance. Margin pressure is likely to subside for the entire sector in subsequent quarters.
- **Financials – Banks:** 1QFY27 witnessed softer NIM performance from Pvt. banks, while PSU banks reported a healthy NII growth with better-than-expected NIMs. Other income remained soft, primarily due to muted fee income, although for select banks, this was offset by lower opex intensity and declining provisions. Advances growth stood robust, supported by robust growth in wholesale credit, while CD ratios increased across the system due to weaker deposit mobilization during the quarter, especially for PSBs. Growth remained benign in the gold and MSME loan segments, while growth in personal loans and credit cards remained calibrated. With repo rates expected to remain stable and the deposit repricing benefits largely exercised, most banks expect NIMs to moderate or remain broadly stable in FY27.
- The recent RBI relief measures on FCNR(B) deposits and OFCBs shall likely ease the liquidity crunch in the near term, supporting incremental credit growth, though deposit mobilization shall remain a structural challenge in the banking system. We continue to closely monitor the transition impact of ECL guidelines, which could lead to a marginal drag on profitability, even as most banks have indicated manageable impacts on earnings or net worth. Going forward, earnings reflation shall be driven by improvement in credit costs and operating leverage. We remain constructive on the banking sector, with large private banks expected to deliver better earnings momentum.
- **NBFC-Lending: Healthy quarter with strong AUM growth and lower credit costs –** NBFCs delivered a strong performance in 1QFY27, supported by healthy disbursements and robust AUM growth. Despite the seasonally weak first quarter, demand remained resilient and broad-based across housing, vehicle finance, gold loans, consumer durables and unsecured lending, with MFI disbursements also maintaining strong momentum. Improving asset quality and lower credit costs across most segments, including MFIs, point towards a strengthening credit cycle and healthier portfolio quality. Vehicle finance sustained healthy traction across PVs, CVs, tractors, and 2Ws, while diversified lenders reported strong loan growth, aided by a revival in unsecured segments such as personal, digital, and consumer durable loans. HFCs continued to face intense competition from banks, although balance transfers and portfolio attrition moderated sequentially. Most NBFCs have not witnessed any impact on asset quality from the West Asia conflict, though NBFCs remain watchful of

potential risks from geopolitical uncertainties and monsoon trends amid El Niño concerns. On the funding front, incremental CoF increased for several NBFCs amid heightened geopolitical uncertainties, resulting in modest pressure on overall CoF and margins. Overall, the quarter reflected healthy underlying demand, improving credit quality and broad-based growth, with funding costs and macro risks remaining key monitorables.

- **NBFC – Non-Lending (Capital Markets):** The activity was mixed in 1QFY27, with cash ADTO rising 13% QoQ, while F&O ADTO and options premium ADTO declined 10%/11% QoQ. Demat additions remained broadly stable at ~2.2m during most of the quarter before recovering to ~2.6m in Jun'26 alongside improving market sentiment. **Angel One** reported continued strength in cash volumes, though weaker F&O activity (in line with industry trends) weighed on broking revenues and profitability; the MTF book witnessed a sharp sequential recovery. **Groww** saw sequential moderation in order volumes across segments while continuing to expand its MTF book; commodities remained a bright spot, driven by strong options traction. The **AMC** industry sustained monthly SIP inflows of >INR310b throughout the quarter, supporting AUM growth despite volatile markets. Industry yields improved marginally QoQ, aided by a richer product mix (gold/silver ETFs and alternatives) and the pass-through of recent regulatory changes, while treasury/other income remained healthy due to favorable market conditions. **NSDL** delivered strong revenue growth led by banking-related business, though higher operating expenses weighed on margins. **KFin Technologies** continued to face margin pressure from international integration despite steadily improving overseas contributions. Among wealth managers, **360 ONE** reported lower ARR yields despite healthy net inflows, although PAT growth remained in double digits, supported by higher treasury income, while **Nuvama** delivered strong topline growth driven by its capital markets and asset management businesses.
- **Insurance**: The **General Insurance** industry maintained strong momentum in 1QFY27, with the Health segment growing at ~20% and the Motor segment seeing 10%+ growth. Both STARHEAL and NIVABUPA reported robust operating performance supported by strong fresh retail business growth as well as improvement in the claims ratio owing to calibrated pricing actions and wellness initiatives. ICICIGI's growth trajectory has improved on the back of a recovery in the highly competitive motor insurance business along with continued market share gain in retail health. However, the insurer's profitability was hit by large losses in the fire segment and a prudent reserving approach in motor TP after the Supreme Court judgment. The players are witnessing sustained demand momentum, especially in health insurance post GST exemption, and are trying to harness profitable growth opportunities in motor and fire segments.
- The private **life insurance** players witnessed mixed performance with respect to APE growth as well as VNB. Favorable product mix shift towards traditional products, rising contribution from protection, higher sum assured, and improved rider attachment continue to support VNB margins across the industry. However, these were offset by some impact from the loss of input tax credit. IPRULIFE/HDFCLIFE/CANHLIFE/SBILIFE reported an APE growth of 15%/9%/19%/ 36%. The VNB margins for IPRULIFE/CANHLIFE improved 220bp/160bp, while for HDFCLIFE/SBILIFE, the margins dipped 9bp/129bp YoY.

The insurers continue to guide an improvement in margins, while the impact from the loss of input tax credit should be mitigated completely from 2HFY27.

- **Capital Goods and Defense:** Order inflow trends remained mixed during the quarter, with several new order wins witnessed from the private sector, and the overall private-sector pipeline also continues to remain strong. Defense sector ordering remained relatively subdued during the period, though ordering activity is expected to pick up from 2QFY27 onwards. Within the transmission segment, ordering trends are yet to be seen from larger companies. However, smaller transmission players have witnessed healthy order inflows, particularly from state utilities. Government-led ordering, on the other hand, has remained relatively weak so far. Margin pressure was visible across the board, particularly for companies with higher exposure to short-cycle contracts. Select players have also undertaken price hikes to offset the pressure, although there remains a time lag before these price increases are fully absorbed and reflected in margins. With commodity prices now moderating, we expect the benefit of lower input costs to gradually start reflecting from 3QFY27.
- **Consumer:** The 1Q consumption trends remain steady, not impacted by geopolitical uncertainties and inflation pressure. Most categories have seen better YoY revenue growth than witnessed in 4QFY26. **In staples**, price hikes were calibrated (low to mid-single digit) to maintain volume growth trajectory. Several companies witnessed growth acceleration while sustaining similar volume growth. Erratic rains have impacted some summer-centric consumption. Rural and urban markets delivered healthy growth. Similar to the trend seen in the past few quarters, the food category continued outperforming BPC, and Nestle clocked 25% YoY (beat) revenue growth. HUL delivered double-digit revenue growth (10% YoY with 5% volume growth) after multiple quarters of single-digit growth. CLGT delivered sales growth of 12% YoY (beat) while higher ad spends dragged EBITDA margins to 30.1% (below). Dabur consolidated revenue grew 11% YoY (in line), while India business revenue increased 9.5% YoY. Domestic volume growth came in at 5% (miss). The West Asia conflict has hit input cost trends and supply chain efficiencies across businesses. Despite RM inflation and continued cost pressures in most international markets, companies delivered healthy margins through premiumization, productivity, and cost management. Companies have implemented calibrated price hikes during the quarter. The RM basket rose 8-10% while companies have taken a 5% price hike.
- **In paints**, APNT delivered sales growth of 18% YoY (in line) with domestic decorative volumes at 9% YoY (miss), partly impacted by channel up-stocking ahead of price hikes in 4Q. The company saw 25% RM inflation and a 7- 8% weighted average price increase. EBITDA margin stood at 20.6% (beat), driven by operating leverage. APNT has reiterated its FY27 volume growth guidance of 8–10% with EBITDA margin guidance of 18-20%. **Within the alcobev space**, RDCK continued to deliver robust P&A volume growth and strong operating performance in 1Q. Revenue growth was at 12%, with P&A value growth of 36% (above). RDCK upgraded its FY27 P&A volume growth guidance to >25% (vs. earlier 20%), supported by strong premiumization trends. Moreover, driven by favorable raw material costs, pricing, and premiumization, EBITDA surged 50% YoY (above) with an all-time high EBITDA margin of 20.7%. UNSP's revenue grew 6% YoY (in line) with an in-line EBITDA margin of 16%. UNSP expects the India-

UK FTA to lower consumer prices for the imported portfolio (BIO/IMFL) by 7-9% and will reduce the imported RM cost as well.

- **In QSR**, Westlife reported 12% YoY revenue growth (in line) with an SSSG of 4.3% YoY (above). The growth was led by double-digit guest count growth across the West and South markets. Devyani's consol. revenue grew 17% YoY (in line) in 1QFY27. The domestic revenue grew 15% YoY. KFC rose 12% with SSSG at 3.3% (below), while Pizza Hut's declined 2% with -2.2% SSSG (below). Sapphire Foods India reported 15% YoY revenue growth in 1Q (in line), led by KFC (+17% YoY; SSSG +5%, in line), while PH sales grew 3% (SSSG +1%, in line). Demand trends remained broadly unchanged. April-May remained healthy, June softened, while July demand has again turned encouraging. The companies have taken ~2% price hikes during 1QFY27. While weak unit economics remain a sector concern amid aggressive expansion, KFC's performance is showing an improving trajectory, supported by its two-pronged consumer recruitment strategy. However, we need to monitor the sustainability of this trend. **In Jewelry,** PNG reported 41% YoY consolidated revenue growth (in line) in 1Q. Retail revenue grew 56% YoY with 46% SSSG. Studded jewel mix improved to 10.9% (vs. 10.0% in 1QFY26), aiding EBITDA margins at 7.2% (beat).
- **Consumer Durables:** So far, consumer durables companies within our coverage universe that have announced results for 1QFY27 are POLYCAB, RRKABEL, and HAVL. C&W companies reported strong revenue growth supported by elevated commodity prices. However, volatility in copper and aluminum prices in Jun'26 led to channel destocking and a dip in volumes. Aggregate C&W revenue/EBIT increased ~39%/30% YoY (+4%/-1% vs. our estimates). Average EBIT margin dipped 80bp YoY at 12.0% (60bp below estimates). HAVL reported lower-than-estimated profitability due to poor performance in switchgear and the Lloyd business. In contrast, POLYCAB and RRKABEL's performances were better than estimated. The aggregate revenue/EBITDA/PAT (for results announced so far) grew ~33%/~24%/~23% YoY (in line).
- In **C&W,** the near-term volume and value growth remain subdued until RM prices stabilize and restocking resumes. However, management teams remain constructive on the long-term demand outlook, backed by strong investments across power infrastructure, data centers, defense, and industrial sectors. The ECD segment (fans, lighting, and other appliances) continues to witness near-term volatility, while the solar business is seeing healthy growth momentum. We raised our EPS estimates for RRKABEL (~8%/6% for FY27/FY28), while reducing for HAVL (~8%/10% for FY27/FY28). We retain our estimates for POLYCAB.
- **Cement:** So far, eight cement companies within our Coverage Universe have announced 1QFY27 results – ACC, ACEM, BCORP, DALBHARA, ICEM, JKCE, SRCM, and UTCEM. The aggregate sales volume of cement companies under our coverage (for results announced so far) grew ~7% YoY (in line). Blended realization was up ~1% YoY/3% QoQ (~1% above our estimates). The aggregate revenue grew ~8% YoY (down ~7% QoQ; in line). The aggregate EBITDA declined ~3% YoY (down 10% QoQ; in line with our estimates). Average EBITDA/t dipped ~9% YoY (flat QoQ) to INR992/t (in line with our estimates). OPM contracted 1.9pp YoY to ~18% (in line with our estimate). Opex/t was up ~3% YoY/~4% QoQ (~1% above estimates), driven by ~12%/14% surge in other expense/employee cost per tonne. Variable cost/t declined ~1% while freight cost/t was flat YoY.

Adj. PAT declined ~8% YoY (+9% vs. our estimates, led by lower depreciation and finance cost). Most management teams indicated a positive demand outlook over the medium term led by strong demand from government-led infra projects, affordable housing, and urban real estate projects. While the near-term cost pressure remains due to the full impact of elevated fuel prices and seasonality, variable cost is expected to dip sequentially in 2HFY27. We raised our EBITDA estimates for ICEM (~13%/3% for FY27/FY28), and DALBHARA (~3%/8% for FY27/FY28). We cut our EBITDA estimates for ACC (~10%/7% for FY27/FY28) and BCORP (~9%/6% for FY27/FY28). We retained our EBITDA estimates for ACEM/JKCE/SRCM/UTCEM for FY27/FY28.

- **Healthcare:** Among the coverage universe that has reported results to date, one company delivered in-line performance, three reported earnings below our expectations, and five exceeded our expectations. Gland, and Laurus significantly outperformed our estimates, driven by stronger-than-anticipated operational execution. In 1QFY27, the domestic formulations (India) segment posted a robust 15.3% YoY growth across the five coverage companies that have reported so far. There has been considerable improvement in the growth of the domestic branded formulation segment. This was further supported by superior execution, driving outperformance for companies like AJP, SUNP, and TRP, indicating ongoing market share gains. The US generics revenue declined 9% YoY to USD1.1b on an aggregate basis for companies reported to date. The currency benefit comparatively reduced the decline to 4% YoY in INR terms.
- The US generics segment for large-cap companies remained volatile due to: 1) intensified competition in high-value products (e.g., Revlimid for DRRD and Cipla), 2) regulatory challenges at both company-owned and partner manufacturing sites (e.g., Cipla), and 3) longer gestation periods for new product launches (e.g., delays in semaglutide approval for the Canadian market impacting DRRD/OneSource). The early green shoots in biotech funding across developed markets are improving growth visibility for CDMO players. However, near-term performance continues to be hit by customer-led inventory build-ups undertaken recently (e.g., Syngene and Piramal Pharma). Having said this, currency movement remains favorable for export-oriented pharma companies operating in developed markets.
- **Metals:** Our ferrous coverage showcased a decent performance beat led by strong NSR, which offset the weak volumes. NSR across companies improved by INR3,000-7,000/t as steel prices surged following the safeguard duty announcement. Tata Steel’s India business experienced robust operating performance of INR17,300/t, while the European business continued to struggle and reported an operating loss of USD18/t. EBITDA/t for most of the companies improved by INR1500-3000/t on the back of strong NSR, partially offset by higher coal costs, while management expects the cost to increase further by USD5-10/t in 2QFY27. On the non-ferrous side, companies such as HZ, VEDL, and VAML have reported their 1Q earnings. HZ has reported a strong beat, mainly led by a surge in revenue driven by favorable LME prices and muted Zinc COP (ex-royalty) at USD851/t in 1QFY27 vs. USD903/t in 4QFY26 and USD1,319/t in 1QFY26. VAML reported strong earnings, where EBITDA jumped 134% YoY and 23% QoQ to INR103b in 1QFY27, driven by higher volume & VAP, cost efficiency, and favorable market prices, offsetting input commodity inflation. The blended

cost of production (CoP) stood at USD1,698/t (down 4% YoY) vs. USD1,726/t in 4QFY26 during the quarter due to higher captive alumina consumption, lower coal costs, and favorable currency movement.

- **Oil & Gas:** Six companies within our Oil & Gas coverage universe announced their results so far. Reliance Industries (RIL) posted a strong 1QFY27, with its consolidated EBITDA rising 8% QoQ to INR475b (+11% YoY, vs. our est. INR461b). The beat on our estimates was driven by a strong rebound in energy (O2C + E&P) profitability. Reliance Retail's (RRVL) reported net revenue grew 8% YoY (weaker vs. our est. of 11% YoY). Consol. O2C EBITDA grew 17% QoQ (up 17% YoY, 7% ahead), driven by stronger transportation fuel cracks and favorable ethane cracking economics, while consol. E&P EBITDA grew 19% QoQ (flat YoY, 15% ahead), aided by improved oil/condensate realizations and cost normalization.
- **OMCs:** GRM of HPCL/BPCL/IOCL (without considering the impact of SAED) stood above our estimate at USD23.8/41.4/36 per bbl. BPCL operating loss stood below our est. at INR40.8b (est. EBITDA loss: INR123.3b). HPCL's operating loss stood 37% higher than our estimate at INR161.3b due to weaker-than-estimated marketing margins. IOCL's EBITDA came in at INR19.5b (our estimate – EBITDA loss of INR161b). MGL's EBITDA came in 42% above our estimates as EBITDA/scm was above our estimate at INR7.9/scm. Total volumes for MAHGL were in line at 4.8mmscmd. GAIL's standalone EBITDA came in 86% above our estimate at INR63.8b, largely due to strong performance in natural gas trading and LPG & liquid HC segments. Natural gas transmission volume/NG marketing volume came in 4%/12% above our estimate at 122mmscmd/94mmscmd. Petchem sales were 83% below our estimate at 37tmt.
- **Real Estate:** Of the eight companies in the residential segment that have reported so far, aggregate pre-sales declined 18% YoY to INR202b, broadly in line. Excluding PEPL, which had a high base, pre-sales grew 9% YoY. Collections growth was ahead of this, increasing 14% YoY to INR141b, providing comfort on the quality of sales and continued execution. Top performers were MAHLIFE, SOBHA, and SRIN, which delivered robust pre-sales growth of 20–110% YoY, aided by launches aggregating ~INR140b during the quarter. OBER's reported pre-sales were hit by the timing of its INR81b NCR launch, which was launched and fully sold out in 2Q. Revenue grew 42% YoY to INR125b, aided by a recognition milestone. EBITDA grew 48% YoY to INR44b, with margins at 35%, and PAT rising 52% YoY to INR26b. Project additions have continued across companies, with PEPL adding INR178b, while MAHLIFE and SRIN jointly added INR106b of GDV. LODHA did a BD of INR23b in 1Q. Phoenix Mills reported 32% YoY growth in retail consumption to INR47b, driven by strong demand across electronics, jewelry, and F&B, which recorded 25–65% YoY growth in consumption.
- **Retail**: Demand trends held up well during 1QFY27 despite a mixed consumption backdrop. Value retail remained the key outperformer (V-Mart/VMM), delivering healthy SSSG (~9-10%) alongside continued store expansion. Branded retailers reported steady demand trends (LFL: Arvind Fashion 8%, Shop 6%, Manyavar 4%), with discretionary categories remaining resilient despite a muted wedding season and Adhikmaas. Operating margins also remained resilient across the sector, supported by operating leverage and disciplined cost control, largely offsetting headwinds from higher fabric costs and minimum wage revisions. In contrast, DMart's LFL moderated to 5.5%, reflecting pressure on mature metro stores amid

intensifying quick-commerce competition and also partially due to pre-buying seen in Mar'26.

- **Technology:** The IT services companies reported median revenue growth of 1.1% QoQ CC for results reported so far (+0.8%/+1.6%/+1.5%/-1.1% in 4QFY26/3QFY26/2QFY26/1QFY26). Among large caps, TCS expects demand to improve in 2QFY27, though evidence of a broad-based recovery remains limited. Infosys' FY27 organic guidance cut to **(-0.2%) to 1.3% YoY CC (vs 1.25% to 3.25% earlier)** reinforces the pressure from AI-led productivity pass-throughs despite healthy deal wins. HCLTech retained its **1.5-4.5% YoY CC** guidance, supported by record bookings and the recently announced **USD1.14b** mega deal, while Tech Mahindra continues to stand out with an expected **~6-7%** growth in FY27 and its **~15%** FY27-exit EBIT margin target. Within Tier-2, Coforge continues to stand out with a record **USD2.23b** executable order book (+44% YoY) and management guiding for another strong quarter, providing the best growth visibility within our coverage. Mphasis retained its **high-single-digit to low-double-digit** FY27 growth outlook, with management expecting **2QFY27 to be the strongest sequential growth quarter in three years** as large deals ramp up. We expect Tier-2 to outpace Tier-1.
- Despite the sharp recovery in the Nifty IT index over the past month (+17%), we remain watchful of the underlying earnings outlook. The rally contrasts with weakness across AI infrastructure-heavy markets, with the Nasdaq down ~7%, Taiwan ~8%, and KOSPI ~21%, suggesting investors are rotating toward companies enabling enterprise AI adoption rather than AI infrastructure providers. While this has supported Indian IT valuations, we believe AI-led deflation will increasingly become the key theme through FY27. AI is emerging as a structural deflationary force, with productivity gains being passed on to clients, compressing growth in the existing book, while incremental AI opportunities remain relatively small and short-cycle. TCS has already quantified AI-led productivity pass-throughs at 10-15% on renewals, and we believe the impact is similar across the industry even if peers have not quantified it. Discretionary spending also remains weak, with decision-making continuing to be delayed.
- **Telecom:** 1QFY27 has been a mixed bag so far, with steady in-line performance from RJio and slightly weaker for Indus and TCOM. RJio's revenue and EBITDA grew 2-3% QoQ, driven by continued momentum on subscriber additions, HBB adoption, and a boost of one extra day QoQ. TCOM's data revenue growth, adjusted for FX benefits, remained subdued, and margins were dragged by prior period provisions. For Indus, the tower and tenancy growth moderated sequentially due to supply constraints, and ARPT growth remained muted, which led to modest ~1% QoQ growth in recurring EBITDA. Indus' higher energy costs due to seasonally higher diesel consumption and an increase in prices could hit margins for Bharti and Vi. However, Bharti should benefit from better-than-expected performance from Airtel Africa (CC revenue and EBITDA up ~6-7% QoQ).
- **Utilities:** Within the MOFSL Coverage Universe, NTPC, JSW Energy, ACME Solar, TPWR, and SUEL have reported their 1Q financial results, with most results reporting a beat on our estimates. NTPC's standalone revenue came in 4% ahead of our estimate, and APAT beat our estimate by 17% as other expenses came in 20% lower than our estimate. Management reaffirmed the FY27 capacity addition guidance of 9.5GW and targets a capacity of 150GW/250GW by FY32/FY37. JSW

Energy's revenue was in line with our estimates, while EBITDA exceeded our estimate by 13%. Renewable capacity additions remained on track with 1.1GW commissioned in FY27YTD, supporting FY27 guidance of 3GW. Net generation volumes for the quarter stood at 12.9 BUs (-5% YoY, +10% QoQ) on account of weaker hydrology and a one-off in KSK Mahanadi. ACME Solar's revenue came in 9% above our estimate, driven by higher-than-expected CUF and BESS revenue. EBITDA/APAT beat our estimate by 14%/39%. CUF improved to 30.9% in 1QFY27 (vs. 28.5% in 1QFY26). It commissioned ~2.3GWh of BESS during the quarter, taking the total commissioned BESS capacity to ~3.62GWh. Tata Power's revenue exceeded our estimate by 4%, while EBITDA/APAT beat our estimates by 6%/9% due to healthy performance in the solar cell & module manufacturing and the Indonesian coal mining businesses. TPWR commissioned 0.2GW of capacity during the quarter. Suzlon Energy's revenue missed our estimate by 2%, while EBITDA came in below our estimates by 13%, mainly due to a lower Wind Turbine Generator (WTG) contribution margin and higher-than-expected other expenses. Deliveries for the quarter stood at 506MW (5% below our est.), and WTG contribution margin contracted to 23.4% (vs. 26% in 1QFY26), led by the scope mix.

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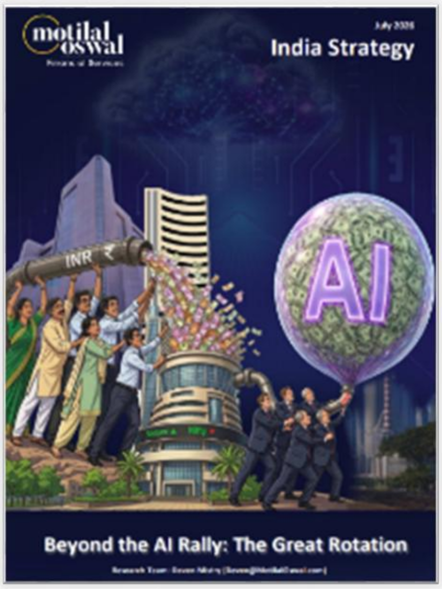

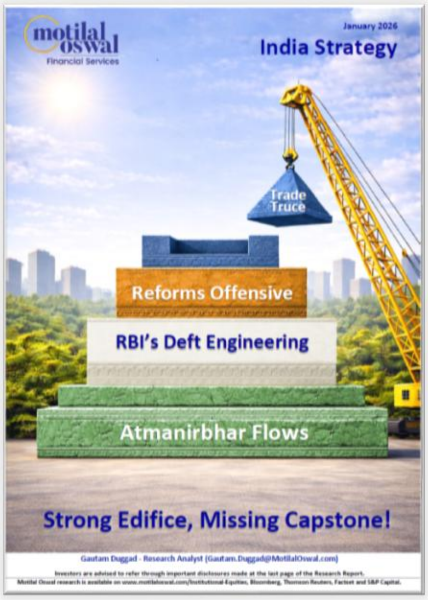

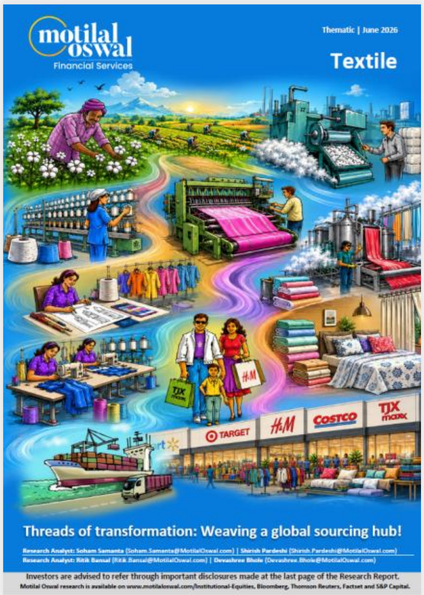

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