Market snapshot

quities - India	Close	Chg .%	CYTD.%
ensex	73,246	-0.5	-14.1
ifty-50	22,699	-0.2	-13.1
ifty-M 100	57,275	0.4	-5.3
quities-Global	**Close**	**Chg .%**	**CYTD.%**
&P 500	7,744	0.3	13.1
asdaq	26,550	0.3	14.2
TSE 100	10,695	0.1	7.7
AX	25,704	0.4	5.0
ang Seng	7,792	0.3	-12.6
ikkei 225	63,954	1.1	27.0
ommodities	**Close**	**Chg .%**	**CYTD.%**
rent (US$/Bbl)	121	0.2	93.7
old ($/OZ)	4,067	0.2	-5.8
u (US$/MT)	14,682	0.1	17.9
lmn (US$/MT)	3,093	-0.7	4.2
urrency	**Close**	**Chg .%**	**CYTD.%**
SD/INR	95.2	0.1	6.0
SD/EUR	1.1	0.3	-5.0
SD/JPY	157.8	-0.1	0.7
IELD (%)	**Close**	**1MChg**	**CYTD chg**
0 Yrs G-Sec	7.4	0.00	0.9
lows (USD b)	**28-Oct**	**MTD**	**CYTD**
IIs	0.09	-2.68	-31.0
IIs	0.07	6.43	74.2
olumes (INRb)	**28-Oct**	**MTD***	**YTD***
ash	1,388	1238	1334
&O	97,088	2,74,867	2,53,643

ote: Flows, MTD includes provisional numbers.
Average

Today's top research idea

TVS Motor Co.: Strong performance amid a tough macro environment

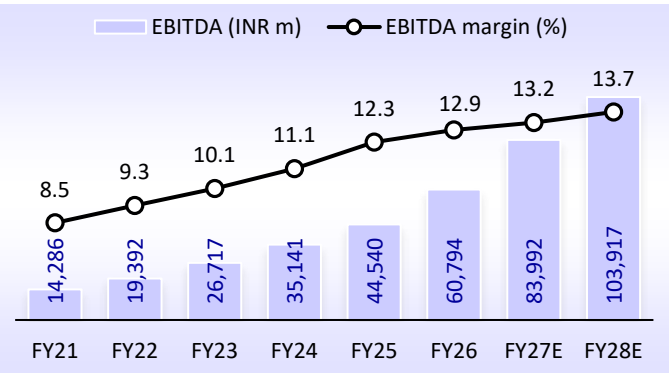
- TVS Motor Company (TVS)'s 2QFY27 EBITDA came in 6% ahead of our est as the impact of a sharp rise in input costs was offset by improved mix, favorable currency benefits, and tight cost control. However, due to a higher interest costs, PAT came in line with our est at INR13.8b (+52% YoY).
- TVS Motor is expected to sustain above-industry domestic 2W growth, supported by market share gains, premiumization, and scooterization, despite industry growth moderating to single digits in 2HFY27 due to a higher base.
- TVS expects 2HFY27 export volumes to exceed 1HFY27 levels, supported by improving product availability, new market entries, product launches, dealer-network expansion and increasing penetration of electric 2Ws and 3Ws.
- Given the strong margin performance in 2QFY27, higher than expected realizations, strong growth outlook in both domestic and exports and unlikely incremental pressures from RM, we increase our earnings estimates 11%/10% for FY27E/FY28E. We expect this outperformance to continue, given its healthy new launch pipeline, which in turn is likely to help sustain its premium valuations. We reiterate our BUY rating and value the stock at 36x FY28E EPS to arrive at our TP of INR5,200.

Research covered

Cos/Sector	Key Highlights
TVS Motor Co	Strong performance amid a tough macro environment
Other Updates	Hind. Unilever | Adani Ports | Adani Enterp. | Hyundai Motor | Vedanta Aluminium Metal | Cholaman. Inv. & Fin. | Meesho | Indus Towers | Vedanta | JSW Energy | Info Edg.(India) | S A I L | Radico Khaitan | Max Financial | KPR Mill | United Breweries | Piramal Pharma | Star Health Insu. | PNB Housing | Bandhan Bank | JSW Cement | KPIT Technologi. | PVR Inox | Arvind | L T Foods | Home First Finan. | Gravita India | Unimech Aero | FLASH (Pidilite Inds. | Hero Motocorp | United Spirits | ACME Solar Hold. | Craftsman Auto | R R Kabel | Anant Raj | Prudent Corp. | MAS Fin. | Raymond Lifestyl)

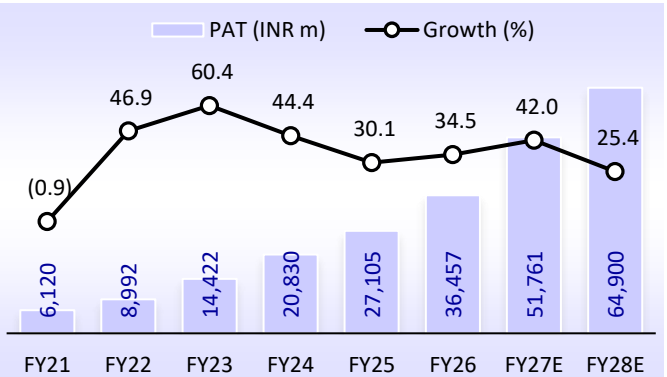
Chart of the Day: TVS Motor Co. (Strong performance amid a tough macro environment)

EBITDA margin improves



Source: Company, MOFSL

Trends in PAT and PAT growth



Source: Company, MOFSL

In the news today

Kindly click on textbox for the detailed news link

1

PhysicsWallah, Startup India tie up to support 25,000 early-stage startups

PhysicsWallah School of Startups (PW SoS), the entrepreneurship wing of education company PhysicsWallah, has entered into a strategic collaboration with Startup India, Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry.

2

Sarvam dominates Indic AI funding in 2026 with 87% share: Tracxn report

India's frontier model company Sarvam bagged almost 90 per cent of the total funding received by the country's startups building artificial intelligence (AI) for India's languages in 2026, according to a report by data-intelligence platform Tracxn.

3

TVS Motor to split mobility, consumer finance businesses in restructuring

The board of TVS Motor Company, part of the TVS VENU Group, cleared the demerger of its consumer finance and related business undertaking into a separate holding company, Harita ARC Ltd.

4

Tata Projects secures order from GSFC for acid complex in Gujarat

Tata Projects, the country's leading technology-led engineering, procurement and construction company, has secured an order from Gujarat State Fertilizers & Chemicals Ltd (GSFC) to develop an integrated phosphoric acidsulphuric acid complex in Gujarat.

5

Titagarh Rail Systems bags ₹1,717 crore additional order for 4,955 wagons from Railways

Titagarh Rail Systems has nearly doubled its major freight wagon supply contract with the Ministry of Railways, pushing the amended order value well past ten thousand crore rupees.

6

Wingstop plans India entry by early 2027, sees potential for 1,000 restaurants

US-based chicken wing chain Wingstop Inc. plans to enter India by early 2027, identifying the country as a potential market for 1,000 restaurants as it accelerates its international expansion.

7

PhonePe rebrands Indus Appstore, expands into digital goods and webstore

Walmart-owned fintech firm PhonePe said it has rebranded its homegrown app marketplace, Indus Appstore, as PhonePe Appstore. PhonePe Appstore is expanding beyond app discovery towards a marketplace for digital goods and services.

TVS Motor Company

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	TVSL IN
Equity Shares (m)	475
M.Cap.(INRb)/(USDb)	2013.9 / 21.1
52-Week Range (INR)	4485 / 3228
1, 6, 12 Rel. Per (%)	4/27/31
12M Avg Val (INR M)	3686

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	472.7	636.3	758.5
EBITDA	60.8	84.0	103.9
Adj. PAT	36.5	51.8	64.9
EPS (INR)	76.7	108.9	136.6
EPS Gr. (%)	34.5	42.0	25.4
BV/Sh (INR)	236.5	332.6	449.2
Ratios			
RoE (%)	34.4	38.3	34.9
RoCE (%)	39.5	41.5	38.6
Payout (%)	15.8	14.3	14.6
Valuations			
P/E (x)	55.2	38.9	31.0
P/BV (x)	17.9	12.7	9.4
Div. Yield (%)	0.3	0.4	0.5
FCF Yield (%)	1.9	2.2	3.0

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	50.3	50.3	50.3
DII	20.3	21.1	18.4
FII	21.4	20.5	22.9
Others	8.0	8.1	8.5

FII includes depository receipts

CMP: INR4,239 TP:INR5,200 (+23%) Buy

Strong performance amid a tough macro environment

Continued outperformance to support premium valuation

- TVS Motor Company (TVS)'s 2QFY27 EBITDA came in 6% ahead of our est as the impact of a sharp rise in input costs was offset by improved mix, favorable currency benefits, and tight cost control. However, due to a higher interest costs, PAT came in line with our est at INR13.8b (+52% YoY).
- Given the strong margin performance in 2QFY27, higher than expected realizations, strong growth outlook in both domestic and exports and unlikely incremental pressures from RM, we increase our earnings estimates 11%/10% for FY27E/FY28E. We expect this outperformance to continue, given its healthy new launch pipeline, which in turn is likely to help sustain its premium valuations. **We reiterate our BUY rating** and value the stock at 36x FY28E EPS to arrive at our TP of INR5,200.

Margins expand despite commodity headwinds

- Revenue grew 43.7% YoY to ~INR171b, broadly in line with our estimate of INR164b.
- Realizations improved 13% YoY to INR89.1k per unit.
- Due to commodity cost inflation, gross margins declined 190bp YoY to 37% (70bp above our expectations).
- However, the EBITDA margin at 13% surpassed our estimate of 12.8%, led by improved mix, favorable currency benefits, and tight cost-control measures.
- As a result, EBITDA came in above our estimate at INR22.2b (+47% YoY).
- Despite margin expansion, PAT came in line with our estimate at INR13.8b (+52% YoY) primarily due to higher tax rates.
- Consol. CFO for 1HFY27 stood at INR38.4b,with free cash flow coming in positive at INR20.8b.

Key takeaways from the management commentary

- TVS Motor is expected to sustain above-industry domestic 2W growth, supported by market share gains, premiumization, and scooterization, despite industry growth moderating to single digits in 2HFY27 due to a higher base.
- TVS expects 2HFY27 export volumes to exceed 1HFY27 levels, supported by improving product availability, new market entries, product launches, dealer-network expansion and increasing penetration of electric 2Ws and 3Ws.
- Following a ~1.9% QoQ increase in material costs in 2QFY27, TVS implemented price hikes of ~1.6% and further modest increases in early 3QFY27. With commodity inflation expected to moderate in 2HFY27, margins should be supported by calibrated pricing, premiumization, favorable product mix, cost-reduction initiatives and operating leverage, alongside improving EV profitability and PLI benefits, although continued technology investments remain a cost headwind.

Valuation and view

Given the strong margin performance in 2QFY27, higher than expected realizations, strong growth outlook in both domestic and exports and unlikely incremental pressures from RM, we increase our earnings estimates 11%/10% for FY27E/FY28E. We expect this outperformance to continue, given its healthy new launch pipeline, which in turn is likely to help sustain its premium valuations. **We reiterate our BUY rating** and value the stock at 36x FY28E EPS to arrive at our TP of INR5,200.

S/A Quarterly Performance

Y/E March (INR m)	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Vols ('000 units)	**1,277.2**	**1,507.0**	**1,544.5**	**1,560.4**	**1,630.6**	**1,919.0**	**1,844.9**	**1,803.4**	**5,889**	**7,198**	**1,919.0**	0.0
Growth (%)	17.5	22.7	27.4	28.3	27.7	27.3	19.5	15.6	40.5	22.2	27.3	
Realn (INR '000/unit)	**78.9**	**79.0**	**80.8**	**82.1**	**85.2**	**89.1**	**88.9**	**90.0**	**80.3**	**88.4**	**85.5**	4.3
Growth (%)	2.5	5.1	7.6	4.5	8.0	12.8	10.0	9.7	5.9	10.1	8.2	
Net Sales	**100,810**	**119,054**	**124,763**	**128,076**	**138,961**	**171,034**	**163,933**	**162,376**	**472,703**	**636,304**	**164,040**	4.3
Growth (%)	20.4	29.0	37.1	34.1	37.8	43.7	31.4	26.8	48.8	34.6	37.8	
Total RM Cost	**71,754**	**84,604**	**88,828**	**91,479**	**101,109**	**124,821**	**118,852**	**116,540**	**336,665**	**461,321**	**118,601**	5.2
RM (% of sales)	71.2	71.1	71.2	71.4	72.8	73.0	72.5	71.8	71.2	72.5	72.3	
Emp cost (% of sales)	5.8	5.1	5.0	5.0	4.9	4.7	4.7	4.9	5.2	4.8	4.8	
Other exp (% of sales)	10.5	11.2	10.7	10.4	9.6	9.3	9.5	9.6	10.7	9.5	10.1	
EBITDA	**12,630**	**15,086**	**16,341**	**16,795**	**17,794**	**22,190**	**21,803**	**22,205**	**60,794**	**83,992**	**20,997**	5.7
Change (%)	31.5	39.7	51.1	26.0	40.9	47.1	33.4	32.2	73.0	38.2	**39**	
EBITDA Margin(%)	12.5	12.7	13.1	13.1	12.8	13.0	13.3	13.7	12.9	13.2	12.8	
Interest	403	466	579	591	755	1,239	780	699	2,039	3,473	740	
Depreciation	2,039	2,144	2,335	2,458	2,653	2,756	2,862	2,890	9,006	11,161	2,750	
Other Income	343	-213	-280	-162	12	450	150	-213	-300	400	120	
PBT before EO Exp	**10,531**	**12,263**	**13,147**	**13,584**	**14,399**	**18,646**	**18,311**	**18,403**	**49,449**	**69,759**	**17,627**	5.8
EO Exp	0	0	414	0	-1,496	0	0	0	414	-1,496	0	
PBT after EO Exp	**10,531**	**12,263**	**12,733**	**13,584**	**15,895**	**18,646**	**18,311**	**18,403**	**49,035**	**71,255**	**17,627**	5.8
Total Tax	**2745**	**3202**	**3329**	**3607**	**4155**	**4874**	**4578**	**4391**	**12883**	**17998**	**4407**	
Tax rate (%)	26.1	26.1	26.1	26.6	26.1	26.1	25.0	23.9	26.3	25.3	25.0	
Reported PAT	**7,786**	**9,061**	**9,404**	**9,977**	**11,740**	**13,772**	**13,733**	**14,012**	**36,152**	**53,257**	**13,220**	4.2
Adjusted PAT	**7,786**	**9,061**	**9,709**	**9,977**	**10,244**	**13,772**	**13,733**	**14,012**	**36,457**	**51,761**	**13,220**	4.2
Growth (%)	34.9	36.7	57.0	17.1	31.6	52.0	41.5	40.4	34.5	42.0	45.9	

Hindustan Unilever

Estimate changes	⇄
TP change	↓
Rating change	⇄

CMP: INR1,813 **TP: INR2,150 (+19%)** **Buy**

Bloomberg	HUVR IN
Equity Shares (m)	2350
M.Cap.(INRb)/(USDb)	4259.8 / 44.7
52-Week Range (INR)	2487 / 1758
1, 6, 12 Rel. Per (%)	-4/-15/-15
12M Avg Val (INR M)	4010

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	644.7	733.9	800.8
Sales Gr. (%)	5.1	13.8	9.1
EBITDA	151.7	164.7	182.9
EBITDA mrg. (%)	23.5	22.4	22.8
Adj. PAT	103.6	115.2	128.8
Adj. EPS (INR)	44.1	49.0	54.8
EPS Gr. (%)	-0.4	11.1	11.9
BV/Sh.(INR)	207.4	212.4	220.2
Ratios			
RoE (%)	21.1	23.3	25.3
RoCE (%)	29.6	31.9	34.6
Payout (%)	93.0	89.8	85.7
Valuations			
P/E (x)	41.2	37.0	33.1
P/BV (x)	8.8	8.5	8.2
EV/EBITDA (x)	27.9	25.7	23.0
Div. Yield (%)	2.3	2.4	2.6

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	61.9	61.9	61.9
DII	17.1	17.0	15.7
FII	9.3	9.5	10.8
Others	11.7	11.6	11.6

FII includes depository receipts

Demand trends positive; Home Care margins below our est.

- Hindustan Unilever (HUVR) registered a consolidated revenue growth of 15% (adjusted for the ice-cream demerger) to INR180.7b (est. INR 174.9b), the highest in the last 14 quarters. Despite an inflationary scenario, the underlying volume growth was 7% YoY (est.+7%, +5% in 1QFY27). The growth was partially hit by softer volumes in Tea and Soaps, while the remaining portfolio experienced an acceleration in volume growth.
- Home Care revenue grew 21% YoY on double-digit UVG, but EBIT inched up 3% YoY. EBIT margin contracted 300bp YoY to 16.2% (the lowest in 16 quarters), amid elevated raw material inflation. Beauty & Wellbeing delivered 16% revenue growth and 16% EBIT growth. Personal Care reported 8% revenue growth while EBIT dipped 9%. Food & Refreshment posted a 9% revenue growth and 16% EBIT growth.
- Amid high-cost inflation and gradual price hikes, GM dipped 400bp YoY to 48% (vs. an est. of 50% and 49.5% in 1QFY27). However, the pressure on EBITDA margin was limited, with a decline of 130bp YoY to 22.4%. (est. 23.3%), partially offset by low A&P and other cost efficiencies. Management reiterates its medium-term EBITDA margin guidance range of 22%-24%.
- Macro concerns (high inflation, interest rates, deficient monsoon, etc.) remain an overhang on the consumer sector, while management commentary was positive on current demand trends. Consumption trends, HUVR's own initiatives, and cost inflation will remain the key monitorables. HUVR has seen a de-rating (20% correction in the last six months), given the uncertainty around the growth outlook amid possible macro challenges. The stock is trading at 30x P/E based on two-year forward EPS. **We reiterate our BUY rating on the stock with a TP of INR2,150.**

Beat on revenue with 7% UVG; pressure on margins

- **Double-digit revenue growth; UVG accelerates to 7%:** Net sales grew 15% YoY to INR180.7b (est. INR174.9b), with underlying revenue growth of 11% after adjusting for the ice-cream demerger, as factored in the preview note. Revenue growth was the highest in 14 quarters. Underlying volume growth accelerated to 7% YoY (est. 7%; 5% in 1QFY27).
- **Home Care delivers double-digit volume growth, with revenue up 21%:** Segment revenue grew 21% YoY to INR68.8b, driven by double-digit UVG. Fabric Wash and Household Care delivered broad-based growth across brands and formats. Liquids sustained robust double-digit growth, while focused market development, calibrated pricing and premiumisation in powders supported penetration and volume resilience. EBIT grew 3% YoY, while the EBIT margin contracted 300bp to 16.2%.
- **Beauty & Wellbeing delivers double-digit volume growth, with revenue up 16%:** Segment revenue grew 16% YoY to INR43.2b, driven by double-digit UVG. Hair Care sustained double-digit, volume-led growth, while Skin Care and Color Cosmetics also posted double-digit growth. Premium Hair Care, innovations and Premium Skin Care continued to outperform, supported by growth in organised trade. EBIT grew 16% YoY, with the margin expanding 20bp to 28.6%.

- **Personal Care witnesses flat volume growth; margins contract:** Segment revenue grew 8% YoY to INR26.2b, while UVG remained flat. Skin Cleansing delivered double-digit growth, supported by focused market development in Pears and Dove Bars, alongside deeper bodywash penetration. Oral Care recorded low-single-digit growth, driven by premium innovations. EBIT declined 9% YoY, while the margin contracted 310bp to 17.2%.
- **Food & Refreshment delivers 9% growth on an LFL basis:** Segment revenue grew 9% YoY to INR38.5b on an LFL basis, excluding ice cream, with low-single-digit UVG. Lifestyle Nutrition sustained double-digit growth, while Packaged Foods delivered double-digit, broad-based growth. Coffee recorded high-single-digit growth, supported by volumes, while premium tea innovations continued to scale. EBIT grew 16% YoY, with the margin expanding 130bp to 17.2% on an LFL basis.
- **EBITDA growth at 8% YoY; margins contract:** Gross margin contracted 400bp YoY to 47.6% (est. 50.4%), reflecting continued commodity inflation. Employee expenses grew 18% YoY and other expenses increased 9%, while ad spends declined 9%. EBITDA margin contracted 130bp YoY to 22.4% (est. 23.3%). EBITDA grew 8% YoY to INR40.9b (est. INR41.2b; adjusted for the ice-cream demerger). PBT grew 10% YoY to INR38.1b (est. INR38.5b), while PAT (bei) increased 9% to INR27.9b (est. INR27.8b).

Key highlights from the management commentary

- HUVR continued to strengthen its distribution and channel capabilities, adding 30,000 outlets in general trade. In modern trade, investments in visibility assets nearly doubled over the last two quarters, while technology-led improvements continued to enhance service levels across e-commerce and quick commerce.
- Margins in Home Care are under pressure due to elevated crude-linked input costs and the time lag between cost inflation and pricing actions.
- B&W recovery on a sequential basis reflects a structural improvement rather than a temporary benefit, supported by stronger brand equity, better distribution, improved in-store visibility and product innovation.
- Health & Wellbeing recorded a subdued performance during the quarter.
- The company expects medium-term EBITDA margins to remain within the guided range of 22-24%, however, near-term margins may fluctuate due to commodity inflation and pricing lags.

Valuation and view

- We largely maintain our EPS estimates for FY27 and FY28.
- HUVR remains focused on topline growth, backed by volume acceleration alongside new launches across categories and channels. The company has unveiled its 'Unified India' strategy to streamline the organization structure and accelerate decision making and execution.
- Macro concerns (high inflation, interest rates, deficient monsoon, etc.) remain an overhang on the consumer sector, while management commentary was positive on current demand trends. Consumption trends, HUVR's own initiatives, and cost inflation will remain the key monitorables. HUVR has seen a de-rating (20% correction in the last six months), given the uncertainty around the growth outlook amid possible macro challenges.
- The stock is trading at 30x P/E on two-year forward EPS. **We reiterate our BUY rating on the stock with a TP of INR2,150 (premised on 37x on Sep'28E EPS).**

Quarterly performance (Consolidated) **(INR b)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Domestic volume growth (%)	**4.0**	**0.0**	**4.0**	**6.0**	**5.0**	**7.0**	**7.0**	**7.0**	**4.0**	**6.5**	**7.0**	
Net sales (INR b)	**163.2**	**160.6**	**162.4**	**162.1**	**171.8**	**180.7**	**187.5**	**186.8**	**637.6**	**727.2**	**174.9**	3.3%
YoY change (%)	*5.2*	*2.1*	*4.1*	*4.9*	*10.3*	*14.8*	*15.5*	*15.3*	*2.4*	*14.0*	*11.1*	
Other operating income	1.9	1.8	2.1	1.4	1.6	1.6	1.9	1.7	7.1	6.7	1.9	
Total revenue	**157.6**	**159.2**	**164.4**	**163.5**	**173.4**	**182.3**	**189.4**	**188.5**	**644.7**	**733.9**	**176.7**	3.1%
YoY change (%)	*5.1*	*2.0*	*5.7*	*7.6*	*10.1*	*14.5*	*15.2*	*15.3*	*5.1*	*13.8*	*11.0*	
COGS	78.3	77.1	79.9	81.3	87.5	95.6	97.5	97.0	317	378	87.6	
Gross Profit	**79.3**	**82.1**	**84.5**	**82.2**	**85.9**	**86.7**	**91.8**	**91.5**	**328.0**	**355.9**	**89.1**	-2.6%
Margin %	*50.3*	*51.5*	*51.4*	*50.3*	*49.5*	*47.6*	*48.5*	*48.5*	*50.9*	*48.5*	*50.4*	
Operating Exp	42.9	44.2	45.5	43.8	46.4	45.8	49.4	49.7	176	191	47.9	
% to sales	*27.2*	*27.8*	*27.7*	*26.8*	*26.8*	*25.1*	*26.1*	*26.3*	*27.4*	*26.1*	*27.1*	
EBITDA	**36.4**	**37.9**	**39.0**	**38.4**	**39.5**	**40.9**	**42.4**	**41.9**	**151.7**	**164.7**	**41.2**	-0.7%
YoY change (%)	*-0.7*	*-1.7*	*5.7*	*6.1*	*8.4*	*8.0*	*8.8*	*9.0*	*3.1*	*8.6*	*8.8*	
Margins (%)	*23.1*	*23.8*	*23.7*	*23.5*	*22.8*	*22.4*	*22.4*	*22.2*	*23.5*	*22.4*	*23.3*	
Depreciation	3.3	3.2	3.4	3.5	3.5	3.6	3.7	3.7	13.3	14.5	3.6	
Interest	1.2	1.3	0.9	0.8	0.8	0.7	1.1	1.8	4.1	4.3	1.1	
Other income	2.0	1.5	1.4	2.6	1.9	1.6	2.0	2.8	7.5	8.3	2.0	
PBT	**34.0**	**34.8**	**36.2**	**36.8**	**37.1**	**38.1**	**39.7**	**39.2**	**141.8**	**154.2**	**38.5**	-1.0%
Tax	5.3	9.1	8.0	9.2	9.5	10.2	9.9	9.2	31.6	38.8	9.6	
Rate (%)	*16.1*	*24.6*	*27.4*	*23.5*	*25.7*	*26.7*	*25.0*	*23.4*	*22.9*	*0.0*	*25.0*	
PAT bei	**25.3**	**25.6**	**26.2**	**27.1**	**27.3**	**28.0**	**29.8**	**30.1**	**103.6**	**115.2**	**28.8**	-3.1%
YoY change (%)	*-4.5*	*-4.0*	*0.3*	*5.2*	*8.1*	*9.0*	*13.5*	*10.9*	*-0.4*	*11.1*	*15.4*	
Extraordinary Inc/(Exp)	-2.3	-2.1	5.0	-2.9	0.6	0.1	0.0	0.0	-3	-	0.0	
Reported Profit	**27.6**	**27.8**	**21.2**	**30.0**	**26.7**	**27.9**	**29.8**	**30.1**	**106.3**	**115.2**	**28.8**	

E: MOFSL Estimates

Adani Ports & SEZ

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	ADSEZ IN
Equity Shares (m)	2304
M.Cap.(INRb)/(USDb)	4052.7 / 42.6
52-Week Range (INR)	1892 / 1292
1, 6, 12 Rel. Per (%)	1/13/37
12M Avg Val (INR M)	4667

Financial Snapshot (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	387	454	526
EBITDA	229	265	317
Adj. PAT	136	150	199
EBITDA Margin (%)	59.0	58.3	60.3
Adj. EPS (INR)	59	65	86
EPS Gr. (%)	17.9	9.8	32.7
BV/Sh. (INR)	417	472	545
Ratios			
Net D:E	0.5	0.4	0.3
RoE (%)	17.2	14.6	16.9
RoCE (%)	12.4	11.3	13.1
Payout (%)	11.8	10.8	8.1
Valuations			
P/E (x)	29.8	27.1	20.4
P/BV (x)	4.2	3.7	3.2
EV/EBITDA(x)	19.8	16.9	13.9
Div. Yield (%)	0.4	0.4	0.4
FCF Yield (%)	1.3	2.3	2.5

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	66.0	66.0	65.9
DII	13.2	13.6	15.0
FII	16.0	15.6	13.6
Others	4.8	4.8	5.5

FII includes depository receipts

CMP: INR1,759 TP: INR2,130 (+21%) Buy

Steady quarter; earnings guidance raised on improved outlook

- Adani Ports & SEZ (APSEZ) reported revenue growth of ~24% YoY to INR113b in 2QFY27 (in line). Cargo volumes grew 15% YoY to 142.3mmt.
- EBITDA margin came in at 60% in 2QFY27 vs our estimate of 58.5% (+50bp YoY, -40bp QoQ).
- EBITDA grew ~23% YoY to INR68b (6% above our estimate), while APAT increased ~6% YoY to INR36b (in line).
- Domestic Ports revenue/ EBITDA stood at INR71.7b (+13% YoY)/ INR52b (+11% YoY). International Ports revenue/ EBITDA stood at INR18.4b (+71% YoY)/ INR8.8b (+236% YoY). Logistics revenue/ EBITDA stood at INR12.7b (+21% YoY)/ INR2.4b (+8% YoY). APSEZ's all-India cargo market share stood at 27.3% in 2QFY27 (vs. 28.1% in 2QFY26). Its container segment market share stood at 44.4% (vs 45.9% in 2QFY26).
- During 1HFY27, APSEZ's revenue/EBITDA/APAT grew 21%/21%/8%.
- The company raised its FY27 revenue guidance by INR10b to INR440-460b and EBITDA guidance by INR10b to INR260-270b.
- APSEZ delivered a steady performance in 2QFY27, supported by strong growth in its international port operations such as Colombo and consolidation of NQXT from 4QFY26. Overall, the company remains well-positioned to outpace broader industry growth, supported by ongoing capacity additions and expansion into value-added segments such as logistics. We retain our FY27 and FY28 estimates and expect APSEZ to post 14% growth in cargo volumes over FY26-28. This would drive a CAGR of 17%/18%/21% in revenue/EBITDA/PAT over FY26-28E. **We reiterate our BUY rating with a TP of INR2,130 (premised on 17x FY28E EV/EBITDA).**

Performance led by a strong growth in the international port segment, rate revisions, and a positive currency impact

- APSEZ handled 142.3 MMT of cargo in 2QFY27, up 15% YoY, driven by growth in international volumes. Mundra Port contributed 37%/45% to total volume/domestic volume in 2QFY27 (vs. 35%/43% in 2QFY26), marking diversification across ports.
- Domestic cargo volume grew 4% YoY to 118MMT, while international cargo volume rose 147% YoY from 10MMT to 24MMT, driven by the consolidation of NQXT and strong performance at Colombo terminals.
- Revenue from international ports rose 71% YoY to INR18.4b, and EBITDA surged 236% YoY, fueled by the consolidation of NQXT and better operations at Colombo Port. EBITDA margin expanded to 47.7% in 2QFY27 from 24.2% in 2QFY26, driven by higher margins in NQXT and Colombo.

Healthy performance of the logistics segment and the marine businesses

- Logistics revenue grew 21% YoY to INR12.8b, while asset-light trucking and international freight network service revenue rose 28% YoY and 72% YoY, respectively (together representing 55% of 2QFY27 logistics revenue vs. 44% in 2QFY26). The company's RoCE dipped to 8% in 1HFY27 from 10% in FY26.
- Marine business revenue grew by 57% YoY to INR10b, while EBITDA grew 32% YoY to INR4.5b, driven by an increase in the vessel count from 118 (Jun'24) to 138 (Sept'26). The ramp-up reflects APSEZ's aggressive expansion and consolidation in marine services.
- As of Sep'26, APSEZ strengthened its integrated logistics network with a total rake count of 132. It operates 12 multi-modal logistics parks (MMLPs) and has expanded its warehousing capacity to 3.1m sqft. Agri silo capacity rose to 1.4MMT, with expansion already in place to take it to 4MMT.

Key highlights from the management commentary

- Mundra operated at an average utilization of 91–92% during Q1 and Q2, with some terminals running above 100%. Capacity constraints limited APSEZ's ability to capture incremental transshipment cargo during the West Asia disruption, prompting accelerated investment in new terminal capacity.
- Management expects domestic market-share gains in Q3 and Q4, although it cautioned that reported industry market-share data may be distorted by temporary cargo movements, including smaller feeder vessels and anchorage handling during the disruption.
- Vizhinjam, Gangavaram, and Hazira are performing well. Container volumes are increasing at Kattupalli and Vizhinjam, while Hazira's performance remains linked to liquid cargo demand.
- In dry bulk, Dhamra's iron ore exports were affected by structural factors and restrictions following a vessel-related incident. Coking coal benefited from stronger steel consumption and customer contracts, while coal demand is expected to increase with India's energy requirements.
- Performance and margins in the marine business were hit by the Strait of Hormuz disruption. Vessels were unable to sail through the affected route, resulting in standby time, fixed operating costs and higher war-insurance expenses.
- APSEZ maintained its target of handling ~1b MT of cargo by FY31.
- Management has revised its revenue and EBITDA guidance to INR440-460b and INR260-270b, respectively, for FY27.
- Management has also revised the capex guidance by INR30b. The company's revised FY27 capex guidance stands at INR150–170b to support ongoing expansion across Vizhinjam, Mundra, CWIT Colombo, Dhamra, Ennore, and Kattupalli ports.

Valuation and view

- With strong cash flows, a healthy cash balance of INR125b, and a net debt-to-EBITDA ratio of 1.8x, APSEZ is well-positioned for further expansion. Capacity enhancements at key ports, ongoing infrastructure projects, and global port acquisitions provide visibility for sustainable growth in FY27 and beyond.

- **We retain our FY27 and FY28 estimates and expect APSEZ to post 14% growth in cargo volumes over FY26-28. This would drive a CAGR of 17%/18%/ 21% in revenue/EBITDA/PAT over FY26-28E. We reiterate our BUY rating with a TP of INR2,130 (premised on 17x FY28E EV/EBITDA).**

Quarterly Snapshot – Consolidated (INR b)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	vs Est
Net Sales	**91**	**92**	**97**	**107**	**108**	**113**	**115**	**117**	**387**	**454**	**110**	**3**
YoY Change (%)	31.2	29.7	21.9	26.5	18.6	23.7	19.0	9.3	27.1	17.3	20.1	
EBITDA	**55**	**56**	**58**	**60**	**65**	**68**	**66**	**66**	**229**	**265**	**64**	**6**
Margins (%)	60.2	60.5	59.6	56.1	60.4	60.0	57.0	55.9	59.0	58.3	58.5	
Depreciation	13	13	14	16	17	17	17	18	55	70	17	
Interest	8	8	8	14	10	10	11	12	38	43	11	
Other Income	3	8	2	8	9	3	6	9	21	25	6	
PBT before EO expense	**38**	**43**	**38**	**38**	**47**	**43**	**43**	**44**	**156**	**177**	**42**	**3**
Extra-Ord expense	1	4	3	3	1	0	0	0	10	1	0	
PBT	**37**	**39**	**35**	**35**	**46**	**43**	**43**	**44**	**146**	**176**	**42**	
Tax	5	6	6	4	7	8	6	5	21	25	6	
Rate (%)	14.6	14.6	16.2	11.2	14.3	18.1	13.0	11.3	14.2	14.2	14.2	
MI and Associates	-2	2	-1	-2	3	-1	0	0	-3	3	0	
Reported PAT	**33**	**31**	**31**	**33**	**36**	**36**	**37**	**39**	**128**	**149**	**36**	
Adj PAT	**34**	**34**	**33**	**36**	**37**	**36**	**37**	**39**	**136**	**150**	**36**	**0**
YoY Change (%)	27.7	38.7	22.9	16.2	9.8	6.1	14.0	9.6	25.8	9.8	5.9	

Adani Enterprises

Estimate change	⟷
TP change	↓
Rating change	⟷

CMP: INR2,482 **TP: INR3,350 (+35%)** **Buy**

Bloomberg	ADE IN
Equity Shares (m)	1354
M.Cap.(INRb)/(USDb)	3359.9 / 35.3
52-Week Range (INR)	3245 / 1753
1, 6, 12 Rel. Per (%)	-12/8/12
12M Avg Val (INR M)	5077

Financial Snapshot (INR b)

Y/E MARCH	2027E	2028E	2029E
Sales	1473	1623	1825
EBITDA	221	255	299
Adj. PAT	60	85	108
EBITDA Margin (%)	15.0	15.7	16.4
Adj. EPS (INR)	44.6	62.6	79.9
EPS Gr. (%)	227.1	40.3	27.7
BV/Sh. (INR)	752	814	893
Ratios			
Net D:E	1.0	1.1	1.1
RoE (%)	6.1	7.4	8.7
RoCE (%)	6.5	6.0	6.4
Payout (%)	4.2	1.5	1.3
Valuations			
P/E (x)	55.6	39.6	31.0
P/BV (x)	3.3	3.0	2.8
EV/EBITDA(x)	19.7	18.0	15.7
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	-8.9	-5.5	-4.1

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	72.0	74.8	74.0
DII	10.6	9.3	6.8
FII	10.7	8.8	11.7
Others	6.7	7.1	7.5

FII includes depository receipts

Strong growth across key businesses; long-term outlook remains strong

- Adani Enterprises (AEL) reported revenue growth of ~75% YoY to INR372b in 2QFY27 (11% above our estimate), driven by a surge in revenue from copper business, airports and new energy.
- EBITDA grew ~67% YoY to INR55b (10% above our estimate), while APAT jumped 4x YoY to INR15b (45% above our estimate).
- EBITDA margin stood at 14.8% vs. our est. of 15% (-80bp YoY, -40bp QoQ).
- In 1HFY27, revenue/EBITDA/APAT grew by 62%/59%/128%.
- AEL delivered strong revenue and EBITDA growth in 2QFY27, primarily driven by the ramp-up of its copper business, supported by higher sales volumes and realization. Airport profitability was high on the back of strong non-aeronautical revenue growth. Growth was further supported by the mining services business, while the new energy segment remained relatively subdued on margins.

Key highlights from the management commentary

- Aero/Non-Aero revenue grew by 9%/57% YoY to INR12.4b/INR22.3b in 2Q. Non-Aero revenue benefited from a new hangar sale at NMIA in 2Q.
- AdaniConneX handed over 29.2MW of operational data center capacity to customers in 2Q, taking total operational capacity to 94.6MW. Management expects data center operational capacity to reach 120-150MW by FY27 end, followed by a significant ramp-up toward 500MW in the next 12-18 months.
- Kutch Copper achieved refined copper sales volume of 80.6 kt in 2Q, with overall plant capacity utilization increasing to 64%.
- Adani Solar commissioned the remaining 4.3GW module line capacity on 31st Aug'26, successfully completing its planned expansion to 10GW of operational module manufacturing capacity. Solar module sales volumes reached 1,478 MW (+35% YoY), with rooftop solar absorbing 56% of total volumes as domestic demand fully compensated for export allocations.
- Adani Wind achieved sales volume of 35 wind turbine generator sets in 2Q, registering a 25% YoY increase.
- Management attributed the strong performance of copper business partly to higher prices of by-products, particularly sulphuric acid, alongside better plant utilization. It expects long-term EBITDA margins to normalize.

Valuation and view

- 2Q earnings performance was better than expectation and the outlook remains positive. The ramp-up in businesses like airports and copper would drive profitable growth ahead for the compny.

- Overall, the portfolio is moving from capital deployment to value creation, with airports, new energy, and data centers entering the scale-up phase and mature businesses generating cash. As capex intensity moderates and incubated businesses move toward monetization, rising cash generation should support faster deleveraging and further capital recycling.
- We estimate a CAGR of ~22%/29%/83% in revenue/EBITDA/PAT over FY26-29, aided by growth, margin expansion, and increasing contribution from high-margin verticals. We believe its market leadership, superior scale, diversified growth portfolio, and proven incubator model position AEL as a leading global infrastructure platform. **We largely retain our estimates and maintain our BUY rating on AEL with a revised SoTP-based TP of INR3,350**

Valuation summary (in INR m)

Segment EBITDA	EBITDA Sept 28	EV/EBITDA multiple	EV
IRM & Mining	62,285	12	7,47,423
ANIL	60,807	16	9,72,905
Airport	87,957	30	26,73,899
Data Center (attributable)	26,250	30	7,99,313
Roads	26,001	11	2,86,006
Copper	34,988	10	3,49,875
		Enterprise Value	**58,29,421**
		Less: Net debt	13,58,917
		Equity Value	**44,70,504**
		No of shares (m)	1,354
		Target price	**3,350**
		Upside	35%

Source: MOFSL, Company

Quarterly performance INR b

Y/E March (INR b)	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	vs Est
Net Sales	**220**	**212**	**248**	**324**	**329**	**372**	**371**	**400**	**1,005**	**1,473**	**336**	**11**
YoY Change (%)	-13.8	-6.0	8.6	20.3	49.9	75.1	49.4	23.4	2.6	46.6	58.2	
EBITDA	**33**	**33**	**36**	**37**	**50**	**55**	**56**	**59**	**140**	**221**	**50**	**10**
Margins (%)	15.1	15.6	14.7	11.5	15.2	14.8	15.1	14.8	13.9	15.0	15.0	
YoY Change (%)	-12.2	-10.5	8.2	0.6	51.6	66.6	53.7	59.3	-1.8	57.8	52.0	
Depreciation	13	14	14	21	19	20	20	20	61	80	20	
Interest	15	18	18	19	24	24	24	24	60	96	23	
Other Income	10	6	8	10	6	9	11	11	25	37	7	
PBT before EO expense	**15**	**8**	**13**	**7**	**13**	**20**	**23**	**26**	**43**	**82**	**14**	
Extra-Ord expense	0	36	56	0	-26	0	0	0	92	-26	0	
PBT	**15**	**44**	**69**	**7**	**-13**	**20**	**23**	**26**	**135**	**56**	**14**	
Tax	6	10	14	9	2	9	6	6	38	24	3	
Rate (%)	39.0	22.8	20.3	117.1	-16.2	47.3	24.0	24.0	28.3	42.0	24.0	
PAT before MI & Associates	**9**	**34**	**55**	**-1**	**-16**	**11**	**18**	**20**	**97**	**33**	**11**	
P&L from Associates	**1**	**0**	**2**	**0**	**1**	**2**	**1**	**1**	**3**	**5**	**1**	
Minority Interest	**2**	**2**	**1**	**1**	**-3**	**-3**	**1**	**1**	**6**	**-3**	**1**	
Reported PAT	**7**	**32**	**56**	**-2**	**-12**	**15**	**17**	**20**	**93**	**41**	**10**	**45**
APAT	**7**	**3**	**10**	**-2**	**8**	**15**	**17**	**20**	**18**	**60**	**10**	**45**
YoY Change (%)	-49.6	-83.8	1,470.8	NA	NA	428.6	81.1	NA	31.3	-56.6	263.5	
Margins (%)	3.3	1.3	3.9	-0.7	2.5	4.0	4.7	4.9	9.3	2.8	3.1	

Hyundai Motor

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	HYUNDAI IN
Equity Shares (m)	813
M.Cap.(INRb)/(USDb)	1523.5 / 16
52-Week Range (INR)	2468 / 1658
1, 6, 12 Rel. Per (%)	-8/8/-6
12M Avg Val (INR M)	1953

Financials & valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	708	792	889
EBITDA	86	84	112
Adj. PAT	54	53	73
EPS (INR)	67	65	90
EPS Gr. (%)	(4)	(2)	38
BV/Sh. (INR)	246	289	352
Ratios			
RoE (%)	29.9	24.4	28.1
RoCE (%)	26.5	20.7	24.3
RoIC (%)	31.4	21.3	21.8
Valuations			
P/E (x)	27.9	28.6	20.7
P/BV (x)	7.6	6.5	5.3
EV/EBITDA (x)	16.6	17.2	13.0
Div. Yield (%)	1.1	1.2	1.4

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	82.5	82.5	82.5
DII	11.9	11.7	7.7
FII	3.2	3.3	7.4
Others	2.4	2.5	2.4

FII includes depository receipts

CMP: INR1,875 TP: INR2,300 (+23%) Buy

New launches to help drive outperformance in 2H

- Hyundai Motor India (HMIL)'s 2QFY27 PAT at ~INR12b came in line despite commodity inflation adversely impacting margins. The result was aided by higher volumes, favorable currency, price hikes, and cost-saving measures.
- Considering the strong bookings for Bayon, another product launch in 4Q, the ramp up of the third shift operations beginning at the Pune plant, other product launches in FY28, and a strong export order book, we expect HMIL to post ~9% volume CAGR over FY26-28. This growth is likely to be boosted by a 12% volume CAGR in exports.
- Overall, HMIL is projected to deliver a ~16% earnings CAGR over FY26-28. We believe the company remains well-positioned to benefit from the premiumization trend in India, given its mix is skewed toward SUVs. The stock at 28.6x / 20.7x FY27E / FY28E EPS appears attractively valued.

Reiterate BUY with a TP of INR2,300, valued at 26x FY28E EPS.

In-line performance

- HMIL's 2QFY27 revenue grew 18.5% YoY to INR206b (in line). Revenue growth was supported by volume growth of 15% YoY to 219k units and ASP growth of 3.3% YoY to INR944.8k.
- Gross margins declined 270bp YoY / 120bp QoQ to 26.2%.
- EBITDA margin came in at 9.5% (vs. our est. of 9.7%) and was largely flat QoQ. Commodity headwinds weighed on margins; however, operating leverage, healthy mix, and cost reduction initiatives helped maintain margins sequentially.
- EBITDA came in at INR19.7b (in-line), declining ~19% YoY.
- Depreciation was lower than expected at INR5.5b.
- The company reported a PAT of INR11.9b, down 24% YoY (in-line).
- CFO stood at INR13.9b for 1HFY27 vs. INR23b in 1HFY26, while FCF was negative at INR10b vs. negative INR3b in 1HFY26.

Key highlights from the management commentary

- HMIL is targeting 8-10% domestic sales growth in 2HFY27 and FY27, supported by strong festive demand, resilient rural consumption, rising SUV traction, and new product launches.
- Exports are expected to record high double-digit growth in H2FY27, driven by new model introductions, market diversification, and alternative shipping routes, although geopolitical disruptions remain a key risk.
- The launch of Bayon marks the beginning of Hyundai's product cycle, with combined annual domestic volumes of 250k units targeted for the Bayon and Creta. Bayon CNG, planned for Jan'27, could provide an additional growth driver.

- Third-shift operations at Pune and Venue production are expected to improve capacity utilization and fixed-cost absorption, while Bayon and the upcoming EV are expected to raise Chennai plant utilization to over 90%.
- According to management, commodity costs are unlikely to inch up further, and benefits from operating leverage, a higher export mix, higher realizations, and incentive income in 2H will support margin expansion. Management aims to meet its stated margin guidance of 11-14% for FY27 as well, despite a weak 1H.

Valuation and view

Considering the strong bookings for Bayon, another product launch in 4Q, the ramp up of the third shift operations beginning at the Pune plant, other product launches in FY28, and a strong export order book, we expect HMIL to post ~9% volume CAGR over FY26-28. This growth is likely to be boosted by a 12% volume CAGR in exports. Overall, HMIL is projected to deliver a ~16% earnings CAGR over FY26-28. We believe the company remains well-positioned to benefit from the premiumization trend in India, given its mix is skewed toward SUVs. The stock at 28.6x/20.7x FY27E /FY28E EPS appears attractively valued. **Reiterate BUY with a TP of INR2,300, valued at 26x FY28E EPS.**

Consolidated Quarterly Performance **(INRm)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Volumes ('000 units)	180.4	190.9	195.4	208.3	178.1	219.1	222.8	222.7	775.0	842.6	219.1	
Change (%)	-6.1	-0.5	4.8	8.7	-1.3	14.7	14.0	6.9	1.7	8.7	14.7	
Realizations (INR/car)	9,09,810	9,14,557	9,19,661	9,08,230	9,17,253	9,44,715	9,45,412	9,49,627	9,13,039	9,40,393	9,23,703	
Change (%)	0.7	1.7	3.0	-3.0	0.8	3.3	2.8	4.6	0.6	3.0	1	
Net operating revenues	**1,64,129**	**1,74,608**	**1,79,735**	**1,89,162**	**1,63,346**	**2,06,961**	**2,10,635**	**2,11,469**	**7,07,633**	**7,92,411**	**2,02,357**	2.3
Change (%)	-5.4	1.2	8.0	5.4	-0.5	18.5	17.2	11.8	2.3	12.0	15.9	
RM Cost (% of sales)	70.7	70.1	71.4	72.9	72.6	73.8	71.8	70.7	71.4	72.2	74.0	
Staff Cost (% of sales)	3.8	3.5	3.9	4.3	4.6	3.6	3.7	4.1	3.9	4.0	3.8	
Other Cost (% of sales)	12.2	12.4	13.5	12.4	13.6	13.1	13.3	13.0	12.6	13.2	12.5	
EBITDA	**21,852**	**24,289**	**20,183**	**19,660**	**15,118**	**19,745**	**23,694**	**25,835**	**85,985**	**84,392**	**19,530**	1.1
EBITDA Margins (%)	13.3	13.9	11.2	10.4	9.3	9.5	11.2	12.2	12.2	10.7	9.7	
Change (%)	-6.6	10.1	7.6	-22.4	-30.8	-18.7	17.4	31.4	-4.0	-1.9	-19.6	
Depreciation	5,281	5,175	5,688	5,836	5,571	5,554	6,200	6,835	21,980	24,160	5,820	-4.6
EBIT	**16,571**	**19,114**	**14,496**	**13,824**	**9,547**	**14,191**	**17,494**	**19,000**	**64,005**	**60,232**	**13,710**	3.5
EBIT Margins (%)	10.1	10.9	8.1	7.3	5.8	6.9	8.3	9.0	9.0	7.6	6.8	
Interest	247	167	272	379	273	252	255	267	1,065	1,048	250	
Non-Operating Income	2,148	2,312	2,437	2,594	2,744	2,240	2,900	3,680	9,490	11,564	2,800	-20.0
PBT	**18,472**	**21,260**	**16,660**	**16,039**	**12,017**	**16,178**	**20,139**	**22,413**	**72,431**	**70,748**	**16,260**	-0.5
Effective Tax Rate (%)	25.9	26.0	25.9	21.7	26.0	26.1	25.0	23.7	25.0	25.0	25.0	
PAT	**13,692**	**15,723**	**12,344**	**12,556**	**8,887**	**11,962**	**15,104**	**17,108**	**54,315**	**53,061**	**12,195**	
Adjusted PAT	**13,692**	**15,723**	**12,344**	**12,556**	**8,887**	**11,962**	**15,104**	**17,108**	**54,315**	**53,061**	**12,195**	-1.9
Change (%)	-8.1	14.3	6.3	-22.2	-35.1	-23.9	22.4	36.3	-3.7	-2.3	-22.4	

Vedanta Aluminum

Estimate change	⇄
TP change	↓
Rating change	⇄

CMP: INR360 TP: INR480 (+34%) Buy

In-line 2Q, aided by favorable LME and better volumes

Healthy near-term outlook | Consolidated result highlights

- Vedanta Aluminum (VAML) reported revenue of INR223b (+40% YoY and +4% QoQ), supported by higher volumes and improved marketing mix.
- Aluminum production stood at 649kt, up 5% YoY and 3% QoQ. Alumina production from the Lanjigarh refinery scaled a new quarterly high to 895kt (+37% YoY and +8% QoQ) in 2QFY27.
- Blended NSR for the quarter stood at USD3,600/t (+22% YoY and -2% QoQ), with an 11% premium over LME prices of USD3,220/t.
- EBITDA grew 82% YoY (flat QoQ) to INR101b, fueled by higher volumes and favorable forex movement, offset by a sequential dip in LME. This translated into an EBITDA/t of USD1,631/t, up 59% YoY (-8% QoQ) in 2Q.
- Blended aluminum cost of production (CoP) stood at USD1,722/t (down 6% YoY) vs USD1,698/t in 1QFY27. Alumina CoP stood at USD378/t, largely flat YoY and QoQ during the quarter.
- APAT for the quarter stood at INR56.5b, up by 138% YoY and flat QoQ, reflecting strong operating performance.
- The company strengthened its balance sheet through deleveraging, with Net Debt/EBITDA for the quarter improving to 0.7x from 0.9x in 1QFY27.

Highlights from the management commentary

- Management maintained its full-year hot metal cost guidance, with 1HFY27 cost at USD1,710-1,720/t. The CoP is expected to increase ~4% QoQ in 3QFY27 due to planned power plant shutdowns and carbon cost inflation, before moderating in 4QFY27. Overall 2HFY27 costs are expected to remain broadly in line with or slightly below the 1HFY27 levels.
- Management expects hot metal CoP to decline to ~USD1,550/t after completion of the key integration initiatives, implying a reduction of USD150-175/t from 1HFY27 levels.
- Around USD100-125/t of savings is expected by the FY27 exit, with the balance likely over the subsequent 1-2 quarters.
- Management reiterated its ambition to achieve a VAP mix of over 90%, supported by higher foundry alloy and billet production and greater domestic sales penetration.
- The company has hedged 22% of its remaining FY27 aluminum volumes at an average LME price of USD3,274/t. Management follows a tactical and opportunistic hedging strategy to protect margins and cash flows.
- Management expects NEP to be ~USD50/t lower in 2HFY27 vs 2QFY27 levels, primarily reflecting a ~USD70/t reduction in quarterly market-linked premiums, partly offset by an improved VAP mix and higher domestic sales contribution.

Bloomberg	VAML IN
Equity Shares (m)	3910
M.Cap.(INRb)/(USDb)	1403.8 / 14.7
52-Week Range (INR)	538 / 334
1, 6, 12 Rel. Per (%)	-14/-/-
12M Avg Val (INR M)	4975
Free float (%)	43.6

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	668.9	860.2	864.5
EBITDA	251.4	388.9	371.6
APAT	122.4	212.2	200.7
EBITDA (%)	37.6	45.2	43.0
Adj. EPS (INR)	31.3	54.3	51.3
BV/Sh. (INR)	33.4	54.4	90.7
Ratios			
Net D:E	2.8	1.4	0.4
RoE (%)	119.2	123.8	70.8
RoCE (%)	34.6	52.7	47.5
Payout (%)	-	27.6	29.2
Valuations			
P/E (x)	11.5	6.6	7.0
P/BV	10.8	6.6	4.0
EV/EBITDA (x)	7.0	4.4	4.2
Div. Yield (%)	-	4.2	4.2

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	56.4	56.4	56.4
DII	15.4	14.0	16.5
FII	11.2	12.7	11.3
Others	17.0	16.9	15.9

FII includes depository receipts

Valuation and view

- VAML reported a strong earnings during the quarter, supported by healthy volume. In our view, the company's long-term growth story remains intact, with ongoing backward integration, rising contribution from VAP, and incremental expansion to capture the robust domestic demand outlook.
- VAML is entering a strong earnings inflection point (EBITDA is projected to clock ~22% CAGR over FY26-28) and multi-year earnings growth runway, which are largely driven by three simultaneous levers – volume scale, integration-led structural cost reductions, and a rise in value-added mix.
- **The stock currently trades at 4.2x EV/EBITDA on FY28 estimate. We reiterate our BUY rating with an SoTP-based TP of INR480/share on FY28E.**

Quarterly performance – VAML (INR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Vs. Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Alumina Production (kt)	**587**	**653**	**794**	**882**	**826**	**895**	**925**	**954**	**2,916**	**3,600**	**895**	**-**
Aluminium Shipments (kt)	**604**	**617**	**620**	**613**	**632**	**649**	**660**	**664**	**2,454**	**2,605**	**649**	**-**
Blended ASP (INR/t)	**2,902**	**2,940**	**3,103**	**3,397**	**3,683**	**3,600**	**3,445**	**3,351**	**3,088**	**3,476**	**3,406**	**5.7**
Net Sales	**146.5**	**159.4**	**171.7**	**191.2**	**213.9**	**223.2**	**216.0**	**212.5**	**668.9**	**860.2**	**211.2**	**5.7**
YoY (%)	6.9	14.5	10.8	18.4	46.0	40.0	25.8	11.1	12.8	28.6		
QoQ (%)	(9.3)	8.8	7.7	11.4	11.9	4.4	(3.2)	(1.6)	-	-		
EBITDA	**43.9**	**55.4**	**68.8**	**83.5**	**103.0**	**101.1**	**95.7**	**94.9**	**251.4**	**388.9**	**91.3**	**10.8**
YoY (%)	(1.2)	33.3	51.6	79.3	134.8	82.4	39.1	13.6	44.3	54.7		
QoQ (%)	(5.8)	26.4	24.1	21.4	23.3	(1.8)	(5.4)	(0.9)	-	-		
EBITDA (USD/t)	869	1,022	1,244	1,483	1,773	1,631	1,526	1,496	1,162	1,580	1,540	5.9
Margin (%)	30.1	35.4	40.8	44.5	48.8	45.8	44.9	45.2	37.6	45.2		
Other Income	2.1	1.4	3.3	3.1	3.1	3.5	2.8	1.7	10.0	11.0		
Depreciation	7.0	7.0	7.4	7.5	7.8	8.0	7.7	7.2	28.1	30.6		
EBIT	**38.9**	**49.8**	**64.8**	**79.1**	**98.3**	**96.6**	**90.8**	**89.4**	**233.4**	**369.3**		
Finance Cost	10.00	9.49	10.34	9.22	10.01	9.11	8.73	7.08	39.05	34.94		
Exceptional Items	-	-	0.44	3.49	-	4.85	-	-	3.93	-		
PBT	**28.9**	**40.3**	**54.0**	**66.4**	**88.3**	**82.6**	**82.1**	**82.3**	**190.4**	**334.4**	**77.6**	**6.4**
Tax	7.3	10.2	13.8	16.8	22.4	20.8	21.3	22.5	48.3	86.9		
Tax Rate (%)	25.3	25.3	25.5	25.3	25.3	25.1	26.0	27.4	25.4	26.0		
PAT before MI, Asso & EO Items	**21.6**	**30.1**	**40.2**	**49.6**	**66.0**	**61.9**	**60.7**	**59.8**	**142.1**	**247.4**		
Minority Interest	3.81	6.39	5.63	7.51	9.7	10.2	8.8	6.5	23.6	35.2		
Share of profit/(loss) of Asso and JVs	-	-	-	-	-	-	-	-	-	-		
Reported PAT	**17.8**	**23.7**	**34.6**	**42.1**	**56.3**	**51.7**	**51.9**	**53.3**	**118.4**	**212.2**	**48.6**	**6.2**
Adj. PAT	**17.8**	**23.7**	**34.6**	**45.6**	**56.3**	**56.5**	**51.9**	**53.3**	**122.4**	**212.2**		
Change (%)	NA	NA	NA	NA	216.1	138.2	48.3	16.9	74.7	73.4		
Change (%)	NA	33.2	47.6	30.1	23.6	0.4	(8.1)	2.6	-	-		

Sources: MOFSL, Company

Cholamandalam Inv. & Finance

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	CIFC IN
Equity Shares (m)	853
M.Cap.(INRb)/(USDb)	1320.6 / 13.9
52-Week Range (INR)	1953 / 1299
1, 6, 12 Rel. Per (%)	-5/6/2
12M Avg Val (INR M)	3033

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Total Income	170.7	210.9	257.3
PPP	105.0	130.7	160.4
PAT	52.2	70.2	85.1
EPS (INR)	61.2	81.9	99.4
EPS Gr. (%)	21	34	21
BV (INR)	357	442	539
Ratios			
NIM (%)	7.0	7.1	7.1
C/I ratio (%)	38.5	38.0	37.7
RoAA (%)	2.3	2.6	2.6
RoE (%)	19.3	20.6	20.3
Payout (%)	3.3	2.7	2.4
Valuations			
P/E (x)	25.2	18.9	15.6
P/BV (x)	4.3	3.5	2.9
Div. Yield (%)	0.1	0.1	0.2

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	48.9	49.2	49.9
DII	20.4	20.6	17.3
FII	24.9	24.5	26.9
Others	5.8	5.7	6.0

FII includes depository receipts

CMP: INR1,545 **TP: INR2,000 (+29%)** **Buy**

Strong growth momentum; credit costs dip sequentially

Poised for 25% AUM growth in FY27; NIM contraction offset by lower credit costs

- Cholamandalam Inv. & Finance's (CIFC) 2QFY27 PAT grew ~41% YoY to INR16.3b (in line). NII in 2QFY27 grew ~24% YoY to ~INR41.7b (inline). Other income grew ~24% YoY to ~INR8.6b (PQ: INR8.9b); the sequential decline was primarily driven by lower assignment income.
- Opex rose ~22% YoY to ~INR19.8b (in line) and the cost-to-income ratio declined ~50bp YoY to ~39.2% (PY: 39.7% and PQ: 36.3%).
- PPoP grew ~25% YoY to INR30.6b (in line). Credit costs in 2QFY27 stood at ~INR8.7b (~10% lower than MOFSLe). This translated into annualized credit costs of 145bp (PY: 183bp and PQ: 160bp).
- CIFC delivered strong disbursement growth, driven by broad-based momentum across vehicle finance, mortgages and consumer finance. Management reiterated its steady-state AUM growth guidance of 20-23%, with healthy momentum in Oct'26 and no material slowdown anticipated. We model AUM growth of ~25% in FY27E.
- Management remains confident about asset quality going forward despite drought concerns in parts of Maharashtra, Karnataka and Madhya Pradesh, supported by relatively low exposure to historically drought-prone regions and lower tractor financing penetration over the past 4-5 years. We estimate credit costs (as a % of avg. assets) at ~1.3%/1.4% in FY27/FY28E.
- **CIFC has obtained an enabling resolution for an equity capital raise of up to INR50b. The company expects to raise capital over the next 6-9 months, depending on market conditions. We will incorporate the equity raise in our estimates closer to the event.**
- CIFC is well-positioned to sustain its growth trajectory, driven by a strong franchise, diversified product portfolio, and expanding customer reach. The company's focus on scaling newer growth engines, while deepening its presence across core segments, provides multiple avenues for expansion.
- We raise our FY27/FY28 estimates by 1%/3% to factor in lower credit costs and higher AUM growth. The stock currently trades at ~2.9x FY28 P/BV. We model a CAGR of ~25%/~24%/~28% in disbursement/AUM/PAT over FY26-28E. We estimate an RoA/RoE of ~2.6%/20% in FY28E. **We reiterate our BUY rating with a TP of INR2,000 (premised on 3.4x Sep'28E BVPS).**

AUM up ~25% YoY; new business lines contribute ~26% to the disbursement mix

- Business AUM grew 25% YoY and ~6.2% QoQ to INR2.48t. Total disbursements grew ~47% YoY and ~21% QoQ to ~INR359b. Newer lines of business contributed ~26% to the disbursement mix (PQ: ~22% and PY: ~19%). VF disbursements grew ~31% YoY.
- Management shared that Oct'26 vehicle finance disbursements grew 18-20% YoY, with 3Q growth expected at around 20-22%, supported by an extended festive season across Oct and Nov'26.

Asset quality broadly stable; 30+ dpd declines ~8bp QoQ

- GS3 declined ~5bp QoQ to 3.25% while NS3 was stable QoQ at 1.8%. PCR on S3 declined ~40bp QoQ to ~45.3%. ECL/EAD declined ~5bp QoQ to ~2% (PQ: ~2.04%).
- Stage 2 + Stage 3 [30+ dpd] declined ~8bp QoQ to ~5.93%. Write-offs stood at ~INR6.6b translating into ~1.35% of TTM AUM (PY: ~1.55% and PQ: ~1.25%). Net slippages declined to ~INR10.5b, amounting to 1.9% (PY: 2.65% and PQ: 2.6%).
- Tractor finance accounted for ~3% of the overall book, with exposure to drought-prone markets kept relatively low. The vehicle finance portfolio has remained diversified across products and geographies, limiting concentration risks.

NIM contracts ~12bp QoQ; cost of funds to inch up in 2HFY27E

- Yields (calc.) rose ~10bp QoQ to 14.6% while CoF rose ~25bp QoQ to 7.7% leading to spreads declining by ~15bp QoQ to ~6.9%.
- NIM (Calc.) declined ~12bp QoQ to ~6.93%. The company expects full-year CoF to increase by 10-15bp, assuming an additional 25bp repo rate hike, taking the cumulative increase to 50bp. The impact of higher rates could drive a 15-20bp increase in CoF during 2H.
- Management expects to partially offset higher funding costs through improved lending yields, although margin compression of at least 10bp remains likely. The company has not implemented any PLR hikes so far but plans to revise lending rates across products in 3QFY27. We model NIMs of 7.05% each for FY27E/ FY28E.

Key highlights from the management commentary

- CIFC opened 120 gold loan branches last year and plans to add around 360 branches in FY27, taking the network to 480 branches by year-end. Expansion will remain calibrated to branch productivity and operational readiness.
- Tractors and small-ticket used vehicles remain most vulnerable to drought-related stress due to their dependence on rural cash flows. While Kharif sowing remains unaffected, the impact will become clearer by December and could emerge in FY28 if the next monsoon is also deficient.

Valuation and View

- CIFC delivered a strong operating performance, supported by strong disbursement momentum and AUM growth. Asset quality remained broadly stable, with a marginal improvement in Stage 3 assets and lower slippages driving a sequential decline in credit costs. While higher CoF is likely to exert pressure on margins, management expects this to be offset by lower credit costs and operating efficiencies.
- The stock currently trades at ~2.9x FY28 P/B. We model a CAGR of 25%/24%/ 28% in disbursement/AUM/PAT over FY26-28E. We estimate an RoA/RoE of ~2.6%/20% in FY28E. **We reiterate our BUY rating with a TP of INR2,000 (premised on 3.4x Sep'28E BVPS).**

Quarterly Performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	2QFY27E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	66,501	68,942	72,238	76,046	80,399	85,035	90,477	96,599	2,83,726	3,52,510	83,776	2
Interest Expenses	34,663	35,155	36,430	37,494	40,031	43,295	46,325	49,672	1,43,742	1,79,323	41,873	3
Net Interest Income	**31,838**	**33,787**	**35,808**	**38,551**	**40,368**	**41,741**	**44,152**	**46,927**	**1,39,984**	**1,73,188**	**41,903**	0
YoY Growth (%)	*23.7*	*24.55*	*24.0*	*26.2*	*26.8*	*23.5*	*23.3*	*21.7*	*24.6*	*23.7*	*24.0*	
Other Income	6,807	6,959	7,616	9,340	8,930	8,634	9,316	10,812	30,722	37,692	8,477	2
Total Income	**38,645**	**40,746**	**43,423**	**47,892**	**49,298**	**50,374**	**53,468**	**57,739**	**1,70,706**	**2,10,880**	**50,380**	0
YoY Growth (%)	*27.4*	*25.9*	*22.6*	*27.4*	*27.6*	*23.6*	*23.1*	*20.6*	*25.8*	*23.5*	*23.6*	
Operating Expenses	14,528	16,169	16,991	18,054	17,875	19,750	20,560	22,000	65,742	80,184	19,402	2
Operating Profit	**24,117**	**24,578**	**26,432**	**29,838**	**31,423**	**30,625**	**32,909**	**35,739**	**1,04,965**	**1,30,696**	**30,978**	-1
YoY Growth (%)	*30.4*	*27.9*	*24.2*	*28.0*	*30.3*	*24.6*	*24.5*	*19.8*	*27.5*	*24.5*	*26.0*	
Provisions & Loan Losses	8,821	8,970	9,103	8,464	9,219	8,742	9,100	9,621	35,358	36,681	9,700	-10
Profit before Tax	**15,296**	**15,608**	**17,329**	**21,374**	**22,205**	**21,883**	**23,809**	**26,118**	**69,607**	**94,015**	**21,278**	3
Tax Provisions	3,937	4,054	4,452	4,967	5,669	5,582	6,000	6,535	17,411	23,786	5,426	3
Net Profit	**11,359**	**11,553**	**12,877**	**16,407**	**16,536**	**16,301**	**17,809**	**19,584**	**52,196**	**70,229**	**15,852**	3
YoY Growth (%)	*20.6*	*20.0*	*18.5*	*29.5*	*45.6*	*41.1*	*38.3*	*19.4*	*22.6*	*34.5*	*37.2*	
Key Parameters (Calc., %)												
Yield on loans	14.40	14.45	14.49	14.40	14.51	14.61	14.6	14.6	14.2	14.4		
Cost of funds	7.78	7.63	7.56	7.34	7.43	7.67	7.8	8.0	7.5	7.7		
Spread	6.6	6.8	6.9	7.1	7.1	6.9	6.8	6.7	6.8	6.7		
NIM	6.76	6.91	6.99	7.09	7.05	6.93	6.89	6.88	7.0	7.1		
C/I ratio	37.6	39.7	39.1	37.7	36.3	39.2	38.5	38.1	38.5	38.0		
Credit cost	1.87	1.83	1.78	1.56	1.61	1.45	1.42	1.41	1.7	1.5		
Tax rate	25.7	26.0	25.7	23.2	25.5	25.5	25.2	25.0	25.0	25.3		
Balance Sheet Parameters												
Disbursements (INR b)	**243**	**244**	**300**	**329**	**296**	**359**	**391**	**412**	**1,116**	**1,458**		
Growth (%)	0.0	0.5	16.1	24.6	21.7	46.8	30.5	25.3	10.7	30.6		
AUM (INR b)	**1,921**	**1,992**	**2,107**	**2,243**	**2,336**	**2,480**	**2,643**	**2,811**	**2,243**	**2,811**		
Growth (%)	23.6	21.0	20.7	21.4	21.6	24.5	25.4	25.3	21.4	25.3		
AUM mix (%)												
Vehicle finance	54.5	54.0	53.6	53.3	53.1	52.3	52.3	51.0	53.3	51.0		
Home Equity	22.9	23.2	23.3	23.3	23.2	23.2	23.4	23.5	23.3	23.5		
Home loans & Others	22.6	22.7	23.1	23.4	23.7	24.5	24.3	25.6	13.3	15.4		
Borrowings (INR b)	**1,813**	**1,875**	**1,978**	**2,109**	**2,202**	**2,315**	**2,432**	**2,561**	**2,109**	**2,561**		
Growth (%)	20.9	18.8	18.4	20.5	21.5	23.5	22.9	21.5	20.5	21.5		
Asset Quality Parameters												
GS 3 (INR B)	60.4	66.3	70.1	67.7	75.7	79.6			67.7	83.0		
GS 3 (%)	3.2	3.35	3.4	3.1	3.3	3.25			3.0	3.0		
NS 3 (INR B)	34.0	37.6	40.0	35.7	41.1	43.5			35.7	46.9		
NS 3 (%)	1.8	1.94	2.0	1.6	1.8	1.81			1.9	1.7		
PCR (%)	43.7	43.2	43.0	47.3	45.7	45.3			47.3	43.5		
Vehicle finance AUM mix (%)												
LCV	19.2	19.3	18.7	18.5	18.5	18.5			19.8	19.2		
Cars & MUV	24.5	24.8	25.3	25.5	26.1	26.2			23.1	23.7		
3W & SCV	3.5	3.5	3.5	3.4	3.4	3.4			3.6	3.6		
Used CV	27.6	27.6	27.2	27.0	26.4	26.3			27.6	27.6		
Tractor	5.3	5.1	5.0	4.7	4.5	4.3			6.2	6.0		
HCV	6.7	6.7	6.9	7.3	7.3	7.4			6.6	6.6		
CE	6.3	6.1	6.2	6.3	6.2	6.1			6.3	6.4		
Two wheeler	6.8	6.9	7.3	7.4	7.6	7.8			6.7	6.8		

E: MOFSL estimates

Meesho

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	MEESHO IN
Equity Shares (m)	4629
M.Cap.(INRb)/(USDb)	1048.4 / 11
52-Week Range (INR)	255 / 126
1, 6, 12 Rel. Per (%)	5/32/-
12M Avg Val (INR M)	5274

Financials & Valuations (INR b)

(INR bn)	FY27E	FY28E	FY29E
NMV–marketplace	538.6	689.4	879.4
Sales	173.5	225.1	289.8
EBITDA (adj)	(4.1)	4.5	17.6
EBITDA (reported)	(7.8)	0.2	12.8
Adj. PAT	(4.0)	4.5	17.9
CM (%)	5.5	6.2	6.7
EBITDAM (adj) %	(0.8)	0.6	2.0
EBITDAM (reported) %	(4.5)	0.1	4.4
EPS	(0.9)	1.0	3.9
RoE (%)	(9.4)	9.9	30.5
RoCE (%)	(9.0)	10.0	30.4
P/E	NA	NM	58.0
EV/EBITDA	NA	NM	75.0
EV/NMV	1.9	1.4	1.1

Shareholding pattern (%)

As On	Sep-26	Jun-26
Promoter	16.3	16.4
DII	13.7	9.1
FII	9.8	5.2
Others	60.2	69.3

FII Includes depository receipts

CMP: INR227 TP: INR265 (+16%) Buy

Festive shift weighs on NMV growth; CM expands sharply (though will be reinvested for growth)

- Meesho's marketplace NMV grew 23% YoY in 2QFY27, adversely impacted by the shift in festive sales to 3QFY27 (vs. 2QFY26). Adjusted for the festive shift, NMV growth was ~33% (vs 34% in 1Q).
- Demand during festive sales has been ahead of expectation, though high crude prices are leading to supply chain disruptions for sellers.
- Contribution margin (CM) expanded 143bp QoQ to ~6% (vs. our estimate of 5.3%), led by logistics spread recovery. Adj. EBITDA loss narrowed to -1%, (vs. -1.2% QoQ and our est. of 1.3%), as improved CM was offset by higher customer acquisition spending and server costs.
- Management indicated that logistics effeciencies will be reinvested to improve affordability and drive growth in the near term. However, ad monetization and operating leverage from scale should drive the company toward profitability from FY28.
- FCF stood at INR3.5b for 2Q, supported by seasonal working capital, with cash balance at INR70.5b. LTM FCF outflow of INR5.7b is expected to turn positive within a few quarters.
- We raise our CM assumptions by ~10-25bp over FY27-29E, driven by faster-than-expected recovery in logistics spreads, resulting in ~2%/23% upgrades to FY28/29E marketplace adj. EBITDA.
- We model a ~25% NMV CAGR over FY26-31, driven by ATU additions and rising platform adoption. Higher ad monetization and normalizing logistics spread should help drive CM to ~7.8% by FY31 (vs. 6% in 2Q) and operating leverage should enable break-even in FY28, with adj. EBITDA margin expanding to ~4% (vs. -1% in 2Q).
- We reiterate **BUY with a revised TP of INR265**, premised on 30x FY31E adj. marketplace EBITDA, discounted to Dec'28E

Recovery in logistics spread drives sharp improvement in CM

- Meesho's marketplace **NMV grew an in line at ~23% YoY** in 2QFY27 (vs. ~34% YoY in 1QFY27), reaching INR129b (up ~12% QoQ), driven by ~17% YoY growth in placed orders to 819m (up ~13% QoQ).
- The NMV growth was adversely impacted by the shift of Meesho's Mega Blockbuster Sale (MBS) to 3QFY27 (vs. 2QFY26). **Adjusted for the shift, NMV growth would be ~33%.**
- NMV growth continues to outpace placed orders growth, as 2QFY26 was hit by higher cancellations due to temporary inefficiencies arising from 3P logistics on account of consolidation. Delivered orders grew ~25% YoY (vs. 17% YoY growth in placed orders) to 546m.
- Annual transacting user (ATU) base **grew 21% YoY** (+4% QoQ) to 284m, while LTM purchasing frequency **improved ~7% YoY** (+0.6% QoQ) to ~10.4. Annual transacting sellers **grew 60% YoY** to 1.13m.
- Marketplace revenue grew 34% YoY (+11% QoQ) to INR41b, with take-rate stable QoQ at 31.9% (+270bp YoY though not like-for-like).

- Contribution profit **surged 2.2x** YoY to INR7.7b (+46% QoQ, 14% above), with CM **expanding ~143bp QoQ to ~6% of NMV** (+270bp YoY, vs. our est. of 5.3%), driven largely by recovery in logistics spread.
- Management noted that a part of the CM would be reinvested to drive growth, which would lead to **some moderation in CM in the near term**.
- Directly attributable costs as % of NMV declined ~95bp QoQ (up ~125bp YoY), largely driven by **~105bp QoQ decline in logistics cost as % of NMV** (+155bp YoY, though not comparable due to change in accounting for last mile charges).
- Compared to ~143bp QoQ expansion in CM, Adj. EBITDA margin for the marketplace segment **expanded ~20bp QoQ** (+230bp YoY) **to -1%** (vs. our est. of -1.3%), as indirect costs as % of NMV increased to ~7% (+125bp QoQ, -15bp YoY), driven by ~80bp/40bp increase in A&P expenses/software & server tools expense.
- Adj. EBITDA **loss for marketplace segment moderated to ~INR1.3b** (vs. losses of INR3.7b YoY and INR1.4b QoQ), ahead of our estimated INR1.6b loss.
- Adj. EBITDA loss for new initiatives stood at INR0.42b (vs. INR0.4b QoQ).
- Meesho Mall NMV grew 81% YoY in 2Q and 89% in tier 3 cities, with a rise in demand for discretionary products and not just daily essentials.
- Content Commerce NMV grew 160% YoY.

Reported losses narrow QoQ, reports positive FCF in 2QFY27

- Overall, Meesho's 2Q reported revenue grew 34% YoY (+11% QoQ) to INR43.1b, not strictly like-for-like due to differences in accounting for last mile logistics cost in 2QFY26.
- Reported operating loss was broadly stable QoQ at INR2.3b, but lower than INR4.6b YoY and our est. of INR2.4b loss.
- Reported loss narrowed QoQ to INR1.2b (from losses of INR1.3b QoQ, INR4.1b YoY), better than our estimate of INR1.5b loss.
- LTM FCF outflow stood at INR5.7b in 2QFY27 (vs. INR5.4b outflow QoQ).

Key highlights from the management commentary

- **Festive demand** exceeded expectations, with record traffic and first-time buyers purchasing new categories. The utility-led mix shows limited signs of macro stress, and value pricing should support resilience if household budgets tighten. However, volatile crude prices are disrupting sellers' supply chains.
- **Contribution margin (CM)** of 6% in 2Q was driven by recovery in logistics spread (lower RTOs, higher order density) to partly offset the increased server costs. However, management plans to reinvest a part of CM gains to drive higher growth in the near term.
- **Advertising** remains the medium-term margin lever, with healthy seller demand for ads. Higher ad monetization should drive CM expansion from FY28. FY27 CM should remain well above FY26, with logistics spread recovering to FY25 levels.
- **Outlook:** Management retained its medium term guidance of ~25% NMV CAGR over FY26-31. Ads monetization and normalization in server costs should drive CM expansion, while operating leverage on indirect costs (decline to ~3% of NMV by FY31) should support EBITDA margin expansion. LTM FCF should turn positive in the next few quarters.

Valuation and view

- We believe Meesho's asset-light model with negative working capital and improving unit economics makes for a unique combination of a scaled platform business with a long runway for growth and potential margin inflection.
- We model a ~25% NMV CAGR over FY26-31, driven by ATU additions and rising platform adoption. Higher ad monetization and normalizing logistics spread should help drive CM to ~7.8% by FY31 (vs. 6% in 2Q), while operating leverage should enable break-even in FY28, with adj. EBITDA margin rising to ~4% (vs. -1% in 2Q).
- We reiterate **BUY with a revised TP of INR265**, premised on 30x FY31E adj. marketplace EBITDA, discounted to Dec'28E
- Please refer to our IC for detailed thesis on Meesho.

Consolidated – Quarterly earnings

Consolidated	FY26				FY27E				FY26	FY27E	FY27E	Fst
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Revenue	**25,039**	**30,737**	**35,176**	**35,312**	**37,128**	**41,316**	**50,335**	**44,746**	**126,263**	**173,525**	**43,079**	**-4.1**
% YoY			31.3	47.1	48.3	34.4	43.1	26.7	34.5	37.4		
Total Opex	27,390	35,299	40,565	37,861	39,375	43,607	52,490	45,847	141,115	181,319	45,499	-4.2
EBITDA	**-2,351**	**-4,562**	**-5,389**	**-2,548**	**-2,246**	**-2,292**	**-2,155**	**-1,101**	**-14,851**	**-7,794**	**-2,420**	**5.3**
Margins (%)	-9.4	-14.8	-15.3	-7.2	-6.1	-5.5	-4.3	-2.5	-11.8	-4.5	-5.6	-1
Depreciation	80	93	109	186	197	201	181	78	468	657	177	13.9
Interest	14	12	39	24	21	14	14	55	90	104	22	-38.3
Other Income	969	1,812	788	1,158	1,136	1,274	1,274	858	4,727	4,542	1,136	12.2
PBT before EO	**-1,477**	**-2,855**	**-4,749**	**-1,601**	**-1,328**	**-1,233**	**-1,076**	**-375**	**-10,682**	**-4,012**	**-1,483**	**16.9**
Extra-Ord	-924	-450	-37	0	0	0	0	0	-1,411	0	0	
PBT	**-2,401**	**-3,305**	**-4,786**	**-1,601**	**-1,328**	**-1,233**	**-1,076**	**-375**	**-12,093**	**-4,012**	**-1,483**	**16.9**
Tax	493	809	121	63	0	92	0	-92	1,485	0	0	
Rate (%)	-20.5	-24.5	-2.5	-3.9	0.0	-7.4	0.0	24.5	-12.3	0.0	0.0	
Reported PAT	**-2,894**	**-4,114**	**-4,907**	**-1,663**	**-1,328**	**-1,324**	**-1,076**	**-283**	**-13,577**	**-4,012**	**-1,483**	**10.7**
Adj PAT	**-1,970**	**-3,664**	**-4,870**	**-1,663**	**-1,328**	**-1,324**	**-1,076**	**-283**	**-12,166**	**-4,012**	**-1,483**	**10.7**
% YoY					-32.6	-63.9	-77.9		53.1	67.0		
Margins (%)	-7.9	-11.9	-13.8	-4.7	-3.6	-3.2	-2.1	-0.6	-9.6	-2.3	-3.4	

Indus Towers

Estimate changes	⇔
TP change	⇔
Rating change	⇔

CMP: INR371 **TP: INR410 (+11%)** **Neutral**

In-line 2Q; RJio's tenancy renewals and Vi's fundraise key monitorables

- Indus Towers' (Indus) 2QFY27 performance was in line, with recurring EBITDA (excl. provisions) rising 2% QoQ to INR4.75b.
- Operationally, tenancy additions surged in 2Q to 7.9k (vs. ~4.2k QoQ) likely on acceleration in Vi's rollouts, while tower additions moderated QoQ.
- Reported capex jumped 40% QoQ to INR 24b, while cash capex moderated ~9% YoY to INR16.3, leading to healthy FCF generation of INR13.8b in 2Q (and INR 28.1b in 1HFY27 vs. ~INR19b/INR38b in 1HFY26/FY26).
- Management indicated that order-book visibility remains strong over the next few quarters, driven by continued network expansion and increased rollout activity by a major customer (Vi).
- The company commenced tower deployments in Uganda and Zambia in late 2QFY27, with rollout in Nigeria expected in 3QFY27.
- Delays in a potential fund raise for Vi could weigh on tenancy additions (we currently bake in ~35k/~55k tenancies/5G loadings from Vi over FY26-29), while risk of RJio's tenancy exit remains (we bake in ~5k exits from RJio in 2HFY27, which is ~10% of its overall portfolio with Indus).
- We fine-tune our estimates and model a CAGR of ~5-6% in Indus' revenue/pre-IND AS EBITDA/adj. PAT over FY26-29E.
- We reiterate our **Neutral rating with an unchanged TP of INR410,** premised on a DCF-based 6.2x Dec'28E pre-IND AS EV/EBITDA.

In-line 2Q: Tenancy additions surge, though tower additions moderate

- Tower additions moderated QoQ to ~2.9k (vs. ~3.1k in 1Q, though ahead of our est. of 2.5k), while tenancy additions witnessed a significant pick-up at ~7.9k (vs. 4.2k QoQ in 1Q and higher than our estimate of 6k).
- Reported average revenue per tenant (ARPT) was stable QoQ at INR41k (declined ~2% YoY as the base quarter had a one-off, our est. was INR41.3k).
- Consolidated revenue grew 1% QoQ to INR85.2b (+4% YoY), as service revenue grew ~1% QoQ (+4% YoY), and energy reimbursements remained flat QoQ (+4% YoY) due to lower power and fuel costs.
- Reported EBITDA grew ~2.5% QoQ to INR45.9b (flat YoY), and was in line.
  - Adjusted service EBITDA was in line at INR46.9b (+1% QoQ, +4% YoY).
  - Energy under-recovery was lower at ~INR1.1b (vs. our estimate of INR1.2b and INR1.4b YoY).
- Indus reported a prior-period bad debt reversal of INR101m (vs. a bad debt provision of INR233m QoQ and a reversal of INR1.95b YoY).
- Adjusted for bad-debt provisioning/reversals, recurring EBITDA at INR45.7b rose ~1.8% QoQ (+4.6% YoY) and was in line with our estimate of INR45.9b.
- Reported PAT grew ~3% QoQ to INR17.9b (-2.5% YoY). Adjusted PAT inched up ~1% QoQ to INR 17.9b (+5% YoY) and came in line.

Bloomberg	INDUSTOW IN
Equity Shares (m)	2638
M.Cap.(INRb)/(USDb)	977.4 / 10.3
52-Week Range (INR)	482 / 356
1, 6, 12 Rel. Per (%)	3/-5/8
12M Avg Val (INR M)	2703

Financials & Valuations (INR b)

INR b	FY27E	FY28E	FY29E
Net Sales	340.8	355.3	372.6
EBITDA	185.8	196.5	206.6
Adj. PAT	73.6	77.6	82.7
EBITDA Margin (%)	54.5%	55.3%	55.4%
Adj. EPS (INR)	27.9	29.4	31.3
EPS Gr. (%)	6.0	5.6	6.5
BV/Sh. (INR)	160.7	171.9	178.1
Ratios			
Net D:E	-0.1	-0.2	-0.2
RoE (%)	17.7	17.3	17.5
RoCE (%)	20.8	20.5	20.6
Valuations			
EV/EBITDA (x)	6.0	5.6	5.2
P/E (x)	13.3	12.6	11.8
P/BV (x)	2.3	2.2	2.1
Div. Yield (%)	4.9	6.8	8.1

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	51.3	51.3	51.0
DII	23.0	21.5	18.3
FII	21.7	23.2	26.2
Others	4.0	4.1	4.5

FII includes depository receipts

FCF generation healthy, as capex moderates; net cash rises ~INR15b QoQ

- Reported capex surged ~40% QoQ to INR24b, likely due to capex for accommodating a second tenant and the battery replacement program. However, cash capex moderated to INR16.3 (from INR18b QoQ).
- Receivables moderated by ~INR1.4b QoQ to INR47.9b.
- Reported FCF came in at INR 13.4b in 1Q (INR28.1b in 1HFY27, vs. INR37.6b generated in FY26).
- Net cash (excluding leases) decreased ~INR29.7b QoQ to ~INR34.3b, largely due to the dividend payment.
- For 1HFY27, Indus' revenue/recurring EBITDA/PAT grew 4%/5%/6%. Based on our estimates, the implied ask-rate for 2H is ~3-5%.

Key highlights from the management commentary

- **Order book:** Remains strong for both towers and tenancy additions, providing visibility for the coming quarters. Continued network expansion by major customers, including increased rollout activity by a major customer, is supporting the deployment momentum. Management expects to continue executing in line with the order book, while the quarterly mix of tower and tenancy additions will depend on customer rollout plans.
- **Tenancy renewals:** Management remains confident of tenancy renewals with all telcos and noted Indus' best-in-class energy management, uptime, scale and favorable costs (especially for the third tenant) as the key differentiators vs. competition.
- **Africa foray:** Tower deployments commenced in Uganda and Zambia in late 2QFY27, while deployment in Nigeria is expected to begin in 3QFY27. Initial capex per tower remains within plan and is lower than that of competitors, supported by engineering capabilities, operating experience and the vendor ecosystem. Management reiterated that Africa is a long-term growth strategy, with Airtel remaining the primary anchor customer and talks ongoing with other telcos (but no agreements signed yet).
- **Energy costs:** Despite higher diesel prices, power and fuel costs were contained as diesel consumption dipped 11% YoY. Further, solarization, the transition to lithium-ion batteries, and the deployment of digital and AI-led energy conservation systems have led to sustainable energy cost reductions.

Valuation and view

- Delays in a potential fund raise for Vi could weigh on tenancy additions (we currently bake in ~35k/~55k tenancies/5G loadings from Vi over FY26-29), while risk of RJio's tenancy exit remains (we bake in ~5k exits from RJio in 2HFY27, which is ~10% of its overall portfolio with Indus).
- We fine-tune our estimates and model a CAGR of ~5-6% in Indus' revenue/pre-IND AS EBITDA/adj. PAT over FY26-29E.
- We reiterate our **Neutral rating with an unchanged TP of INR410,** premised on a DCF-based 6.2x Dec'28E pre-IND AS EV/EBITDA.

Quarterly Performance **(INR b)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var. (%)
(Consolidated)	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Revenue from operations	80.6	81.9	81.5	81.0	84.3	85.2	85.7	85.7	325	341	87.3	-2.5
YoY Change (%)	9.1	9.7	7.9	4.8	4.6	4.0	5.2	5.8	7.9	4.9		
Total Expenditure	37.1	36.2	36.7	36.8	39.5	39.3	38.3	38.0	147	155	41.4	-5.1
Provisions / (reversals)	-1	-2	0	0	0	0	0	0	-2.7	0.1	-	
Recurring EBITDA	**42.6**	**43.8**	**44.7**	**44.4**	**45.0**	**45.8**	**47.3**	**47.7**	**176**	**186**	**45.9**	**-0.3**
EBITDA	**43.5**	**45.7**	**44.8**	**44.2**	**44.8**	**45.9**	**47.3**	**47.7**	**178**	**186**	**45.9**	-0.1
YoY Change (%)	-3.4	-6.0	-35.7	2.3	3.0	0.4	5.8	7.9	-13.7	4.2		
Depreciation	17.0	18.0	18.0	18.4	18.9	19.4	19.6	19.9	71.4	77.9	19.2	1.1
Interest	4.0	3.8	4.0	3.8	3.6	3.4	3.4	3.5	15.5	13.9	3.9	-13.1
Other Income	0.9	0.8	1.5	1.6	1.2	1.1	1.1	1.1	4.8	4.4	1.0	6.2
PBT before EO expense	**23.3**	**24.8**	**24.3**	**23.7**	**23.5**	**24.1**	**25.4**	**25.4**	**96.0**	**98.4**	**23.8**	1.4
Extra-Ord expense	(0.9)	(2.0)	(0.0)	0.2	0.2	(0.1)	-	-	-2.7	0.1	-	
PBT	**22.5**	**22.8**	**24.3**	**23.8**	**23.7**	**24.0**	**25.4**	**25.4**	**93.4**	**98.5**	**23.8**	0.9
Tax	6.0	6.4	6.4	5.7	6.0	6.2	6.4	6.4	24.5	25.0	6.0	
Rate (%)	25.6	25.8	26.5	24.2	25.6	25.6	25.2	25.2	25.5	25.4		
Reported PAT	**17.4**	**18.4**	**17.8**	**17.9**	**17.5**	**17.9**	**19.0**	**19.0**	**71.5**	**73.4**	**17.8**	0.7
Adj PAT	**16.7**	**16.9**	**17.8**	**18.0**	**17.6**	**17.9**	**19.0**	**19.0**	**69.4**	**73.5**	**17.8**	0.3
YoY Change (%)	23.1	19.4	2.4	12.1	5.6	5.5	6.5	5.3	13.4	5.8		

E: MOFSL Estimates

Vedanta

Estimate change	↑
TP change	↔
Rating change	↔

CMP: INR233 **TP: INR250 (+7%)** **Neutral**

Performance beat over strong zinc earnings

Consolidated result highlights

- Vedanta (VEDL) reported consolidated revenue of INR264b (+57% YoY and +9% QoQ), supported by higher commodity prices, favorable forex, and higher volumes.
- Consolidated EBITDA stood at INR99b (+105% YoY and +17% QoQ), primarily driven by favorable market and regulatory factors, higher volumes, and marketing and other benefits, partly offset by higher costs.
- EBITDA margin for the quarter stood at 37.6%, compared to 35.1% in 1QFY27 and 28.8% in 2QFY26.
- APAT for the quarter stood at INR62b (+181% YoY and +17% QoQ) vs our estimate of INR52b.
- Net debt stood at INR36.7b as of Sep'26, translating into net debt/EBITDA of 0.1x in 2QFY27 from 0.3x in 1QFY27.

Segmental result highlights

Zinc India (Hindustan Zinc):

- Revenue stood at INR151b (+77% YoY and +10% QoQ) against our estimate of INR136b. Growth was driven by favorable commodity prices, better volumes, and a stronger dollar.
- EBITDA stood at INR92.5b (+108% YoY and +15% QoQ; vs. our estimate of INR83b) on account of favorable metal prices and lower cost of production. EBITDA margin stood at 61.3% in 2QFY27 vs 58.6% in 1QFY27 and 52% in 2QFY26.
- Zinc CoP (ex-royalty) stood at USD703/t in 2QFY27, declining from USD851/t in 1QFY27 and USD994/t in 2QFY26. The CoP decline was primarily on account of better grade and higher RE share, which was partially offset by a lower domestic coal share and inflated input costs amid ongoing geopolitical crisis.
- APAT stood at INR64.1b (+142% YoY and +17% QoQ) in 2QFY27, against our estimate of INR54.8b.
- Mined metal for the quarter stood at 271kt (+5% YoY and +1% QoQ), driven by higher ore production.
- Refined metal production for the quarter stood at 264kt (+7% YoY and flat QoQ), mainly driven by additional capacity unlocked through smelter debottlenecking. Refined zinc production was 214kt (+6% YoY and +1% QoQ), while refined lead production stood at 51kt (+14% YoY and +9% QoQ).
- Saleable silver volumes rose 17% YoY and 16% QoQ to 173kt, in line with lead production.

Bloomberg	VEDL IN
Equity Shares (m)	3910
M.Cap.(INRb)/(USDb)	911.1 / 9.6
52-Week Range (INR)	361 / 184
1, 6, 12 Rel. Per (%)	-10/-63/-41
12M Avg Val (INR M)	8479
Free float (%)	45.3

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	784	1,050	1,045
EBITDA	232	383	351
EBITDA margin	29.6	36.4	33.6
APAT	125	231	205
Adj. EPS (INR)	31.9	59.0	52.4
EPS Gr (%)	29.4	85.0	-11.1
BV/Sh. (INR)	127.0	150.9	168.4
Ratios			
Net D:E	0.5	0.3	0.3
RoE (%)	27.4	46.2	32.8
RoCE (%)	14.0	26.0	26.1
Payout (%)	106.7	59.4	66.8
Valuations			
P/E (x)	7.3	4.0	4.4
P/BV	1.8	1.5	1.4
EV/EBITDA (x)	7.6	4.5	5.1
Div. Yield (%)	14.6	15.0	15.0
FCF Yield (%)	19.8	19.6	13.4

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	54.7	54.7	56.4
DII	10.7	10.9	16.3
FII	16.0	15.9	11.2
Others	18.6	18.5	16.1

FII includes depository receipts

Zinc International (VZI):

- Mined metal production at Zinc International declined 12% YoY to 53kt (+9% QoQ) during the quarter.
- Revenue stood at INR17.3b (+40 YoY), whereas EBITDA rose 47% YoY to INR5.5b, led by higher NSR amid a 35% YoY and 10% QoQ surge in LME zinc prices to USD3,825/t.
- During the quarter, CoP grew 13% YoY to USD1,857/t in 2QFY27 vs USD1,966/t in 2QFY26 and USD1,954/t in 1QFY27.

Copper Business:

- Copper India sales stood at 52kt in 2Q, rising 16% YoY, while international sales stood at 6kt, declining 74% YoY and 43% QoQ.
- Revenue stood at INR92.8b (+41% YoY), led by favorable LME. The company reported EBITDA profit of INR800m in 2QFY27, compared to a loss of INR130m in 2QFY26.

Valuation and view

- VEDL's 2QFY27 performance came in better than expectation, supported by better volumes and favorable LME prices. Management targets to maintain strong growth in earnings, driven by the upcoming capacity supporting higher VAP products and a favorable pricing environment.
- The guided capex plans are progressing well and will likely lead to further cost savings. VEDL remains firm on its deleveraging plans, and going forward, higher cash flows will support both its expansion plans and deleveraging efforts. We raise our estimate for FY27E/28E, increasing revenue by 9%/13% and EBITDA by 6%/5%, driven by higher LME prices.
- **VEDL currently trades at 5x EV/EBITDA on FY28 estimate. The fair value on SoTP basis stands at ~INR250/share, with Zinc India being the largest contributing vertical. We reiterate our Neutral rating on the stock.**

Quarterly performance – VEDL (INR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Vs.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Est.%
Net Sales	**157.5**	**167.4**	**213.4**	**246.1**	**242.1**	**263.6**	**266.4**	**277.6**	**784.4**	**1,049.6**	**230.8**	14.2
Change (YoY %)	NA	NA	NA	NA	53.6	57.5	24.9	12.8	25.1	33.8		
Change (QoQ %)	NA	6.2	27.5	15.3	(1.6)	8.9	1.1	4.2	-	-		
EBITDA	**42.8**	**48.3**	**65.2**	**75.6**	**85.0**	**99.2**	**98.2**	**100.2**	**231.8**	**382.5**	**89.5**	10.8
Change (YoY %)	NA	NA	NA	NA	98.8	105.4	50.6	32.5	24.8	65.0		
Change (QoQ %)	NA	12.9	35.1	15.9	12.5	16.6	(1.0)	2.0	-	-		
As % of Net Sales	**27.1**	**28.8**	**30.6**	**30.7**	**35.1**	**37.6**	**36.9**	**36.1**	**29.6**	**36.4**		
Finance cost	6.1	9.0	5.5	6.9	6.6	7.0	6.3	5.3	28.2	25.2		
DD&A	11.2	11.2	12.4	13.3	11.9	13.4	13.1	14.0	48.1	52.4		
Other Income	3.8	2.6	4.9	4.2	5.4	5.1	4.4	2.6	15.5	17.5		
PBT (before EO item)	**29.3**	**30.7**	**52.2**	**59.5**	**71.9**	**83.9**	**83.2**	**83.5**	**171.1**	**322.4**	**74.8**	12.2
EO exp. (income)	-	-	(0.2)	-	-	-	-	-	(0.2)	-		
PBT (after EO item)	**29.3**	**30.7**	**52.4**	**59.5**	**71.9**	**83.9**	**83.2**	**83.5**	**171.3**	**322.4**		
Total Tax	8.3	8.7	13.5	16.8	19.0	21.9	24.9	26.1	46.5	91.9		
% Tax	28.3	28.2	25.8	28.3	26.4	26.1	30.0	31.3	27.1	28.5		
PAT before MI and Asso.	**21.0**	**22.1**	**38.9**	**42.7**	**52.9**	**62.0**	**58.2**	**57.4**	**124.8**	**230.5**	**52.3**	18.5
Profit from Asso.	-	(0.0)	-	-	-	-	-	-	(0.0)	-		
Minority interest	-	-	-	-	-	-	-	-	-	-		
PAT after MI and Asso.	**21.0**	**22.1**	**38.9**	**42.7**	**52.9**	**62.0**	**58.2**	**57.4**	**124.8**	**230.5**		
APAT	**21.0**	**22.1**	**38.7**	**42.7**	**52.9**	**62.0**	**58.2**	**57.4**	**124.6**	**230.5**	**52.3**	18.5
Change (YoY %)	NA	NA	NA	NA	151.9	181.3	50.5	34.4	29.4	85.0		
Change (QoQ %)	NA	4.9	75.4	10.3	24.1	17.2	(6.1)	(1.4)	-	-		

Quarterly performance – Hindustan Zinc (INR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Vs.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Est.%
Mine prodn. (kt)	**265**	**258**	**276**	**315**	**268**	**271**	**282**	**290**	**1,114**	**1,111**	**271**	**-**
Zinc refined (kt)	201	202	221	227	211	214	221	225	851	871		
Lead refined (kt)	48	45	49	55	47	51	56	59	197	213		
Silver (tonnes)	145	147	158	176	149	173	174	176	627	672		
Zinc LME (USD/t)	2,637	2,824	3,156	3,219	3,463	3,840	3,845	3,852	2,959	3,750		
Net Sales	**77.7**	**85.5**	**109.8**	**135.4**	**137.5**	**150.9**	**147.7**	**147.8**	**408.4**	**583.9**	**136.3**	**10.8**
Change (YoY %)	(4.4)	3.6	27.5	49.0	76.9	76.5	34.5	9.1	19.8	43.0		
Change (QoQ %)	(14.5)	10.0	28.4	23.4	1.5	9.8	(2.2)	0.1				
EBITDA	**38.6**	**44.5**	**60.5**	**77.1**	**80.5**	**92.5**	**92.0**	**92.0**	**220.6**	**357.0**	**83.3**	**11.0**
Change (YoY %)	(2.2)	7.8	34.6	59.9	108.6	108.1	52.0	19.4	26.9	61.8		
Change (QoQ %)	(19.9)	15.2	36.2	27.3	4.5	14.9	(0.5)	0.0				
As % of Net Sales	49.7	52.0	55.1	56.9	58.6	61.3	62.3	62.3	54.0	61.1		
Finance cost	2.4	2.6	2.0	1.9	1.3	0.9	1.3	1.8	8.8	5.3		
DD&A	9.1	8.8	9.5	10.5	9.2	9.6	9.8	9.9	37.9	38.5		
Other Income	2.8	2.4	2.9	2.8	3.2	3.7	3.4	3.2	10.9	13.4		
PBT (before EO item)	**29.9**	**35.4**	**52.1**	**67.5**	**73.1**	**85.7**	**84.2**	**83.5**	**184.8**	**326.6**		
EO exp. (income)	-	-	0.3	-	-	-	-	-	(0.3)	-		
PBT	**29.9**	**35.4**	**51.8**	**67.5**	**73.1**	**85.7**	**84.2**	**83.5**	**185.1**	**326.6**	**73.5**	**16.5**
Total Tax	7.5	8.9	13.1	17.2	18.5	21.6	21.5	21.4	46.8	83.0		
% Tax	25.2	25.2	25.4	25.4	25.2	25.2	25.5	25.7	25.3	25.4		
Reported PAT	**22.3**	**26.5**	**38.7**	**50.3**	**54.7**	**64.1**	**62.8**	**62.1**	**138.3**	**243.7**		
Adjusted PAT	**22.3**	**26.5**	**38.9**	**50.3**	**54.7**	**64.1**	**62.8**	**62.1**	**138.1**	**243.7**	**54.8**	**17.0**
Change (YoY %)	(4.7)	9.9	45.3	67.6	144.8	142.1	61.3	23.4	32.3	76.5		
Change (QoQ %)	(25.6)	18.6	46.9	29.3	8.7	17.2	(2.1)	(1.1)				

Sources: MOFSL, Company

Business-wise EBITDA Performance (INR b)

Y/E March	FY26				FY27				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
EBITDA	**42.8**	**48.3**	**65.2**	**75.6**	**85.0**	**99.2**	**98.2**	**100.2**	**231.8**	**382.5**
Copper	(0.3)	(0.1)	(0.2)	0.1	0.1	0.8	0.9	0.9	(0.5)	2.7
Zinc-India	38.6	44.5	60.5	77.1	80.5	92.5	92.0	92.0	220.6	357.0
Zinc-International	4.2	3.7	4.2	1.1	2.5	5.5	4.4	6.4	13.2	18.8
Others	0.2	0.2	0.7	(2.7)	1.9	0.4	0.9	0.8	(1.5)	4.0
Change (YoY %)	NA	NA	NA	NA	98.8	105.4	50.6	32.5	24.8	65.0
Change (QoQ %)	NA	12.9	35.1	15.9	12.5	16.6	(1.0)	2.0	-	-
EBITDA Margin %	**27.1**	**28.8**	**30.6**	**30.7**	**35.1**	**37.6**	**36.9**	**36.1**	**29.6**	**36.4**

Sources: MOFSL, Company

JSW Energy

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	JSW IN
Equity Shares (m)	1833
M.Cap.(INRb)/(US	884.7 / 9.3
52-Week Range	617 / 428
1, 6, 12 Rel. Per	-2/-12/2
12M Avg Val (INR	1685

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	189.0	226.2	266.7
EBITDA	100.6	123.1	156.0
Adj. PAT	15.6	21.9	29.8
Adj. EPS (INR)	8.9	12.0	16.3
EPS Gr. (%)	-16.7	34.7	36.0
BV/Sh.(INR)	175.1	203.0	219.5
Ratios			
Net D:E	2.2	1.8	1.9
RoE (%)	5.4	6.5	7.7
RoCE (%)	11.3	6.3	7.0
Payout (%)	22.5	20.9	15.4
Valuations			
P/E (x)	54.4	40.4	29.7
P/BV (x)	2.8	2.4	2.2
EV/EBITDA (x)	15.1	12.8	10.6
Div. Yield (%)	0.4	0.5	0.5

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	66.5	66.5	69.3
DII	16.7	16.2	11.6
FII	10.9	11.5	12.2
Others	5.8	5.8	7.0

FII includes depository receipts

CMP: INR483 **TP: INR548 (+14%)** **Neutral**

Capacity commissioning remains on track

- JSW Energy's (JSWE) 2QFY27 revenue/EBITDA beat our estimate by 8% at INR63.7b/INR36.2b. Adj. PAT stood at INR10.6b, 58% above our estimate, aided by higher other income, lower tax rate, and a lower-than-expected minority share.
- **Key things we liked:** 1) Renewable capacity additions remained on track, with 1.7GW added in 1HFY27, supporting management's FY27 addition guidance of 3GW, 2) Net power generation expanded 17% YoY to 17.5BUs, with hydro generation rising 13% YoY, outperforming the 15% YoY decline in all-India hydro generation, and 3) The C&I portfolio of 3.7GW is expected to expand to over 8.5GW by 2030, anchored by group captive RTC power demand rising to ~7 GW by 2032.
- **Key monitorables:** 1) The potential impact of renewable curtailment, which stood at ~4.8% in 1HFY27, with 2Q curtailment of 225MUs translating into a revenue impact of ~INR590m, 2) progress on the 600MW Unit 4 at KSK Mahanadi, targeted for commissioning in FY28, followed by 1,200MW in FY29, 3) the pace of RE commissioning and availability of firm transmission connectivity, and 4) PPA signings for the remaining 4.5GW of untied capacity under the 6.2GW group MOUs signed in 2QFY24.
- **Valuation and view:** We have a Neutral rating with a TP of INR548, valuing the company's core renewable business at 12.5x FY28E EBITDA, its thermal business at 9.5x FY28E EBITDA, hydro at 2x FY28E book value, green hydrogen equity at 2x, and the company's stake in JSW Steel at a 25% discount to the current market price.

Earnings beat estimates; higher other income supports PAT

Financial Performance

- Consolidated revenue stood at INR63.7b (+23% YoY, +22% QoQ), 8% above our estimate.
- EBITDA came in at INR36.2b (+21% YoY, +26% QoQ), 8% above our estimate, with margin expanding 160bp QoQ to 56.8%.
- Adj. PAT stood at INR10.6b (+50% YoY, +124% QoQ), 58% above our estimate, aided by higher other income, lower tax rate, and a lower-than-expected minority share.

Operational Performance

- Power sales increased 17% YoY to 17.5BUs, driven by 21% growth in renewable sales to 8.6BUs and 13% growth in thermal sales to 8.9BUs.
- Of the 17.5BUs sold, 16.4BUs were long-term PPA sales (+22% YoY driven by capacity addition) and 1.1BUs were short-term PPA sales (-28% YoY as ST capacity declined 45% YoY).
- The company added 513MW organic capacity and 300MW inorganic capacity in 2QFY27, leading to a 1,686MW capacity addition in 1HFY27.
- The company acquired a 100% stake in Maruti Clean Coal & Power Ltd., which operates a 300MW thermal power plant in Chhattisgarh, effective 6th Aug'26.

Highlights of JSWE's 2QFY27 performance

- Total income grew 24% YoY to INR66.5b in 2QFY27, driven by 1.9GW of capacity additions and improved operational availability.
- The company commissioned 1.4GW of organic RE capacity in 1HFY27, remaining on track to achieve its annual commissioning target of 3GW, backed by INR200b in capex.
- The company completed the acquisition of 300MW Maruti Clean Coal and Power at an EV of INR14.1b, generating INR450m in EBITDA over 55 operating days.
- Utkal plant's EBITDA more than tripled YoY to INR3.6b in 2Q, following its transition to long-term PPAs with Karnataka and Assam and improved availability.
- Merchant sales of 1.1BUs achieved a realization of INR 6.9/unit (+20% vs DAM average), while 3QFY27 merchant capacity is fully contracted at or above this pricing level.
- Weighted average debt cost reduced 51bp YoY to 8.28%, with ~25% fixed-rate borrowing and ~90% of floating debt benchmarked to bank MCLRs.
- The C&I portfolio of 3.7 GW is projected to expand beyond 8.5 GW by 2030, anchored by JSW Group's rising RTC power demand to ~7 GW by 2032.
- JSWE increased its stake in Toshiba JSW Power Systems to 20.7% (10.7% on a fully diluted basis) following an additional acquisition for INR1.5b.
- KSK Mahanadi expansion is on schedule with the Unit 4 (600 MW) commissioning, targeted for FY28, and the balance 1,200 MW in FY29, delivering 20% to 30% lower capex per MW than greenfield benchmarks due to pre-existing balance-of-plant infrastructure.
- The company is ramping up its renewable equipment manufacturing capacity, with the Halol wind blade facility operational since Jun'26 and the Chitradurga blade plant on track for commissioning in 3QFY27.

Valuation and view

Our valuation of JSWE is based on SoTP:

- Thermal is valued at 9.5x FY28E EBITDA and renewable energy at 12.5x FY28E EBITDA.
- Hydro is valued at 2x FY28E book value, while green hydrogen equity is valued at 2x.
- The company's stake in JSW Steel is valued at a 25% discount to the current market price, acknowledging the strategic significance of this holding while incorporating a conservative valuation approach.
- Aggregating the values of these different components yields a total equity value for JSWE, translating into a TP of INR548.

Consolidated performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%	(%)	(%)
Net Sales	**51,434**	**51,774**	**40,818**	**44,986**	**52,071**	**63,685**	**58,620**	**51,869**	**1,89,011**	**2,26,245**	**59,181**	**8**	**23**	**22**
YoY Change (%)	*78.6*	*59.9*	*67.4*	*41.0*	*1.2*	*23.0*	*43.6*	*15.3*	*60.9*	*19.7*	*14.3*			
EBITDA	**27,887**	**29,965**	**20,296**	**22,497**	**28,732**	**36,175**	**30,624**	**27,531**	**1,00,644**	**1,23,061**	**33,572**	**8**	**21**	**26**
YoY Change (%)	*96.7*	*77.8*	*122.1*	*86.8*	*3.0*	*20.7*	*50.9*	*22.4*	*92.8*	*22.3*	**12**			
Margin (%)	*54.2*	*57.9*	*49.7*	*50.0*	*55.2*	*56.8*	*52.2*	*53.1*	*53.2*	*54.4*	*56.7*			
Depreciation	7,386	8,090	8,287	8,090	8,896	9,434	9,697	9,270	31,853	37,297	9,039	**4**	**17**	**6**
Interest	13,055	14,176	14,849	16,085	15,193	16,148	16,289	16,248	58,165	63,877	15,330	**5**	**14**	**6**
Other Income	2,679	1,837	1,728	3,523	2,294	2,892	2,052	2,243	9,766	9,482	1,480	**95**	**57**	**26**
PBT before EO expense	**10,124**	**9,535**	**-1,112**	**1,846**	**6,937**	**13,486**	**6,690**	**4,256**	**20,393**	**31,369**	**10,683**	**26**	**41**	**94**
PBT	**10,124**	**9,535**	**-1,764**	**1,846**	**6,937**	**13,486**	**6,690**	**4,256**	**19,741**	**31,369**	**10,683**	**26**	**41**	**94**
Tax	1,796	1,312	-7,016	-3,857	1,631	2,068	1,632	942	-7,766	6,274	2,457			
Rate (%)	*17.7*	*13.8*	*397.7*	*-209.0*	*23.5*	*15.3*	*24.4*	*22.1*	*-39.3*	*20.0*	*23.0*			
Minority Interest	927	1,196	1,088	2,020	617	847	914	914	5,231	3,292	*1585*			
Share of JV & associates	30	20	35	32	21	-8	29	74	117	117	29			
Reported PAT	**7,431**	**7,047**	**4,199**	**3,716**	**4,710**	**10,564**	**4,173**	**2,474**	**22,393**	**21,921**	**6,670**	**58**	**50**	**124**
Adj PAT	**7,431**	**7,047**	**-2,594**	**-1,096**	**4,710**	**10,564**	**4,173**	**2,474**	**10,788**	**21,921**	**6,670**	**58**	**50**	**124**
YoY Change (%)	*42.4*	*-17.4*	*-254.6*	*-137.4*	*-36.6*	*49.9*	*-260.9*	*-325.9*	*-41.2*	*103.2*	*-5.3*			
Margin (%)	*14.4*	*13.6*	*-6.4*	*-2.4*	*9.0*	*16.6*	*7.1*	*4.8*	*5.7*	*9.7*	*11.3*			

E: MOFSL Estimates

JSWE's SoTP valuation

Particulars	Units	Metric	Metric type	Valuation multiple	Amount
Thermal	INR m	57,535	FY28 - EBITDA	9.5	5,46,578
Hydro	INR m	64,073	BV - FY28	2.0	1,28,145
Renewables	INR m	84,730	FY28 EBITDA	12.5	10,59,125
Green Hydrogen	INR m	1,438	Equity	2.0	2,875
EV	**INR m**				**17,36,724**
Less: Net Debt	INR m		FY28		7,74,396
Market cap	**INR m**				**9,62,328**
JSW Steel stake*	INR m				41,919
Total Equity value	**INR m**				**10,04,247**
Target price	**INR/Share**				**548**
CMP	INR/share				483
Upside/(Downside)					*14%*

**at a 25% discount*

Info Edge

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	INFOE IN
Equity Shares (m)	648
M.Cap.(INRb)/(USDb)	781.3 / 8.2
52-Week Range (INR)	1408 / 908
1, 6, 12 Rel. Per (%)	-4/25/-1
12M Avg Val (INR M)	2147

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	30.5	34.3	36.7
EBITDA	12.5	15.0	15.7
Adj. PAT	11.1	12.8	13.2
Reported PAT	55.4	12.1	13.2
Adj. EPS	17.0	19.7	20.3
EPS Gr. (%)	42.8	16.0	2.8
BV/Sh. (INR)	534	451	463
Ratios			
RoCE (%)	1.1	3.6	4.0
Payout (%)	10	48	44
Valuations			
P/E (x)	69.9	60.3	58.6
P/BV (x)	2.2	2.6	2.6

Shareholding Pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	37.2	37.5	37.6
DII	26.8	27.8	21.7
FII	25.6	23.8	30.5
Others	10.5	10.9	10.3

FII includes depository receipts

CMP: INR1,205 TP: INR1,240 (+4%) Neutral

Execution holds up

Naukri's new AI offerings gain traction; CEO transition a new monitorable

- Info Edge's (INFOE) standalone revenue stood at INR8.4b in 2QFY27, up 12.8% YoY/2.2% QoQ, in line with our estimate of ~INR8.5b. EBITDA margin came in at 44.8% (up 80bp QoQ), above our estimate of 42.2%. Total billings rose 12.8% YoY to INR8.2b.
- Adj. PAT was up 28% YoY at INR3.3b (vs. our est. of INR3b).
- In 1HFY27, revenue/EBITDA/adj. PAT grew 12.4%/29.1%/25.1% YoY. In 2HFY27, we expect its revenue/EBITDA/adj. PAT to grow 12.5%/12.0%/13.0% YoY. **We reiterate our Neutral rating with a TP of INR1,240, implying a 4% upside.**

Our view: 99acres nears breakeven amid easing competition intensity

- **Growth remains healthy, but hiring recovery is still gradual:** INFOE reported 13% YoY growth in standalone revenue and billings in 2QFY27, with 1H billings growing 14%. **Recruitment billings grew 13%, supported by GCCs and non-IT sectors, while IT hiring remained largely replacement-led. We believe the hiring environment remains mixed**, with a meaningful recovery in overall demand still not visible.
- **Naukri's growth increasingly supported by premiumization and AI-led offerings:** Naukri's B2C billings grew 37% YoY, with paid-services penetration rising to 2.7% of MAUs from ~1.3-1.5% over the past 4-6 quarters. **AI-first products now account for a high-single-digit share of recruitment revenue, with 2Q revenue of ~INR600m.** While these offerings provide an additional growth opportunity, we view them as a gradual support to growth rather than a near-term step-up in the core hiring cycle.
- **99acres continues to improve, with profitability now within reach:** Billings grew 21% YoY, while the operating loss narrowed to less than INR20m from INR230m a year ago. Property inquiries grew 33% despite lower marketing spends, reflecting better traffic and customer engagement. **With competitive intensity easing and the platform gaining traction across web and app, we expect operating leverage to improve further. Management expects positive operating cash flow for FY27**, and we believe 99acres is moving closer to sustainable profitability.
- **Jeevansathi nearing breakeven:** Matchmaking billings grew 23%, led by 40% growth in Aisle and 18% growth in Jeevansathi, with the segment nearing breakeven. We expect **Jeevansathi growth to improve in 2H.**
- **Margins improve, supported by operating leverage and cost control:** Standalone operating profit grew 30% YoY, with margins expanding by 541bp to 41.8%. Recruitment margins also improved, although continued investments in JobHai and AI products remain a drag. **We estimate EBITDA margins at ~43.6% for FY27E**.

- **CEO transition introduces some uncertainty, though continuity remains:** Mr. Hitesh Oberoi will step down as MD & CEO on 2nd Dec'26 after nearly 27 years with the company, with Mr. Sanjeev Bikhchandani taking over as Executive Vice Chairman, MD & Group CEO from 3rd Dec'26. **While Mr. Sanjeev's continued involvement should provide continuity, the longer-term leadership structure remains undecided, with no clarity yet on an internal (preferred by mgmt)/external CEO** appointment. We believe the transition is worth monitoring, particularly given the need to sustain execution across Naukri, 99acres and new businesses while balancing investments with profitability.

Valuations and changes to our estimates

- We raise our EPS estimates by ~3% for FY27, reflecting better execution across Recruitment, AI initiatives and 99acres. While premiumization and new AI monetization initiatives are supporting Naukri, the hiring environment remains uneven, limiting the scope for acceleration in recruitment growth.
- Margin visibility has improved, led by lower costs and better operating leverage, with 99acres also benefiting from lower competitive intensity. Current valuations also appear to capture much of the near-term improvement.
- We value the company's operating entities using DCF valuation. Our SoTP-based valuation indicates a TP of INR1,240. **Reiterate Neutral**.

In-line revenue and beat on margins; recruitment business billings below our expectations

- 2Q standalone revenue stood at INR8.4b, up 12.8% YoY/2.2% QoQ, in line with our estimates (~INR8.5b).
- Overall billings were up 12.8% YoY at INR8.2b. Billings for Recruitment/99 Acres came in at INR6.1b/INR1.5b vs. INR5.5b/INR1.1b in 1QFY27.
- 2Q EBITDA margin came in at 44.8% (up 80bp QoQ/up 520bp YoY), above our estimate of 42.2%.
- Naukri's PBT margin was up 80bp QoQ at 59.1%, while 99acres' PBT loss stood at -1.2% (vs. -1.6% PBT margin in 1Q).
- 2Q adj. PAT was up 28% YoY at INR3.3b (vs. our est. of INR3b).

Highlights from the management commentary

- **Recruitment:** Recruitment billings grew ~13% YoY to ~INR6.1b in 2Q and ~15% in 1H, with growth led by the India B2B business.
- IT hiring remains replacement-led, and consultant growth would have been ~2-3% without AI Rex, as cost-sensitive clients cut expensive channels.
- **99acres:** Billings grew ~21% YoY to ~INR1.5b (17% in 1Q; even stronger in Sep'26), while revenue grew ~17% to ~INR1.3b.
- New projects (~INR60b market) remain the key lever, helped by the channel-partner shift in NCR, Mumbai and Bengaluru, and 99Shorts is expanding beyond NCR.
- Jeevansathi holds a 45%+ profile share in Hindi-speaking markets and leads on daily logged-in users despite rival campaigns in the North.
- Mr. Oberoi continues on the board as a non-executive director, subject to shareholder approval.

Standalone Quarterly Performance

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27	(% / bp)
Revenues	**7,364**	**7,460**	**7,646**	**8,051**	**8,245**	**8,417**	**8,730**	**8,924**	**30,520**	**34,316**	**8,484**	**-0.8**
YoY (%)	15.3	13.7	13.9	17.2	12.0	12.8	14.2	10.8	15.0	12.4	13.7	-90bp
Salary costs	2,915	3,023	2,984	2,934	3,001	3,040	3,326	3,388	11,856	12,754	**3,241**	-6.2
Ad and Promotion costs	1,111	901	805	990	983	927	987	1,008	3,808	3,906	1,010	-8.1
Other Expenses	559	581	611	630	630	677	690	705	2,381	2,702	653	3.7
EBITDA	**2,779**	**2,954**	**3,246**	**3,497**	**3,629**	**3,772**	**3,729**	**3,823**	**12,476**	**14,954**	**3,581**	**5.4**
EBITDA Margin (%)	37.7	39.6	42.5	43.4	44.0	44.8	42.7	42.8	40.9	43.6	42.2	260bp
Depreciation	226	226	220	219	241	251	262	268	891	1,021	**246**	1.8
EBIT Margin (%)	34.7	36.6	39.6	40.7	41.1	41.8	39.7	39.8	38.0	40.6	39.3	250bp
Other Income	960	820	811	763	933	850	786	803	3,354	3,371	**933**	-9.0
PBT bef. Extra-ordinary	**3,462**	**3,495**	**3,784**	**3,989**	**4,272**	**4,323**	**4,191**	**4,296**	**14,731**	**17,082**	**4,208**	**2.7**
Provision for Tax	866	885	832	1,059	1,095	984	1,090	1,117	11,049	4,286	1,178	-16.5
ETR (%)	25.0	25.3	22.0	26.6	25.6	22.8	26.0	26.0	75.0	25.1	28.0	-520bp
Adj. PAT	**2,596**	**2,610**	**2,952**	**2,930**	**3,176**	**3,339**	**3,102**	**3,179**	**11,089**	**12,796**	**3,030**	**10.2**
EOI	0	52,001	488	-162	-721	0	0	0	51,675	-721	0.0	
Reported PAT	**2,596**	**47,205**	**2,465**	**3,091**	**2,455**	**3,339**	**3,102**	**3,179**	**55,357**	**12,075**	**3,030**	**10.2**
QoQ (%)	4.9	0.5	13.1	-0.8	8.4	5.1	-7.1	2.5			NA	
YoY (%)	11.8	9.9	13.8	18.4	22.3	27.9	5.1	8.5	13.5	15.4	NA	
EPS (INR)	**4.0**	**4.1**	**4.6**	**4.5**	**4.9**	**5.2**	**4.8**	**4.9**	**17.0**	**19.7**	**4.1**	**26.5**

Key performance indicators

Y/E March	FY26				FY27		FY26
	1Q	2Q	3Q	4Q	1Q	2Q	
Operating metrics							
Headcount	6,174	6,238	6,150	6,000	5,961	5,942	6,000
99acres – Listings (k)	1,544	1,580	1,591	1,733	1,779	1,495	4,835
Revenue (YoY %)							
Recruitment	15%	13%	14%	14%	13%	13%	14%
99acres	12%	13%	14%	36%	17%	17%	19%

SAIL

Estimate change	↑
TP change	↑
Rating change	↔

CMP: INR163 TP: INR190 (+17%) BUY

Strong in-line earnings supported by healthy volume

- SAIL reported an in-line revenue of INR320b (+20% YoY/+21% QoQ), led by strong volume growth and healthy NSR in 2QFY27.
- EBITDA stood at INR42b (+67% YoY and -6% QoQ) and was in-line with our estimate. This translates into an EBITDA/t of INR8,170/t (vs. our est. of INR8,700/t). The QoQ moderation was due to higher imported coal costs, lower sequential NSR, and monsoon-led deterioration in BF productivity and RM quality.
- Adj. PAT came largely in line at INR18b in 2QFY27 vs. INR19.8b in 1QFY27 and INR6.7b in 2QFY26.
- Crude steel production stood at 4.9mt (+4% YoY and +2% QoQ), while sales volume at 5.2mt (+5% YoY and +24% QoQ) came in line. The higher sales were supported by inventory liquidation, improved market conditions and increased dispatches of high-end products.
- ASP for the quarter at INR62,000/t grew 14% YoY, but it declined 3% QoQ due to steel price volatility.
- In 1HFY27, reported revenue was INR585b (+12% YoY), mainly led by strong NSR growth of 13% YoY to INR62,800/t and flat YoY volume growth to 9.3mt. Adj. EBITDA during 1HFY27, stood at INR86.8b (+69% YoY), translating into an EBITDA/t of INR9,300 vs. INR5,400/t in 1HFY26. Adj. PAT stood at INR37.9b, surging more than 200% YoY in 1HFY27, mainly fueled by strong operating performance.
- Gross borrowings declined to INR205.8b as of Sep'26, down INR11.5b QoQ, supported by inventory reduction, stronger sales, and effective treasury management.

Highlights from the management commentary

- Management revised its FY27 finished steel sales volume guidance to ~21mt vs. its earlier expectation of ~22mt, while crude steel production is expected at ~22mt. Its 1HFY27 sales volume stood at 9.33mt, with management expecting stronger production and sales in 2H FY27.
- Blended steel NSR improved in Oct'26 following the post-monsoon recovery in demand. Oct'26 NSR reached INR58,700/t for longs and INR61,700/t for flats, representing rise of INR4,000/t over Q1FY27 average NSR.
- SAIL's 2QFY27 imported coking coal costs increased to INR22,930/t from INR21,300/t in 1QFY27. This increase was in line with higher international prices amid geopolitical tensions and supply-demand disruptions in China.
- Management expects imported coal costs to remain elevated in the near term, with Oct-Nov'26 costs expected to be at ~INR24,100/t and Dec'26 costs potentially moderating to ~INR23,500/t
- SAIL anticipates EBITDA/t to improve towards INR11,000-12,000 in 3Q/4QFY27, supported by stronger steel prices, better productivity, and operational efficiency improvements.

Bloomberg	SAIL IN
Equity Shares (m)	4131
M.Cap.(INRb)/(USDb)	668.2 / 7
52-Week Range (INR)	210 / 124
1, 6, 12 Rel. Per (%)	-12/-7/35
12M Avg Val (INR M)	3906
Free float (%)	35.0

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	1,106	1,346	1,410
EBITDA	118	197	191
APAT	37	92	78
EBITDA Margin (%)	10.7	14.6	13.5
Cons. Adj. EPS (INR)	8.9	22.3	19.0
EPS Gr. (%)	175.1	149.6	(14.8)
BV/Sh. (INR)	146	163	178
Ratios			
Net D:E	0.5	0.6	0.6
RoE (%)	6.2	14.4	11.1
RoCE (%)	6.7	13.4	11.0
Payout (%)	26.3	20.0	20.0
Valuations			
P/E (x)	18.3	7.3	8.6
P/BV (x)	1.1	1.0	0.9
EV/EBITDA(x)	8.3	5.5	6.0
Div. Yield (%)	1.4	2.7	2.3
FCF Yield (%)	16.3	(8.5)	(5.8)

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	65.0	65.0	65.0
DII	16.5	16.9	18.1
FII	7.3	7.1	3.8
Others	11.2	11.1	13.2

FII Includes depository receipts

- FY27 capex guidance was maintained at INR150b, with 1HFY27 capex of ~INR55b, broadly in line. Management expects 2HFY27 capex of INR90-100b, followed by annual capex exceeding INR200b in FY28 and potentially reaching INR250b or higher in subsequent years.

Valuation and view

- SAIL reported strong earnings during the quarter, aided by strong volume growth and elevated NSR.
- This earnings trend is expected be sustained or rise further in the coming quarters, led by strong steel price, despite higher input costs. The higher/ incremental volume from captive/third-party sources, along with inventory liquidation, could drive overall earnings for FY27/28E.
- We raise our FY27/28 estimates to reflect healthy steel prices and revised volume guidance. Our EBITDA is revised by 7% and 12%, while APAT is revised by 12% and 15% for FY27/28E. We believe any meaningful earning upside risk and re-rating opportunity lies under the volume growth story via third-party agreements or captive expansion.
- **We reiterate our BUY rating on the stock with a TP of INR190 (premised on 6.5x EV/EBITDA on FY28 estimate).**

Quarterly performance (INR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Sales (m tons)	**4.6**	**4.9**	**5.2**	**5.3**	**4.2**	**5.2**	**5.8**	**5.9**	**19.9**	**21.0**	**5.0**	**4.2**
Change (YoY %)	13.5	19.8	16.3	(0.2)	(8.6)	5.1	11.7	11.5	11.5	5.4		
Realization (INR per ton)	**56,590**	**54,387**	**53,148**	**57,920**	**63,833**	**62,011**	**64,511**	**65,758**	**55,503**	**64,115**	**62,133**	**(0.2)**
Change (YoY %)	(5.4)	(3.2)	(3.9)	5.3	12.8	14.0	21.4	13.5	(1.6)	15.5		
Net Sales	**257.5**	**267.0**	**273.7**	**308.1**	**265.5**	**320.0**	**370.9**	**389.9**	**1,106.4**	**1,346.4**	**307.6**	**4.0**
Change (YoY %)	7.3	15.9	11.8	5.1	3.1	19.8	35.5	26.6	9.7	21.7		
Change (QoQ %)	(12.2)	3.7	2.5	12.6	(13.8)	20.5	15.9	5.1				
Total Expenditure	**231.5**	**241.8**	**250.8**	**264.0**	**220.9**	**277.8**	**318.3**	**332.8**	**988.1**	**1,149.9**		
EBITDA	**26.0**	**25.3**	**22.9**	**44.1**	**44.6**	**42.2**	**52.6**	**57.1**	**118.3**	**196.5**	**43.0**	**(2.0)**
Change (YoY %)	16.9	98.2	13.0	26.5	71.9	66.8	129.4	29.5	31.3	66.2		
Change (QoQ %)	(25.5)	(2.6)	(9.3)	92.2	1.2	(5.5)	24.8	8.5				
EBITDA per ton (INR)	**5,704**	**5,149**	**4,455**	**8,287**	**10,725**	**8,171**	**9,154**	**9,630**	**5,934**	**9,358**	**8,692**	**(6)**
Interest	5.9	4.8	5.5	5.3	4.9	5.2	6.0	7.8	21.6	24.0		
Depreciation	14.4	14.5	15.2	15.8	15.6	16.1	15.6	15.0	59.9	62.3		
Other Income	1.6	2.1	1.7	3.5	2.1	2.3	2.5	2.6	8.9	9.4		
Share of Asso/JVs	0.7	1.0	0.7	1.8	0.3	0.8	1.6	2.7	4.3	5.4		
PBT (before EO Inc.)	**7.9**	**8.9**	**4.8**	**28.3**	**26.4**	**24.0**	**35.1**	**39.6**	**50.0**	**125.0**		
EO Income(exp)	1.7	(3.4)	-	(3.3)	(4.5)	(0.7)	-	-	(4.9)	(5.3)		
PBT (after EO Inc.)	**9.7**	**5.6**	**4.8**	**25.0**	**21.9**	**23.2**	**35.1**	**39.6**	**45.1**	**119.8**		
Total Tax	2.2	1.4	1.1	6.7	5.4	5.7	9.5	11.1	11.3	31.7		
% Tax	23.1	24.7	22.0	26.6	24.8	24.7	27.0	28.1	25.1	26.5		
Reported PAT	**7.4**	**4.2**	**3.7**	**18.4**	**16.4**	**17.5**	**25.6**	**28.5**	**33.7**	**88.0**		
Adjusted PAT	**5.7**	**6.7**	**3.7**	**20.7**	**19.8**	**18.0**	**25.6**	**28.5**	**36.8**	**91.9**	**19.0**	**(5.1)**
Change (YoY %)	75.7	(277.1)	229.9	61.4	247.4	167.8	584.8	37.8	175.1	149.6		
Change (QoQ %)	(55.4)	17.8	(44.4)	452.4	(4.0)	(9.2)	42.2	11.2				

Source: MOFSL, Company

Radico Khaitan

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	RDCK IN
Equity Shares (m)	134
M.Cap.(INRb)/(USDb)	559.8 / 5.9
52-Week Range (INR)	4748 / 2500
1, 6, 12 Rel. Per (%)	-6/28/44
12M Avg Val (INR M)	1556

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	70.2	79.7	91.0
Sales Gr. (%)	16	14	14
EBITDA	14.4	16.9	20.0
Margin (%)	20.5	21.2	22.0
PAT	9.3	11.3	13.6
EPS (INR)	69.2	84.1	101.8
EPS Gr. (%)	53	21	21
BV/Sh.(INR)	298	365	447
Ratios			
RoE (%)	23.2	23.0	22.8
RoCE (%)	27.0	29.5	33.2
Payout (%)	20.0	20.0	20.0
Valuations			
P/E (x)	60.4	49.7	41.0
P/BV (x)	14.0	11.4	9.3
EV/EBITDA (x)	38.8	32.6	27.1

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	40.2	40.2	40.2
DII	27.2	28.1	25.5
FII	19.4	18.2	18.0
Others	13.2	13.5	16.3

FII includes depository receipts

CMP: INR4,178 TP: INR5,200 (+24%) BUY

Another strong quarter; positive revision in guidance

- Radico Khaitan (RDCK) continued to deliver strong growth, led by sustained momentum in its P&A portfolio. Standalone net sales grew 17% YoY to INR17.5b (beat), with P&A volumes growing 36% YoY to 5.3m cases, against industry P&A growth of ~6%. Growth was led by vodka (+49% YoY), while non-vodka P&A brands also grew 20%, indicating that outperformance extends beyond vodka. Overall IMFL volumes grew 7%, while IMFL revenue rose 23%, reflecting the benefit of premiumization. Regular portfolio volumes declined 10% YoY to 4.6m cases, owing to a high base (+79% in 2QFY26), the AP route-to-market change, and policy changes in Maharashtra and Karnataka. Non-IMFL revenue grew 1%.
- Management raised its FY27 P&A volume growth guidance to 30% YoY from 25% earlier, reflecting sustained premiumization and strong execution across its brands. RDCK continues to outperform industry growth, supported by strong vodka momentum and favorable policy changes across key states. RDCK's premium volumes in Karnataka have more than doubled YoY, aided by duty reductions and free pricing, while Maharashtra's P&A portfolio returned to a positive growth trajectory.
- Gross margin expanded 440bp YoY to 48%, with premiumization (+510bp) and price increases (+85bp) more than offsetting the ~160bp impact of higher packaging costs. However, GM contracted 110bp QoQ due to cyclical brand-mix changes and grain price inflation. EBITDA grew 50% YoY to INR3.6b (beat), with margin expanding 460bp YoY to 20.5%. Management retained its FY27 EBITDA margin guidance of ~20%. We model 20.5% and 21.2% EBITDA margins for FY27 and FY28.
- We continue to remain positive on RDCK, given its strong growth trajectory in the P&A segment and strategic expansion into premium and luxury portfolios. The luxury segment continues to witness strong growth and is expected to deliver over 25% value growth in FY27. With a sustained focus on premiumization, operating leverage, and broad-based geographic expansion, RDCK has delivered industry-leading growth. We believe its rich valuation is well justified by its continued strong performance. We value the company at 55x Sep'28E EPS to arrive at a TP of INR5,200 and reiterate BUY.

Robust earnings continue; P&A guidance raised to 30%

- **Robust sales growth momentum continues:** Standalone net sales grew 17% YoY to INR17.5b (est. INR16.8b) in 2QFY27. P&A volumes grew 36% YoY to 5.3m cases (est. 5.1m), while overall IMFL volumes grew 7% (est. 6%). P&A growth was led by the vodka portfolio (+49% YoY to 3.0m cases), supported by healthy growth in whisky portfolio. Regular portfolio volumes declined 10% YoY to 4.6m cases on a high base (+79% in 2QFY26), while Royalty cases fell 57% to 0.2m. The decline reflects the base effect from the Andhra Pradesh route-to-market change in 2QFY26 and policy changes in Maharashtra and Karnataka. IMFL revenue grew 23% YoY, led by premiumization, while non-IMFL revenue grew 1% YoY. **Reflecting sustained premium portfolio momentum, management raised its FY27 P&A volume growth guidance to 30% YoY from 25% earlier.**

- **EBITDA margin expanded 460bp YoY:** GM expanded 440bp YoY to 48% (est. 49%), supported by inventory built-up to mitigate rising grain prices. Employee and other expenses rose 13% and 15% YoY, respectively, while S&D expenses increased 19%. A&SP stood at 6.6% of IMFL sales (vs. 6.1% in 2QFY26), with management retaining its spending guidance of 6-8% of IMFL revenue. EBITDA margin expanded 460bp YoY to 20.5% (in line), supported by strong gross margin expansion. Despite the uncertain macro environment, management remains confident of achieving margin expansion in FY27 and reiterated its full-year EBITDA margin guidance of ~20%.
- **Strong earnings growth:** EBITDA grew 50% YoY to INR3.6b (est. 43%), while PBT/APAT increased 65%/66% YoY in 2QFY27. Net debt stood at INR1.75b, declining INR0.7b since Mar'26, with management aspiring to achieve a net debt-free position in 2HFY27.
- For 1HFY27, revenue/EBITDA/APAT grew 14%/50%/64% YoY, with EBITDA margin expanding to 20.6% from 15.7% in 1HFY26.

Highlights from the management commentary

- Vodka accounts for ~28% of the global liquor market. In India, its share increased from 3.7% in 2025 to 6.2% in 1HFY27. The category has expanded at a 20% CAGR over the past couple of years, and management expects this momentum to continue going forward.
- Within GM, premiumization contributed 510bp and price increases added 85bp. This was slightly offset by volatility in packaging material prices, which resulted in a financial impact of ~INR270m (~160bp impact on GM). Gross margin was impacted by cyclical brand mix changes and inflation in grain prices.
- With the UK FTA, RDCK is seeing about 8-10% reduction in the BIO MRPs.
- RDCK indicated that the overall spirits industry comprises ~400m cases of IMFL and 350-400m cases of country liquor, while the beer market is of a similar size.

Valuation and view

- We maintain our EPS estimates for FY27-29.
- Management remains committed to steadily reducing its debt, supported by healthy free cash flow generation. Net debt declined by INR0.7b from Mar'26 to INR1.75b as of Sept'26. Management is targeting a net debt-free balance sheet by FY27.
- RDCK remains focused on accelerating premium and luxury growth while driving greater efficiency across operations with disciplined capital allocation.
- The company's P&A sales stood at ~15% of UNSP's P&A sales in FY19. However, the share has now grown to ~30% (as of FY26), and we expect it to further improve going forward. The valuation gap with UNSP has narrowed significantly, reflecting greater market recognition of RDCK's brand strength and execution capabilities.
- RDCK is currently trading at 50x/41x FY28E/FY29E P/E, with RoE/RoIC of 23%/29.5% in FY28E. We believe the ~30% EPS CAGR over FY26-29E provides adequate support for sustaining rich valuations. We value the company at 55x Sep'28E EPS to arrive at a TP of INR5,200 and reiterate BUY.

Standalone Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
IMFL volume growth %	**37.5**	**37.7**	**16.6**	**4.0**	**2.9**	**7.1**	**10.6**	**16.2**	**22.2**	**9.1**	**5.9**	
P&A volume growth (%)	**40.7**	**21.6**	**25.9**	**27.9**	**35.9**	**35.7**	**30.0**	**29.5**	**28.5**	**32.6**	**30.0**	
Regular volume growth (%)	**51.8**	**79.4**	**32.8**	**-10.2**	**-14.9**	**-9.7**	**-8.0**	**5.6**	**31.0**	**-7.1**	**-13.0**	
Total revenues	**15,060**	**14,939**	**15,467**	**15,037**	**16,847**	**17,451**	**18,108**	**17,784**	**60,504**	**70,190**	**16,827**	**4%**
YoY change (%)	32.5	33.8	19.5	15.3	11.9	16.8	17.1	18.3	24.7	16.0	12.6	
Gross Profit	**6,477**	**6,520**	**7,194**	**7,218**	**8,277**	**8,384**	**8,873**	**8,859**	**27,409**	**34,393**	**8,245**	**2%**
Margin (%)	43.0	43.6	46.5	48.0	49.1	48.0	49.0	49.8	45.3	49.0	49.0	
EBITDA	**2,322**	**2,378**	**2,672**	**2,845**	**3,489**	**3,573**	**3,613**	**3,679**	**10,215**	**14,354**	**3,405**	**5%**
Margins (%)	15.4	15.9	17.3	18.9	20.7	20.5	20.0	20.7	16.9	20.5	20.2	
EBITDA growth (%)	55.8	45.7	45.2	60.2	50.3	50.2	35.2	29.3	51.6	40.5	43.3	
Depreciation	363	374	372	422	412	432	435	448	1,530	1,727	415	
Interest	159	163	164	154	117	114	100	103	640	434	120	
Other income	47	24	26	58	54	50	40	41	154	185	40	
PBT	**1,846**	**1,865**	**2,162**	**2,327**	**3,014**	**3,077**	**3,118**	**3,169**	**8,199**	**12,378**	**2,910**	**6%**
Tax	443	474	515	576	754	768	783	805	2,008	3,109	730	
Rate (%)	24.0	25.4	23.8	24.7	25.0	25.0	25.1	25.4	24.5	25.1	25.1	
Extraordinary inc/(Exp)	-70	0	-96	0	0	0	0	0	-166	0	0	
Reported PAT	**1,473**	**1,391**	**1,742**	**1,752**	**2,260**	**2,309**	**2,335**	**2,365**	**6,356**	**9,269**	**2,179**	**6%**
Adj.PAT	**1,403**	**1,391**	**1,647**	**1,752**	**2,260**	**2,309**	**2,335**	**2,365**	**6,066**	**9,269**	**2,179**	**6%**
YoY change (%)	83.9	69.3	71.6	93.1	61.1	66.0	41.8	35.0	75.7	52.8	56.8	

E: MOFSL Estimate

Key operational metrics

Revenue Split (INR M)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
P&A	4,995	5,780	6,479	6,148	7,132	7,184	8,383	7,937	9,700	9,960
Regular	2,363	1,766	2,294	3,440	3,499	3,228	2,952	2,945	2,893	2,927
Royalty	96	93	158	104	65	62	62	104	32	35
IMFL	**7,454**	**7,639**	**8,931**	**9,692**	**10,696**	**10,474**	**11,397**	**10,986**	**12,625**	**12,922**
Non IMFL	**3,911**	**3,523**	**4,011**	**3,349**	**4,364**	**4,465**	**4,070**	**4,050**	**4,222**	**4,529**
Total	**11,365**	**11,162**	**12,942**	**13,041**	**15,060**	**14,939**	**15,467**	**15,036**	**16,847**	**17,451**
Rev Growth YoY (%)										
P&A	19%	18%	25%	22%	43%	24%	29%	29%	36%	39%
Regular	-15%	-12%	15%	101%	48%	83%	29%	-14%	-17%	-9%
Royalty	25%	16%	58%	-16%	-32%	-33%	-61%	0%	-51%	-44%
IMFL	**6%**	**9%**	**22%**	**41%**	**43%**	**37%**	**28%**	**13%**	**18%**	**23%**
Non IMFL	**57%**	**56%**	**-7%**	**-14%**	**12%**	**27%**	**1%**	**21%**	**-3%**	**1%**
Total	**19%**	**21%**	**11%**	**21%**	**33%**	**34%**	**20%**	**15%**	**12%**	**17%**
IMFL Volume details (Mn Cases)										
Prestige & Above	2.7	3.2	3.7	3.4	3.8	3.9	4.6	4.4	5.2	5.3
Regular	3.6	2.8	3.5	5.3	5.4	5.0	4.7	4.8	4.6	4.6
Royalty	0.8	0.8	1.2	0.5	0.5	0.4	0.4	0.4	0.2	0.2
Total	**7.1**	**6.8**	**8.4**	**9.1**	**9.7**	**9.4**	**9.8**	**9.5**	**10.0**	**10.0**
Change YoY (%)										
Prestige & Above	14%	13%	18%	16%	41%	22%	26%	28%	36%	36%
Regular	-14%	-12%	13%	78%	52%	79%	33%	-10%	-15%	-10%
Royalty	-7%	-16%	14%	-65%	-40%	-46%	-63%	-9%	-63%	-57%
Total	**-4%**	**-2%**	**15%**	**27%**	**37%**	**38%**	**17%**	**4%**	**3%**	**7%**

Max Financial Services

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	MAXF IN
Equity Shares (m)	345
M.Cap.(INRb)/(USDb)	421.9 / 4.4
52-Week Range (INR)	1893 / 1193
1, 6, 12 Rel. Per (%)	-15/-19/-7
12M Avg Val (INR M)	1386

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Gross Premium	388.8	451.8	521.6
PAT	2.8	4.7	5.8
APE	105.0	116.8	135.4
VNB margin (%)	25.2	26.2	26.5
Op. RoEV (%)	18.7	18.6	18.5
AUM (INRb)	1,898	2,176	2,502
VNB(INRb)	26.5	30.6	35.9
EV per Share	677	793	939
Valuations			
P/EV (x)	1.8	1.5	1.3
P/EVOP (x)	11.2	9.8	8.4

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	1.3	1.3	1.7
DII	43.6	44.4	47.3
FII	48.7	48.1	44.8
Others	6.4	6.4	6.2

FII includes depository receipts

CMP: INR1,223 TP: INR1550 (+27%) BUY

VNB expands 150bp YoY; term rises and costs decline

- Axis Max Life Insurance's (MAXLIFE) APE grew 8% YoY to INR27.2b (in line), driven by 9% YoY growth through proprietary channels and 8% YoY growth through banca channels. For 1HFY27, APE grew 12% YoY.
- VNB grew 15% YoY to INR7.3b (in line), resulting in a VNB margin of 27% (est. 26%) vs. 25.5% in 2QFY26. For 1HFY27, VNB grew 21% YoY, with VNB margin of 25.4% (23.3% in 1HFY26).
- The EV of INR314.4b reflected an operating RoEV of 17.3% (16.3% in 1HFY26). The company reported PBT of INR1.4b (+46% YoY).
- APE growth is expected to strengthen in 2H, supported by recovery in Axis Bank channel and improving business momentum. 90%+ of business should remain unaffected by the proposed regulatory changes, with potential benefits from commission realignment and direct channels.
- We have largely kept our estimates intact and expect APE/VNB to grow at FY26-28 CAGR of 14%/16%. **We reiterate our BUY rating on the stock with a TP of INR1,550, premised on 1.7x FY28E EV.** The final insurance distribution regulation remains a key monitorable.

Protection contribution at ~18% of APE in 2QFY27

- Gross premium income grew 15% YoY to INR104.6b (in line), driven by 17% YoY growth in renewal premium, 15% in single premium and 9% in first-year premium. Market share among private players inched up to 10.1% in 2QFY27 from 8.9% in 2QFY26.
- VNB margin expansion of 150bp YoY was led by healthy protection demand, rising rider attachments and cost efficiencies.
- ULIP APE grew 11% YoY in 1HFY27 amid subdued demand due to volatile market sentiments.
- Individual protection and par were the fastest-growing non-linked segments, with APE growing 20% YoY each in 2Q, taking the contribution for both to 13% from 12% in 2QFY26. In 1H, pure protection witnessed 37% YoY growth, while rider APE growth moderated due to volatile markets, impacting ULIP demand. Credit Life continues to report strong growth (47% YoY in 1HFY27).
- Non-par savings APE declined 41% YoY in 1HFY27 owing to a high base and higher traction in annuity business, which grew 125% YoY.
- The proprietary channel grew 10% YoY in 2QFY27, contributing ~47% to APE. In 2QFY27, the offline/online proprietary channels grew 1%/29% YoY. ULIP contribution for the proprietary channel in 1HFY27 improved to 35% from 32% in 1HFY26. Protection and health contribution increased from 19% in 1HFY26 to 22% in 1HFY27.
- Partnership channel APE grew 7% YoY in 2QFY27, contributing ~53% to total APE. For 2QFY27, Axis Bank's APE grew 4% YoY due to market volatility weighing on ULIP demand, while other partnerships maintained strong growth momentum, with APE growing 21% YoY. Axis Bank should recover in 2HFY27. In 1HFY27, ULIP declined YoY at 39% in 1QFY27. Protection and health contribution increased from 7% in 1HFY26 to 9% in 1HFY27.

- The opex-to-GWP ratio decreased 180bp YoY to 13.7% in 1HFY27. Excluding the GST impact, the ratio would have decreased by 300bp YoY.
- In 1HFY27, persistency on a premium basis rose across long-term cohorts, especially in 37M (+500bp YoY to 68%) and 61M (+500bp YoY to 59%). However, 13M/25M persistency dipped 200bp/300bp YoY to 83%/73%.
- AUM grew 11% YoY to INR2.1t. The solvency ratio stood at 208% in 2QFY27 same as 2QFY26.

Key highlights from the management commentary

- Max Life's EoM ratio stands at ~25% and management expects to achieve 5-7% reduction through commission and GST optimization, with a further 2-3% from operating efficiencies over time to act in line with regulatory guidance.
- A new retirement product launched in 2Q has received a favorable response and already contributes ~8% of APE.
- Axis Bank's counter share was ~63-64% in 2QFY27 due to product-mix considerations, recovering to ~65% in Oct'26.

Valuation and view

- Strong traction in the protection and annuity segments, new product launches in the non-linked segments and yield curve movements have resulted in robust VNB margin expansion for MAXLIFE.
- While the growth seems to have slowed down across channels due to a high base, rising agent productivity, improvement in the Axis Bank channel and rising Tier-2 and beyond penetration will help maintain growth going forward.
- We have largely kept our estimates intact and expect APE/VNB to post FY26-28 CAGR of 14%/16%. **We reiterate our BUY rating on the stock with a TP of INR1,550, premised on 1.7x FY28E EV.** The final insurance distribution regulation remains a key monitorable.

Quarterly snapshot

Policy holder's A/c (INR b)	FY26				FY27				FY26	FY27E	FY27E 2QE	A v/s E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
First year premium	15.5	23.4	25.1	34.9	18.1	25.6	27.9	40.0	97.8	111.5	25.3	1%
Growth (%)	*23.3%*	*14.1%*	*22.6%*	*17.2%*	*16.5%*	*9.4%*	*11.3%*	*14.5%*	*19.3%*	*14.0%*	*8.3%*	
Renewal premium	38.7	56.3	60.5	88.2	46.4	66.1	70.5	104.7	243.7	287.6	64.7	2%
Growth (%)	*16.6%*	*19.2%*	*15.8%*	*13.4%*	*19.8%*	*17.4%*	*16.5%*	*18.6%*	*15.8%*	*18.0%*	*14.9%*	
Single premium	9.7	11.3	11.5	13.7	11.6	12.9	13.1	15.1	47.2	52.6	12.9	0%
Growth (%)	*19.0%*	*16.5%*	*20.4%*	*23.9%*	*19.3%*	*14.9%*	*13.3%*	*10.0%*	*18.8%*	*11.5%*	*14.6%*	
Gross premium income	**64.0**	**90.9**	**97.1**	**136.8**	**76.1**	**104.6**	**111.4**	**159.7**	388.8	451.8	**102.9**	**2%**
Growth (%)	*18.5%*	*17.5%*	*18.0%*	*15.3%*	*18.9%*	*15.0%*	*14.8%*	*16.7%*	*17.0%*	*16.2%*	*13.2%*	
PBT	**0.7**	**1.0**	**0.8**	**2.0**	**0.9**	**1.4**	**1.0**	**1.6**	4.5	5.0	**0.9**	**56%**
Growth (%)	*-52.5%*	*-29.7%*	*8.9%*	*3233.3%*	*23.0%*	*45.9%*	*30.3%*	*-18.9%*	*10.2%*	*10.6%*	-6.3%	
Key metrics (INRb)												
New Business APE	16.7	25.1	27.3	35.9	19.2	27.2	29.8	40.6	105.0	116.8	27.1	0%
Growth (%)	*14.8%*	*15.5%*	*29.6%*	*18.3%*	*15.2%*	*8.3%*	*8.9%*	*13.1%*	*19.7%*	*11.2%*	0.1	
VNB	3.4	6.4	6.6	10.1	4.5	7.3	7.6	11.2	26.5	30.6	7.1	4%
Growth (%)	*31.9%*	*24.8%*	*34.8%*	*19.0%*	*33.1%*	*14.9%*	*15.2%*	*10.5%*	*25.6%*	*15.6%*	0.1	
AUM	1,832	1,853	1,927	1,898	2,026	2,057	2,118	2,176	1,898	2,176	2,087	-1%
Growth (%)	*13.7%*	*8.9%*	*12.2%*	*8.5%*	*10.6%*	*11.0%*	*9.9%*	*14.7%*	*8.4%*	*14.7%*	0.1	
Key Ratios (%)												
VNB Margin (%)	20.1	25.5	24.1	28.2	23.2	27.0	25.5	27.6	25.2	26.2	26.0	

KPR Mill

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	KPR IN
Equity Shares (m)	342
M.Cap.(INRb)/(USDb)	374.3 / 3.9
52-Week Range (INR)	1334 / 796
1, 6, 12 Rel. Per (%)	0/23/15
12M Avg Val (INR M)	539
Free float (%)	32.5

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	66.5	76.8	85.2
EBITDA	12.7	16.7	19.4
EBITDA (%)	19.1	21.8	22.8
Adj. PAT	8.7	11.4	13.5
EPS (INR)	25.4	33.4	39.5
EPS Gr.%	6.3	31.7	18.2
BV/Sh. (INR)	165.6	192.1	223.5
Ratios			
Net D/E	-0.1	-0.2	-0.2
RoE (%)	16.2	18.5	18.9
RoCE (%)	15.4	17.7	18.3
Payout (%)	19.7	20.0	20.0
Valuations			
P/E (x)	43.1	32.7	27.7
P/B (x)	6.6	5.7	4.9
EV/EBITDA (x)	29.0	21.9	18.5
Div. yield (%)	0.5	0.6	0.7

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	67.5	67.5	67.5
DII	19.2	19.3	19.4
FII	7.0	7.0	6.5
Others	6.3	6.2	6.6

CMP: INR1,095 **TP: INR1,250 (+14%)** **Neutral**

Revenue grew 18.9% YoY, driven by high growth in sugar

KPR Mill's (KPR) revenue grew 18.9% YoY to INR19.4b in 2QFY27, driven by growth of 16.6% in the textile portfolio and 26.9% in the sugar segment. Gross margin expanded 490bp YoY to 44.4% in 2QFY27, while EBITDA margin settled at 25.7% (+640bp YoY). We expect KPR's revenue growth to continue at ~13%, supported by capacity ramp-up, favorable demand in the garments segment, and strategic expansion in higher-margin branded apparel. Profitability is likely to strengthen gradually, with EBITDA margin expanding 22.8% and APAT margin expanding 15.8% by FY28, driven by operating leverage and a better product mix.

Sugar segment driving the topline

KPR's revenue grew 18.9% YoY to INR19.4b in 2QFY27. The textile portfolio (76% of sales) grew 16.6%, while sugar segment accounted for 22% of the portfolio, delivering 26.9% growth. Textile segment posted EBIT margin of 24.9%, while the sugar segment posted EBIT margin of 16.8%. 1H sales grew 14.0% and PAT grew 40.1% YoY to INR6b. We expect revenue to clock a 13% CAGR over FY26- 28, supported by capacity ramp-up, favorable demand in the garments segment, and strategic expansion in higher-margin branded apparel. Inventory declined INR8.2b since Mar'26 (seasonal sugar liquidation and textile stock reduction), contributing to 1H CFO of INR14.5b. Gross debt declined INR2.6b to INR3.4b, and net cash grew to ~INR21.8b from INR8.3b.

Gross margin expanded on the back of lower RM prices

In 2Q, gross margin expanded 490bp to 44.4% due to lower-cost raw material. EBITDA grew 58.4% to INR5.0b, with EBITDA margin at 25.7% (+640bp YoY), aided by moderate growth in employee expenses (+9.7% YoY) and other expenses (+10.5% YoY). APAT grew 58.2% to INR3.5b. Textile segment delivered the highest EBIT margin of ~24.9%, while the sugar segment's EBIT margin stood at ~16.8%. We expect EBITDA margin to gradually expand to 21.5%, led by operating leverage and a better product mix.

Valuation and view: Reiterate Neutral

We believe the company is well-positioned to benefit from its leadership in the Indian textile and apparel industry, supported by the largest garmenting capacity among listed peers. We model a revenue, EBITDA, and PAT CAGR of 13%, 24%, and 25%, respectively, over FY26-28, fueled by growth in the garment portfolio. We have raised our earnings estimates for FY27E/28E by 7%/8%. However, the current valuation already factors in low- to mid-teens growth, leaving limited upside from the CMP. Accordingly, we reiterate our Neutral rating with a TP of INR1,250 (valuing the stock at 21x FY28E EV/EBITDA). Key risks: dependence on export markets, demand cyclicality in the apparel industry, and intense global competition (refer to our IC note dated Jun'26).

Consolidated - Quarterly Earning Model **(INR m)**

Y/E March	FY26				FY27				FY26	FY27E	1QFY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				%
Net Sales	**17,663**	**16,320**	**14,674**	**17,847**	**19,355**	**19,397**	**18,489**	**19,604**	**66,504**	**76,846**	*18,442*	*5.2*
YoY Change (%)	9.7	10.3	-4.0	0.9	9.6	18.9	26.0	9.8	4.1	15.6	*13.0*	
Gross Profit	**6,347**	**6,454**	**6,491**	**6,950**	**7,876**	**8,620**	**7,766**	**7,538**	**26,104**	**31,800**	*7,524*	*14.6*
Total Expenditure	14,560	13,178	11,729	14,364	15,607	14,421	14,335	15,746	53,831	60,108	*14,712*	*-2.0*
EBITDA	**3,103**	**3,142**	**2,945**	**3,483**	**3,748**	**4,977**	**4,155**	**3,858**	**12,673**	**16,738**	*3,730*	*33.4*
Margins (%)	17.6	19.3	20.1	19.5	19.4	25.7	22.5	19.7	19.1	21.8	*20.2*	
Depreciation	532	538	542	543	565	557	600	638	2,156	2,360	*570*	*-2.4*
Interest	139	122	108	147	145	118	117	116	516	496	*147*	*-19.9*
Other Income	360	239	335	405	347	491	350	348	1,339	1,537	*375*	*31.0*
PBT before EO expense	**2,791**	**2,721**	**2,630**	**3,198**	**3,386**	**4,794**	**3,788**	**3,452**	**11,340**	**15,420**	*3,388*	*41.5*
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	*0*	
PBT	**2,791**	**2,721**	**2,630**	**3,198**	**3,386**	**4,794**	**3,788**	**3,452**	**11,340**	**15,420**	*3,388*	*41.5*
Tax	664	541	544	926	800	1,344	985	880	2,675	4,009	*796.1*	*68.8*
Rate (%)	23.8	19.9	20.7	29.0	23.6	28.0	26.0	25.5	23.6	26.0	*23.5*	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	*0*	
Reported PAT	**2,127**	**2,180**	**2,086**	**2,272**	**2,585**	**3,450**	**2,803**	**2,572**	**8,665**	**11,411**	*2,592*	*33.1*
Adj PAT	**2,127**	**2,180**	**2,086**	**2,272**	**2,585**	**3,450**	**2,803**	**2,572**	**8,665**	**11,411**	*2,592*	*33.1*
YoY Change (%)	4.6	6.4	3.1	11.1	21.6	58.2	34.4	13.2	6.3	31.7	*18.9*	
Margins (%)	12.0	13.4	14.2	12.7	13.4	17.8	15.2	13.1	13.0	14.8	*14.1*	

United Breweries

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	UBBL IN
Equity Shares (m)	264
M.Cap.(INRb)/(USDb)	313.3 / 3.3
52-Week Range (INR)	1846 / 1128
1, 6, 12 Rel. Per (%)	-2/-14/-23
12M Avg Val (INR M)	296

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Net Sales	92.3	106.1	117.5
Sales Gr. (%)	3.7	14.9	10.7
EBITDA	8.1	10.3	13.0
Margin (%)	8.7	9.7	11.0
Adj. PAT	3.7	5.1	7.3
Adj. EPS (INR)	14.1	19.2	27.6
EPS Gr. (%)	-19.9	35.4	43.9
BV/Sh. (INR)	170.9	181.1	195.9
Ratios			
RoE (%)	8.4	10.9	14.6
RoCE (%)	9.5	12.5	15.7
Valuations			
P/E (x)	84.7	62.5	43.5
P/BV (x)	7.0	6.6	6.1
EV/EBITDA (x)	38.6	30.0	23.3

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	70.8	70.8	70.8
DII	18.4	18.9	17.8
FII	5.4	4.9	6.3
Others	5.4	5.4	5.1

FII includes depository receipts

CMP: INR1,185 TP: INR1,300 (+10%) Neutral

Beat in performance; consistency still missing

- UBBL's standalone net sales grew 24% YoY to INR25.4b (est. INR23.6b) on a favorable base (-3% in 2QFY26, 10% three-year CAGR). Volume growth was at 16% vs. estimate of 12% (-3% in 2QFY26, 4% three-year CAGR).
- Beer category sustained double-digit growth, with further acceleration witnessed during the quarter. Premium portfolio delivered 38% volume growth, led by Heineken Silver (+67%) and Kingfisher Ultra (+44%). In Karnataka, market growth stood at over 50%, while UBBL grew 60%, gaining 250bp market share.
- GM expanded 190bp YoY/375bp QoQ to 44.7% (est. 42%), supported by pricing (2.5-3% hike), product mix and efficiencies. While quarterly GM variation has been noticed in previous quarters, performance in the coming quarters will be important in such cost inflation. Premium portfolio margins turned accretive, supported by localization, revenue management and network optimization.
- EBITDA margin expanded 390bp YoY to 10.3% (beat). Management highlighted that structural interventions contributed INR1b to quarterly EBIT. Three-year EBITDA CAGR is 12%.
- Management expects high-single-digit industry growth and double-digit growth in UBBL revenue in FY27. The growth is expected to be supported by healthy industry demand, continued premiumization and favorable regulatory reforms across key states.
- We model 9.7%/11% EBITDA margin for FY27/FY28, but there can be downside risk in margin if cost inflation sustains. Given rich valuations and lingering cost headwinds, we maintain our Neutral stance on the stock with a TP of INR1,300 (40x Sep'28E EPS).

Overall beat; slow premium volume growth at 16%

- **Strong revenue growth; premium portfolio outperforms:** UBBL's standalone net sales grew 24% YoY to INR25.4b (est. INR23.6b), driven by 16% volume growth (est. +12%). Regionally, South and West grew 24% and 21%, respectively, followed by 10% in North and 7% in East. UBBL gained share in profitable markets, led by Karnataka.
- **Beat in margin:** GM expanded 190bp YoY and 375bp QoQ to 44.7% (est. 42%), aided by structural interventions that offset the impact of the Middle East conflict. However, quarterly gross margin volatility has persisted in recent quarters. Employee/other expenses increased 11%/19% YoY. EBITDA margin expanded 390bp YoY to 10.3% (est. 8%; 9.2% in 1QFY27), benefiting from strong gross margin expansion. Productivity initiatives and procurement savings are expected to support margin recovery, although elevated input costs, including sugar, and higher commercial spending are likely to impact sequential margin in coming quarters.

- **Three-year 12% EBITDA CAGR:** EBITDA doubled YoY to INR2.6b (est. INR1.9b), although growth was aided by a favorable base (-43% in 2QFY26); three-year EBITDA CAGR stood at 12%. Interest cost increased 93% YoY to INR283m (est. INR210m), while other income included one-off interest income of INR360m. Consequently, APAT grew 133% YoY to INR1,093m (est. INR850m), supported by strong operating performance and higher other income.
- In 1HFY27, revenue/EBITDA/APAT grew 14%/23%/20% YoY.

Highlights from the management commentary

- Beer category growth remained in double digits, supported by strong consumer demand and favorable state-level policy changes.
- Karnataka beer volumes grew over 60% YoY for UBL, while the market grew over 50%. UBL gained ~250bp market share, driven by competitive pricing and innovation.
- Own breweries currently contribute approximately 70-75% of production, depending on seasonality, product mix and operating conditions.
- Management estimates structural interventions contributed ~INR1b to quarterly EBIT.
- UBBL has implemented pricing actions across 24 markets, the most extensive hike undertaken by the company, with benefits now increasingly reflected in financials.

Valuation and view

- We broadly maintain our EPS estimates for FY27 and FY28.
- The beer industry is seeing the recovery, supported by favorable regulatory developments, improved affordability, and stable demand conditions. F**avorable policy environment** remains a key growth driver, with no major tax hikes on beer across most recent state policies and relatively higher taxation on spirits improving beer affordability.
- Management expects high-single-digit industry growth and double-digit growth in UBBL revenue in FY27. The growth is expected to be supported by healthy industry demand, continued premiumization and favorable regulatory reforms across key states.
- We model 9.7%/11% EBITDA margin for FY27/FY28, but there can be downside risk in margin if cost inflation sustains. Given rich valuations and lingering cost headwinds, we maintain our Neutral stance on the stock with a TP of INR1,300 (40x Sep'28E EPS).

Standalone Quarterly Performance **(INRm)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Volume growth (%)	**11**	**-3**	**-1**	**4**	**9**	**16**	**10**	**8**	**3**	**11**	**12**	
Net Sales	**28,624**	**20,511**	**20,714**	**22,478**	**30,649**	**25,359**	**24,028**	**26,066**	**92,327**	**1,06,102**	**23,587**	7.5%
YoY Change (%)	15.7	-3.0	3.7	-3.2	7.1	23.6	16.0	16.0	3.7	14.9	15.0	
Gross Profit	**12,176**	**8,779**	**9,393**	**10,209**	**12,563**	**11,345**	**10,692**	**11,873**	**40,557**	**46,473**	9,907	14.5%
Margin (%)	42.5	42.8	45.3	45.4	41.0	44.7	44.5	45.5	43.9	43.8	42.0	
EBITDA	**3,105**	**1,301**	**2,255**	**1,391**	**2,827**	**2,600**	**2,484**	**2,342**	**8,053**	**10,252**	1,868	39.2%
YoY Change (%)	9.1	-42.6	59.8	-25.3	-9.0	99.8	10.1	68.3	-4.0	27.3	43.5	
Margins (%)	10.8	6.3	10.9	6.2	9.2	10.3	10.3	9.0	8.7	9.7	7.9	
Depreciation	628	640	689	759	857	892	850	851	2,716	3,450	825	
Interest	112	147	169	290	230	283	250	237	717	1,000	210	
Other Income	110	150	109	78	506	53	150	241	446	950	300	
PBT before EO expense	**2,475**	**665**	**1,506**	**420**	**2,246**	**1,478**	**1,534**	**1,494**	**5,066**	**6,752**	1,133	30.4%
Tax	638	196	510	144	582	479	383	244	1,487	1,688	283	
Rate (%)	25.8	29.4	33.9	34.2	25.9	32.4	25.0	16.3	27.3	25.0	25.0	
Reported PAT	**1,837**	**469**	**808**	**1,017**	**1,664**	**1,359**	**1,150**	**1,251**	**4,132**	**5,064**	**850**	
Adj PAT	**1,837**	**469**	**932**	**530**	**1,664**	**1,093**	**1,150**	**1,251**	**3,741**	**5,064**	850	28.6%
YoY Change (%)	6.0	-64.5	45.6	-45.6	-9.4	132.8	23.4	136.1	-19.9	35.4	81.0	
Margins (%)	6.4	2.3	4.5	2.4	5.4	4.3	4.8	4.8	4.1	4.8	3.6	

E: MOFSL Estimates

Piramal Pharma

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	PIRPHARM IN
Equity Shares (m)	1331
M.Cap.(INRb)/(USDb)	309.9 / 3.3
52-Week Range (INR)	236 / 132
1, 6, 12 Rel. Per (%)	13/47/28
12M Avg Val (INR M)	932
Free float (%)	65.2

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	88.7	105.6	118.7
EBITDA	9.2	14.4	17.2
Adj. PAT	(1.3)	1.3	3.3
EBIT Margin (%)	1.0	4.6	6.2
Cons. Adj. EPS (INR)	(1.0)	1.0	2.5
EPS Gr. (%)	NA	NA	162.4
BV/Sh. (INR)	68.4	69.5	72.2
Ratios			
Net D:E	0.5	0.5	0.5
RoE (%)	(1.6)	1.5	3.9
RoCE (%)	4.2	1.6	3.6
Payout (%)	-	17.6	17.6
Valuations			
P/E (x)	NA	245.2	93.5
EV/EBITDA (x)	38.3	24.7	20.7
Div. Yield (%)	-	0.1	0.2
FCF Yield (%)	0.0	0.0	0.0
EV/Sales (x)	4.0	3.4	3.0

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	34.8	34.8	34.9
DII	14.4	14.6	14.9
FII	14.1	13.0	30.8
Others	36.7	37.6	19.5

FII Includes depository receipts

CMP: INR233 **TP: INR270 (+16%)** **Buy**

Broad-based beat, led by superior execution in the core segment

CDMO outlook turns brighter, driving an earnings upgrade

- Piramal Pharma (PIRPHARM) delivered better-than-expected financial performance, with an 11%/56% beat on revenue/EBITDA in 2QFY27. It also delivered a PAT of INR50m vs. expectation of a loss of INR684m for 2Q. Robust traction in CDMO and complex hospital generics (CHG) segment and higher operating leverage, led to improved performance in 2QFY27.
- After five quarters of weak performance, PIRPHARM exhibited strong YoY growth in revenue and healthy EBITDA margin in 2QFY27.
- Robust request for proposal (RFP) activities from customers, as well as the addition of customers, have not only led to strong off-take in 2QFY27, but also provided a healthy outlook for PIRPHARM in this segment.
- PIRPHARM not only maintained leadership position in Inhalation Anesthesia (IA) within CHG in the US market, but also witnessed a pick-up in IA products in non-US market.
- The e-commerce channel continue to provide impetus for growth in consumer health segment.
- We raise our earnings estimates by 11%/7% for FY26/FY27 factoring in 1) an improved demand outlook in the CDMO segment, 2) scale-up of ADC-related business, 3) focused supplier collaboration in the CHG segment, and 4) portfolio enhancement in the consumer health segment.
- We value PIRPHARM on an SOTP basis, applying 23x EV/EBITDA to CDMO, 12x to CHG, and 13x to ICH on a 12-month forward basis, to arrive at our TP of INR270. **Reiterate BUY.**

Strong revenue growth and operating leverage drive EBITDA

- PIRPHARM's 2Q revenue grew 28.1% YoY to INR26.2b (our est: INR23.5b).
- Its gross margin contracted 20bp YoY to 65.4%.
- However, its EBITDA margin expanded 550bp YoY to 13.3% (our est: 9.5%), largely driven by a dip in employee costs (down 260bp YoY) and other expenses (down 310bp) as % of sales.
- EBITDA grew 119.8% YoY to INR3.5b (our est: INR2.2b).
- Adjusted PAT came in at INR50m vs our estimated loss of INR684m, driven by better operational leverage.
- For 1HFY27, Revenue/EBITDA grew 23%/105% YoY to INR48.9b/5.4b, while the net loss declined INR1.4b.

Broad-based momentum across all operating segments

- The CDMO segment's (54% of total sales) revenue grew 36% YoY to INR14.2b.
- The complex Hospital Generics segment's (CHG; 33% of total sales) revenue grew 32% YoY to INR8.5b.
- The India Consumer Healthcare segment's (ICH; 13% of total sales) revenue grew 13% YoY to INR3.6b.

Highlights from the management commentary

- Management upgraded its FY27 revenue growth guidance to 19-20% from early-to-mid-teens previously, with EBITDA expected to grow meaningfully faster than revenue, supported by broad-based performance and a stronger 2H.
- The CDMO growth was supported by demand across India and overseas sites, improved execution, and higher RFP activity and order inflows. Management expects momentum to continue through FY27, with 2H typically stronger than 1H.
- ADC revenues grew over 50% YoY in 1HFY27, supported by higher order inflows and improving capacity utilization. Revenue across ADC services was approximately USD40m in 1HFY27.
- PIRPHARM completed capacity and capability expansion for high-potency APIs, while the Lexington sterile fill-finish expansion reached its first operational go-live with the micro-expansion lab launched around CPHI in October 2026.
- The company is implementing a restructured go-to-market model, with increased sales personnel in the field and deeper key account focus on large pharma to structurally reduce volatility from biotech funding cycles.
- Revenue from unpatented commercial manufacturing grew 39% YoY in 1HFY27.

Consl. Quarterly performance

(INR m)	FY26				FY27E				FY26	FY27E	FY27E	% var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Revenues	**19,337**	**20,437**	**21,399**	**27,518**	**22,699**	**26,171**	**25,149**	**31,559**	**88,691**	**1,05,579**	**23,548**	**11%**
growth YoY(%)	*-0.9*	*-8.8*	*-2.9*	*-0.1*	*17.4*	*28.1*	*17.5*	*14.7*	*-3.1*	*19.0*	*15.2*	
CDMO	9,970	10,440	11,660	17,080	11,870	14,240	13,292	20,154	49,150	59,557	11,797	
CHG	6,370	6,440	6,680	7,550	7,430	8,490	8,350	8,909	27,040	33,179	8,114	
ICH	3,020	3,190	3,340	3,200	3,470	3,590	3,507	2,496	12,750	13,063	3,637	
EBITDA*	**1,067**	**1,587**	**1,957**	**4,605**	**1,952**	**3,487**	**3,093**	**5,838**	**9,216**	**14,371**	**2,237**	**56%**
margin (%)	*5.5*	*7.8*	*9.1*	*16.7*	*8.6*	*13.3*	*12.3*	*18.5*	*10.4*	*13.6*	*9.5*	
growth YoY(%)	*-47.8*	*-53.5*	*-42.0*	*-17.9*	*82.9*	*119.8*	*58.0*	*26.8*	*-36.2*	*55.9*	*41.0*	
Depreciation	1,973	2,028	2,127	2,184	2,236	2,332	2,342	2,645	8,312	9,553	2,244	
EBIT	**-906**	**-441**	**-170**	**2,421**	**-283**	**1,156**	**752**	**3,194**	**904**	**4,818**	**-7**	
Other income	584	656	432	461	894	359	365	380	2,133	1,998	510	
Interest expense	862	824	892	830	881	876	910	920	3,408	3,587	938	
Share from Asso. Co	186	148	103	136	196	177	150	181	572	704	140	
PBT	**-998**	**-462**	**-527**	**2,188**	**-75**	**816**	**357**	**2,835**	**201**	**3,933**	**-294**	
EO Expenses/(gain)	(207)	-	411	1,758	-	-	-	-	1,961	-	-	
Taxes	**27**	**530**	**423**	**518**	**619**	**766**	**157**	**1,134**	**1,499**	**2,676**	**390**	
Tax Rate (%)	*-3.4*	*-114.9*	*-45.1*	*120.5*	*-830.2*	*93.8*	*44.0*	*40.0*	*-85.1*	*68.0*	*-132.5*	
Reported PAT	**-817**	**-992**	**-1,362**	**-88**	**-694**	**50**	**200**	**1,701**	**-3,259**	**1,257**	**-684**	**NA**
Adj. PAT	**-1,031**	**-992**	**-950**	**1,670**	**-694**	**50**	**200**	**1,701**	**-1,304**	**1,257**	**-684**	
Change (%)	*NA*	*NA*	*NA*	*8.8*	*-32.7*	*-105.1*	*-121.0*	*1.9*	*NA*	*NA*	*-31.0*	

Star Health

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	STARHEAL IN
Equity Shares (m)	589
M.Cap.(INRb)/(USDb)	306.1 / 3.2
52-Week Range (INR)	625 / 417
1, 6, 12 Rel. Per (%)	-6/6/18
12M Avg Val (INR M)	374

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Revenue	178.3	203.1	233.5
Service result	12.4	16.9	19.4
PBT	12.3	22.0	24.6
PAT	9.1	16.5	18.5
Ratios (%)			
Claims	68.8	67.8	68.0
Expense	30.1	29.7	29.4
CISR	98.9	97.5	97.4
RoE	10.0	15.8	15.2
EPS (Rs)	15.5	28.0	31.4
Valuations			
P/E (x)	33.6	18.6	16.6
P/BV (x)	3.2	2.7	2.3

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	58.0	58.0	58.0
DII	18.8	19.4	21.1
FII	15.8	16.0	13.5
Others	7.4	6.5	7.4

FII Includes depository receipts

CMP: INR520 **TP: INR690 (+33%)** **BUY**

Strong GWP growth; investment income drives PAT beat

- Star Health's (STARHEAL) insurance revenue grew 15% YoY in 2QFY27 to INR50.7b, while gross premium grew 19% YoY.
- Insurance service result stood at INR3.8b, growing 95% YoY. Combined insurance service ratio at 98% (MOFSLe of 99.3%) improved 290bp YoY.
- Investment income at INR2.7b was 19% above our estimates, growing 62% YoY. Beat on investment income drove a PAT beat, which stood at INR2.6b (+233% YoY). For 1HFY27, PAT grew 57% YoY, with an RoE of 16.3%, while on a normalized basis (assuming investment yield of 8%), PAT grew 56% YoY, with an RoE of 15.1%.
- GST-led growth benefits will enter the base from Oct'26, moderating the growth trajectory from 3QFY27. Management aims to deliver over 18% fresh business growth.
- We have slightly cut down our insurance service result estimates considering slower growth in 2HFY27. However, strong investment performance has led to an increase in our PAT estimates by 6%/4% for FY27/28. We expect PAT to post a 46% CAGR over FY26-28. **We reiterate our BUY rating with a TP of INR690 (based on 22x FY28E IFRS PAT).**

Strong retail fresh growth across channels

- In 2QFY27, gross written premium at INR52.8b grew 19% YoY, with retail fresh GWP growing 35% YoY to INR9b. 93% of fresh business in 1HFY27 was new-to-insurance (90% in 1HFY26).
- The underwriting profit for 2QFY27 came in at INR990m, compared to the underwriting loss of INR400m in 2QFY26.
- Claims at INR5b grew 11% YoY (in line), reflecting a claims ratio of 69.0% (MOFSLe of 70.0%). The improvement in claims ratio is supported by investments toward wellness initiatives and calibrated pricing actions, leading to renewal combined ratio below 100%.
- Annualized pre-tax RoE of 21.9% in 1HFY27 included 4.2% underwriting RoE and 17.7% investment RoE. Considering an investment yield of 8% instead of the reported 8.5%, investment RoE would have been 15.1% in 1HFY27.
- STARHEAL's AUM grew to INR225b at the end of 2QFY27, compared to INR190b at the end of 2QFY26, with investment leverage at 2.1x.
- The solvency ratio was stable at 2.1x.
- Over 90% of 1HFY27 GWP came from proprietary channels, supported by a network of 870,000 agents and 19% YoY growth in productivity to 250,000 in 1HFY27.
- Agency channel (85% of overall GWP) witnessed 25% YoY growth in the retail fresh business, while D2C (5.2% of overall GWP) witnessed a staggering 137% YoY growth in 1HFY27. Partnerships (7.1% of overall GWP) witnessed 39% YoY growth in the retail fresh business.

- STARHEAL's investments in accelerating digital growth are yielding strong results, with 69% of digital business sourced through D2C and the remaining 31% through digital partners in 1HFY27. D2C recorded 24% YoY growth in new policy issuances, with 98% of customers being new-to-insurance.

Key takeaways from the management commentary

- The company has increased portfolio duration amid higher G-Sec yields, targeting around four years, with scope to extend duration further if yields rise.
- Pricing interventions are yielding results, with improving retail loss ratios and the renewal book operating at a combined ratio below 100%.
- Fresh business growth in semi-urban and rural geographies was ~3x that of urban markets.

Valuation and view

- STARHEAL reported mid-teen growth in 2QFY27, along with strong premium growth of 19%, driven by continued momentum in retail health. We remain optimistic about the overall prospects for STARHEAL, backed by: a) consistent growth in retail health, b) improving claims management, and c) operational efficiency with scale. We believe the company can deliver long-term growth with the investments made in profitable channels and products.
- We have slightly cut down our insurance service result estimates considering slower growth in 2HFY27. However, strong investment performance has led to an increase in our PAT estimates by 6%/4% for FY27/28. We expect PAT to post a 46% CAGR over FY26-28. **We reiterate our BUY rating with a TP of INR690 (based on 22x FY28E IFRS PAT).**

Quarterly Performance

INRb	FY26				FY27				FY26	FY27E	2QFY27E	Act v/s Est. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Insurance revenue	**43.4**	**44.0**	**45.6**	**46.7**	**48.6**	**50.7**	**51.2**	**52.6**	**178.3**	**203.1**	**50.3**	0.9	15.4	4.5
YoY growth (%)	14.4	11.0	11.5	13.9	12.0	15.4	12.2	12.5	11.8	13.9	13.5			
Claims	29.7	31.4	31.3	30.2	33.2	35.0	35.3	34.2	122.7	137.7	35.2	-0.6	11.3	5.4
Operating expenses	10.2	10.1	10.9	11.2	11.3	11.7	11.9	12.6	41.9	47.5	11.6	0.6	15.4	3.0
Insurance service expenses	**39.9**	**41.5**	**42.2**	**41.4**	**44.5**	**46.7**	**47.2**	**46.8**	**164.6**	**185.2**	**46.8**	-0.3	12.3	4.8
Net reinsurance expenses	0.6	0.4	0.2	0.3	0.2	0.2	0.3	0.3	1.3	1.0	0.2	21.3	-45.7	35.1
Insurance service result	**2.9**	**2.0**	**3.2**	**5.0**	**3.9**	**3.8**	**3.7**	**5.5**	**12.4**	**16.9**	3.3	17.3	95.4	-0.8
Investment income	5.9	1.7	5.7	-2.3	6.4	2.7	4.0	4.1	10.9	17.3	2.2	19.2	62.1	-58.4
Finance cost	0.4	-	0.2	0.2	-	-	-	-	-	-	0.4			
Other expenses	2.4	2.5	2.8	3.2	2.9	3.0	3.1	3.2	10.9	12.2	3.1	-2.1	19.9	3.7
PBT	5.9	1.1	5.9	-0.6	7.4	3.5	4.7	6.4	12.3	22.0	2.1	69.4	215.1	-52.6
Tax	1.5	0.3	1.5	-0.0	1.9	0.9	1.2	1.6	3.2	5.6	0.5	67.3	170.9	-54.8
PAT	**4.4**	**0.8**	**4.5**	**-0.6**	**5.5**	**2.6**	**3.5**	**4.8**	**9.1**	**16.5**	**1.6**	70.1	232.8	-51.8
YoY growth (%)	43.7	-36.4	409.8	NA	25.5	232.8	-22.1	NA	15.8	80.8	97.1			
Ratios (%)														
Claims ratio	68.5	71.5	68.5	64.6	68.3	69.0	69.0	65.0	68.8	67.8	70.0	-104.5	-255	63
CISR	98.7	100.9	98.8	95.7	97.7	98.0	98.5	95.3	98.9	97.5	99.3	-125.6	-286	33

PNB Housing

Estimate changes	↑
TP change	↑
Rating change	↔

Bloomberg	PNBHOUSI IN
Equity Shares (m)	261
M.Cap.(INRb)/(USDb)	292.1 / 3.1
52-Week Range (INR)	1225 / 730
1, 6, 12 Rel. Per (%)	4/12/32
12M Avg Val (INR M)	1181

Financials Snapshot (INR b)

Y/E March	FY26	FY27E	FY28E
NII	30.7	35.0	44.3
PPP	25.8	30.6	39.6
PAT	22.9	25.1	29.1
EPS (INR)	88	96	112
EPS Gr. (%)	18	10	16
BV/Sh. (INR)	738	826	929
Ratios			
NIM (%)	3.8	3.6	3.7
C/I ratio (%)	26.3	25.8	23.6
RoAA (%)	2.6	2.4	2.3
RoE (%)	12.7	12.3	12.7
Valuations			
P/E (x)	12.7	11.6	10.0
P/BV (x)	1.5	1.4	1.2
Div. Yield (%)	0.7	0.8	1.0

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	28.0	28.0	28.0
DII	49.3	45.7	40.7
FII	14.2	16.8	18.6
Others	8.5	9.4	12.7

FII Includes depository receipts

CMP: INR1120 TP: INR1,500 (+34%) Buy

Moving into the orbit of stronger loan growth; Adj. NIM stable

Retail loans grew 19% YoY; credit costs were benign, driven by recoveries

- PNB Housing's (PNBHF) 2QFY27 PAT grew 6% YoY to ~INR6.2b (in line). NII rose ~17% YoY to ~INR8.7b (in line). Other income grew ~19% YoY to ~INR1.3b (~8% lower than MOFSLe). Opex rose ~20% YoY to ~INR2.6b (in line).
- PPOP grew ~16% YoY to INR7.5b (in line). Credit costs (net of recoveries) resulted in the provision write-back of INR475m (vs est. -INR379m). This resulted in net credit costs of -21bp (PQ: -13bp and PY: -57bp).
- PNBHF reiterated its FY27 loan book growth guidance of 18-20%, supported by strong disbursement momentum, improving demand, and sustained traction in affordable and emerging markets. We expect PNBHF to deliver stronger loan growth than its guidance and now estimate loan growth of ~23% in FY27.
- Following the 25bp repo-rate hike, the company anticipates a ~9-10bp increase in CoF and is evaluating lending-rate hikes of ~10-15bp for retail loans and ~15-20bp for corporate loans, effective 1st Nov'26. The company intends to pass on the impact of higher borrowing costs to customers to protect spreads, while closely monitoring competitors' pricing actions.
- PNBHF is transitioning toward a higher-growth and higher-yielding business mix, with affordable and emerging housing segments remaining its key pillars of expansion. The company's focus on building a stronger franchise across these segments, coupled with potential improvement in margins and resilient asset quality, provides visibility on sustainable earnings delivery.
- We estimate PNBHF to deliver a CAGR of 23%/13% in loans/PAT over FY26-28E and RoA/RoE of ~2.3%/12.7% in FY28E. **Reiterate BUY with a TP of INR1,500 (based on 1.5x Sep'28E BVPS).**

Healthy business momentum, led by affordable and emerging segments

- Total loan book grew ~19% YoY/6% QoQ to ~INR951b. Retail loans grew ~19% YoY/5.8% QoQ to INR944b as of Sep'26.
- Total disbursements grew 60% YoY and 59% QoQ to ~INR96.1b. Retail disbursements grew 54% YoY and 59% QoQ to INR92.5b. The company disbursed INR8.4b through DA buyout during the quarter (vs. INR1.5b in 1QFY27). Corporate disbursements in 2QFY27 stood at INR3.6b. Corporate loan book increased 107% YoY to INR6.9b as of Sep'26.
- Disbursements in the affordable segment grew ~40% YoY to ~INR11.5b. Affordable and emerging market segment contributed ~44% to retail disbursements. Repayments (annualized) rose to ~18.7% (PY: ~20.4% and PQ: ~17%). Affordable and emerging loans form ~41% of retail loan assets. As of Sep'26, the affordable book grew to ~INR94.4b, up ~45% YoY.

- The company completed portfolio buyouts of ~INR10b during 1HFY27, comprising both home loans and LAP. This forms part of its annual budget of ~INR20b for portfolio buyouts. We expect PNBHF to deliver an AUM CAGR of ~23% over FY26-28.

Adjusted NIMs stable QoQ; CoF declines ~5bp sequentially

- Reported NIM stood at 3.67% (PQ: 3.5%). Adjusted NIM in 2QFY27 was broadly stable QoQ at 3.5% (excluding one-off charges on the prepayment of corporate account).
- Portfolio CoB declined ~5bp QoQ to 7.31% (PQ: 7.36%). Adjusted yields rose ~8bp QoQ to 9.56% (PQ: 9.48%) (excluding one-off charges on the prepayment of corporate account).
- Management expects the recent credit-rating upgrade to support lower borrowing costs over time, with more meaningful benefits likely to emerge in FY28 as existing borrowings are refinanced and new borrowings are raised at improved rates. We expect NIMs to contract to ~3.6% in FY27 and gradually improve to ~3.7% in FY28.

Asset quality broadly stable; recoveries to support credit costs

- Total GNPA declined ~4bp QoQ to 0.9%, while NNPA declined ~3bp QoQ to 0.55%. Corporate GNPA was NIL. The company recovered INR210m from the retail written-off pool and INR540m from the corporate written-off pool. Total recoveries stood at ~INR750m in 2QFY27 and ~INR1.4b in 1HFY27.
- Management expects credit costs to normalize to ~10-12bp as recoveries moderate, although the timing remains dependent on realizations from retail and corporate written-off accounts.

Highlights from the management commentary

- PNBHF is assessing measures to mitigate the potential impact of lower insurance commissions, including processing-fee increases, cost-control initiatives, and other income-enhancement opportunities.
- PNBHF aims to build its construction finance book to INR30b during FY27, while continuing to pursue recoveries from the existing corporate pool.

Valuation and view

- PNBHF delivered a healthy quarter, supported by strong disbursement momentum and AUM growth, with sustained traction across emerging and affordable segments. Asset quality remained stable, keeping credit costs benign. Yields improved sequentially, driven by an improving share of high-yielding segments, while NIM was flat, driven by higher leverage.
- PNBHF currently trades at 1.2x FY28E P/BV. We estimate PNBHF to deliver a CAGR of 23%/13% in loans/PAT over FY26-28 and RoA/RoE of ~2.3%/12.7% in FY28. Reiterate BUY with a TP of INR1,500 (based on 1.5x Sep'28E BVPS).
- Key risks: a) limited NIM expansion in FY28 due to high competitive intensity in the mortgage segment; and b) asset quality deterioration arising from seasoning in the affordable, emerging, and developer finance portfolios.

Quarterly performance

(INR M)

	FY26				FY27E				FY26	FY27E	2QFY27E	v/s Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	19,804	20,175	20,194	20,540	21,384	22,892	23,991	25,822	80,712	94,089	22,539	2
Interest Expenses	12,344	12,670	12,528	12,461	13,386	14,147	15,208	16,349	50,002	59,090	14,163	0
Net Interest Income	**7,460**	**7,505**	**7,666**	**8,079**	**7,998**	**8,745**	**8,783**	**9,473**	**30,709**	**34,999**	**8,376**	**4**
YoY Growth (%)	16.2	13.4	11.0	11.0	7.2	16.5	14.6	17.2	12.8	14.0	11.6	
Other income	1,015	1,132	1,013	1,179	1,269	1,348	1,657	1,922	4,339	6,196	1,460	-8
Total Income	**8,475**	**8,636**	**8,678**	**9,258**	**9,267**	**10,093**	**10,441**	**11,395**	**35,048**	**41,195**	**9,836**	**3**
YoY Growth (%)	15.3	13.5	10.5	7.8	9.3	16.9	20.3	23.1	11.6	17.5	13.9	
Operating Expenses	2,158	2,172	2,399	2,474	2,374	2,602	2,759	2,891	9,203	10,627	2,493	4
YoY Growth (%)	11.9	7.5	16.7	16.5	10.0	19.8	15.0	16.9	13.2	15.5	14.8	
Operating Profits	**6,317**	**6,465**	**6,279**	**6,784**	**6,893**	**7,491**	**7,682**	**8,503**	**25,845**	**30,569**	**7,343**	**2**
YoY Growth (%)	16.5	15.6	8.4	5.0	9.1	15.9	22.3	25.3	11.1	18.3	13.6	
Provisions	-562	-1,132	-405	-1,762	-291	-476	-485	-396	-3,862	-1,648	-379	26
Profit before Tax	**6,879**	**7,596**	**6,684**	**8,546**	**7,184**	**7,966**	**8,167**	**8,899**	**29,706**	**32,217**	**7,722**	**3**
Tax Provisions	1,544	1,781	1,481	1,988	1,611	1,801	1,813	1,863	6,794	7,088	1,714	5
Profit after tax	**5,335**	**5,816**	**5,204**	**6,558**	**5,573**	**6,166**	**6,354**	**7,036**	**22,912**	**25,129**	**6,008**	**3**
YoY Growth (%)	23.3	23.8	7.7	19.2	4.5	6.0	22.1	7.3	18.3	9.7	3.3	
Key Operating Parameters (%)												
Rep. Yield on loans	9.99	9.95	9.72	9.47	9.48	9.56						
Rep. Cost of funds	7.76	7.69	7.50	7.35	7.36	7.31						
Spreads	2.23	2.26	2.22	2.12	2.12	2.25						
Net Interest Margins	3.74	3.67	3.63	3.69	3.50	3.49						
Cost to Income Ratio	25.5	25.1	27.6	26.7	25.6	25.8						
Credit Cost	-0.29	-0.57	-0.20	-0.83	-0.13	-0.21						
Tax Rate	22.4	23.4	22.2	23.3	22.4	22.6						
Balance Sheet Parameters												
Loans (INR B)	777	798	822	873	897	951	1,002	1,075				
Change YoY (%)	16.0	14.8	14.3	15.3	15.4	19.2	21.9	23.0				
AUM (INR B)	821	839	860	909	930	982	1,041	1,117				
Change YoY (%)	13.2	12.3	12.0	13.1	13.3	17.1	20.9	22.9				
Borrowings (Ex Assgn.) (INR B)	648	652	671	712	737	796	841	907				
Change YoY (%)	16.3	14.3	12.0	14.3	13.7	22.1	25.3	27.4				
Loans /Borrowings (%)	119.9	122.4	122.5	122.7	121.7	119.5	119.2	118.5				
Off BS loans/AUM (%)	5.3	4.9	4.5	3.9	3.6	3.2	3.7	3.8				
Debt/Equity (x)	3.7	3.6	3.6	3.7								
Asset Quality Parameters (%)												
GS 3 (INR Mn)	8,250	8,300	8,550	8,090	8,510	8,630						
Gross Stage 3 (% on loans)	1.06	1.04	1.04	0.93	0.95	0.91						
NS 3 (INR Mn)	5,330	5,460	5,580	4,990	5,160	5,180						
Net Stage 3 (% on loans)	0.69	0.69	0.68	0.57	0.58	0.55						
PCR (%)	35.4	34.22	34.7	38.3	39.4	39.98						

E: MOFSL Estimates

Bandhan Bank

Estimate change	↑
TP change	↓
Rating change	↔

Bloomberg	BANDHAN IN
Equity Shares (m)	1611
M.Cap.(INRb)/(USDb)	251 / 2.6
52-Week Range (INR)	221 / 134
1, 6, 12 Rel. Per (%)	-14/-7/1
12M Avg Val (INR M)	2138

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	108.3	121.0	138.0
OP	58.6	61.7	71.2
NP	12.2	25.7	31.9
NIM (%)	5.7	5.7	5.7
EPS (INR)	7.6	15.9	19.8
EPS Gr. (%)	-55.4	109.7	24.3
BV/Sh. (INR)	157	167	181
ABV/Sh. (INR)	150	161	174
Ratios			
RoA (%)	0.6	1.1	1.2
RoE (%)	4.9	9.8	11.4
Valuations			
P/E(X)	20.5	9.8	7.8
P/BV (X)	1.0	0.9	0.9
P/ABV (X)	1.0	1.0	0.9

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	37.0	37.5	40.3
DII	29.3	27.6	17.9
FII	17.2	18.6	23.4
Others	16.5	16.3	18.4

FII Includes depository receipts

CMP: INR156 TP: INR175 (+12%) Neutral

Steady quarter; FY27 exit-RoA guidance at 1.2-1.4%

Loan growth remains modest

- Bandhan Bank (BANDHAN) reported a 2QFY27 PAT of INR6.2b (up 24% QoQ, 14% beat), fueled by in-line NII and healthy other income as disbursements picked up.
- NII grew 14% YoY/1% QoQ to INR29.6b (in line). NIM contracted 9bp QoQ at 6.1% (in line with MOFSLe) with some moderation in yields QoQ.
- Net advances grew 15% YoY (2% QoQ), led by 20% YoY growth in the non-EEB book, while growth in the EEB book was muted. Deposits grew 9% YoY/ 5% QoQ, as the CASA mix reduced 270bp QoQ to 26.7%, with lower traction in SA accounts. The CD ratio declined to 90%.
- Fresh slippages rose to INR11.3b from INR10.8b in 1QFY27, even as EEB slippages fell. The GNPA ratio improved 4bp QoQ to 3.11%, while the NNPA improved 1bp QoQ to 0.92%. The PCR ratio was stable at 71.1%.
- The ECL transition impact is likely to be INR22b, with the impact on steady state credit costs at 15-20bp. The exit-RoA guidance for FY27 was retained at 1.2-1.4%.
- **We raise our FY27E/FY28E earnings by 10%/2% and expect BANDHAN to deliver an RoA of 1.1%/1.2% in FY27/FY28. We reiterate our Neutral rating with a revised TP of INR175 (based on 1x Mar'28E ABV).**

Margin contracts 9bp QoQ; CASA mix down to 26.7%

- BANDHAN's 2Q PAT stood at INR6.2b (up 24% QoQ, 14% beat), driven by in-line NII and strong other income as disbursements picked up QoQ.
- NII grew to INR29.6b (14% YoY/1% QoQ) as NIM dipped 9bp QoQ at 6.1% (inline), aided by a 10bp decline in YoA and flat CoF. NIM guidance was retained at 6.1–6.2%, with no material pressure likely on funding costs.
- Other income was up 29% YoY/17% QoQ to INR7.0b (in line), on the back of a strong core fee income, which grew 29% QoQ.
- Opex rose 16% YoY to INR21.1b (3% lower than MOFSLe). PSLC expenses are expected at ~INR1.2b in FY27, with costs likely to be largely neutralized in FY28. The C/I ratio dipped to 57.5% from 61.5% in 1QFY27.
- Gross advances grew 13% YoY/1.8% QoQ to INR1.59t. The non-EEB book grew 20% YoY/2.7% QoQ with growth being led by retail (~10% QoQ) and wholesale business (5% QoQ) and now constitutes 67% of advances. The EEB book was flat QoQ. Management expects the EEB book to increasingly contribute to the growth trajectory in coming quarters.
- Deposits grew 9% YoY/ 5% QoQ to INR1.73t, as the CASA ratio dipped 270bp QoQ to 26.7%, with a drop in savings accounts. This was owing to rate rationalization, partially offset by strong traction in current accounts (up 18% QoQ). CASA + Retail deposits now form 73% of total deposits.
- The GNPA ratio improved 4bp QoQ at 3.11%, while the NNPA improved to 0.92%. PCR stood at 71.2%. Fresh slippages rose to INR11.3b, even as slippages in the EEB book declined. Credit cost remained flat at 1.8%.

Highlights from the management commentary

- RoA guidance of 1.2–1.4% by 4QFY27 was maintained, while the medium-term RoA aspiration remains at 1.6–1.8%.
- Credit growth guidance was maintained at ~14% YoY for FY27, with deposit growth expected to outpace advances growth. The EEB book is expected to grow at 8-10% YoY.
- NIM guidance was retained at 6.1–6.2%, with no material pressure anticipated on funding costs. Credit costs are likely to moderate to ~1.7% vs. 1.8% currently.
- The ECL transition impact is estimated at ~INR22b, to be absorbed through capital rather than the P&L. The steady-state incremental credit cost impact is expected at ~15–20bp.

Valuation and view

BANDHAN reported a steady quarter, led by a steady NII growth and strong traction in other income as disbursements picked up. Business momentum was relatively soft, with growth largely led by the non-EEB portfolio. Management expects loan growth to remain at 14% YoY, with EEB and housing book growth gradually picking up. NIM dipped 9bp QoQ to 6.1%, and it is expected to remain rangebound. On asset quality, the management expects the recovery run-rate to remain healthy with slippages being contained and has guided for an ECL transition impact of INR22b with the steady state credit costs expected to rise by 15-20bp. Management maintains its medium term RoA guidance of 1.2-1.4% for the 4QFY27 exit, with credit costs likely to be contained around 1.7-1.8%. **We raise our FY27E/FY28E earnings by 10%/2% and expect BANDHAN to deliver an RoA of 1.1%/1.2% in FY27/FY28. We reiterate our Neutral rating with a revised TP of INR175 (based on 1x Mar'28E ABV).**

Quarterly performance (INR b)

Y/E March (INR b)	FY26				FY27E				FY26	FY27E	FY27E	V/S
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	our Est
Net Interest Income	**27.6**	**25.9**	**26.9**	**28.0**	**29.2**	**29.6**	**30.3**	**32.0**	**108.3**	**121.0**	**29.3**	**1%**
% Change (YoY)	-8.2	-12.2	-5.0	1.4	5.9	14.4	12.6	14.4	-5.8	11.8	13.1	
Other Income	7.3	5.5	6.9	7.7	6.0	7.0	7.3	8.0	27.3	28.4	6.5	8%
Total Income	**34.8**	**31.3**	**33.8**	**35.7**	**35.2**	**36.7**	**37.6**	**40.0**	**135.6**	**149.5**	**35.8**	**2%**
Operating Expenses	18.1	18.2	19.3	21.3	21.7	21.1	21.8	23.2	77.0	87.8	21.8	-3%
Operating Profit	**16.7**	**13.1**	**14.5**	**14.4**	**13.6**	**15.6**	**15.8**	**16.7**	**58.6**	**61.7**	**14.0**	**11%**
% Change (YoY)	-14.0	-29.4	-28.5	-8.3	-18.6	18.8	9.5	16.1	-20.6	5.2	7.0	
Provisions	11.5	11.5	11.5	6.8	6.8	7.2	6.9	6.5	41.3	27.4	6.8	6%
Profit Before Tax	**5.2**	**1.6**	**2.9**	**7.6**	**6.8**	**8.4**	**8.9**	**10.2**	**17.3**	**34.3**	**7.2**	**16%**
Tax	1.5	0.5	0.8	2.3	1.7	2.2	2.2	2.5	5.1	8.6	1.8	21%
Net Profit	**3.7**	**1.1**	**2.1**	**5.3**	**5.0**	**6.2**	**6.7**	**7.7**	**12.2**	**25.7**	**5.4**	**14%**
% Change (YoY)	-65.0	-88.1	-51.8	68.0	34.9	455.8	226.5	44.5	-55.4	109.7	385.5	
Operating Parameters												
Deposits (INR b)	1,547	1,581	1,567	1,663	1,649	1,727	1,825	1,916	1,663	1,916	1,744	-1%
Loans (INR b)	1,285	1,346	1,411	1,501	1,517	1,546	1,627	1,711	1,501	1,711	1,564	-1%
Deposit Growth (%)	16.1	10.9	11.1	10.0	6.6	9.2	16.5	15.2	10.0	15.2	10.4	
Loan Growth (%)	5.7	6.8	10.8	13.7	18.0	14.9	15.3	14.0	13.7	14.0	16.2	
Asset Quality												
Gross NPA (%)	5.0	5.0	3.3	3.3	3.2	3.1	3.0	2.8	3.3	2.8	3.0	
Net NPA (%)	1.4	1.4	1.0	1.0	0.9	0.9	0.9	0.8	1.0	0.8	0.9	
PCR (%)	73.7	73.7	70.8	71.1	71.1	71.2	71.0	70.8	71.1	70.8	71.4	

E: MOFSL Estimates

JSW Cement

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	JSWCEMEN IN
Equity Shares (m)	1363
M.Cap.(INRb)/(USDb)	156.8 / 1.6
52-Week Range (INR)	143 / 107
1, 6, 12 Rel. Per (%)	3/-2/-3
12M Avg Val (INR M)	420

Financial Snapshot (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	65.1	81.5	93.4
EBITDA	12.4	13.5	17.2
Adj. PAT	4.9	5.0	6.1
EBITDA Margin (%)	19.0	16.5	18.5
Adj. EPS (INR)	3.3	3.4	4.2
EPS Gr. (%)	n/m	2.9	23.2
BV/Sh. (INR)	48.8	50.5	53.9
Ratios			
Net D:E (x)	0.5	0.7	0.9
RoE (%)	10.0	7.0	8.1
RoCE (%)	7.9	6.5	7.2
Payout (%)	15.0	15.4	16.4
Valuations			
P/E (x)	34.6	33.7	27.3
P/BV (x)	2.4	2.3	2.1
EV/EBITDA(x)	14.6	14.8	12.3
EV/ton (USD)	79	78	67
Div. Yield (%)	0.4	0.5	0.6
FCF Yield (%)	-5.1	-6.7	-5.1

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	72.0	72.0	72.3
DII	12.3	11.5	7.9
FII	5.4	4.7	6.3
Others	10.3	11.8	13.5

FII includes depository receipts

CMP: INR115 TP: INR140 (+22%) Buy

Robust volume growth; North plant ramp-up encouraging

Capacity expansion on track; leverage to remain elevated in near term

- JSW Cement's (JSWC) 2QFY27 EBITDA was in line with our estimates, as lower realization/t was offset by higher-than-expected volume growth. Revenue/EBITDA rose ~33%/4% YoY to INR19.1b/INR2.8b. OPM contracted 4.1pp YoY to ~15% (est. ~16%). EBITDA/t declined ~18% YoY to INR707 (est. INR766). PAT dipped ~1% YoY to INR853m (in line).
- Management remains constructive on cement demand for the remainder of FY27, led by improving infrastructure execution and construction activity. In GGBS, it reiterated its full-year volume growth guidance of high single digits. Cement price hikes during Sep-Oct'26 is expected to support realizations in the coming quarters. JSWC remains focused on pricing discipline and broadly maintaining its pricing position. It reiterated its aggressive growth ambitions, led by capacity additions and improving demand. It remains committed to disciplined leverage management, with net debt/EBITDA likely to remain at ~3x for another year before declining below this level over the coming years.
- We maintain our estimates for FY27/FY28. We value JSWC at 14x FY28E EV/EBITDA to arrive at our TP of INR140. **We recently upgraded JSWC to BUY (Link).**

Overall volume up ~26% YoY; EBITDA/t declines ~18% YoY to INR707

- Consolidated revenue/EBITDA/PAT stood at INR19.1b/INR2.8b/INR853m (+33%/+4%/-1% YoY and +6%/-1%/+2% vs. our estimates) in 2QFY27. Sales volume rose ~26% YoY to 3.9mt (7% beat). Of this, cement volume rose 39% YoY to 2.29mt and GGBS volume rose 7% YoY to 1.47mt. Realization/t rose ~5% YoY (down 2% QoQ) to INR4,866/t (~1% below estimates).
- Opex/t surged ~11% YoY to INR4,159 (in line), led by ~19%/7%/3% increase in variable cost/other expenses/freight cost per ton. EBITDA/t declined ~18% YoY to INR707. Depreciation/finance cost increased ~25%/14% YoY. Other income declined ~27% YoY.
- In 1HFY27, revenue/EBITDA/PAT stood at INR38.1b/INR5.8b/INR2.1b (+27%/-2%/+5% YoY). OPM contracted 4.5pp YoY to ~15%. EBITDA/t declined ~19% YoY to INR745. OCF stood at INR4.2b vs. INR5.1b in 1HFY26. Capex stood at INR8.2b vs. INR9.6b in 1HFY26. Net cash outflow stood at INR4.0b vs. INR4.6b in 1HFY26.

Highlights from the management commentary

- JSWC highlighted continued improvement in its North operations, with plant utilization reaching ~75% in 2QFY27. The North plant achieved EBITDA break-even in 2Q and is expected to deliver EBITDA/t of ~INR650-700 in 4QFY27.
- Blended fuel costs increased to INR1.84/kcal in 2QFY27 from INR1.80/kcal in 1QFY27. Fuel cost is expected to increase to INR2.10/kcal in 3Q, translating into an increase of ~INR90/t.
- Capacity expansion plans remain on track, with the 2.5mtpa Nagaur grinding unit expected to be commissioned in 4QFY28 and Fujairah GU targeted for commissioning in 1QFY28 (around May–June).

Valuation and view

- JSWC's 2QFY27 operating performance was in line with our estimates, as strong volume growth offset weak realizations. Demand momentum is estimated to remain strong. Near-term profitability will remain under pressure from elevated fuel costs, although recent price hikes and an improving cost curve in the coming quarter are expected to partly offset the adverse impact. The North India plant is the key growth driver, providing both incremental capacity and access to a more profitable/balanced market.
- We estimate a CAGR of ~20%/18%/12% in revenue/EBITDA/PAT over FY26-28. EBITDA/t is estimated at INR807/INR914 in FY27/FY28 vs. INR888 in FY26. Net debt is expected to remain elevated at INR50.4b/INR63.9b in FY28 vs. INR35.8b as of FY26 due to aggressive capex. The net debt-to-EBITDA ratio is estimated to increase to 3.7x by FY27/FY28 vs. 2.9x in FY26. The stock is trading at 15x/12x FY27/FY28E EV/EBITDA. We value JSWC at 14x FY28E EV/EBITDA to arrive at a TP of INR140. Reiterate BUY.

Quarterly Performance (Consolidated)

Y/E March	FY26				FY27				FY26	FY27	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**15.6**	14.4	16.2	18.9	19.0	19.1	21.4	22.0	**65.1**	**81.5**	**18.1**	**6**
YoY Change (%)	7.8	17.4	13.2	10.9	21.6	33.1	32.2	15.9	12.0	25.1	26.0	
EBITDA	**3.2**	2.7	2.9	3.7	3.0	2.8	3.6	4.1	**12.4**	**13.5**	**2.8**	**-1**
YoY Change (%)	38.8	65.2	33.4	46.0	-7.5	3.8	26.4	12.2	44.5	8.6	5.1	
Margins (%)	20.7	18.6	17.6	19.3	15.7	14.5	16.8	18.7	19.0	16.5	15.5	-101
Depreciation	0.8	0.8	0.8	0.8	1.0	1.0	1.2	1.3	3.2	4.5	1.1	-10
Interest	1.0	1.0	0.9	0.9	1.0	1.1	1.2	1.2	3.8	4.5	1.0	12
Other Income	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	1.0	0.8	0.2	-12
PBT before EO Expense	**1.6**	**1.1**	**1.5**	**2.1**	**1.2**	**0.8**	**1.4**	**1.8**	**6.4**	**5.2**	**0.9**	**-8**
Extra-Ord loss/ (income)	14.7	-	-0.2	0.0	-0.6	-	-	-	14.5	-0.6	-	NA
PBT after EO Expense	**-13.0**	**1.1**	**1.7**	**2.1**	**1.8**	**0.8**	**1.4**	**1.8**	**-8.1**	**5.8**	**0.9**	**-8**
Tax	0.6	0.5	0.5	-1.5	0.4	0.2	0.4	0.4	0.2	1.4	0.2	6
Prior period tax adjustment	-	-	-	-2.1	-	-	-	-	-2.1	-	-	-
Rate (%)	-5.0	41.2	31.6	30.9	30.0	28.6	25.0	24.3	-28.2	24.0	25.0	
Reported PAT (pre minority)	**-13.7**	**0.7**	**1.2**	**3.6**	**1.4**	**0.6**	**1.1**	**1.4**	**-8.3**	**4.4**	**0.7**	**-12**
Share of loss/(profit) from JV	-0.0	-0.1	-0.1	-0.1	**-0.1**	-0.2	-0.2	-0.2	-0.3	-0.7	-0.1	
Minority	-0.1	-0.1	-0.1	-0.1	**-0.1**	-0.1	-0.1	-0.1	-0.4	-0.3	-0.1	-3
PAT Adj. for EO items & post MI	1.1	0.9	1.3	1.6	**1.2**	0.9	1.3	1.6	**4.9**	**5.0**	**0.8**	**2**
YoY Change (%)	1,087.9	NA	NA	291.4	10.7	-1.2	2.4	0.2	NA	2.9	-3.4	
Margins (%)	7.1	6.0	8.0	8.6	6.4	4.5	6.2	7.4	7.5	6.2	4.6	
Sales Dispatches (m ton)	**3.3**	**3.1**	**3.6**	**4.0**	**3.8**	**3.9**	**4.4**	**4.5**	**14.0**	**16.7**	**3.7**	7
YoY Change (%)	7.8	14.8	14.1	7.0	15.1	26.4	24.7	13.1	10.6	19.5	18.0	
Net realization	**4,712**	**4,619**	**4,554**	**4,749**	**4,977**	**4,866**	**4,827**	**4,867**	**4,662**	**4,881**	**4,932**	-1
YoY Change (%)	0.0	2.3	-0.8	3.6	5.6	5.3	6.0	2.5	1.3	4.7	6.8	
RM Cost	1,206	1,024	1,164	1,250	1,321	1,106	1,070	1,148	1,167	1,157	1,271	-13
Employee Expenses	245	271	254	215	256	255	228	231	245	242	269	-5
Power, Oil & Fuel	642	726	664	593	801	976	1,010	920	652	930	841	16
Freight	1,098	1,056	1,053	1,114	1,090	1,089	1,090	1,091	1,082	1,090	1,085	0
Other Expenses	547	682	618	662	725	733	618	569	628	656	699	5
Total Expenses	**3,738**	**3,759**	**3,753**	**3,834**	**4,194**	**4,159**	**4,015**	**3,959**	3,774	4,075	**4,166**	-0
EBITDA	**975**	**860**	**801**	**915**	**784**	**707**	**812**	**908**	**888**	**807**	**766**	-8

KPIT Technologies

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	KPITTECH IN
Equity Shares (m)	274
M.Cap.(INRb)/(USDb)	151.1 / 1.6
52-Week Range (INR)	1285 / 470
1, 6, 12 Rel. Per (%)	9/-20/-41
12M Avg Val (INR M)	1605
Free float (%)	61.4

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	64.5	68.1	75.6
EBIT Margin (%)	16.2	13.6	15.0
PAT	6.4	6.3	8.9
EPS (INR)	25.0	22.9	32.3
EPS Gr. (%)	(13.9)	(8.3)	41.1
BV/Sh. (INR)	130.1	145.6	168.9
Ratios			
RoE (%)	19.7	16.7	20.7
RoCE (%)	16.7	11.9	14.5
Payout (%)	30.0	33.0	28.5
Valuations			
P/E (x)	22.1	24.1	17.1
P/BV (x)	4.2	3.8	3.3
EV/EBITDA (x)	10.1	10.4	8.5
Div Yield (%)	1.4	1.4	1.7

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	38.6	38.6	39.4
DII	23.5	23.6	23.9
FII	9.7	13.8	15.1
Others	28.2	24.0	21.6

FII includes depository receipts

CMP: INR551 **TP: INR640 (+16%)** **Buy**

Near-term headwinds persist

Margins and profitability to remain under stress

- KPIT Technologies (KPIT) reported revenue of USD176.8m in 2QFY27, up 0.5% QoQ in CC terms vs. our estimate of flat QoQ CC. Commercial vehicle segment grew 17.6% QoQ, while passenger cars fell 4.1% QoQ. EBIT margin was 12.7% (up 40bp QoQ), below our estimate of 13.1%. Adj. PAT was up 3.6% QoQ/ down 28.6% YoY at INR1,207m (below our est. of INR1,533m).
- For 1HFY27, revenue grew 7.7%, while EBIT/adj. PAT declined 19.6%/30.5% YoY in INR terms. In 2HFY27, we expect revenue/adj. PAT to grow 3.6%/13.7% and EBIT is likely to decline 2.6% YoY. **We reiterate our BUY rating with a TP of INR640, based on 19x FY28E EPS (earlier 20x).**

Our view: OEM weakness to constrain growth through FY27

- **Revenue recovery remains gradual:** Growth remained subdued in 2Q from the continued overhang due to spending cuts at two large OEMs in Europe and Japan. **2H is expected to be better than 1H**, with growth **improving from 4Q** as the impact from the two OEMs begins to bottom out. Growth in the US and India, along with off-highway, products and solutions, and connected and autonomous offerings, is expected to **partly offset the weakness in passenger cars**. We expect FY27 revenue growth of **0.5% YoY in CC terms**.
- **Margin expansion to be gradual:** EBITDA margin improved to 17.8% in 2Q from 17.2% in 1Q, driven by a **higher contribution from products**. Further expansion is expected to be gradual and linked to revenue recovery, higher product and solution revenue, and productivity gains from AI-led delivery models. However, **continued technology and R&D investments and the slow recovery in European passenger cars** are likely to limit near-term expansion. We estimate EBITDA margins of **18.5%/19.7% in FY27/FY28** vs. 20.8% in FY26.
- **Products and solutions are emerging as key growth and margin levers:** Product revenue grew **5% QoQ and 25% YoY in 2Q**, while services revenue was broadly flat QoQ. AI-first projects accounted for **~9% of revenue**, with the AI platform recording over 5m transactions during the quarter and **~12,000 engineering agents built**. Products are being integrated into service delivery, while the Beacon platform is being positioned as a differentiator.
- **European passenger-car weakness persists, but opportunities from vendor consolidation are emerging:** The broader European passenger-car market remains under pressure, with **OEMs prioritizing cost reduction and rationalization of their supplier base**. This could create opportunities for KPIT to gain wallet share through AI-led transformation, lower-cost delivery and technology-led solutions. Spending is focused on areas such as **digital cockpit, diagnostics, cybersecurity and autonomous driving**, where KPIT has an established presence.
- **Off-highway and trucks support growth:** Commercial off-highway and truck-related revenue grew **27% YoY and 17.6% QoQ, offsetting the 7% YoY decline in passenger cars**. Growth in the US was broad-based across passenger cars, off-highway and products, while **India continued to be a key growth market**. Truck demand in North America is also showing signs of recovery.

- Qorix recovery remains deferred as key programs shift out: The ramp-up of Qorix is delayed, as several OEM programs originally expected around 2028 are now pushed out to 2029-30. This is likely to extend the period of losses, with the timing of breakeven remaining uncertain. KPIT is exploring adjacent applications, including robotics, and potential partnerships to broaden the product's addressable market. We expect Qorix to remain a drag on profitability in the near term, with a meaningful contribution dependent on program timelines and successful expansion into new applications.

Valuations and changes to our estimates

- We cut our EPS estimates by **6.9%/2.4% for FY27/FY28**, factoring in continued losses at Qorix, which could remain a near-term drag on profitability as key OEM programs have been pushed out to FY29-30. **Higher-than-expected foreign exchange losses also weigh on earnings**. While revenue growth is expected to recover gradually in 2H, continued weakness in European passenger cars is likely to limit the pace of margin recovery.
- We expect **near-term weakness to persist**, given subdued automotive demand, client-specific pressures in Europe and Japan, and continued losses at Qorix. While growth in products and solutions, off-highway and truck-related business, along with opportunities from vendor consolidation and AI-led delivery, should support a gradual recovery, near-term earnings visibility remains limited. We **reiterate BUY with a revised TP of INR640**, based on **19x FY28E EPS (earlier 20x)**, factoring in the slower-than-expected recovery and **continued pressure on profitability**.

Beat on revenue and miss on margins; deal TCV down 17.1% QoQ

- USD revenue came in at USD176.8m, up 0.5% QoQ in CC terms vs. our estimate of flat QoQ CC growth.
- Commercial vehicle segment grew 17.6% QoQ, while passenger cars fell 4.1% QoQ.
- In terms of geographies, the US/JKC/SIMA grew 15.7%/10.7%/27.6% QoQ, while Europe declined 15.2% QoQ.
- EBIT margin was 12.7% (up 40bp QoQ), below our estimate of 13.1%.
- Deal TCV stood at USD213m, down 17.1% QoQ.
- Adj. PAT was up 3.6% QoQ/down 28.6% YoY at INR1,207m (below our est. of INR1,533m).
- DSO as of 2Q end stood at 53 days.
- The net headcount was up 0.4% QoQ at 12,347 in 2QFY27.

Key highlights from the management commentary

- Management termed the 2Q performance as in line with expectations but muted, with early benefits of the renewed strategy visible.
- Tech spend remains non-discretionary and is being prioritized toward digital cockpit, diagnostics and aftersales, cybersecurity, autonomy (NOA, robotaxi) and validation.
- The two largest accounts (one in Japan, one in Europe) declined ~13% YoY due to program cancellations and cost cuts, and were offset by growth in trucks and off-highway, US, India and products.

- Reiterated that 2H growth to be better than 1H, with growth expected in 4Q, though no numeric guidance was provided.
- Wins were largely in autonomous, connected, middleware, cybersecurity, powertrain, vehicle engineering and aftersales domains.
- Off-highway now has three clients with two more being added, and two additional SDM consulting engagements were signed, which typically convert into full SDM programs.

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27	(% / bp)
Revenue (USD m)	**178**	**181**	**181**	**185**	**177**	**177**	**178**	**183**	**725**	**714**	**175**	**1.2**
QoQ (%)	0.3	1.8	0.0	2.2	-4.4	0.0	0.5	3.0			-1.2	122bp
Revenue (INR m)	**15,388**	**15,877**	**16,175**	**17,110**	**16,750**	**16,910**	**16,979**	**17,488**	**64,549**	**68,127**	**16,689**	**1.3**
YoY (%)	12.8	7.9	9.4	12.0	8.9	6.5	5.0	2.2	10.5	5.5	5.1	139bp
GPM (%)	**35.2**	**37.3**	**36.8**	**37.4**	**35.7**	**35.5**	**36.5**	**36.5**	**36.7**	**36.1**	**36.0**	**-46bp**
SGA (%)	14.2	16.2	16.2	16.7	18.5	17.8	17.0	17.0	15.8	17.6	18.0	-19bp
EBITDA	**3,239**	**3,351**	**3,334**	**3,533**	**2,878**	**2,999**	**3,311**	**3,410**	**13,457**	**12,598**	**3,004**	**-0.2**
EBITDA Margin (%)	**21.0**	**21.1**	**20.6**	**20.6**	**17.2**	**17.7**	**19.5**	**19.5**	**20.8**	**18.5**	**18.0**	**-26bp**
EBIT	**2,610**	**2,604**	**2,524**	**2,713**	**2,052**	**2,140**	**2,513**	**2,588**	**10,451**	**9,293**	**2,186**	**-2.1**
EBIT Margin (%)	**17.0**	**16.4**	**15.6**	**15.9**	**12.3**	**12.7**	**14.8**	**14.8**	**16.2**	**13.6**	**13.1**	**-44bp**
Other income	39	73	108	-100	-146	-133	85	87	-1,133	-737	0	
ETR (%)	27.1	26.7	25.1	27.5	27.4	28.2	26.0	26.0	26.6	26.7	26.5	170bp
PAT	**1,719**	**1,691**	**1,334**	**1,630**	**1,164**	**1,207**	**1,922**	**1,980**	**6,374**	**6,273**	**1,533**	**-21.3**
QoQ (%)	-13.9	-1.6	6.7	-9.6	-28.6	3.6	59.3	3.0			31.7	
YoY (%)	-15.8	-17.0	-3.5	-18.4	-32.3	-28.6	6.6	21.5	-13.9	-8.3	-9.3	
Exceptional items	0	0	469	0	0	0	0	0	469.4	0.0	0.0	
Adj. PAT	**1,719**	**1,691**	**1,804**	**1,630**	**1,164**	**1,207**	**1,922**	**1,980**	**6,843**	**6,273**	**1,533**	**-21.3**
EPS (INR)	6.3	6.2	4.9	6.0	4.3	4.4	7.0	7.2	25.0	22.9	5.6	-22.0

Key Performance Indicators

Y/E March	FY26				FY27		FY26
	1Q	2Q	3Q	4Q	1Q	2Q	
Revenue (QoQ CC %)	-3.2	0.3	1.5	1.8	-3.6	0.5	
Margins (%)							
Gross Margin	35.2	37.3	36.8	37.4	35.7	35.5	36.7
EBIT Margin	17.0	16.4	15.6	15.9	12.3	12.7	16.2
Net Margin	11.2	10.6	11.2	9.5	6.9	7.1	10.6
Operating metrics							
Headcount	12,545	12,879	12,724	12,520	12,303	12,347	12,520
DSO	45	49	40	47	51	53	47.0
Key Geographies (YoY %)							
US	11.6	4.2	4.6	-0.6	4.0	25.9	4.9
Europe	-7.2	5.4	12.3	12.7	11.4	-16.3	5.6

PVR-Inox

Estimate change	⟷
TP change	↑
Rating change	⟷

Bloomberg	PVRINOX IN
Equity Shares (m)	98
M.Cap.(INRb)/(USDb)	106.7 / 1.2
52-Week Range (INR)	1658 / 826
1, 6, 12 Rel. Per (%)	-6/5/-36
12M Avg Val (INR M)	584

Financials & Valuations (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	74.0	80.6	87.9
EBITDA	11.5	13.6	15.9
Adj. PAT	5.8	7.5	9.4
EBITDA Margin (%)	15.5	16.8	18.1
Adj. EPS (INR)	59.6	76.7	95.9
EPS Gr. (%)	51.0	28.9	24.9
BV/Sh. (INR)	810.9	887.7	983.6
Ratios			
Net D:E	0.7	0.5	0.4
RoE (%)	7.6	9.0	10.2
RoCE (%)	7.7	9.0	10.2
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	24.3	18.8	15.1
P/BV (x)	1.8	1.6	1.5
EV/EBITDA (x)	11.7	9.1	7.0
Div Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	27.0	27.5	27.5
DII	33.6	35.7	35.4
FII	19.1	18.1	21.8
Others	20.3	18.7	15.3

FII Includes depository receipts

CMP: INR1,430 TP: INR1,565 (+9%) Neutral

Strong box office performance drives margin expansion

- PVRINOX delivered a strong 2QFY27 performance, with revenue rising ~15% YoY, supported by robust box office collections across languages, particularly the recovery in Hollywood. Industry gross box office collections grew 23% YoY, reflecting sustained momentum in theatrical consumption.
- Pre-Ind AS EBITDA surged 46% YoY to INR4.5b (in line), with margins expanding ~440bp YoY to 21.3%, aided by improved operating leverage, a favorable content mix and continued cost optimization.
- The company continues to demonstrate strong cost discipline and prudent capital allocation, supported by rationalization of underperforming screens and asset-light expansion. Management expects screen additions to accelerate to 150-175 annually from FY28, driven by the rollout of Smart Cinemas in Tier 3/4 markets, while maintaining a healthy balance sheet.
- Strong box-office performance across languages and genre, coupled with robust cost controls, have helped lower the breakeven occupancy levels for PVRINOX and deleveraged the balance sheet. However, earnings still remain highly sensitivity to a consistent high-quality content pipeline.
- We marginally fine-tune our FY27-28 EBITDA estimates, while we increase FY27-28 PAT by 8-13%, primarily driven by lower depreciation following an upward revision in the useful life of certain assets.
- We build in FY26-29E revenue/EBITDA CAGR of 10%/22% at a broadly steady occupancy levels of ~25-26%.
- **Reiterate our Neutral rating with a revised TP of INR1,565 (earlier INR1,350),** premised on 9x Dec'28E pre-Ind-AS EBITDA.

Profitability improves, driven by strong box-office performance

- Consolidated 2Q revenue grew 15% YoY (+30% QoQ) to INR21.1b (3% ahead), driven by strong box-office collections and higher admissions.
  - Ticketing revenue at INR11.6b (+39% QoQ) grew 18% YoY, driven by a sharp ~14% YoY (+9% QoQ) increase in ATP to INR298 and ~4% YoY (+27% QoQ) growth in admissions to 46.3m. Occupancy improved to 30.4% (vs. 28.7% YoY and 25.3% QoQ).
  - F&B revenue at INR6.7b (+20% QoQ) grew 14% YoY, driven by a ~14% YoY increase in spends per head (SPH) to INR153 (-5% QoQ).
  - Advertising revenue grew 4% YoY (+22% QoQ) to INR1.3b.
  - The company added 24 new screens and closed 25 screens during 1HFY27, resulting in 1,797 screens as of Sep'26.
- **2Q pre-Ind AS 116 EBITDA came in at INR4.5b (+46% YoY/+2.1x QoQ, in line). EBITDA margin expanded ~440bp YoY (+835bp QoQ) to 21.3%.**
  - Movie exhibition cost at INR5.0b (+17% YoY/+44% QoQ) came in at ~42.8% of ticketing revenue (vs. ~41.3% QoQ and ~43.2% YoY).
  - F&B COGS at INR1.4b (+10% YoY/+22% QoQ) came in at ~21.5% of F&B sales (vs. ~21.2% QoQ and ~22.3% YoY).

- PAT stood at INR2.7b (+2.2x YoY/+3.9x QoQ, 13% ahead), aided by robust operating performance, lower depreciation (-21% YoY, change in useful life of assets) and interest expenses (-54% YoY).
- The company generated OCF (after interest and leases) of INR7.3b in 1HFY27 (vs. INR4.7b in 1HFY26). PVR incurred capex of INR1.3b in 1HFY27 (vs. INR1.4b in 1HFY26), which led to FCF generation of INR5.9b (vs. INR3.3b in 1HFY26).
- PVR's reported net cash of ~INR1.4b in 1HFY27 (vs. INR1.7b net debt at FY26 end), driven by robust FCF generation.

Highlights from the management commentary

- **Demand**: Management remains optimistic about 2HFY27 and expects to sustain the strong box office momentum witnessed in 1HFY27, supported by a robust content pipeline across languages and genre and healthy recovery in theatrical footfall.
- **Screen expansion**: Maintained guidance of 90-100 screen additions in FY27, largely concentrated in 2HFY27. The company launched its first smart screen in Muzaffarpur, Bihar, targeting Tier 3/4 markets. It expects to open another 2-3 properties in FY27, with further ramp-up from FY28 onward. Management sees an opportunity across ~300 smaller cities and expects annual screen additions to accelerate to 150-175 from FY28.
- **Capex**: The company incurred capex of INR1.3b in 1HFY27 and expects full-year FY27 capex of INR3-3.2b, driven by accelerated screen additions. Management expects FY28 capex to exceed INR3.5b, reflecting guidance on accelerating the screen openings, with the final outlay dependent on project pipeline, fit-outs and execution timelines.
- **Capital allocation:** The company has firmed up its capital allocation strategy with a focus on driving growth through new screen additions, premium formats, technological upgrades, while maintaining a net debt-to-EBITDA ratio within 0.5x. The company intends to return ~30% surplus cash to shareholders either via dividends or a buyback.

Valuation and view

- Recovery in Hollywood collections and promising content slate across languages bode well for PVRINOX, given its skew toward premium screening formats.
- PVRINOX has done a commendable job on reigning in operating costs and optimizing capital costs while deleveraging the balance sheet. However, its business is highly sensitive to occupancy, which is dependent on the quality and consistency of content, a factor largely outside the company's control.
- We marginally fine-tune our FY27-28 EBITDA estimates, while we increase FY27-28 PAT by 8-13%, primarily driven by lower depreciation following an upward revision in the useful life of certain assets.
- We build in FY26-29E revenue/EBITDA CAGR of 10%/22% at a broadly steady occupancy levels of ~25-26%.
- **Reiterate our Neutral rating with a revised TP of INR1,565 (earlier INR1,350),** premised on 9x Dec'28E pre-Ind-AS EBITDA.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27	FY27	Est. Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**14,691**	**18,230**	**18,798**	**15,473**	**16,222**	**21,051**	**21,095**	**15,615**	**66,462**	**73,983**	**20,520**	**3**
YoY Change (%)	23.4	12.4	9.5	23.8	10.4	15.5	12.2	0.9	15.0	11.3		
Total Expenditure	13,738	15,159	15,642	14,082	14,127	16,575	17,138	14,680	57,746	62,520	16,120	**3**
EBITDA	**953**	**3,071**	**3,156**	**1,391**	**2,095**	**4,476**	**3,957**	**935**	**8,716**	**11,463**	**4,400**	**2**
YoY Change (%)	-352.1	64.1	33.3	-1,424.8	-63.6	-189.5	-269.8	-82.1	132.1	31.5		
Depreciation	1,123	1,157	1,162	1,259	1,119	914	932	938	4,688	3,903	1,147	**-20**
Interest	440	410	372	287	234	190	181	182	1,507	786	222	**-15**
Other Income	188	202	279	305	201	276	282	283	964	1,041	211	**31**
PBT before EO expense	**-422**	**1,706**	**1,901**	**150**	**943**	**3,648**	**3,126**	**98**	**3,485**	**7,815**	**3,241**	**13**
Extra-Ord expense	0	-2	446	-1,673	1	-3	0	0	-1,079	0	0	
PBT	**-422**	**1,708**	**1,455**	**1,823**	**944**	**3,651**	**3,126**	**98**	**4,564**	**7,815**	**3,241**	**13**
Tax	-88	439	305	34	239	912	787	29	691.0	1967.1	816	**12**
Rate (%)	20.9	25.7	21.0	1.9	25.3	25.0	25.2	29.8	15.1	25.2	0.3	
Reported PAT	**-334**	**1,269**	**1,150**	**1,789**	**705**	**2,739**	**2,339**	**69**	**3,873**	**5,848**	**2,426**	**13**
Adj PAT	**-334**	**1,265**	**1,483**	**536**	**705**	**2,733**	**2,339**	**69**	**3,066**	**5,848**	**2,426**	**13**
YoY Change (%)	-75.5	464.7	117.4	-150.8	-311.1	116.0	57.8	-87.1	-302.2	90.8		

Exhibit 1: Valuation summary

Particulars	Valuation
EBITDA Dec'28E (INR b)	15.3
Multiple (x)	9.0
EV (INR b)	137.8
Net Debt (INR b)	(15.5)
Target Market cap (INR b)	153.3
No. of shares	0.1
Target Price (INR)	**1,565**
CMP (INR)	**1,445**
Upside	8.2%

Source: MOFSL, Company

Arvind

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	ARVND IN
Equity Shares (m)	272
M.Cap.(INRb)/(USDb)	138.7 / 1.5
52-Week Range (INR)	607 / 286
1, 6, 12 Rel. Per (%)	-6/35/71
12M Avg Val (INR M)	336
Free float (%)	61.9

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	93.0	115.4	129.3
EBITDA	10.0	13.0	15.9
EBITDA (%)	10.8	11.3	12.3
Adj. PAT	4.1	5.5	7.0
EPS (INR)	15.7	21.1	26.7
EPS Gr.%	15.8	33.8	26.6
BV/Sh. (INR)	154.3	199.9	220.9
Ratios			
Net D:E	0.3	0.3	0.3
RoE (%)	10.5	11.9	12.7
RoCE (%)	10.3	11.8	12.2
Payout (%)	28.5	22.2	21.4
Valuations			
P/E (x)	32.5	24.3	19.2
P/B (x)	3.3	2.6	2.3
EV/EBITDA (x)	14.7	11.7	9.8
Div. yield (%)	0.9	0.9	1.1

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	38.1	39.5	39.5
DII	23.9	19.9	18.7
FII	15.1	16.4	16.8
Others	22.9	24.1	25.0

CMP: INR510 **TP: INR670 (+31%)** **Buy**

Record quarter; denim and AMD lead the charge

Arvind (ARVND) reported its highest-ever quarterly revenue and EBITDA in 2QFY27, with revenue growing 23.1% YoY to INR29.2b (5% above our estimate). Textile revenue grew 19% YoY to INR21.5b, led by denim volumes at a 17-quarter high, while advanced materials (AMD) posted record revenue of INR8.1b (+81% YoY, including the first full quarter of Dalco). Gross margin contracted 150bp YoY to 49.8% due to elevated cotton and petrochemical costs; however, EBITDA margin expanded 20bp YoY to 10.6%, aided by a better mix and operating leverage. Adj. PAT grew 20.5% YoY to INR1.2b (13% beat). Management guided for ~15% revenue growth in garments and 18%+ growth in AMD. It has incurred capex of INR3.7b in 1HFY27 and expects FY27 capex to exceed INR5b, primarily for AMD (INR2b), garmenting (INR1.2-1.5b), and the balance for fabric expansion and maintenance. We tweak FY27E EBITDA/PAT by 1%/2% and raise FY28E EBITDA/PAT by 3%/1% while maintaining the target price.

Denim volumes at a 17-quarter high; AMD India up 23%

2Q consolidated revenue/EBITDA/APAT grew 23%/25%/21% YoY to INR29.2b/ INR3.1b/INR1.2b. Denim volumes rose 19% YoY to 18.1m meters, while woven volumes stood at 34.3m meters (-2% YoY); realizations in both rose ~13%, largely on price pass-through. Garment revenue grew 9% YoY to INR5.8b on a richer mix (volumes up 4% to 11.1m pieces). AMD India revenue grew 23% YoY to INR5.5b, led by Human Protection and Composites, with key Indian Defense order wins, while Dalco contributed INR2.6b. Phase 1 of the Varanasi garment greenfield (INR2.5b revenue potential, INR750m capex) was commissioned. 1HFY27 revenue/EBITDA/APAT grew 24%/30%/23% YoY.

RM pressure persists, but EBITDA margin holds up

In 2Q, gross margin contracted 150bp YoY to 49.8% as high-cost cotton and petrochemical inventory flew through. Despite this, EBITDA grew 25% YoY to INR3.1b, with margin at 10.6% (+20bp YoY). Textile EBITDA margin stood at 8.9% (-110bp YoY), with ~75bp RM impact, while AMD margin (incl. Dalco) was 14.8%. Management is offsetting 75-100bp of quarterly gross margin pressure via price pass-through, mix and cost initiatives, and targets ~50bp annual EBITDA margin expansion once inflation normalizes. Net debt fell ~INR950m QoQ to INR20.6b; CARE upgraded the rating to AA (Stable). We model EBITDA margin of 11.3%/12.3% for FY27E/FY28E.

Valuation and view: Reiterate BUY

We believe ARVND is transitioning from a fabric-focused player to a garments- and AMD-led business, with a larger addressable market and a superior margin profile. Management expects a stronger 2H, aided by a robust 3Q order book, India-UK FTA benefits from 4Q, and new capacities in garments and AMD industrials. We expect revenue/EBITDA/adj. PAT CAGR of 18%/26%/30% over FY26-28E. We reiterate our BUY rating and an EV/EBITDA-based TP of INR670, valuing the stock at 12x FY28E EV/EBITDA. Key risks: tariff risk, raw material and cost pressure, and project and execution risks related to the Dalco business (refer to our IC note dated Jun'26).

Consolidated - Quarterly Earning Model **(INR Million)**

Y/E March	FY26				FY27E				FY26	FY27E	2QFY27E	v/s Est (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Total Revenue from Operations	**20,063**	**23,711**	**23,726**	**25,531**	**25,010**	**29,186**	**29,658**	**31,566**	**93,032**	**1,15,420**	**27,742**	*5%*
YoY Change (%)	9.6	8.4	13.6	15.0	24.7	23.1	25.0	23.6	11.7	24.1	17.0	
RM Cost	9,442	11,527	11,448	12,529	12,130	14,639	14,829	15,420	44,945.4	57,017.5	13,400	
Gross Profit	**10,621**	**12,184**	**12,279**	**13,002**	**12,880**	**14,547**	**14,829**	**16,147**	**48,087**	**58,403**	**14,343**	*1%*
Margins (%)	52.9	51.4	51.8	50.9	51.5	49.8	50.0	51.2	51.7	50.6	51.7	
Total Expenditure	18,290	21,241	20,988	22,469	22,607	26,091	26,086	27,631	82,988	1,02,415	24,772	
EBITDA	**1,773**	**2,471**	**2,739**	**3,062**	**2,403**	**3,095**	**3,572**	**3,935**	**10,044**	**13,005**	**2,971**	*4%*
Margins (%)	8.8	10.4	11.5	12.0	9.6	10.6	12.0	12.5	10.8	11.3	10.7	
Depreciation	690	719	718	776	931	1,071	1,080	1,017	2,903	4,099	1,030	*4%*
Interest	412	412	419	406	544	707	710	708	1,649	2,668	640	*10%*
Other Income	89	149	120	205	178	219	400	298	563	1,095	230	*-5%*
PBT before EO expense	**760**	**1,488**	**1,722**	**2,086**	**1,106**	**1,537**	**2,182**	**2,508**	**6,056**	**7,332**	**1,531**	*0%*
Extra-Ord expense	0	0	-236	63	-226	282	0	0	-173	0	0	
PBT	**760**	**1,488**	**1,486**	**2,149**	**880**	**1,819**	**2,182**	**2,508**	**5,883**	**7,332**	**1,531**	
Tax	217	419	464	581	311	322	436	617	1,681	1,686	383	
Rate (%)	28.5	28.2	31.2	27.1	35.3	17.7	20.0	24.6	28.6	23.0	25.0	
Minority Interest & Profit/Loss of Asso. Cos.	-11	-35	-47	29	-35	-18	-244	-250	-63	-142	-45	
Reported PAT	**532**	**1,034**	**976**	**1,597**	**534**	**1,479**	**1,501**	**1,641**	**4,139**	**5,503**	**1,103**	*34%*
Adj PAT	**532**	**1,034**	**1,138**	**1,551**	**680**	**1,246**	**1,501**	**1,641**	**4,263**	**5,503**	**1,103**	*13%*
YoY Change (%)	35.4	73.1	10.0	2.7	27.8	20.5	31.9	5.8	51.5	29.1	6.7	
Margins (%)	2.7	4.4	4.8	6.1	2.7	4.3	5.1	5.2	4.6	4.8	4.0	

LT Foods

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	LTFOODS IN
Equity Shares (m)	347
M.Cap.(INRb)/(USDb)	134 / 1.4
52-Week Range (INR)	491 / 332
1, 6, 12 Rel. Per (%)	-5/-4/5
12M Avg Val (INR M)	567

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	109.5	128.6	141.8
EBITDA	11.6	14.5	16.9
Adj. PAT	6.3	8.3	10.5
EBITDA Margin (%)	10.6	11.3	11.9
Cons. Adj. EPS (INR)	18.0	23.9	30.3
EPS Gr. (%)	3.3	32.7	26.7
BV/Sh. (INR)	130.2	149.1	174.4
Ratios			
Net D:E	0.1	0.1	-0.1
RoE (%)	14.9	17.1	18.7
RoCE (%)	14.1	16.0	17.8
Valuations			
P/E (x)	21	16	13
EV/EBITDA (x)	12	10	8

Shareholding pattern (%)

As on	Sep-26	Jun-26	Sep-25
Promoter	51.0	51.0	51.0
DII	11.2	10.8	8.3
FII	8.3	8.2	10.1
Others	29.5	30.0	30.5

Note: FII includes depository receipts

CMP: INR386 **TP: INR500 (+30%)** **Buy**

Volume momentum sustained; freight and branding costs weigh on margins

Operating performance below our estimate

- LT Foods reported a strong revenue growth of 17% in 2QFY27, led by 21% YoY growth in Basmati and Other Specialty Rice (total volume/branded business volume up 11%/~8% YoY). EBITDA grew 10% YoY as margin was impacted by higher freight costs and brand investments in the quarter.
- Going ahead, we expect margins to recover as pricing actions offset high freight costs, particularly in the Europe and the Middle East. Organic Foods business started to benefit from remodeling (EBITDA margin up 400bp YoY/390bp QoQ to 8%), with margins expected to improve further to 10-11% over the next two years. Healthy volume growth, continued market share gains in India, and expansion of the North American portfolio support the growth outlook. We expect operating leverage, improving organic foods profitability, and the anticipated turnaround of its UK operations in FY28 to support medium-term profitability.
- We largely maintain our FY27/FY28 earnings estimates and **reiterate our BUY rating on the stock** with a TP of INR500 (premised on 17x FY28E EPS).

Broad-based growth momentum across geographies

- LT Foods revenue stood at INR32.3b (+17% YoY, +3% QoQ; in line with est.). EBITDA grew by 10% YoY but declined 4% QoQ to INR3.4b (est. INR3.7b). EBITDA margins declined from 11.2% each in 2QFY26/1QFY27 to 10.5% in 2QFY27 (est. 11.4%), due to higher shipping costs (~40bp impact) and higher advertising spend (2.5-2.6% of revenue vs. 1.8% in 1QFY27). Gross margin contracted 190bp YoY, largely due to the reclassification of freight costs into COGS following a change in related-party shipment terms (this effect is EBITDA-neutral). Adj. PAT stood at INR1.8b, up 10% YoY and down 2% QoQ (est. INR2.1b).
- In 1HFY27, revenue/EBITDA/adj. PAT grew 22%/21%/9% YoY to INR63.9b/ INR6.9b/INR3.6b.
- **Basmati & Other Specialty Rice segment** (88% of revenue) grew 21% YoY to INR28.5b (1H up 27% to INR57.0b). Volumes increased by 11.5% YoY. Gross margins came in at 33% vs. 34% in 2QFY26, while EBITDA margins stood at 11% vs. 13% in 2QFY26.
- **Organic Food & Ingredients** (8% of revenue) dipped 8% YoY to INR2.7b (1H down 11% to INR5.2b) on account of the remodeling of the Organic business. Gross margin came in at 35% vs. 33% in 2QFY26. Operating margin expanded to 8% from 4% in 2QFY26.
- **RTH & RTC** (2% of revenue) increased by 2% YoY to INR490m (1H up 7% to INR1.0b) with an operating loss of ~INR75m vs. ~INR72m in 2QFY26, due to planned promotions and sampling activities.

- **Geographic highlights (1HFY27):** North America (50% of revenue) reported growth of 21% YoY (normalized growth 13%), and India (29% of revenue) registered 24% YoY growth. In North America, the company's ROYAL brand commanded a 60%+ share of Basmati rice imports, and Golden Star maintained its No. 1 position as a Jasmine rice brand in the US. The company's value market share in **India** stood at 22.3% (MAT Sep'26) vs. 22.2% in the previous year. Europe (12% of revenue) remained flat YoY due to a reduction in the non-strategic B2B business. The Middle East & RoW (9% of revenue) grew 25% YoY.
- **Working capital and balance sheet:** Working capital days improved to 143 in 1HFY27 from 174 in 1HFY26, with inventory days at 159 vs. 187. CFO grew 98% YoY to INR13.7b in 1HFY27, supported by a seasonal release of working capital and an increase in other current liabilities. Gross debt stood at INR10.9b vs. INR9.7b in 1HFY26, with a net cash position of INR2.5b as of 1HFY27.

Key highlights from the management commentary

- **Guidance/outlook: In 2HFY27, LT Foods aims to sustain the growth momentum witnessed in 1HFY27 and sets a medium-term EBITDA margin target of 13.5-14.0%, driven by improving scale and profitability in developing businesses. The organic business is targeting an EBITDA margin of 10-11% over the next two years. With new crop paddy prices ~25% higher YoY, management is confident of passing through higher procurement costs and does not anticipate further margin tightening under the prevailing disruption scenario.**
- **International business:** In North America, the company is expanding ready-to-heat formats and premiumizing Royal and Golden Star. Europe continued to face raw-material and freight-cost pressures, though new private-label customers were added in Germany and the Nordics, while the UK business is expected to turn profitable in FY28. In the Middle East, demand remained resilient, but supply disruptions and higher freight costs affected profitability.
- **India business:** The domestic branded portfolio grew ~8% vs. category growth of ~1.3%, driving a 140bp YTD market share gain. Household reach rose to 6.75m from 5.62m a year ago, supported by direct distribution expansion under Project Vistar. Price increases have been implemented for certain new-crop products, with average realization at ~INR80/kg in Oct'26, ~8% above 1Q.

Valuation and view

- We expect the company to sustain double-digit growth going ahead, supported by robust global demand for basmati and specialty foods, continued premiumization, rising e-commerce penetration, expanding distribution reach, and steady market share gains across India, North America, and Europe. The company also expects strong momentum in branded, premium, and ready-to-cook/ready-to-heat categories, which are anticipated to outpace overall portfolio growth.
- We estimate a CAGR of 14%/21%/30% in revenue/EBITDA/adj. PAT over FY26-28. **We reiterate our BUY rating** with a TP of INR500 (based on 17x FY28E EPS).

Consolidated - Quarterly Earnings Model

(INRm)

Y/E March	FY26				FY27				FY26	FY27E	FY27 2QE	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Gross Sales	**24,639**	**27,657**	**28,092**	**29,067**	**31,518**	**32,341**	**31,607**	**33,085**	**1,09,456**	**1,28,552**	**32,394**	**0%**
YoY Change (%)	19.0	31.2	23.5	30.4	27.9	16.9	12.5	13.8	26.1	17.4	17.1	
Total Expenditure	21,985	24,563	24,949	26,372	27,980	28,948	27,911	29,206	97,869	1,14,044	28,712	
EBITDA	**2,654**	**3,094**	**3,143**	**2,695**	**3,539**	**3,394**	**3,697**	**3,879**	**11,587**	**14,508**	**3,682**	**-8%**
Margins (%)	10.8	11.2	11.2	9.3	11.2	10.5	11.7	11.7	10.6	11.3	11.4	
Depreciation	523	599	629	698	741	769	772	775	2,449	3,056	750	
Interest	280	280	349	399	403	344	200	196	1,309	1,143	336	
Other Income	371	67	28	309	95	184	220	250	775	748	160	
PBT before EO expense	**2,221**	**2,283**	**2,193**	**1,907**	**2,490**	**2,465**	**2,945**	**3,157**	**8,604**	**11,056**	**2,756**	
PBT	**2,221**	**2,283**	**2,193**	**1,907**	**2,490**	**2,465**	**2,945**	**3,157**	**8,604**	**11,056**	**2,756**	
Tax	598	653	630	529	665	671	699	749	2,410	2,783	682	
Rate (%)	26.9	28.6	28.7	27.7	26.7	27.2	23.7	23.7	28.0	25.2	24.7	
MI & Profit/Loss of Asso. Cos.	-62	-8	-11	22	-9	-8	-5	-5	-59	-27	-5	
Reported PAT	**1,685**	**1,639**	**1,574**	**1,357**	**1,834**	**1,802**	**2,251**	**2,413**	**6,254**	**8,300**	**2,079**	
Adj PAT	**1,685**	**1,639**	**1,574**	**1,357**	**1,834**	**1,802**	**2,251**	**2,413**	**6,254**	**8,300**	**2,079**	**-13%**
YoY Change (%)	10.0	10.4	9.8	-15.5	8.9	10.0	43.1	77.9	3.3	32.7	26.9	
Margins (%)	6.8	5.9	5.6	4.7	5.8	5.6	7.1	7.3	5.7	6.5	6.4	

Key Operating Metrics

(INRm)

Y/E March	FY26				FY27				FY26	FY27E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue (INRm)										
Basmati & Other Specialty Rice	21,240	23,640	26,060	26,480	28,450	28,510	28,682	29,737	97,420	1,15,379
Domestic	*6,820*	*6,410*	*8,630*	*7,610*	*8,008*	*7,610*	*9,509*	*8,980*	*29,470*	*34,107*
International	*14,420*	*17,230*	*17,430*	*18,870*	*20,442*	*20,900*	*19,173*	*20,757*	*67,950*	*81,272*
Organic Foods	2,930	2,900	2,240	2,090	2,540	2,660	3,024	2,822	10,160	11,046
Convenience & Health Segment	470	480	430	490	530	490	538	564	1,870	2,121
Revenue Growth %										
Basmati & Other Specialty Rice	18.5	29.7	30.9	35.4	33.9	20.6	10.1	12.3	29	18
Domestic	11.4	-1.4	25.3	23.5	17.4	18.7	10.2	18.0	15	16
International	22.1	47.0	33.9	40.9	41.8	21.3	10.0	10.0	36	20
Organic Foods	32.0	21.3	-6.7	-8.7	-13.3	-8.3	35.0	35.0	9	9
Convenience & Health Segment	-16.1	9.1	0.0	8.9	12.8	2.1	25.0	15.0	-1	13
Gross Profit Margins %										
Basmati & Other Specialty Rice	34.0	34.0	36.7	31.7	33.0	33.0	34.6	35.1	34.1	33.9
Organic Foods	35.0	33.0	30.4	28.3	33.0	35.0	35.0	35.0	32.0	34.5
Convenience & Health Segment	37.0	31.1	40.4	32.7	37.0	32.8	37.0	37.0	35.1	6.9
EBITDAM %										
Basmati & Other Specialty Rice	13.0	13.0	11.9	11.3	13.0	11.0	12.3	12.4	12.2	12.2
Organic Foods	10.0	3.9	3.4	3.1	4.0	7.9	7.0	7.5	5.4	6.7
Convenience & Health Segment	-5.0	-14.9	-6.8	-11.7	-9.0	-15.2	-8.0	-5.0	-9.7	-9.1

Home First Finance

Estimate change	⟷
TP change	↓
Rating change	⟷

CMP: INR1,014 **TP: INR1,270 (+25%)** **Buy**

Healthy quarter; momentum to build further in 2HFY27

NIM stable QoQ and business trends strong; BT-Out rates moderate further

- Home First Finance's 2QFY27 PAT grew 29% YoY to INR1.7b (in line). NII rose 29% YoY to INR2.7b (in line). Other income grew 8% YoY to INR758m (in line).
- Opex grew 19% YoY to INR1.05b (~5% below est.). PPoP rose ~26% YoY to INR2.4b (in line). Credit costs stood at INR154m (in line), translating into annualized credit costs of ~43bp (PQ: ~47bp and PY: ~53bp).
- HomeFirst targets to sustain spreads of ~5.0-5.2% through its fully floating-rate loan book and calibrated pricing strategy. With ~20-30% of borrowings linked to external benchmarks, a ~25bp increase in repo rates is expected to translate into a ~10bp increase in borrowing costs for HomeFirst over 3-6 months. The company will pass on the increase in borrowing costs to its customers, in line with RBI guidelines and will avoid frequent price adjustments.
- HomeFirst delivered a strong 1HFY27, with improving growth momentum, stable asset quality and better operating efficiency, providing a strong foundation for the seasonally stronger 2HFY27. Improved regional execution, stable teams and healthy demand will enable HomeFirst to deliver >25% AUM growth in FY27. Further, disciplined underwriting and limited exposure to agriculture-dependent customer profiles have kept the impact of drought-related uncertainties negligible, reinforcing confidence in its ability to sustain growth while maintaining portfolio quality and profitability.
- The stock currently trades at ~1.8x FY28E P/B. We estimate a CAGR of ~26%/~24% in AUM/PAT over FY26-28E and RoA/ RoE of ~4.0%/15% in FY28E. **Reiterate BUY with a TP of INR1,270 (based on 2.5x Sep'28E BV).**

AUM growth remains strong; INR200b AUM milestone in sight by Mar'27

- Disbursements grew 32% YoY/5% QoQ to ~INR17b, which led to AUM growth of 27% YoY/6.3% QoQ to ~INR180b. BT-OUT rate (annualized) in 2QFY27 declined to ~4.4% (PQ: ~4.5% and PY ~7.6%).
- HomeFirst's growth momentum remains strong, driven by organizational changes over the past 12-18 months that have strengthened regional teams and execution. Maharashtra, Gujarat and MP continue to deliver robust growth while maintaining healthy portfolio quality, with Rajasthan, NCR and Karnataka also recording strong YoY traction. Growth in TN has resumed as tariff-related disruptions and leadership gaps ease, while UP remains a key expansion opportunity, with management strengthening regional teams to accelerate growth.
- Management targets ~25% AUM growth and aims to scale up its AUM to ~INR200b by Mar'27, supported by healthy demand and stronger execution. We expect HomeFirst to deliver an AUM CAGR of ~26% over FY26-28E.

Stock Info

Bloomberg	HOMEFIRS IN
Equity Shares (m)	105
M.Cap.(INRb)/(USDb)	106.5 / 1.1
52-Week Range (INR)	1318 / 894
1, 6, 12 Rel. Per (%)	-7/-4/-3
12M Avg Val (INR M)	395
Free float (%)	93.0

Financials Snapshot (INR b)

Y/E March	FY26	FY27E	FY28E
NII	8.7	10.9	13.6
PPoP	7.6	9.9	11.5
PAT	5.4	7.1	8.2
EPS (INR)	51.8	67.7	79.0
EPS Gr. (%)	22.1	30.6	16.8
BV/Sh. (INR)	418	481	555
ABV/Sh. (INR)	404	464	534
Ratios			
NIM (%)	6.1	6.1	6.0
C/I ratio (%)	32.4	31.0	31.9
RoAA (%)	3.9	4.2	4.0
RoAE (%)	15.7	15.1	15.3
Valuations			
P/E (x)	19.6	15.0	12.8
P/BV (x)	2.4	2.1	1.8
P/ABV (x)	2.5	2.2	1.9
Div. yield (%)	0.4	0.4	0.4

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	7.0	7.0	12.4
DII	32.9	29.8	28.8
FII	42.5	43.9	40.0
Others	17.6	19.3	18.8

FII includes depository receipts

Stable NIMs; LAP expansion offers a lever for improvement

- Reported yields declined ~10bp QoQ to ~12.9%. The reported CoF remained stable QoQ at ~7.8%. Overall spreads declined ~10bp QoQ to 5.1%.
- Incremental CoF and origination yield in 2QFY27 stood at 7.5% (PQ: 7.6%) and 13% (PQ: 13%), respectively. Reported NIM remained stable QoQ at 6%.
- A measured increase in LAP offers additional headroom to enhance spreads, while housing loans are expected to remain ~80% of the AUM mix. We expect HomeFirst to deliver NIM (calc.) of ~6.0%-6.1% for FY27E/FY28E.

Healthy asset quality; limited drought exposure supports stable credit costs

- GS3 declined ~10bp QoQ to 1.7%, and NS3 declined ~10bp QoQ to 1.3%. S3 PCR improved ~20bp QoQ to ~23.6%.
- 1+dpd was stable QoQ at 4.7%. Bounce rates declined ~70bp to ~15.6% in 2QFY27 (vs ~16.3% in 1QFY27). Oct'26 bounce rates increased to 16.6%. Capital adequacy stood at 39.8% (Tier 1: 39.4%) as of Sep'26.
- HomeFirst has not observed any material impact of drought conditions on disbursements, as its customer base in Gujarat and MP is predominantly employed in manufacturing and services in larger cities, limiting direct exposure to agriculture-dependent customer profiles. Further, customer-level underwriting filters enable the company to identify borrowers with agricultural exposure and assess their associated vulnerabilities. We model credit costs of ~40bp each for FY27/FY28E.

Highlights from the management commentary

- The impact of the insurance draft guidelines on RoA is estimated at ~35bp. Management expects a potential concession of ~10bp from the insurance authorities and the remaining ~20-25bp can be offset through various internal measures.
- CEO Mr. Manoj Vishwanathan's current term extends until Jul'28, and he indicated that he will remain available for reappointment, subject to the requisite approvals.

Valuation and view

- HomeFirst delivered a healthy 2QFY27, with robust disbursement growth and broad-based regional traction helping to sustain AUM momentum. Asset quality remained healthy, with 1+dpd stable at ~4.7% and BT-outs moderating, reflecting disciplined underwriting and improved customer retention. With margins holding firm and negligible drought-related stress, the company is well positioned to sustain growth through 2HFY27, supported by seasonal tailwinds.
- The stock currently trades at ~1.8x FY28E P/B. We estimate a CAGR of ~26%/~24% in AUM/PAT over FY26-28E and RoA/ RoE of ~4.0%/15% in FY28E. Reiterate BUY with a TP of INR1,270 (based on 2.5x Sep'28E BV).

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	2QFY27E	Act V/s Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Interest Income	3,944	4,091	4,288	4,317	4,620	4,913	5,247	5,581	16,640	20,361	4,865	1
Interest expenses	2,003	2,026	1,941	1,953	2,084	2,246	2,482	2,629	7,923	9,442	2,176	3
Net Interest Income	**1,941**	**2,065**	**2,347**	**2,364**	**2,535**	**2,667**	**2,765**	**2,952**	**8,717**	**10,919**	**2,689**	-1
YoY Growth (%)	32.6	31.8	43.9	37.0	30.6	29.1	17.8	24.8	36.5	25.3	30.2	
Other Income	609	699	549	730	779	758	875	952	2,587	3,364	785	-3
Net Income	**2,550**	**2,764**	**2,896**	**3,094**	**3,314**	**3,424**	**3,640**	**3,904**	**11,304**	**14,283**	**3,474**	**-1**
YoY Growth (%)	38.2	39.1	34.8	37.0	30.0	23.9	25.7	26.2	37.2	26.4	25.7	
Operating Expenses	868	879	926	984	1,079	1,048	1,118	1,181	3,658	4,426	1,098	-5
Operating Profit	**1,682**	**1,885**	**1,970**	**2,110**	**2,235**	**2,376**	**2,522**	**2,723**	**7,646**	**9,856**	**2,375**	0
YoY Growth (%)	41.2	49.5	41.1	44.9	32.9	26.1	28.0	29.1	44.2	28.9	26.0	
Provisions and Cont.	117	152	142	158	159	154	158	157	569	628	154	0
Profit before Tax	**1,565**	**1,732**	**1,828**	**1,952**	**2,076**	**2,222**	**2,364**	**2,565**	**7,078**	**9,228**	**2,221**	0
Tax Provisions	376	414	426	457	478	520	556	615	1,674	2,169	522	0
Net Profit	**1,189**	**1,318**	**1,402**	**1,494**	**1,599**	**1,702**	**1,809**	**1,950**	**5,404**	**7,059**	**1,699**	0
YoY Growth (%)	35.5	43.0	44.0	42.7	34.5	29.1	29.0	30.5	41.4	30.6	28.9	
Key Operating Parameters (%)												
Other income to Net Income Ratio	23.9	25.3	18.9	23.6	23.5	22.1	24.0	24.4				
Credit Cost	0.43	0.53	0.47	0.50	0.47	0.43	0.41	0.39				
Cost to Income Ratio	34.0	31.8	32.0	31.8	32.5	30.6	30.7	30.3				
Tax Rate	24.0	23.9	23.3	23.4	23.0	23.4	23.5	24.0				
Balance Sheet Parameters												
AUM (INR b)	**134.8**	**141.8**	**149.2**	**158.8**	**169.4**	**180.1**	**190.8**	**202.1**				
Change YoY (%)	28.6	26.3	24.9	24.9	25.7	27.0	27.9	27.3				
Loans (INR b)	**112.5**	**118.1**	**123.5**	**131.3**	**139.9**	**149.2**	**156.5**	**167.2**				
Change YoY (%)	27.9	25.0	22.7	23.3	24.3	26.4	26.7	27.3				
Borrowings (INR b)	**118.5**	**119.7**	**124.5**	**132.8**	**137.2**	**152.9**	**128.7**	**133.7**				
Change YoY (%)	24.6	13.1	12.8	14.9	15.8	27.7	3.4	0.7				
Loans/Borrowings (%)	95.0	98.6	99.2	98.9	101.9	97.6	121.6	125.0				
Asset Quality Parameters (%)												
GS 3 (INR m)	2,082	2,297	2,551	2,404	2,496	2,620						
Gross Stage 3 (% on Assets)	1.84	1.93	2.05	1.82	1.77	1.74						
NS 3 (INR m)	1,623	1,815	1,990	1,829	1,911	2,002						
Net Stage 3 (% on Assets)	1.43	1.53	1.60	1.38	1.36	1.33						
PCR (%)	22.0	21.0	22.0	23.9	23.4	23.6						
ECL (%)	0.77	0.77	0.81		0.78	0.78						
Return Ratios (%)												
ROAA (Rep)	3.7	3.8	4.0	4.1	4.2	4.2						
ROAE (Rep)	14.9	13.4	13.7	14.0	14.5	14.9						

E: MOFSL Estimates

Gravita India

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	GRAV IN
Equity Shares (m)	74
M.Cap.(INRb)/(USDb)	99.2 / 1
52-Week Range (INR)	1914 / 1267
1, 6, 12 Rel. Per (%)	-9/-12/-6
12M Avg Val (INR M)	465

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	42.7	63.6	80.9
Adj. EBITDA	4.5	6.2	7.7
Adj. EBITDA Margin (%)	10.6	9.8	9.5
Adj. PAT	3.8	4.5	5.6
Cons. Adj. EPS (INR)	51.3	60.5	75.8
EPS Gr. (%)	21	18	25
BV/Sh. (INR)	332	392	466
Ratios			
Net D:E	0.1	0.2	0.3
RoE (%)	16.8	16.7	17.7
RoCE (%)	14.4	14.1	14.8
Valuations			
P/E (x)	26.1	22.2	17.7
EV/EBITDA (x)	23.1	18.0	14.0

Shareholding pattern (%)

As on	Sep-26	Jun-26	Sep-25
Promoter	55.9	55.9	55.9
DII	4.9	5.5	4.9
FII	13.1	14.2	16.0
Others	26.1	24.4	23.3

Note: FII includes depository receipts

CMP: INR1,344 TP: INR1,900 (+41%) Buy

Strategic expansion into copper and global sourcing to drive the next phase of growth

Operating performance in line

- Gravita India (GRAV) delivered resilient performance with an adj. EBITDA growth of 29% YoY amid an evolving global environment and supply chain challenge, led by the consolidation of the copper business.
- Lead volumes are expected to recover from 3QFY27, supported by ramp-up in international sourcing and improved domestic procurement. Further, copper is expected to be a key growth driver, with EBITDA/MT targeted at INR65-70k over the next few quarters, improving to INR80-90k over the next 2-3 years, supported by backward integration and a favorable product mix.
- Additionally, GRAV continues to diversify its procurement network to strengthen supply chain resilience. The company has incorporated a wholly-owned subsidiary in the US to establish a scrap procurement network across the US and neighboring countries.
- **We largely maintain our earnings estimates and reiterate our BUY rating on the stock with a TP of INR1,900 (premised on 25x FY28E EPS)**.

Strong revenue growth driven by copper and aluminum; lead volumes remain weak

- Consolidated revenue grew 38% YoY to INR14.3b (est. INR13.8b) in 2QFY27. Consolidated sales volume grew 3% YoY to 52.2KMT.
- Adjusted EBITDA rose 28% YoY to INR1.4b (est. in line). Adjusted EBITDA margin contracted ~75bp YoY to 10% (est. 10.4%). Adj. PAT grew 6% YoY to INR1b (est. in line).
- Lead business revenue declined 10% YoY to INR8.4b, as volumes declined 11% YoY to 39KMT. EBITDA/MT stood at INR22,620 (-2% YoY), while EBITDA came in at INR887m for the quarter.
- Copper business (RMIL) revenue stood at INR4.2b, volume stood at 4.2KMT, EBITDA/MT was INR84,671, and EBITDA came at INR359m.
- Aluminum business revenue grew 46% YoY to INR1.4b. Volumes stood at 4.7KMT, rising 7% YoY. EBITDA/MT grew 80% YoY to INR26,664.
- Plastic business revenue grew 2.2x YoY to INR283m, volume grew 96% YoY to 4 KMT, and EBITDA/MT rose 2% YoY at INR10,334.
- In 1HFY27, revenue/adj. EBITDA/adj. PAT grew 40%/29%/10% YoY.
- The company's net debt stood at ~INR2.9b as of Sep'26. Cash outflow as of Sep'26 stood at INR584.4, compared to cash outflow of INR505.3m as of Sep'25.

Highlights from the management commentary

- **Lead:** Lead volumes declined during the quarter due to geopolitical disruptions in West Asia and heightened competition for domestic scrap. Performance is expected to improve from 3QFY27, supported by ramp-up in international sourcing and improved domestic procurement. The company targets 18-20% volume CAGR over the next three years, driven by procurement diversification and improved raw material availability.

- **Copper**: EBITDA/kg improved significantly in 2QFY27, driven by a favorable raw material and sales mix, improved capacity utilization, and high-value product orders. Going forward, EBITDA/kg is expected to remain in the range of INR65-70 in the near term, with a target of INR80-90 over the next three years, supported by the development of an overseas procurement network and deeper backward integration. RMIL's capacity utilization is expected to improve from ~50% currently to 65-70% over the next 2-3 quarters, with further expansion requiring additional capex.
- **Procurement strategy:** GRAV continues to diversify its procurement network amid geopolitical uncertainties and supply chain disruptions in West Asia, including sourcing from higher cost markets. The company has establish a wholly-owned US subsidiary, Gravita Recyclers USA Inc, to strengthen scrap sourcing across the US and neighboring markets.
- **Lithuim ion:** GRAV remains optimistic about the lithium-ion battery recycling opportunity, driven by rising EV adoption and increasing end-of-life battery availability, with volumes expected to begin contributing over the next 4–5 years on a conservative outlook.

Valuation and view

- As a leading player in India's rapidly expanding recycling industry, GRAV is well-positioned to deliver healthy earnings growth, supported by: 1) strategic capacity expansion across verticals and geographies, 2) an increased focus on value-added products, 3) increased domestic scrap availability, driven by favorable regulatory tailwinds, 4) diversification into copper, and 5) the commercialization of the pilot project of lithium ion.
- We largely maintain our earnings estimates and expect a CAGR of 38%/31%/22% in revenue/adj. EBITDA/adj. PAT over FY26-28. **We reiterate our BUY rating on the stock with a TP of INR1,900 (premised on 25x FY28E EPS)**.

Consolidated - Quarterly Earning Performance **(INR m)**

Y/E March	FY26				FY27				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Sales	**10,399**	**10,355**	**10,171**	**11,728**	**14,751**	**14,274**	**16,525**	**18,041**	**42,653**	**63,590**	**13,846**	**3**
YoY Change (%)	14.5	11.7	2.1	13.1	41.8	37.8	62.5	53.8	10.2	49.1	33.7	
Total Expenditure	9,282	9,237	9,010	10,598	13,305	12,840	14,962	16,281	38,128	57,388	12,411	
Adjusted EBITDA	**1,117**	**1,118**	**1,161**	**1,129**	**1,445**	**1,434**	**1,562**	**1,760**	**4,525**	**6,202**	**1,436**	**0**
Margins (%)	10.7	10.8	11.4	9.6	9.8	10.0	9.5	9.8	10.6	9.8	10.4	
Depreciation	87	92	98	111	145	139	153	154	388	591	150	
Interest	61	78	65	44	115	139	150	160	248	564	120	
Other Income	190	165	154	85	127	86	90	95	594	398	80	
PBT before EO expense	**1,159**	**1,113**	**1,151**	**1,060**	**1,313**	**1,242**	**1,349**	**1,541**	**4,483**	**5,445**	**1,246**	
PBT	**1,159**	**1,113**	**1,151**	**1,060**	**1,313**	**1,242**	**1,349**	**1,541**	**4,483**	**5,445**	**1,246**	
Tax	229	153	176	141	249	222	241	275	699	987	187	
Rate (%)	19.7	13.8	15.3	13.3	19.0	17.9	17.9	17.9	15.6	18.1	15.0	
MI & Profit/Loss of Asso. Cos.	-2	0	-2	-1	0	0	-2	-3	-5	-5	-1	
Reported PAT	**933**	**960**	**977**	**919**	**1,064**	**1,020**	**1,110**	**1,269**	**3,788**	**4,463**	**1,059**	
Adj PAT	**933**	**960**	**977**	**919**	**1,064**	**1,020**	**1,110**	**1,269**	**3,788**	**4,463**	**1,059**	**-4**
YoY Change (%)	38.5	33.3	25.3	-3.4	14.1	6.3	13.7	38.1	21.3	17.8	10.4	
Margins (%)	9.0	9.3	9.6	7.8	7.2	7.1	6.7	7.0	8.9	7.0	7.7	

Unimech Aerospace

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	UNIMECH IN
Equity Shares (m)	51
M.Cap.(INRb)/(USDb)	83.4 / 0.9
52-Week Range (INR)	1901 / 695
1, 6, 12 Rel. Per (%)	2/53/69
12M Avg Val (INR M)	196

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	2.4	5.1	7.4
EBITDA	0.8	2.0	2.9
Adj. PAT	0.6	1.3	1.8
Adj. EPS (INR)	12.4	26.2	35.6
EPS Gr. (%)	-24.2	110.2	36.2
BV/Sh. (INR)	145.0	171.1	206.8
Ratios			
RoE (%)	8.6	15.3	17.2
RoCE (%)	11.9	17.8	19.7
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	131.8	62.7	46.0
P/BV (x)	11.3	9.6	7.9
EV/EBITDA (x)	104.8	43.0	29.4
Div. Yield (%)	0.0	0.0	0.0

Shareholding pattern (%)

As On	Sep-26	Jun-26	Mar-26
Promoter	79.8	79.8	79.8
DII	4.7	5.6	6.0
FII	1.0	0.4	0.4
Others	14.6	14.2	13.8



Click here

CMP: INR1,640 TP: INR2,138 (+30%) Buy

Strong all-round performance; many levers for rapid growth

Revenue/EBITDA/PAT surge 98%/164%/103% YoY in 2QFY27

Unimech Aerospace (UNIMECH) reported a strong set of results in 2QFY27, with consolidated revenue/EBITDA/APAT surging 98%/164%/103% YoY. Revenue was 7% ahead of our estimate and was supported by healthy demand and robust execution. EBITDA witnessed a 15% beat, driven by a robust margin of 40%, highlighting operational excellence, a high-margin order mix, and strong operating leverage. Consequently, PAT came in 28% better than our estimate. PAT margin stood high at ~26%. The company generated a robust INR535m OCF during 1H.

Key highlights from the management commentary

- **Strong guidance and outlook:** Management expects strong business momentum to sustain in 2H and beyond. Semiconductor business (3% of rev) is expected to scale up in FY27, followed by O&G in FY28. EBITDA margin is expected to sustain in the 38-40% range.
- The integration of Hobel Bellows and execution at Saudi JV are well on track.
- While aero-tooling remains the main pillar, incremental focus is on expanding precision manufacturing capabilities.
- The company is expanding into long-term contracts for aero tooling from short-cycle orders currently. This will increase growth visibility in the segment. Nuclear segment has a large order book and supports strong growth outlook. In Hobel Bellows, existing and potential customers are seeking capacity expansion.
- A robust order book of INR8.5b provides long-term growth visibility.
- FACC: Long-Term Agreement (LTA) valued at USD7.5m for aerostructure components; has potential to double.
- Honeywell Aerospace: Signed a 10-year LTA for aero-engine components and control systems.
- Aerospace Tier-1 manufacturer: Received an award letter worth ~USD43m for aerostructure door components for top-three global OEMs.
- The company has completed 250 FAIs across PCA customers, with 346 additional FAIs in the pipeline for qualification by year-end.
- The company is in advanced discussions with OEMs for aero-structure parts and components, as well as opportunities in the semiconductor vertical.
- The fundraise plan will now be considered in early 2027.
- The company will continue to strengthen its senior leadership below the promoter level.

Valuation and view: Reiterate BUY

After a strong performance in 2Q, we further increase our earnings estimates for FY27/28 by 2-3%. After a flattish revenue and decline in profits on margin contraction in FY26, we expect UNIMECH to post a CAGR of 75%/95%/69% in revenue/EBITDA/APAT over FY26-28, with over 38% EBITDA margin. RoE/RoCE (pre-tax) are also expected to expand to ~17%/20% in FY28 from 9%/12% in FY26, aided by improved plant utilization and strong operating results. **We reiterate our BUY rating with a revised TP of INR2,138**, based on 60x FY28E EPS. We believe the company is strategically positioned to capture structural tailwinds in the aerospace & defense, energy, and semiconductor equipment sectors. **Slow ramp-up in new business and contraction in margins are key risks to our call.**

Quarterly performance

(INR m)

	FY26				FY27E				FY26	FY27E	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Net Sales	**630**	**620**	**337**	**818**	**1,076**	**1,230**	**1,297**	**1,486**	**2,405**	**5,089**	**1,153**	**7**
YoY Change (%)	6	1	-37	20	71	98	285	82	-1	112	86.0	
Total Expenditure	432	434	322	466	684	740	792	908	1,654	3,124	726	
EBITDA	**198**	**185**	**15**	**352**	**393**	**490**	**505**	**578**	**751**	**1,965**	**426**	**15**
Margins (%)	31.4	29.9	4.6	43.1	36.5	39.8	38.9	38.9	31.2	38.6	37.0	
Depreciation	59	63	69	72	80	90	95	110	263	376	85	
Interest	11	14	16	113	19	20	30	50	154	120	30	
Other Income	114	99	109	148	73	70	50	30	470	223	20	
PBT before EO expense	**242**	**207**	**40**	**316**	**367**	**449**	**429**	**448**	**804**	**1,693**	**332**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**242**	**207**	**40**	**316**	**367**	**449**	**429**	**448**	**804**	**1,693**	**332**	**35**
Tax	50	49	15	53	87	124	112	116	167	439	81	
Rate (%)	20.8	23.7	37.5	16.8	23.7	27.6	26.0	26.0	20.8	25.9	24.5	
Minority Interest	0	0	0	0	0	0	0	-100	0	-100	0	
Profit/Loss of Asso. Cos.	0	-1	-1	-2	-1	-8	-8	-8	-4	-24	-1	
Reported PAT	**191**	**157**	**24**	**261**	**279**	**318**	**310**	**424**	**633**	**1,330**	**249**	**28**
Adj PAT	**191**	**157**	**24**	**261**	**279**	**318**	**310**	**424**	**633**	**1,330**	**249**	**28**
YoY Change (%)	-7.3	-13.2	-84.7	-10.6	45.7	102.8	1,199.6	62.3	-24.2	110.2	59.0	
Margins (%)	30.4	25.3	7.1	31.9	25.9	25.8	23.9	28.5	26.3	26.1	21.6	

E: MOFSL Estimates

Quarterly Operational Performance

(INR m)	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	% YoY	% QoQ
Segment revenue (INR m)							
Aero tooling	558	303	736	818	824	48	1
Precision Components	62	34	82	258	406	555	57
Segment revenue mix (%)							
Aero tooling	90.0	90.0	90.0	76.0	67.0		
Precision Components	10.0	10.0	10.0	24.0	33.0		

Source: Company

EcoScope
The Economy Observer

Sep'26 IIP: Industrial output moderates

- India's industrial production growth moderated to 6.7% YoY in Sep'26 from 7.8% in Aug'26, although it remained above the 6.1% recorded in Sep'25. Manufacturing growth eased to 7.6% in Sep'26 from 8.6% in Aug'26, while electricity and gas supply growth moderated to 11.2% from 12.3%. Mining and quarrying remained the principal drag, with the contraction deepening to 6.2% in Sep'26 from 4.6% in Aug'26. Despite the moderation in Sep'26 growth, IIP growth remained strong at 6.8% in 1HFY27, compared with 4.4% in 1HFY26.
- Manufacturing continued to provide the principal support to industrial production, although performance varied across industries. Output grew 7.6% in Sep'26, supported by electrical equipment, beverages, textiles, rubber and plastics products, and furniture. Electrical equipment production expanded 33.9% YoY, while rubber and plastics products recorded growth of 19.9%. However, weakness in wood products, pharmaceuticals, apparel and other manufacturing constrained the overall performance. Manufacturing growth remained robust at 7.5% in 1HFY27, compared with 4.4% in 1HFY26, indicating sustained industrial momentum despite the moderation in Sep'26.
- The use-based classification points to continued resilience in investment-related production, although growth moderated across several categories. Capital goods output expanded 10.4% YoY in Sep'26 from 15.9% in Aug'26, while intermediate goods growth eased to 12.2% from 14.2%. Infrastructure and construction goods growth moderated to 7.2% in Sep'26 from 8.0% in Au'26, whereas primary goods growth edged down to 4.0% from 4.2%. Despite the monthly slowdown, capital goods growth remained strong at 15.1% in 1HFY27, compared with 8.6% in 1HFY26. These trends indicate that investment-related production and industrial supply chains continue to support the expansion.
- Consumer production remained uneven. Consumer durables growth slowed to 6.0% in Sep'26 from 10.5% in Aug'26, though 1HFY27 growth remained strong at 8.7% against 2.9% in 1HFY26. In contrast, consumer non-durables grew 1.4% after contracting 1.1% in Aug'26. However, 1HFY27 growth in non-durables remained subdued at just 0.8%, compared with 1.6% in 1HFY26. This divergence suggests that the recovery in consumer-oriented industrial production remains concentrated in discretionary goods, while everyday consumer-goods production continues to lag. The impact of El Niño and weaker rural demand could pose additional headwinds for rural consumption.
- Overall, industrial activity remains supportive, but the September data indicates a moderation in momentum after the stronger performance earlier in FY27. Exports, infrastructure spending and investment-related production are likely to provide support, while persistent mining weakness and uneven consumer demand remain key risks. The sustainability of industrial growth will depend on continued strength in capital and intermediate goods, a recovery in mining output and a broader improvement in consumer-facing manufacturing. Although 1HFY27 IIP growth remains well above last year's level, the slowdown in monthly production warrants monitoring to assess whether the moderation is temporary or signals a more persistent cooling in industrial momentum during 2HFY27.

Exhibit 1: IIP and its components

(% YoY)	Old Weight	New Weight	Jul'25	Aug'25	Sep'25	Jul'26	Aug'26	Sep'26
Mining & Quarrying	14.4	11.1	10.7	15.8	15.7	-0.9	-4.6	-6.2
Manufacturing	77.6	76.1	5.1	3.6	5.5	8.2	8.6	7.6
Electricity / Electricity & Gas Supply	8.0	10.9	2.4	3.7	3.3	8.7	12.3	11.2
Water Supply, Sewerage & Waste Management	–	2.0	7.5	6.9	6.2	7.4	6.3	5.8
General IIP	**100**	**100**	**5.4**	**4.7**	**6.1**	**7.4**	**7.8**	**6.7**
Primary Goods	34.0	31.1	4.8	7.6	6.6	4.2	4.2	4.0
Capital Goods	8.2	8.1	5.9	6.0	13.2	19.0	15.9	10.4
Intermediate Goods	17.2	22.4	3.5	3.3	6.4	10.4	14.2	12.2
Infrastructure / Construction Goods	12.3	10.9	11.2	9.2	9.8	8.0	8.0	7.2
Consumer Durables	12.8	11.3	3.9	0.9	4.6	12.0	10.5	6.0
Consumer Non-Durables	15.3	16.1	5.8	0.1	-0.5	-0.8	-1.1	1.4

Exhibit 2: Comparison of item basket and weights of the new IIP series with the old series

Sector	Base Year 2011-12 Weight (%)	Item Groups	Base Year 2022-23 Weight (%)	Item Groups
Mining & Quarrying	14.372	1	11.053	3
Manufacturing	77.633	405	76.062	455
Electricity & Gas Supply	7.995	1	10.865	3
Water Supply, Sewerage & Waste Management	-	-	2.020	2
Total	**100.0**	**407**	**100.0**	**463**

Data highlights

Industrial production moderates to 6.7% YoY in Sep'26

India's industrial production growth moderated to 6.7% YoY in Sep'26 from 7.8% in Aug'26, although it remained above the 6.1% recorded in Sep'25. The latest reading indicates a loss of momentum after the strong performance during the preceding months. Manufacturing growth eased to 7.6% in Sep'26 from 8.6% in Aug'26, while electricity and gas supply growth moderated to 11.2% from 12.3% in Aug'26. Mining and quarrying remained a drag, with the contraction deepening to 6.2% in Sep'26 from 4.6% in Aug'26. Water supply, sewerage and waste management growth also moderated to 5.8% in Sep'26 from 6.3% in Aug'26. The deceleration in headline IIP, therefore, reflects slower growth in manufacturing and electricity alongside continued weakness in mining. Nevertheless, industrial production continued to expand at a healthy pace, supported by manufacturing and investment-related industries.

Manufacturing growth eases

- Manufacturing output grew 7.6% YoY in Sep'26, compared with 8.6% in Aug'26 and 5.5% in Sep'25. Despite the sequential moderation, growth remained above the year-earlier level. Cumulative manufacturing growth reached 7.5% in 1HFY27, compared with 4.4% in 1HFY26.
- Among individual industries, electrical equipment recorded growth of 33.9% in Sep'26, accelerating from 31.0% in Aug'26. Beverages production expanded 39.4%, compared with 21.9% in Aug'26, while textiles growth increased to 17.4% from 13.8%. Furniture production grew 12.8%, compared with 10.6% in Aug'26, and rubber and plastics products expanded 19.9%, following growth of 21.3% in the previous month.
- However, weakness persisted in several segments. Wood and wood products contracted 10.5% in Sep'26 after growing 8.4% in Aug'26, while pharmaceutical production declined 8.9%, following a contraction of 6.1% in Aug'26. Apparel output fell 5.2%, compared with a decline of 7.8% in Aug'26, while other manufacturing contracted 6.4%, against growth of 3.4% in Aug'26.

Mining contraction deepens

- Mining and quarrying contracted 6.2% YoY in Sep'26, compared with a decline of 4.6% in Aug'26 and growth of 15.7% in Sep'25. The sharp deterioration in the YoY growth rate partly reflects the high base of Sep'25.
- On a cumulative basis, mining output contracted 2.4% in 1HFY27, compared with growth of 8.0% in 1HFY26, indicating a substantial weakening in the sector's performance.

- Electricity and gas supply growth moderated to 11.2% in Sep'26 from 12.3% in Aug'26, although it remained well above the 3.3% recorded in Sep'25.

Investment momentum remains strong

- Capital goods production grew 10.4% YoY in Sep'26, moderating from 15.9% in Aug'26 and 19.0% in Jul'26. The sequential slowdown was pronounced, with growth easing by 550bp from Aug'26. Nevertheless, capital goods output continued to expand at a double-digit pace. Cumulative growth remained strong at 15.1% in 1HFY27, compared with 8.6% in 1HFY26, indicating that investment-related production has performed significantly better during the current fiscal year.
- Intermediate goods output expanded 12.2% YoY in Sep'26, compared with 14.2% in Aug'26 and 10.4% in Jul'26. Intermediate goods growth increased to 10.8% in 1HFY27 from 4.7% in 1HFY26, indicating sustained strength across industrial supply chains.
- In contrast, infrastructure and construction goods growth moderated to 7.2% in Sep'26 from 8.0% in both Jul'26 and Aug'26, and from 9.8% in Sep'25. Cumulative growth eased to 7.4% in 1HFY27 from 8.1% in 1HFY26.

Consumer durables slow, while non-durables improved

- Consumer durables production grew 6.0% YoY in Sep'26, slowing from 10.5% in Aug'26 and 12.0% in Jul'26. Although the pace of expansion moderated, cumulative growth remained strong at 8.7% in 1HFY27, compared with 2.9% in 1HFY26.
- This indicates a substantial improvement in durable-goods production during the current fiscal year, despite the recent slowdown. In contrast, consumer non-durables grew 1.4% in Sep'26, following contractions of 1.1% in Aug'26 and 0.8% in Jul'26. However, cumulative growth remained subdued at 0.8% in 1HFY27, compared with 1.6% in 1HFY26.
  The divergence suggests that the recovery in consumer-oriented industrial production remains concentrated in durables, while everyday consumer-goods production continues to lag.

Outlook:

- Overall, industrial activity remains supportive, but the September data indicates a moderation in momentum after the stronger performance earlier in FY27. Exports, infrastructure spending and investment-related production are likely to provide support, while persistent mining weakness and uneven consumer demand remain key risks. The sustainability of industrial growth will depend on continued strength in capital and intermediate goods, a recovery in mining output and a broader improvement in consumer-facing manufacturing. Although 1HFY27 IIP growth remains well above last year's level, the slowdown in monthly production warrants monitoring to assess whether the moderation is temporary or signals a more persistent cooling in industrial momentum during 2HFY27.

Pidilite

BSE SENSEX	S&P CNX
73,246	22,699

Conference Call Details



Date: 29th Oct 2026
Time: 3:30pm IST
Dial-in details:
Diamond Pass Registration

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	146.0	171.9	191.6
Sales Gr. (%)	11.1	17.7	11.5
EBITDA	35.7	41.4	47.0
EBITDA Margin (%)	24.5	24.1	24.5
Adj. PAT	25.1	29.8	33.8
Adj. EPS (INR)	24.7	29.3	33.2
EPS Gr. (%)	19.6	18.4	13.4
BV/Sh.(INR)	106.4	121.6	138.8
Ratios			
RoE (%)	24.4	25.7	25.5
RoCE (%)	22.8	24.1	24.0
Payout (%)	97.2	48.1	48.1
Valuations			
P/E (x)	59.3	50.1	44.2
P/BV (x)	13.8	12.0	10.6
EV/EBITDA (x)	40.5	34.9	30.3
Div. Yield (%)	1.6	1.0	1.1

CMP: INR1,389 — Neutral

In-line revenue; drag on margins 11%

Consolidated performance

- Consol. sales grew by a strong 21% YoY to INR43.0b (est. INR42.7b).
- Underlying volume growth remained strong at 11% (est. 13%, 11% in 1QFY27). UVG was 11% for C&B businesses and 9% for B2B businesses.
- Price hikes were taken across all categories to offset the increase in input costs.
- Consumer & Bazaar (C&B) revenue rose 21% YoY to INR34.2b (in line), EBIT grew 5% YoY to INR9b (est. INR9.9b), and EBIT margins contracted by 390bp YoY to 26.3%.
- B2B revenue grew by 20% YoY to INR9.1b (est. INR8.8b), EBIT fell 1% to INR1.1b (est. INR1.4b), and EBIT margins contracted 270bp YoY to 12.5%.
- Gross margins contracted by ~650bp YoY to 48.6% (est. 51.4%), impacted by the West Asia crises.
- Employee/other expenses increased 9%/10% YoY.
- EBITDA margin contracted 350bp YoY/600bp QoQ to 20.4% (est. 22.5%).
- EBITDA grew 3% YoY (est. 13%, 27% in 1QFY27).
- PBT grew 5% YoY to INR8.3b (est. INR9.2b).
- Adj. PAT increased 6% YoY to INR6.1b (est. INR6.9b).
- In 1HFY27, revenue/EBITDA/APAT grew by 21%/16%/18%.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Volume growth (%)	**9.9**	**10.3**	**9.3**	**15.3**	**11.3**	**10.7**	**10.2**	**7.5**	**11.2**	**9.9**	**13.4**	
Net Sales	**37,531**	**35,544**	**37,099**	**35,834**	**45,516**	**42,976**	**43,153**	**40,656**	**1,46,008**	**1,71,874**	**42,654**	0.8
YoY change (%)	10.5	9.9	10.1	14.1	21.3	20.9	16.3	13.5	11.1	17.7	20.0	
Gross Profit	**20,314**	**19,563**	**20,961**	**20,281**	**24,334**	**20,867**	**23,820**	**25,006**	**81,118**	**94,027**	**21,924**	-4.8
Margin (%)	54.1	55.0	56.5	56.6	53.5	48.6	55.2	61.5	55.6	54.7	51.4	
EBITDA	**9,410**	**8,507**	**9,468**	**8,329**	**11,939**	**8,775**	**10,350**	**10,365**	**35,713**	**41,382**	**9,614**	-8.7
YoY change (%)	15.8	10.7	18.6	31.7	26.9	3.1	9.3	24.4	18.5	15.9	13.0	
Margins (%)	25.1	23.9	25.5	23.2	26.2	20.4	24.0	25.5	24.5	24.1	22.5	
Depreciation	967	1,000	1,010	971	973	1,001	1,050	1,058	3,947	4,081	1,000	
Interest	138	133	133	139	133	127	140	176	542	577	140	
Other Income	857	502	655	648	920	646	880	896	2,662	3,277	750	
PBT	**9,162**	**7,877**	**8,980**	**7,867**	**11,753**	**8,293**	**10,040**	**10,027**	**33,886**	**40,001**	**9,224**	-10.1
Tax	2,383	2,027	2,159	1,925	3,085	2,078	2,510	2,328	8,495	10,000	2,306	
Rate (%)	26.0	25.7	24.0	24.5	26.2	25.1	25.0	23.2	25.6	24.9	25.0	
Reported PAT	**6,724**	**5,792**	**6,180**	**5,793**	**8,724**	**6,145**	**7,475**	**7,691**	**24,489**	**29,924**	**6,863**	-10.5
Adj PAT	**6,724**	**5,792**	**6,761**	**5,873**	**8,580**	**6,145**	**7,475**	**7,691**	**25,149**	**29,779**	**6,863**	-10.5
YoY change (%)	18.6	8.4	22.4	31.3	27.6	6.1	10.6	31.0	19.7	18.4	18.5	
Margins (%)	17.9	16.3	18.2	16.4	18.9	14.3	17.3	18.9	17.2	17.3	16.1	

E: MOSL Estimates

Consolidated segmental performance

Consol. revenue (INR m)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Consumer & Bazaar	**27,408**	**25,805**	**26,726**	**23,976**	**30,067**	**28,365**	**29,742**	**27,563**	**36,806**	**34,236**
% YoY	3%	3%	5%	7%	10%	10%	11%	15%	22%	21%
C&B volume growth (%)	8%	6%	7%	8%	9%	10%	10%	15%	12%	11%
Business to business	**7,256**	**7,036**	**7,572**	**8,089**	**8,066**	**7,613**	**7,777**	**8,654**	**9,178**	**9,126**
% YoY	7%	14%	19%	14%	11%	8%	3%	7%	14%	20%
B2B volume growth (%)	18%	21%	22%	16%	13%	10%	7%	15%	7%	9%
Consol. EBIT (INR m)										
Consumer & Bazaar	8,039	7,710	7,865	6,178	9,458	8,575	9,520	8,325	11,905	9,001
% margin	29.3%	29.9%	29.4%	25.8%	31.5%	30.2%	32.0%	30.2%	32.3%	26.3%
% YoY	14%	11%	2%	13%	18%	11%	21%	35%	26%	5%
Business to business	1,103	1,040	1,335	1,415	1,329	1,158	1,308	1,607	1,728	1,141
% margin	15.2%	14.8%	17.6%	17.5%	16.5%	15.2%	16.8%	18.6%	18.8%	12.5%
% YoY	20%	52%	76%	69%	20%	11%	-2%	14%	30%	-1%

Hero Motocorp

BSE SENSEX	S&P CNX
73,246	22,699

Conference Call Details



Date: 29th October 2026
Time: 10:30 AM
Concall registration-[Link]

Financials & valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	468.3	534.3	563.8
EBITDA	68.7	70.1	76.5
Adj. PAT	53.6	56.1	61.2
Adj. EPS (INR)	267.8	280.0	305.5
EPS Gr. (%)	16.3	4.6	9.1
BV/Sh. (INR)	1,078	1,158	1,228
Ratios			
RoE (%)	25.9	25.0	25.6
RoCE (%)	25.3	24.5	25.1
Payout (%)	69.1	71.4	76.9
Valuations			
P/E (x)	19.8	18.9	17.3
P/BV (x)	4.9	4.6	4.3
Div. Yield (%)	3.5	3.8	4.4
FCF Yield (%)	7.0	4.7	5.6

CMP: INR5,300 — Buy

Margins remain stable, while earnings in line

- Net revenue grew 21.1% YoY to ~INR147b, (in-line). A 10.5% YoY volume growth, coupled with a 9.6% YoY growth in realizations to INR78.6k per unit due to pricing action and improved mix led to this healthy growth.
- ASP growth was on the back of higher spares revenues, higher mix of premium motorcycle, scooters (ICE and EVs).
- The Part, Accessories, and Merchandising business grew 27% YoY to INR19.41b.
- EBITDA margin expanded QoQ by 10bp to 13.4% (vs est of 12.9%), as commodity inflation was offset by operating leverage and cost savings.
- EBITDA was up 8% YoY to INR19.7b, beating our estimates of INR18.5b.
- However, due to lower-than-expected other income, PAT came in line, rising 4.6% YoY to INR14.6b.
- CFO as of 1HFY27 stood at INR32.4b, while free cash flow came in at a INR25.5b.

Key highlights of 2Q from the press release

- The scooter portfolio grew 47% YoY to 240k units, with ICE scooter dispatches increasing 35% YoY and market share expanding by 100bp to 7.3%. Destini and Xoom drove ICE scooter growth of 50% YoY, with dispatches of ~0.14m units.
- VIDA recorded 76% YoY retail growth to 66,531 units during the quarter. The company expanded its electric scooter portfolio with the launch of the VIDA VX2 Plus (4.4 kWh) and VX2 Go (3.1 kWh), while VIDA entered Nepal as its first international market.
- Hero strengthened its position in the 100cc motorcycle segment, with market share expanding 500 bps YoY to 84.4%, supported by over 20% growth in the Splendor portfolio.
- HMCL approved an additional investment of up to INR3b in its wholly owned subsidiary, HMCL Netherlands B.V. (HNBV), over the next two years, in one or more tranches. The investment will be used to fund its subsidiaries in Colombia and Brazil, supporting overseas business operations. The investment will be made in cash, with no change in Hero MotoCorp's ownership of HNBV.
- **Valuation:** The stock trades at 18.9x/17.3x FY27E/FY28E EPS.

Quarterly Performance (S/A) **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Total Volumes ('000 nos)	1,367	1,691	1,697	1,714	1,677	1,868	1,739	1,724	6,469	7,009	1,868	
Growth YoY (%)	-10.9	11.3	15.9	24.2	22.7	10.5	2.5	0.6	9.7	8.3	10.5	
Net Realization	70,069	71,724	72,658	74,646	77,498	78,615	75,564	73,078	72,394	76,229	76,745	
Growth YoY (%)	6.0	4.2	4.2	3.7	10.6	9.6	4.0	-2.1	4.8	5.3	7.0	
Net Op Revenues	**95,789**	**121,264**	**123,284**	**127,965**	**129,988**	**146,874**	**131,421**	**125,979**	**468,301**	**534,262**	**143,379**	**2.4**
Growth YoY (%)	-5.6	15.9	20.7	28.8	35.7	21.1	6.6	-1.6	14.9	14.1	18.2	
RM Cost (% sales)	66.7	66.7	67.4	68.5	71.5	71.8	68.5	68.0	67.4	70.0	72.0	
Staff Cost (% sales)	6.5	5.8	5.7	5.3	5.4	5.0	5.7	5.9	5.8	5.5	5.1	
Other Exp (% sales)	12.3	12.5	12.2	11.7	9.9	9.8	12.8	13.4	12.1	11.4	10.0	
EBITDA	**13,817**	**18,234**	**18,101**	**18,556**	**17,266**	**19,676**	**17,103**	**16,075**	**68,708**	**70,120**	**18,548**	**6.1**
EBITDA Margins (%)	14.4	15.0	14.7	14.5	13.3	13.4	13.0	12.8	14.7	13.1	12.9	
Change (%)	-5.3	20.3	22.6	31.1	25.0	7.9	-5.5	-13.4	17.1	2.1	1.7	
Other Income	3,037	2,328	2,959	2,086	4,409	1,938	3,000	3,589	10,410	12,936	2,500	
Interest	56	57	60	55	63	61	50	56	228	230	65	
Depreciation	1,928	1,970	2,044	2,039	2,053	2,163	2,150	2,165	7,980	8,531	2,100	
PBT before EO Exp/(Inc)	**14,870**	**18,537**	**18,955**	**18,548**	**19,559**	**19,390**	**17,903**	**17,444**	**70,910**	**74,295**	**18,883**	
Effective Tax Rate (%)	24.3	24.9	24.1	24.5	25.6	24.9	24.5	23.0	24.4	24.5	24.5	
Adj. PAT	**11,257**	**13,928**	**14,385**	**14,011**	**14,545**	**14,562**	**13,517**	**13,432**	**53,581**	**56,056**	**14,256**	**2.1**
Growth (%)	0.3	15.7	19.6	29.6	29.2	4.6	-6.0	-4.1	16.2	4.6	2.4	

United Spirits

BSE SENSEX	S&P CNX
73,246	22,699

Concall Details



Date: 29th October 2026
Time: 4:00PM IST
Dial in:
+91 22 6280 1250 / +91 22 7115 8151
Diamond Pass

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	124.5	136.8	149.7
Sales Gr. (%)	7.6	9.9	9.4
EBITDA	23.0	24.5	27.8
Margin (%)	18.4	17.9	18.6
PAT	16.9	17.8	20.0
EPS (INR)	23.3	24.5	27.6
EPS Gr. (%)	18.1	5.3	12.4
BV/Sh.(INR)	120.0	145.3	172.9
Ratios			
RoE (%)	19.4	16.8	15.9
RoCE (%)	21.7	19.8	18.6
Payout (%)	34.4	65.2	65.3
Valuations			
P/E (x)	52.8	50.1	44.6
P/BV (x)	10.2	8.5	7.1
EV/EBITDA (x)	37.3	34.4	29.9

CMP: INR1,229

Soft quarter; high A&P drags down EBITDA

- Standalone net sales rose 3% YoY to INR32.6b (est. INR33.7b) in 2QFY27.
- Total volume declined by 5% (est. flat YoY, 7.7% in 2QFY26). P&A volume fell 1% YoY (est. +3.5% YoY, 11.5% in 2QFY26) to 14.1m cases.
- Popular volume contracted by ~30% YoY (est. -20% YoY, -11.6% in 2QFY26) to 1.6m cases, largely impacted by Maharashtra and Karnataka.
- P&A revenue (94% revenue mix) was up 6.3% YoY (on base of 14% YoY growth), while popular revenue was down by 22.6% YoY.
- P&A growth was led by Smirnoff local flavor innovation, J&B scotch relaunch and growth in the luxury portfolio. This was partially offset by the continued impact of the adverse policy in Maharashtra.
- Popular segment remained impacted by MML in Maharashtra and recent policy changes in Karnataka, which adversely impacted the realizations and growth in the segment owing to excise slab changes.
- Gross margin expanded by 90bp YoY to 48% (est. 46.4%, 47.1% in 2QFY26), aided by a better mix and productivity flow-through, partially offset by the continued adverse impact from the West Asia crisis.
- A&P spends grew 57% YoY, while other expenses fell 5% and employee expenses declined 15% YoY.
- EBITDA margin contracted 130bp YoY to 19.7% (est. 19.3%, 21% in 2QFY26).
- EBITDA declined 4% YoY to INR6.4b (est. INR6.5b), impacted by the conscious proactive A&P spending ahead of season.
- PBT declined 7% YoY to INR6.1b (est. INR6.2b).
- APAT fell 7% YoY to INR4.5b (est. INR4.7b).
- In 1HFY27, net sales grew 4%, EBITDA fell 1% and APAT rose 1%.

Highlights from press release

- The relaunch of J&B Scotch, enabled by the India-UK FTA, offers consumers an attractive proposition that will help deepen Scotch penetration.
- UNSP continues to unlock new avenues for growth, most recently, entering the Ready-to-Drink (RTD) segment with Smirnoff Ice.
- The company remains confident about the upcoming festive season.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.
(Standalone)	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Volume growth %	**9.4**	**7.7**	**-3.2**	**-5.6**	**-3.4**	**-5.0**	**6.2**	**14.5**	**1.5**	**3.1**	**-0.3**	
Total revenues	**25,490**	**31,730**	**36,830**	**30,460**	**27,030**	**32,580**	**41,286**	**35,880**	**1,24,480**	**1,36,776**	**33,712**	-3.4%
YoY change (%)	8.4	11.6	7.3	3.4	6.0	2.7	12.1	17.8	7.6	9.9	6.3	
Gross Profit	**11,210**	**14,950**	**17,280**	**14,400**	**12,460**	**15,630**	**19,280**	**16,230**	**57,820**	**63,601**	15,642	-0.1%
Margin (%)	*44.0*	*47.1*	*46.9*	*47.3*	*46.1*	*48.0*	*46.7*	*45.2*	*46.4*	*46.5*	*46.4*	
Total Exp	21,340	25,060	30,650	24,550	22,710	26,150	34,187	29,246	1,01,520	1,12,293	27,206	
EBITDA	**4,150**	**6,670**	**6,180**	**5,910**	**4,320**	**6,430**	**7,099**	**6,634**	**22,960**	**24,483**	**6,506**	-1.2%
Margins (%)	*16.3*	*21.0*	*16.8*	*19.4*	*16.0*	*19.7*	*17.2*	*18.5*	*18.4*	*17.9*	*19.3*	
EBITDA growth (%)	*-9.4*	*31.6*	*5.1*	*17.0*	*4.1*	*-3.6*	*14.9*	*12.3*	*11.6*	*6.6*	*-3.2*	
Depreciation	680	650	790	710	700	740	750	764	2,830	2,954	735	
Interest	490	210	190	250	300	240	310	370	1,140	1,220	300	
Other income	610	760	510	760	720	640	750	873	2,640	2,983	750	
PBT	**3,590**	**6,570**	**5,710**	**5,710**	**4,040**	**6,090**	**6,789**	**6,373**	**21,630**	**23,292**	**6,221**	-2.1%
Tax	900	1,600	1,250	1,350	820	1,580	1,731	1,575	4,980	5,706	1,555	
Rate (%)	25.1	24.4	21.9	23.6	20.3	25.9	25.5	24.7	23.0	24.5	25.0	
Adj. PAT	**2,963**	**4,895**	**4,668**	**4,360**	**3,393**	**4,538**	**5,058**	**4,798**	**16,885**	**17,785**	**4,666**	-2.7%
YoY change (%)	-0.9	46.1	11.0	16.3	14.5	-7.3	8.4	10.0	18.1	5.3	-5.6	
Reported PAT	**2,580**	**4,670**	**5,290**	**5,710**	**3,910**	**4,620**	**5,058**	**4,798**	**18,420**	**18,385**	**4,665.8**	

E: MOSL Estimate

KPIs	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Volumes (Mn Cases)										
- P&A	11.5	12.9	14.9	13.6	12.6	14.4	14.6	13.1	12.4	14.2
- Popular	2.2	2.5	3.2	3.1	2.4	2.2	2.9	2.6	2.1	1.6
Total	**13.7**	**15.4**	**18.2**	**16.7**	**15.0**	**16.6**	**17.6**	**15.7**	**14.5**	**15.8**
Change YoY (%)										
- P&A	5.1	(3.7)	11.2	9.2	9.0	11.5	(2.0)	(3.1)	(1.3)	(1.2)
- Popular	(4.6)	(7.9)	5.9	(2.2)	11.6	(11.6)	(9.0)	(16.1)	(14.1)	(29.7)
Total	**3.5**	**(4.4)**	**10.2**	**6.9**	**9.4**	**7.7**	**(3.2)**	**(5.6)**	**(3.4)**	**(5.0)**
Segment Revenues (Rs Mn)	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26**	**3QFY26**	**4QFY26**	**1QFY27**	**2QFY27**
- P&A	20,660	25,270	30,630	26,160	22,510	28,840	33,160	27,450	24,780	30,650
- Popular	2,200	2,550	3,340	3,120	2,500	2,340	3,180	2,710	2,060	1,810
Net Revenue (Rs Mn)	**22,860**	**27,820**	**33,970**	**29,280**	**25,010**	**31,180**	**36,340**	**30,160**	**26,840**	**32,460**
Other operating rev (Rs Mn)	660	610	350	180	480	550	490	300	190	120
Total Revenue (Rs Mn)	**23,520**	**28,430**	**34,320**	**29,460**	**25,490**	**31,730**	**36,830**	**30,460**	**27,030**	**32,580**
Change YoY (%)										
- P&A	10.1	0.3	16.1	13.2	9.0	14.1	8.3	4.9	10.1	6.3
- Popular	(2.7)	(6.9)	9.5	1.0	13.6	(8.2)	(4.8)	(13.1)	(17.6)	(22.6)
Net Revenue	8.8	(0.4)	15.4	11.8	9.4	12.1	7.0	3.0	7.3	4.1
Other Operating rev	(5.7)	(14.1)	(22.7)	(61.7)	(27.3)	(9.8)	40.0	66.7	(60.4)	(78.2)
Total Revenue	**8.3**	**(0.8)**	**14.8**	**10.5**	**8.4**	**11.6**	**7.3**	**3.4**	**6.0**	**2.7**

ACME Solar Holdings

BSE SENSEX	S&P CNX
73,246	22,699

Conference Call Details



Date: 29 Oct 2026
Time: 12:00 HRS IST
Dial in:
+91 22 6280 1488
+91 22 7115 8869

CMP: INR411 — Buy

EBITDA and APAT in line

Financial Highlights

- ACME reported 2QFY27 consolidated revenue of INR8.9b (+90% YoY, +3% QoQ), 2% below our est.
- EBITDA was in line with our est. at INR7.5b (+88% YoY, +3% QoQ) with an EBITDA margin of 85% (vs. our est. of 83%).
- Adjusted PAT came in 25% above our est. at INR2.7b (+142% YoY, +14% QoQ) driven by lower than estimated finance costs.

Other Highlights

- Generation for 2QFY27 stood at 1,840MUs (+19.6% YoY), driven by capacity addition and higher irradiation.
- Additional 324MUs were sold in 2Q through short-term peak power BESS operations.
- CUF for the quarter stood at 27.8% (vs. 24.1% in 2QFY26).
- Commissioned ~2.1 GWh of BESS capacity for the quarter to date, taking total commissioned BESS capacity to ~5.2 GWh.
- BESS revenue in 2Q was INR3.2b (+43% QoQ).
- FY27 BESS commissioning guidance revised from 10 GWh to 12+ GWh.
- RE capacity target for 2030 revised upward from 10GW to 15GW leveraging FDRE/assured peak power, CfD, RE power for Green Hydrogen/Molecules, data centers among others.
- Weighted average cost of debt for fully operational projects stands at 8.4%
- INR16b+ revenue locked-in for partial sale of FY27 BESS capacity and INR15b+ for FY28 BESS capacity, with the balance to be tied up through future bids.
- Of the 8.3GW portfolio, ~87% is PPA-backed.

Consolidated performance

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			2QE	%	(%)	(%)
Net Sales	**5,110**	**4,677**	**4,968**	**5,479**	**8,575**	**8,870**	**11,077**	**13,657**	**20,234**	**42,180**	9,035	-2%	90%	3%
YoY Change (%)	*65%*	*80%*	*42%*	*13%*	*68%*	*90%*	*123%*	*149%*	*44%*	*108%*	*93%*			
Total Expenditure	532	675	523	690	1,232	1,335	1,625	3,118	2,420	7,311	1,506	-11%	98%	8%
EBITDA	**4,578**	**4,002**	**4,445**	**4,788**	**7,343**	**7,535**	**9,453**	**10,539**	**17,813**	**34,869**	7,529	0%	88%	3%
YoY Change (%)	*68%*	*81%*	*45%*	*10%*	*60%*	*88%*	*113%*	*120%*	*44%*	*96%*	1			
Margin (%)	*90%*	*86%*	*89%*	*87%*	*86%*	*85%*	*85%*	*77%*	*88%*	*83%*	*83%*			
Depreciation	1,076	1,174	1,202	1,228	1,548	1,723	2,237	3,202	4,679	8,710	1,748	-1%	47%	11%
Interest	2,330	2,645	2,880	3,375	3,443	3,452	5,593	6,474	11,230	18,962	4,303	-20%	31%	0%
Other Income	730	1,336	1,200	1,571	963	1,201	1,610	2,066	4,837	5,840	1,376	-13%	-10%	25%
PBT before EO expense	**1,903**	**1,519**	**1,563**	**1,756**	**3,315**	**3,560**	**3,233**	**2,929**	**6,741**	**13,036**	2,854			
Extra-Ord income/(exp.)	-159	42	0	143	0	0	0	0	27	0	-			
PBT	**1,744**	**1,562**	**1,563**	**1,900**	**3,315**	**3,560**	**3,233**	**2,929**	**6,768**	**13,036**	2,854	25%	128%	7%
Tax	436	411	426	517	961	874	808	616	1,789	3,259	714	22%	112%	-9%
Tax rate	*25%*	*26%*	*27%*	*27%*	*29%*	*25%*	*25%*	*21%*	*26%*	*25%*	*25%*			
Minority Interest	-0.1	-0.1	-0.1	-10.1	0.0	2.6	0.0	0.0	-10.3	2.6	-			
Reported PAT	**1,308**	**1,151**	**1,137**	**1,393**	**2,353**	**2,684**	**2,425**	**2,313**	**4,989**	**9,775**	2,141	25%	133%	14%
Adj PAT	**1,467**	**1,108**	**1,137**	**1,250**	**2,353**	**2,684**	**2,425**	**2,313**	**4,962**	**9,775**	2,141	25%	142%	14%
YoY Change (%)	*10465%*	*624%*	*-4%*	*-9%*	*60%*	*142%*	*113%*	*85%*	*82%*	*97%*	*93%*			
Margin (%)	*29%*	*24%*	*23%*	*23%*	*27%*	*30%*	*22%*	*17%*	*25%*	*23%*	*24%*			

Craftsman Automation

BSE SENSEX	S&P CNX
73,246	22,699

Conference Call Details



Date: 29th October'26

Time: 4:00PM IST

Dial-in details:

https://tinyurl.com/5atmr2v7

+91 22 6280 1568 /

+91 22 7115 8391

Financials & Valuations (INR b)

INR b	FY26	FY27E	FY28E
Sales	80.7	99.9	117.6
EBITDA	12.4	15.8	19.4
Adj. PAT	3.9	6.3	8.9
EPS (INR)	164.8	239.4	339.7
EPS Gr. (%)	78.9	45.2	41.9
BV/Sh. (INR)	1,368	2,240	2,562
Ratios			
RoE (%)	12.9	13.7	14.1
RoCE (%)	10.1	11.3	12.0
Payout (%)	6.8	5.0	5.0
Valuations			
P/E (x)	67.2	46.3	32.6
P/BV (x)	8.1	4.9	4.3
Div. Yield (%)	0.1	0.1	0.2
FCF Yield (%)	-4.0	-3.1	-1.4

CMP: INR11,071 — Neutral

Margins under pressure due to commodity headwinds

- CRAFTSMA's 2QFY27 consolidated revenue grew 47.1% YoY/21.1% QoQ to INR29.5b, ~19% ahead of est. Even on a standalone basis, revenue beat our estimates.
- Gross margin was down 540bp YoY/470bp QoQ to 44.5%.
- EBITDA margin came in at 13.3%, below our est of 15.5%.
- Despite the strong topline performance, owing to higher-than-expected raw material inflation, EBITDA came in-line with our est, growing ~30% YoY to INR3.9b.
- **Segmental performance:**
  - **Powertrain:** Revenue at INR7.5b rose 39% YoY (vs est of INR6.4b). The EBIT margin at 18% was down 30bp QoQ, (in-line)
  - **Aluminum:** Revenue at INR18.2b was up 51% YoY (21% above est). The EBIT margin at 7.5% was down 420bp YoY (260 bp below expectations).
  - **Industrial:** Revenue at INR3.8b was up 46% YoY, (11% above est). The EBIT margins at 7.6% were up 620bp YoY, below our est of 9%.
- Consequently, despite strong revenue growth, PAT came in line with our est, having grown 67.9% YoY to INR1.5b.
- CFO for 1HFY27 stood at a negative INR5.1b, and free cash flow was also negative at INR16b.
- **Valuation view:** The stock trades at 46.3x/32.6x FY27E/FY28E EPS.

Quarterly (Consol) (INR m)

	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
Net operating income	**17,840**	**20,016**	**20,573**	**22,264**	**24,316**	**22,763**	**24,029**	**22,156**	**80,693**	**93,265**	**21,170**	**14.9**
Change (%)	55.0	64.9	30.5	27.3	36.3	13.7	16.8	-0.5	41.8	15.6	18.7	
RM/Sales (%)	53.9	54.7	55.0	54.6	55.5	55.1	54.7	54.1	54.6	54.9	55.2	30bp
Staff Cost (% of Sales)	8.1	7.2	7.3	6.7	6.8	7.4	7.1	7.5	7.3	7.2	7.4	-60bp
Other Exp. (% of Sales)	23.2	23.0	22.6	22.6	21.9	22.0	22.0	22.6	22.8	22.1	22.5	-60bp
EBITDA	**2,649**	**3,019**	**3,122**	**3,585**	**3,839**	**3,517**	**3,892**	**3,505**	**12,376**	**14,753**	**3,147**	**22.0**
EBITDA Margins (%)	14.9	15.1	15.2	16.1	15.8	15.5	16.2	15.8	15.3	15.8	14.9	90bp
Change (%)	34.3	56.6	56.9	47.2	44.9	16.5	24.7	-2.2	185.1	178.7	18.8	
Non-Operating Income	50	96	277	191	231	120	300	24	614	675	60	
Interest	663	770	794	863	862	650	550	410	3090	2472	750	
Depreciation	1019	1090	1149	1181	1204	1350	1450	1513	4439	5516	1200	
MI/Share of Profit	-2	-4	-3	-3	-6	-3	-3	0	-11	-12	-3	
PBT after EO items	**937**	**1,253**	**1,422**	**1,730**	**2,010**	**1,640**	**2,195**	**1,607**	**5,343**	**7,452**	**1,260**	**59.5**
Eff. Tax Rate (%)	25.7	27.5	24.7	32.7	25.1	25.5	26.0	27.5	28.1	26.0	25.4	
Rep. PAT	**696**	**909**	**1,071**	**1,164**	**1,506**	**1,223**	**1,625**	**1,165**	**3,840**	**5,518**	**940**	**60.2**
Change (%)	30.9	47.3	728.4	74.4	116.3	34.6	51.7	0.0	69.7	43.7	35.0	
Adj. PAT	**755**	**912**	**1,098**	**1,168**	**1,506**	**1,223**	**1,625**	**1,165**	**3,933**	**5,518**	**940**	**60.2**
Change (%)	42.0	47.9	352.8	55.8	99.4	34.1	48.1	-0.3	73.8	40.3	24.4	

E: MOFSL Estimates

Key Performance Indicators

(INR m)

Segment Revenues	FY26E				FY27E				FY26	FY27E	FY27E	VAU (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	
Auto Powertrain	4,964	5,380	5,366	6,079	6,226	5,877	5,861	6,056	18,374	19,982	5,518	12.8
Growth (%)	19.2	24.8	17.3	20.0	25.4	9.3	9.2	-0.4	9.2	8.7	11.2	
PBIT Margin (%)	15.2	14.6	16.8	19.2	18.3	16.0	16.5	14.7	18.6	18.0	15.5	280bp
Aluminum Products	10,713	12,041	12,034	13,101	14,793	13,927	14,424	14,265	18,007	22,431	13,187	12.2
Growth (%)	102.8	106.6	31.3	30.3	38.1	15.7	19.9	8.9	55.3	24.6	23.1	
PBIT Margin (%)	10.1	11.7	9.2	10.2	10.1	10.0	10.5	10.6	13.4	13.0	9.5	60bp
Industrial	2,163	2,596	3,174	3,084	3,297	2,959	3,745	1,835	11,799	13,381	2,466	33.7
Growth (%)	4.7	29.7	56.9	30.0	52.4	14.0	18.0	-40.5	17.3	13.4	14.0	
PBIT Margin (%)	2.2	1.4	6.7	6.1	9.0	4.0	5.0	-1.9	3.9	3.5	3.0	600bp
Total Product sales	**17,840**	**20,016**	**20,573**	**22,264**	**24,316**	**22,763**	**24,029**	**22,156**	**64,463**	**75,332**	**21,170**	**14.9**

R R Kabel

BSE SENSEX	S&P CNX
73,246	22,699

Conference Call Details



Date: 29th October 2026

Time: 13:00 IST

Dial-in details:

+ 91 22 6280 1550

+ 91 22 7115 8378

Link for the call

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	97.2	127.4	151.7
EBITDA	7.8	11.5	14.5
PAT	5.1	7.6	9.6
EBITDA Margin (%)	8.1	9.1	9.5
Adj. EPS (INR)	44.8	67.4	84.7
EPS Gr. (%)	62.7	50.4	25.7
BV/Sh. (INR)	227.6	288.9	365.7
Ratios			
Net D:E	0.0	0.0	(0.1)
RoE (%)	21.4	26.1	25.9
RoCE (%)	21.7	25.9	25.9
Payout (%)	15.6	10.4	9.4
Valuations			
P/E (x)	52.0	34.5	27.5
P/BV (x)	10.2	8.1	6.4
EV/EBITDA(x)	33.7	22.8	18.0
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	0.0	0.6	1.7

CMP: INR2,233 **Buy**

Earnings in line; OPM up 50bp YoY to ~9%

- RRKABEL's 2QFY27 earnings were in line with our estimates. Consolidated revenue increased ~52% YoY to INR32.8b (~9% beat). EBITDA rose ~61% YoY to INR2.8b (6% beat). OPM expanded 50bp YoY to 8.6% (30bp miss). PAT grew ~55% YoY to INR1.8b (in line).
- Export share stood at 32% in 2QFY27 vs. 27%/29% in 2QFY26/1QFY27. Net working capital days stood at 46 as of Sep'26 vs. 49 as of Mar'26.

Revenue up 52% YoY; C&W margins up 25bp YoY

- Consol. revenue/EBITDA/adj. PAT stood at INR32.8b/INR2.8b/INR1.8b (up 52%/61%/55% YoY and +9/+6%/in line vs. estimates). Gross margin declined 1pp YoY to ~18%. Employee cost rose 26% YoY (3.9% of revenue vs. 4.7% in 2QFY26). Other expenses increased 35% YoY (5.4% of revenue vs. 6.1% in 2QFY26). Depreciation/interest cost rose ~40%/2x YoY, whereas other income increased ~14% YoY.
- Segmental highlights: a) C&W: Revenue grew ~53% YoY to INR30.1b, EBIT increased ~57% YoY to INR2.8b, and EBIT margin expanded 25bp YoY to ~9.4%. b) FMEG business: Revenue increased by ~42% YoY to INR2.7b. FMEG segment loss stood at INR124m vs. a loss of INR117m in 2QFY26 (breakeven in 1QFY27).
- In 1HFY27, revenue/EBITDA/PAT grew 53%/78%/82% YoY to INR64.5b/ INR5.7b/INR3.8b. OPM expanded 1.2pp YoY to ~8.8%. Operating cash inflow stood at INR1.2b vs. operating cash outflow of INR1.3b in 1HFY26. Capex stood at INR2.8b vs. INR1.7b in 1HFY26. Net cash outflow stood at INR1.6b vs. INR3.0b in 1HFY26.

Highlights from the management commentary

- C&W segment revenue growth remained strong, supported by healthy volume growth and higher realizations. Profitability improved on the back of operating leverage, disciplined commodity management and better cost absorption.
- FMEG revenue growth was healthy across categories, led by appliances and contributions from new products. Profitability improved through revenue growth and cost efficiencies, narrowing segment losses, with operating breakeven targeted for FY27.

Valuation and view

- The company's performance was in line with estimates, driven by higher revenue growth and stable margins in the C&W segment.
- **We have a BUY rating on the stock.** However, we will review our assumptions following the conference call on 29th Oct'26 (Concall Link).

Quarterly Performance

(INR m)

Y/E March	FY26 1Q	FY26 2Q	FY26 3Q	FY26 4Q	FY27E 1Q	FY27E 2Q	FY27E 3QE	FY27E 4QE	FY26	FY27E	MOSL 2QE	Var. (%)
Sales	**20,586**	**21,638**	**25,359**	**29,641**	**31,682**	**32,840**	**32,411**	**30,426**	**97,224**	**1,27,358**	**30,100**	**9**
YoY Change (%)	13.9	19.5	42.3	33.7	53.9	51.8	27.8	2.6	27.6	31.0	**39.1**	
EBITDA	**1,421**	**1,758**	**2,043**	**2,617**	**2,832**	**2,836**	**2,814**	**3,063**	**7,838**	**11,545**	**2,685**	**6**
YoY Change (%)	49.6	104.9	84.8	34.6	99.3	61.3	37.8	17.0	61.4	47.3	**52.8**	
Adj EBITDA margin (%)	6.9	8.1	8.1	8.8	8.9	8.6	8.7	10.1	8.1	9.1	**8.9**	**(29)**
Depreciation	203	219	239	262	297	307	319	304	923	1,227	**300**	**2**
Interest	151	162	189	250	263	326	220	128	753	937	**235**	**39**
Other Income	124	169	142	129	329	193	145	95	564	762	**185**	**4**
PBT	**1,190**	**1,546**	**1,757**	**2,234**	**2,601**	**2,396**	**2,420**	**2,726**	**6,727**	**10,143**	**2,336**	**3**
Tax	303	386	405	574	708	616	620	671	1,668	2,614	**607**	
Effective Tax Rate (%)	25.4	25.0	23.1	25.7	27.2	25.7	25.6	24.6	24.8	25.8	**26.0**	
Extra-ordinary Items	-	-	190	-	(138)	-	-	-	190	(138)	**-**	
JV share	10	3	21	19	21	26	15	(2)	53	60	**3**	
Reported PAT	**898**	**1,163**	**1,182**	**1,680**	**2,052**	**1,806**	**1,815**	**2,053**	**4,922**	**7,727**	**1,731**	**4**
Change (%)	39.4	134.7	72.4	30.1	128.6	55.3	53.5	22.3	58.0	57.0	**48.9**	
Adj PAT	**898**	**1,163**	**1,329**	**1,680**	**1,950**	**1,806**	**1,815**	**2,053**	**5,068**	**7,624**	**1,731**	**4**
YoY Change (%)	39.4	134.7	93.8	30.1	117.2	55.3	36.6	22.3	62.7	50.4	**48.9**	
Margins (%)	4.4	5.4	5.2	5.7	6.2	5.5	5.6	6.7	5.2	6.0	**5.8**	

Segmental Performance (INR m)

Y/E March	FY26 1Q	FY26 2Q	FY26 3Q	FY26 4Q	FY27E 1Q	FY27E 2Q	FY27E 3QE	FY27E 4QE	FY26	FY27E	MOFSL 2QE	Var. (%)
Sales												
Cables & Wires	18,335	19,712	22,926	26,664	28,800	30,103	29,345	28,169	87,637	1,16,417	27,596	**9**
FMEG	2,251	1,926	2,432	2,977	2,882	2,737	3,065	2,257	9,586	10,941	2,504	**9**
YoY Growth (%)												
Cables & Wires	16.2	22.3	48.6	36.3	57.1	52.7	28.0	5.6	31.0	32.8	40.0	
FMEG	(2.1)	(2.9)	1.5	13.8	28.1	42.1	26.0	(24.2)	3.1	14.1	30.0	
EBIT												
Cables & Wires	1,391	1,804	1,988	2,573	2,854	2,824	2,641	2,734	7,756	11,053	2,622	**8**
FMEG	(71)	(117)	(49)	(93)	-	(124)	(30)	45	(330)	(109)	(50)	**148**
EBIT Margin (%)												
Cables & Wires	7.6	9.2	8.7	9.6	9.9	9.4	9.0	9.7	8.9	9.5	9.5	**(12)**
FMEG	(3.2)	(6.1)	(2.0)	(3.1)	-	(4.5)	(1.0)	2.0	(3.4)	(1.0)	(2.0)	**(253)**

Anant Raj

BSE SENSEX	S&P CNX
73,246	22,892

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	25.1	29.9	35.2
EBITDA	6.6	9.4	12.4
EBITDA Margin (%)	26.1	31.6	35.3
PAT	5.5	7.5	9.3
EPS (INR)	15.4	20.7	25.9
EPS Gr. (%)	30.4	34.4	24.8
BV/Sh. (INR)	160.8	180.8	205.9
Ratios			
RoE (%)	(0.1)	(0.1)	(0.0)
RoCE (%)	9.6	11.5	12.6
Payout (%)	9.5	12.2	13.7
Valuations			
P/E (x)	6.5	3.6	2.9
P/BV (x)	30.1	22.4	17.9
EV/EBITDA (x)	2.9	2.6	2.3
Div yld (%)	24.7	17.1	13.3

CMP: INR464 — Buy

Data center business posts strong growth

Operational updates:

- Anant Raj (ARCP) has received RERA for The Estate One, a luxury residential project on Golf Course Extension Road, Sector 63A, Gurugram, with a potential area of 1.22 msf. The project is expected to be launched in the coming months.
- The license for another 6.38-acre luxury group housing project in Sector 63A, Gurugram, with ~1.20 msf of saleable area, is expected by 3QFY27.
- The company commenced Phase IV of Anant Raj Estate across 6.08 acres, with a development potential of ~0.5 msf, adding to the existing residential township.
- Approvals for Phase V of Anant Raj Estate, spanning 9.12 acres, are expected in 4QFY27, further expanding the luxury residential township in Sector 63A, Gurugram.
- Anant Raj Cloud Singapore signed an MoU with Orange Business and the Haryana government to market Haryana-based cloud, data center, and AI services globally and facilitate hosting of overseas data in the state. The company has operationalized two data center campuses with a combined capacity of 28 MW and targets 63 MW of IT load by the end of FY27 and 357 MW by FY32.
- The company has filed its Composite Scheme of Arrangement involving Anant Raj Cloud and Ashok Cloud with the stock exchanges and is awaiting the requisite regulatory approvals.

Financials:

- ARCP reported revenue growth of 5% YoY to INR6.6b, 5% lower than our estimate.
- Revenue from data center, infrastructure, and allied services increased 28% QoQ to INR1.15b.
- EBITDA witnessed strong growth of 18% YoY to INR2b (8% below expectations), while EBITDA margin expanded 90bp QoQ to 29.9%.
- On the back of better operating margin, Adj. PAT grew 14% YoY to INR1.6b (8% below expectations). PAT margin stood at 23.7%.

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27	FY27 2QE Var.	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2Q Est.	(%/bp)
Net Sales	**5,924**	**6,308**	**6,416**	**6,468**	**6,314**	**6,615**	**7,783**	**9,162**	**25,116**	**29,874**	**6,987**	-5%
YoY Change (%)	25.6	23.0	20.0	19.6	6.6	4.9	21.3	41.6	21.9	18.9	10.8	
Total Expenditure	4,418	4,630	4,718	4,794	4,480	4,636	5,270	6,046	18,559	20,431	4,829	
EBITDA	**1,507**	**1,678**	**1,698**	**1,674**	**1,834**	**1,980**	**2,513**	**3,116**	**6,557**	**9,443**	**2,158**	-8%
Margins (%)	25.4	26.6	26.5	25.9	29.0	29.9	32.3	34.0	26.1	31.6	30.9	-96bp
Depreciation	79	106	135	169	162	265	318	2	489	748	164	
Interest	24	29	33	38	12	11	32	68	124	124	29	
Other Income	100	101	188	286	194	174	170	171	675	709	166	
PBT before EO exp.	**1,504**	**1,644**	**1,718**	**1,754**	**1,853**	**1,878**	**2,333**	**3,216**	**6,619**	**9,280**	**2,131**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**1,504**	**1,644**	**1,718**	**1,754**	**1,853**	**1,878**	**2,333**	**3,216**	**6,619**	**9,280**	**2,131**	-12%
Tax	257	275	296	255	392	331	467	625	1,083	1,856	426	
Rate (%)	17.1	16.7	17.2	14.5	21.2	17.6	20.0	19.4	16.4	20.0	20.0	
MI & P/L of Asso. Cos.	12	12	20	-33	35	22	9	-31	12	35	8	
Reported PAT	**1,259**	**1,381**	**1,443**	**1,466**	**1,496**	**1,569**	**1,876**	**2,561**	**5,548**	**7,459**	**1,713**	
Adj PAT	**1,259**	**1,381**	**1,443**	**1,466**	**1,496**	**1,569**	**1,876**	**2,561**	**5,548**	**7,459**	**1,713**	-8%
YoY Change (%)	38.3	30.8	30.8	23.6	18.9	13.6	30.0	74.7	30.4	34.4	24.0	
Margins (%)	21.2	21.9	22.5	22.7	23.7	23.7	24.1	27.9	22.1	25.0	24.5	-80bp

Source: Company, MOFSL. **We may revisit our estimates after the conference call**

Prudent Corporate Advisory

BSE Sensex	S&P CNX
73,246	22,699

Conference Call Details



Date: 29th October 2026

Time: 10:30 PM IST

Link for the call

Financials & Valuations (INR m)

Y/E March	2026	2027E	2028E
Revenues	13,174	15,267	18,580
Opex	10,071	11,382	13,842
PBT	2,980	4,128	5,085
PAT	2,221	3,096	3,814
EPS (INR)	53.6	74.8	92.1
EPS Gr. (%)	13.5	39.4	23.2
BV/Sh. (INR)	213.2	283.5	370.1
Ratios (%)			
EBIDTA Margin	23.6	25.4	25.5
PAT margin	16.9	20.3	20.5
RoE	28.6	30.1	28.2
Div. Payout	6.5	6.0	6.0
Valuations			
P/E (x)	55.2	39.6	32.1
P/BV (x)	13.9	10.4	8.0
Div. Yield (%)	0.1	0.2	0.2

CMP: INR2,959 — Neutral

Operational performance leads to PAT beat

- Prudent reported operating revenue of ~INR3.9b, +22% YoY/12% QoQ (in-line) in 2QFY27. For 1HFY27, revenue grew 20% YoY.
- Commission and fees income for the quarter rose 22% YoY to ~INR3.9b, of which INR3.2b (+18% YoY) was contributed by the distribution of MF products, while the contribution from distribution of insurance products rose 46% YoY to INR473m.
- QAAUM grew 21% YoY to INR1.4t, while the closing AUM grew 16% to ~INR1.4t for the quarter. Monthly SIP flow grew to ~INR12b from INR10b in 2QFY26, reflecting a market share of ~3.7%.
- Total insurance premium for the quarter stood at INR2.4b (+32% YoY), of which life insurance premium was INR1.7b (+24% YoY) and general insurance premium was INR748m (+56% YoY).
- Operating expenses grew 15% YoY/11% QoQ to INR2.9b, with fees and commission expenses growing 11% YoY to INR2.1b, employee expenses growing 31% YoY to INR431m, and other expenses rising 30% YoY to INR315m. CIR (ex of commission) came in at 19.2% vs 17.9% in 2QFY26 and 19.7% in 1QFY27.
- EBITDA grew 42% YoY/15% QoQ to INR1b (7% beat), reflecting EBITDA margin of 26.4% (vs 22.6% in 2QFY26). For 1HFY27, EBITDA grew 38% YoY.
- Other income came in at INR38m vs INR82m in 2QFY26 and our estimate of INR50m.
- PAT grew 34% YoY/declined 4% QoQ to INR717m (5% beat led by strong operating performance). For 1HFY27, PAT grew 39% YoY.

Valuation and view

- We estimate a revenue/EBITDA/PAT CAGR of 19%/24%/31% over FY26-28. We will revisit our estimates after the conference call scheduled for 29th October'26.

Quarterly performance

(INR m)

Y/E March	FY26				FY27		FY26	FY27E	2QFY27E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q						
Commission and Fees Income	2,910	3,168	3,407	3,579	3,443	3,850	13,065	15,143	3,700	4.1	22%	12%
Other Operating revenue	28	30	25	27	33	37	109	125	30	24.7	26%	13%
Revenue from Operations	**2,938**	**3,198**	**3,432**	**3,606**	**3,476**	**3,887**	**13,174**	**15,267**	**3,730**	4.2	22%	12%
Change YoY (%)	17.8	11.8	20.4	27.5	18.3	21.6	19.4	15.9	16.6			
Operating Expenses	2,265	2,476	2,654	2,676	2,586	2,859	10,071	11,382	2,771	3.2	15%	11%
Change YoY (%)	18.9	13.9	21.1	24.9	14.2	15.5	19.7	13.0	11.9			
EBIDTA	**673**	**722**	**778**	**930**	**891**	**1,028**	**3,103**	**3,885**	**959**	**7.2**	42%	15%
Depreciation	72.5	76.8	80.2	78.7	80.0	87.6	308	327	82	6.8	14%	9%
Finance Cost	6.9	7.3	16.9	16.4	16.8	17.6	48	69	17	3.4	141%	5%
Other Income	103	82	95	-47	208	38	233	638	50	-24.0	-54%	-82%
PBT	**696**	**719**	**776**	**788**	**1,002**	**961**	**2,980**	**4,128**	**910**	**5.6**	34%	-4%
Change YoY (%)	17.5	3.8	20.3	14.3	44.1	33.6	13.7	38.5	26.5			
Tax Provisions	178.1	184.0	199.7	197.1	254.7	243.8	759	1,032	227	7.2	32%	-4%
Net Profit	**518**	**535**	**576**	**591**	**748**	**717**	**2,221**	**3,096**	**682**	**5.1**	34%	-4%
Change YoY (%)	17.1	4.0	19.6	14.5	44.4	33.9	13.5	39.4	27.4			
Key Operating Parameters (%)												
EBIDTA Margin	22.9	22.6	22.7	25.8	25.6	26.4	23.6	25.4	25.7	74bp	387bp	82bp
Cost to Income Ratio	18.2	17.9	18.4	19.1	19.7	19.2	18.4	19.7	19.4	-20bp	129bp	-55bp
PBT Margin	23.7	22.5	22.6	21.9	28.8	24.7	22.6	27.0	24.4	32bp	222bp	-412bp
Tax Rate	25.6	25.6	25.7	25.0	25.4	25.4	25.5	25.0	25.0	37bp	-20bp	-4bp
PAT Margin	17.6	16.7	16.8	16.4	21.5	18.4	16.9	20.3	18.3	15bp	170bp	-306bp
MF revenue / QAAUM (bps)	90.3	91.3	92.2	90.0	88.2	89.3	91.4	91.4	88.1	125bp		
Revenue from Operations (INR Mn)												
Commission and Fees Income												
Distribution of MF Products-Trail Revenue	2,489	2,716	2,940	2,879	2,934	3,208	11,024	11,469	3,107	3.2	18%	9%
Distribution of Insurance Products	291	324	336	569	351	473	1,520	1,580	437	8.1	46%	35%
Stock Broking and Allied Services	50	44	44	47	56	52	185	191	50	4.0	18%	-7%
Other Financial and Non Financial Products	80	83	86	84	102	117	333	355	105	11.4	41%	15%
Revenue from Operations Mix (%)												
As % of Commission and Fees Income												
Distribution of MF Products-Trail Revenue	84.7	84.9	85.7	79.8	84.4	82.5	83.7	75.1	83.3	-79bp	-241bp	-187bp
Distribution of Insurance Products	9.9	10.1	9.8	15.8	10.1	12.2	11.5	10.3	11.7	44bp	204bp	207bp
Stock Broking and Allied Services	1.7	1.4	1.3	1.3	1.6	1.3	1.4	1.3	1.3	0bp	-4bp	-27bp
Other Financial and Non Financial Products	2.7	2.6	2.5	2.3	2.9	3.0	2.5	2.3	2.8	19bp	41bp	8bp
OpexMix (%)												
Fees and commission	76.4	76.9	76.2	74.3	73.5	73.9	75.9	73.6	73.9	1bp	-298bp	45bp
Employees expenses	13.9	13.3	14.4	13.1	16.2	15.1	13.7	15.1	15.3	-22bp	176bp	-109bp
Other expenses	9.7	9.8	9.4	12.6	10.4	11.0	10.4	11.3	10.8	20bp	121bp	64bp

MAS Financial Services

BSE Sensex	S&P CNX
73,246	22,699

Conference Call Details



Date: 29th October 2026
Time: 3:30 PM IST
Dial-in details:
Link for the call
Number:+ 91 22 6280 1224/ + 91 22 7115 8125

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Total income	10.4	13.6	16.3
PPP	6.7	8.7	10.4
PAT	3.6	4.6	5.3
EPS (INR)	20.0	25.4	29.2
EPS Gr. (%)	18.9	26.6	15.0
BVPS (INR)	160	183	209
Ratios (%)			
NIM	7.3	8.1	8.0
C/I ratio	35.7	35.5	36.2
RoA	2.9	3.2	3.1
RoE	13.4	14.8	14.9
Payout	10.0	10.0	10.0
Valuations			
P/E (x)	13	10	9
P/BV (x)	1.6	1.4	1.3
Div. yield (%)	0.8	1.0	1.1

CMP: INR263 — Buy

In-line earnings, underpinned by healthy business growth

NIM (calc.) declined ~8bp QoQ; Asset quality stable

- MASFIN's 2QFY27 PAT grew ~23% YoY to INR1.1b (in line). Net total Income was up 30% YoY at INR3.2b (in line). NIM (calc.) declined ~8bp QoQ to ~8.3%.
- Opex grew ~24% YoY to INR1.1b (in line).
- PPoP stood at INR2.1b (in line) and grew 34% YoY. Credit costs grew ~70% YoY to ~INR633m (est. ~INR635m), translating into annualized credit costs of 1.6% (PQ:1.6% and PY: 1.2%).
- The stock currently trades at 1.3x FY28E P/BV.

Strong MSME-led growth; yield compression weighs on spreads

- Standalone AUM stood at ~INR160b and rose ~23% YoY/6% QoQ. Within this, AUM of Micro-enterprise/ SME/2W/CV loans were up 28%/24%/15%/2% YoY. Salaried PL grew ~24% YoY to ~INR14.6b.
- Around ~32% of the underlying assets in the standalone AUM were through partner NBFCs. MSME segment contributed ~85% in the YoY AUM growth.
- Yields (calc.) declined ~45bp QoQ to 14.8%, while CoF (calc) remained stable QoQ at ~8.9%. This resulted in ~45bp QoQ compression in spreads to ~5.9%. NIM (calc.) declined ~8bp QoQ to ~8.3%.

Other highlights

- Asset quality for the standalone entity remained broadly stable QoQ with GS3 increasing marginally by ~5bp QoQ to 2.63%, while NS3 remained stable QoQ at ~1.7%. The company continues to carry a management overlay of ~INR176m as on Sep'26 (~0.13% of the on-book assets).
- CAR as of Sep'26 remained strong at ~22.1% with Tier-I capital at 20.8%.
- Avg. ticket size of micro-enterprise loans increased to ~INR85k (PQ: ~INR82k), while SME loans declined to ~INR2.6m (PQ: ~INR2.9m).

MAS Rural Housing and Mortgage Finance (HFC subsidiary)

- MAS Housing reported AUM of ~INR10.3b, which grew ~26% YoY.
- GNPA/NNPA in the housing segment remained stable QoQ at 0.98%/0.68%. The company continues to carry a management overlay of ~INR37m as on Sep'26 (~0.48% of the on-book assets).
- CRAR as of Sep'26 remained strong at 34%. Tier-I capital stood at 32%.

Valuation and view

- MASFIN reported in-line earnings in 2QFY27, supported by healthy AUM growth of ~23% YoY and stable asset quality. We will assess management's commentary on the growth and margin outlook, along with the potential impact of macroeconomic uncertainties and weather-related conditions, and revisit our estimates and guidance following the earnings call on 29th Oct'26.

Quarterly Performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	2Q FY27E	Act. v/s Est. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue from Operations	**4,438**	**4,586**	**4,816**	**5,164**	**5,303**	**5,603**	**5,859**	**6,659**	**19,003**	**23,424**	**5,587**	**0**
Interest Income	3,687	3,760	3,892	4,242	4,563	4,757	4,947	4,994	15,581	19,260	4,791	-1
Gain on assignments	430	534	597	709	545	619	656	904	2,270	2,724	561	10
Other operating Income	320	292	327	213	196	227	256	761	1,152	1,440	235	-3
Interest expenses	2,062	2,116	2,191	2,219	2,225	2,383	2,490	2,777	8,587	9,874	2,336	2
Total income	**2,376**	**2,471**	**2,625**	**2,945**	**3,079**	**3,220**	**3,370**	**3,882**	**10,417**	**13,551**	**3,252**	-1
Growth Y-o-Y (%)	*36*	*29*	*28*	*30*	*30*	*30*	*28*	*32*	*31*	*30*	*32*	
Operating Expenses	827	897	1,002	1,039	1,071	1,114	1,175	1,445	3,723	4,806	1,141	-2
Operating Profits	**1,549**	**1,574**	**1,623**	**1,906**	**2,007**	**2,106**	**2,194**	**2,436**	**6,694**	**8,745**	**2,111**	**0**
Growth Y-o-Y (%)	*31*	*23*	*17*	*26*	*30*	*34*	*35*	*28*	*25*	*31*	*34*	
Provisions	424	371	393	575	605	633	639	712	1,763	2,588	635	0
Profit before tax	**1,124**	**1,202**	**1,230**	**1,331**	**1,403**	**1,474**	**1,556**	**1,724**	**4,888**	**6,156**	**1,476**	**0**
Growth Y-o-Y (%)	*19*	*18*	*17*	*22*	*25*	*23*	*26*	*30*	*19*	*26*	*23*	
Tax Provisions	285	305	327	334	357	373	389	433	1,252	1,551	369	1
Net Profit	**839**	**897**	**903**	**997**	**1,046**	**1,101**	**1,167**	**1,292**	**3,637**	**4,605**	**1,107**	**-1**
Growth Y-o-Y (%)	*19*	*17*	*16*	*23*	*25*	*23*	*29*	*30*	*19*	*27*	*23*	
Key Operating Parameters (%)												
Yield on loans (Cal)	14.85	14.56	14.35	14.98	15.27	14.80	14.76	14.48				
Cost of funds (Cal)	9.32	9.18	9.20	9.16	8.87	8.87	8.86	9.56				
Spreads (Cal)	5.5	5.4	5.2	5.8	6.4	5.9	5.9	4.9				
NIM on AUM (Cal)	7.73	7.75	7.84	8.37	8.35	8.27	8.20	9.01				
Credit Cost (%)	1.4	1.2	1.2	1.6	1.6	1.6	1.6	1.7				
Cost to Income Ratio	34.8	36.3	38.2	35.3	34.8	34.6	34.9	37.2				
Tax Rate	25.4	25.4	26.6	25.1	25.4	25.3	25.0	25.0				
Balance Sheet Parameters												
Standalone AUM (INR B)	**125.0**	**130.0**	**137.8**	**143.6**	**151.5**	**160.1**	**168.6**	**175.9**				
Change YoY (%)	20.4	18.0	18.0	18.7	21.1	23.2	22.4	22.5				
Disbursements (INR B)	**31.9**	**32.0**	**36.0**	**41.6**	**44.6**	**48.1**	**48.2**	**47.9**				
Change YoY (%)	17.1	5.8	13.9	34.6	39.8	50.5	34.0	15.2				
Borrowings (INR B)	**89.9**	**94.5**	**96.1**	**97.6**	**103.1**	**111.7**	**113.0**	**119.4**				
Change YoY (%)	25.1	21.3	19.3	12.2	14.7	18.2	17.6	22.3				
Debt/Equity (x)												
Asset liability Mix												
AUM Mix (%)												
Micro Enterprises	40.1	40.1	40.6	39.9	40.6	41.7						
SME loans	36.2	35.6	35.7	36.3	36.2	35.7						
2W loans	7.0	7.1	7.4	7.4	6.9	6.6						
CV loans	7.7	8.1	7.7	7.6	7.2	6.8						
Borrowings Mix (%)												
Direct Assignment	21.2	22.0	22.0	22.8	20.7	19.7						
Cash Credit	10.1	9.9	9.7	11.0	14.1	11.7						
Term Loan	51.6	50.5	49.3	48.4	44.8	46.5						
NCD	14.4	15.1	16.1	15.0	17.8	19.6						
Sub Debt	2.7	2.6	2.5	2.4	2.4	2.4						
Asset Quality Parameters (%)												
GS 3 (INR m)	2,620	2,663	2,891	2,976	3,213	3,579						
GS 3 (%)	2.49	2.53	2.56	2.57	2.58	2.63						
NS 3 (INR m)	1,541	1,563	1,736	1,730	1,884	2,091						
NS 3 (%)	1.63	1.69	1.72	1.70	1.70	1.70						
PCR (%)	41.2	41.3	39.9	41.9	41.4	41.6						
Return Ratios (%)	*1.0*				*-0.5*							
ROA	2.8	2.9	2.9	3.1	3.1	3.1						
Tier I ratio	23.2	22.7	21.5	21.5	21.9	20.8						

E: MOFSL estimates

Raymond Lifestyle

BSE SENSEX	S&P CNX
73,246	22,699

Conference Call Details



Date: 29th Oct 2026

Time: 17:00 IST

Financial Snapshot

Y/E March	FY27E	FY28E	FY29E
Net Sales	73.5	79.0	84.0
EBITDA	7.3	8.1	8.4
NP	1.7	2.5	3.0
EPS (INR)	28.1	41.6	49.1
EPS Gr (%)	-2.1%	48.0%	18.2%
Ratios			
RoE (%)	3.9	5.5	6.1
RoCE (%)	7.7	9.1	9.6
Valuations			
P/E (x)	17.8	12.0	10.2
P/BV (x)	0.3	0.3	0.3
EV/EBITDA	4.8	4.3	4.2

CMP: INR500 — BUY

Apparel and Garmenting lead to growth; input costs drag margins

- Raymond Lifestyle's (RLL) consolidated revenue grew 13% YoY to INR20.8b (5% beat), led by Branded Apparel (+20% YoY) and Garmenting (+26% YoY).
- Gross profit grew 10% YoY to INR8.8b (3% beat), while gross margin contracted 125bp YoY to 42.3% (70bp below our estimate), reflecting elevated wool and cotton prices and a weaker rupee.
- EBITDA declined 3% YoY to INR2.2b (7% miss), with EBITDA margin contracting 175bp YoY to 10.6% (vs. our estimate of 12.0%).
- Other expenses rose 21% YoY (18% above our estimate) on higher marketing investments and freight costs, partly offset by employee costs (up 6% YoY, 6% below our estimate).
- Depreciation grew 15% YoY and finance costs rose 23% YoY, partly offset by 50% higher other income, resulting in PBT of INR909m, down 12% YoY (14% miss).
- PAT declined 10% YoY to INR675m (15% miss). Adj. PAT declined 15% YoY, as the 2QFY26 base included an exceptional loss of INR47m.
- For 1HFY27, revenue grew 10% YoY to INR35.9b and EBITDA grew 2% YoY to INR3.1b (margin down 65bp to 8.6%), while adj. PAT declined 25% YoY to INR449m.

Segmental performance

- **Branded Textiles:** Revenue grew 7% YoY to INR9.7b (1% miss), driven by volume growth and strong bookings despite a late festive onset. EBITDA was flat YoY at INR1.9b (4% miss), with margins contracting 130bp YoY to 19.3% (vs. our estimate of 20.0%), as a favorable sales mix was offset by elevated raw material and freight costs.
- **Branded Apparel:** Revenue grew 20% YoY to INR5.6b (7% beat), led by casualization through ColorPlus and Parx, with growth across channels.
  - EBITDA grew 20% YoY to INR492m (58% beat), with margins stable YoY at 8.8% (vs. our estimate of 6.0%) and up ~370bp QoQ. Adverse channel mix and higher raw material prices were offset by the closure of non-performing stores.
  - RLL exited 53 underperforming stores and opened 24 since Sep'25, a net closure of 29 YoY (net addition of 7 QoQ), taking the network to 1,634 stores. Over the year, TRS outlets rose to 1,134 (vs. 1,110), while EBOs fell to 450 (vs. 503).
  - For 1HFY27, revenue grew 14% YoY to INR9.1b, with EBITDA flat at INR670m and margins down 100bp to 7.4%.

- **Emerging Businesses:** Revenue grew 15% YoY to INR1.0b. EBITDA loss widened to INR231m (vs. INR79m loss in 2QFY26), with margin at -23.0%, as the segment remains in investment mode.
  - Raymond Home delivered strong double-digit growth and launched a super-premium line, and Innerwear grew across key channels, while Ethnix cut its retail footprint by a net 27 stores since Sep'25 as it changes its business model.
- **Garmenting:** Revenue grew 26% YoY to INR3.4b (in line), driven by order book execution following the US-India tariff rationalization, the UK-India FTA, and onboarding of new global clients. EBITDA grew 76% YoY to INR251m (13% miss), with margins expanding 210bp YoY to 7.4% (vs. our estimate of 8.5%) on higher volumes and ASPs. For 1HFY27, EBITDA rose to INR467m (vs. INR62m in 1HFY26).
- **High Value Cotton Shirting:** Revenue grew 5% YoY to INR2.2b (in line), led by strong linen performance and higher ASPs. EBITDA declined 17% YoY to INR211m (24% miss), with margins contracting 250bp YoY to 9.5% (vs. our estimate of 12.5%), as higher raw material and freight costs were only partly offset by higher ASPs.

Balance sheet and CF

- Net working capital stood at 74 days in 1HFY27 (vs. 93 days in 1HFY26 and flat vs. FY26), driven by better collections and inventory management. Receivable days fell to 56 (vs. 67) and payable days rose to 90 (vs. 82), while inventory days were broadly stable at 109 (vs. 108).
- The INR7.2b reported working-capital outflow far exceeds the INR0.65b core working-capital build since Mar'26, as the INR8.1b outflow under trade and other receivables includes ~INR4.5b of additional bank deposits and ~INR2.0b of loans and other current assets, besides INR1.6b of trade receivables.
- OCF (post leases and interest) was an outflow of INR5.8b in 1HFY27 (vs. INR3.0b outflow in 1HFY26) due to a INR7.2b working capital build (vs. INR4.4b). After capex of INR0.9b (vs. INR1.1b), FCF outflow stood at INR6.6b (vs. INR4.1b in 1HFY26).
- RLL reported net cash of INR0.7b in Sep'26, compared with net cash of INR1.8b in Mar'26.

Management commentary

- Management expects Garmenting to remain a key growth driver as it capitalizes on global supply chain realignments, with the UK FTA and a higher EU share helping to de-risk geographic concentration.
- Elevated input costs and channel mix weighed on near-term margins, which management aims to offset through disciplined pricing, premiumization (shifting the mix toward wool and linen), casualization launches in smart casuals, and retail network optimization.
- Demand indicators remain strong heading into the peak festive and wedding season. Management reiterated that it is on track for its FY27 guidance of double-digit revenue growth and higher double-digit EBITDA growth. With 1HFY27 EBITDA up only 2% YoY, this implies a sharp 2H ramp-up.

Consol P&L (INR m)	2QFY26	1QFY27	2QFY27	YoY%	QoQ%	2QFY27E	v/s Est (%)
Total Revenue	**18,324**	**15,155**	**20,751**	**13**	**37**	**19,733**	**5**
Raw Material cost	10,340	8,633	11,971	16	39	11,248	6
Gross Profit	**7,985**	**6,522**	**8,780**	**10**	**35**	**8,485**	**3**
Gross margin (%)	***43.6%***	***43.0%***	***42.3%***	***-126bp***	***-73bp***	***43.0%***	***-69bp***
Employee Costs	2,265	2,386	2,402	6	1	2,565	-6
Other expenses	3,460	3,238	4,177	21	29	3,547	18
EBITDA	**2,260**	**898**	**2,201**	**-3**	**145**	**2,373**	-7
EBITDA margin (%)	***12.3%***	***5.9%***	***10.6%***	***-173bp***	***468bp***	***12.0%***	***-142bp***
Depreciation and amortization	914	1,094	1,049	15	-4	1,013	4
EBIT	1,346	-196	1,152	-14	-687	1,360	-15
EBIT margin (%)	*0.1*	*-1.3%*	*5.5%*	*NM*	*NM*	*6.9%*	*-1.3*
Finance Costs	600	635	737	23	16	670	10
Other income	330	448	495	50	11	369	34
Exceptional item	-47	0	0	*NM*	*NM*	0	NM
Profit before Tax	**1,029**	**-383**	**909**	**-12**	**-337**	**1,059**	**-14**
Tax	277	-157	234	-16	-249	267	-12
Tax rate (%)	*27.0%*	*41.1%*	*25.7%*	*-4.5*	*-37.4*	*25.2%*	*2.2*
Profit after Tax	**752**	**-226**	**675**	**-10**	**-399**	**792**	**-15**
Adj Profit after Tax	**799**	**-226**	**675**	**-15**	**-399**	**792**	**-15**

Segment Revenue	2QFY26	1QFY27	2QFY27	YoY%	QoQ%	2QFY27E	v/s Est (%)
Branded Textile	9,060	6,840	9,706	7%	42%	9,791	***-1%***
Branded Apparel	4,650	4,280	5,591	20%	31%	5,202	***7%***
Garmenting	2,693	2,960	3,391	26%	15%	3,393	***0%***
HVCS	2,116	1,950	2,219	5%	14%	2,222	***0%***
Emerging Business	874	789	1,003	15%	27%		
Consolidated Revenue	**18,324**	**15,155**	**20,751**	**13%**	**37%**	**19,733**	***5%***
Elimination	**195**	**875**	**156**			**875**	

Segment EBITDA	2QFY26	1QFY27	2QFY27	YoY%	QoQ%	2QFY27E	v/s Est (%)
Branded Textile	1,866	951	1,873	0%	97%	1,958	***-4%***
Branded Apparel	409	-10	492	20%	-5020%	312	***58%***
Garmenting	143	216	251	76%	16%	288	***-13%***
HVCS	254	189	211	-17%	11%	278	***-24%***
Emerging Business	-79	-187	-231	193%	23%		
Consolidated EBITDA	**2,260**	**898**	**2,201**	**-3%**	**145%**	**2,373**	***-7%***
Elimination	**412**	**448**	**626**			**464**	



Home First Finance | Strong Q2FY27 Performance
Manoj Viswanathan, MD & CEO

- Cost of funds at 7.8%; NIM at 6%, expected to hold near-term.
- AUM growth target remains 25%, reaching ₹20,000 crore this year.
- Gross NPA guidance at 1.6–1.8%; credit costs at 30–40 bps.
- Plans 20–30 new branches annually, focusing on existing markets.

Read More

Tata Capital | Could see another 50 bps rate hike in FY27
Rajiv Sabharwal, MD

- 66% of assets and 48% of liabilities are floating-rate, helping manage rate hikes.
- Flexi loans comprise 2.5% of the book; alternative products will offset regulatory changes.
- Capital raise may be needed in H2 FY28, subject to market conditions.
- Equity and subordinated debt remain options, with timing decided by the board.

Read More

HUL | Expect 10% Efficiency Gains In Ad Spend Due To GenAI Over Time
CEO & MD, Priya Nair

- Management expects broad-based growth, supported by resilient rural and urban demand.
- EBITDA margin guidance widened to 22–24%; media efficiency target is 10% over time.
- Advertising spend moderated in home care but increased in other categories.

Read More

Radico Khaitan | Prestige & Above Portfolio Expected To Grow 30% In FY27
MD, Abhishek Khaitan

- Revenue growth is expected at 20%, with EBITDA margins at 20% or above.
- Vodka contributes 50% of value sales and 30% of volumes; flavored vodka drives growth.
- Luxury sales are targeted to grow 25%; Tamil Nadu distribution expansion offers upside.

Read More

Investment in securities market are subject to market risks. Read all the related documents carefully before investing

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
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

*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

Disclosures:
The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL),NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx

MOFSL, it's associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report..

In the past 12 months, MOFSL or any of its associates may have:
received any compensation/other benefits from the subject company of this report
managed or co-managed public offering of securities from subject company of this research report,
received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

MOFSL and it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
Research Analyst may have served as director/officer/employee in the subject company.
MOFSL and research analyst may engage in market making activity for the subject company.
MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:
a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.
(b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.
Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.
To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:
This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.
Analyst Certification
The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement
Analyst ownership of the stock No
A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)
This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:
This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.
MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the"1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts), and

under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors and will be engaged in only with major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore
In Singapore, this report is being distributed by Motilal Oswal Capital Markets (Singapore) Pte. Ltd. ("MOCMSPL") (UEN 201129401Z), which is a holder of a capital markets services license and an exempt financial adviser in Singapore.This report is distributed solely to persons who (a) qualify as "institutional investors" as defined in section 4A(1)(c) of the Securities and Futures Act of Singapore ("SFA") or (b) are considered "accredited investors" as defined in section 2(1) of the Financial Advisers Regulations of Singapore read with section 4A(1)(a) of the SFA. Accordingly, if a recipient is neither an "institutional investor" nor an "accredited investor", they must immediately discontinue any use of this Report and inform MOCMSPL .
In respect of any matter arising from or in connection with the research you could contact the following representatives of MOCMSPL. In case of grievances for any of the services rendered by MOCMSPL write to grievances@motilaloswal.com.
Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

Disclaimer:
This report is intended for distribution to Retail Investors.

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be` suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028 . AMFI: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.