Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	74,151	1.2	-13.0
Nifty-50	22,937	1.0	-12.2
Nifty-M 100	57,842	1.0	-4.4
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	7,720	-0.3	12.8
Nasdaq	26,185	-1.4	12.7
FTSE 100	10,722	0.3	8.0
DAX	26,040	1.3	6.3
Hang Seng	7,756	-0.5	-13.0
Nikkei 225	64,659	1.1	28.4
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	115	-5.0	84.0
Gold ($/OZ)	4,022	-1.1	-6.9
Cu (US$/MT)	14,579	-0.7	17.1
Almn (US$/MT)	3,105	0.4	4.6
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	95.3	0.0	6.0
USD/EUR	1.1	0.2	-4.8
USD/JPY	157.7	-0.1	0.6
YIELD (%)	**Close**	**1MChg**	**CYTD chg**
10 Yrs G-Sec	7.4	-0.05	0.8
Flows (USD b)	**29-Oct**	**MTD**	**CYTD**
FIIs	0.09	-2.46	-30.8
DIIs	0.07	6.50	74.2
Volumes (INRb)	**29-Oct**	**MTD***	**YTD***
Cash	1,284	1240	1334
F&O	91,499	2,65,216	2,52,848

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research theme

India Strategy: Ownership analysis – DIIs hold the fort

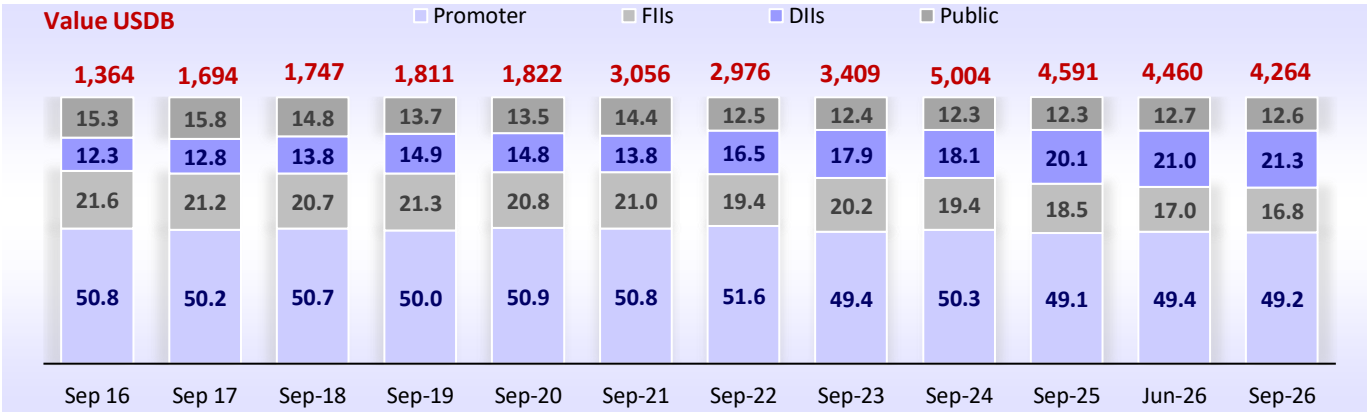
- Over the past one year, **DII** ownership rose 120bp YoY (+30bp QoQ) to an all-time high of 21.3% in Sep'26, while **FII** ownership dipped 170bp YoY (-20bp QoQ) to 16.8% (from 18.5% in Sep'25).
- **Sectoral holding trends:** Within the Nifty-500, FIIs and DIIs showcased divergent trends. On a YoY basis, **DIIs raised their holdings in 20** out of 28 sectors, while **FIIs reduced their holdings in 21 sectors**.
- The FII-DII ownership ratio in the Nifty-500 remained flat QoQ at 0.8x in Sep'26 (-10bp YoY). Over the last year, the FII-DII ratio expanded primarily in PSU Banks, Metals, and Logistics, while it contracted in 23 out of 28 sectors.
- Among **Nifty-500 companies**, FIIs reduced their holdings in 56% of the companies YoY, while DIIs increased their stakes in 69%.
- In the **Nifty-50**, FIIs reduced their holdings in 70% of the companies, while DIIs raised their holdings in 82% of the companies.

Research covered

Cos/Sector	Key Highlights
India Strategy	Ownership analysis – DIIs hold the fort
Coal India	In-line revenue; miss on EBITDA due to higher costs
Asian Paints	Weak operating print; margin concern persists in near term
Other Updates	Interglobe Aviat | Trent | Pidilite Inds. | Laurus Labs | Hero Motocorp | United Spirits | Ambuja Cements | Godrej Consumer | REC Ltd | Suzlon Energy | Hexaware Tech. | ACME Solar Hold. | Craftsman Auto | R R Kabel | Pine Labs | Prudent Corp. | Zensar Tech. | Equitas Sma. Fin | Restaurant Brand | MAS FINANC SER | Raymond Lifestyl | FLASH (Blue Star | MTAR Tech. | Deepak Nitrite | Brigade Enterpr. | Cams Services | Indegene | Shaily Engineer. | Privi Speci. | Indian Energy Ex | P N Gadgil Jewe. | Indostar Capital

Chart of the Day: India Strategy (Ownership analysis – DIIs hold the fort)

Nifty-500 holding pattern (%) – DIIs continue to raise their stakes for the tenth consecutive quarter to an all-time high



In the news today

Kindly click on textbox for the detailed news link

1

IHCL, Adani Airports announce agreement for eight hotels with over 2K rooms

Indian Hotels Company and Adani Airport Holdings announced a multi-hotel operating agreement for eight airport-linked hotels comprising over 2,000 rooms across key locations, including Mumbai, Ahmedabad, Lucknow, and Guwahati.

2

Meesho appoints former Godrej Consumer CEO Sudhir Sitapati as independent director

Former Godrej Consumer Products CEO Sudhir Sitapati joined e-commerce platform Meesho's board as an independent director, giving it a veteran of Indian consumer goods as it pushes to grow while earning more on every order.

3

Alphabet loses over $500 billion in market value as AI hits Google search

Alphabet Inc.'s shares fell more than 13%, for its biggest-ever market value wipeout of more than $500 billion, after the company reported disappointing search and advertising sales that reinforced investor concerns about AI's threat to its core business.

4

Reliance Industries seeks voluntary strike-off of UK Hamleys subsidiary

Reliance Industries has filed an application for the voluntary strike-off of its step-down subsidiary, Hamleys (Franchising) Limited (HFL), it said in an exchange filing.

5

Scapia adds over 200,000 villas, homes and homestays to booking platform

Bengaluru-based travel fintech firm Scapia said it had onboarded over 200,000 homestays, apartments and cottages across the country and international destinations, which will be available for booking through the stays segment on its app.

6

PI Industries unveils India's first indigenously discovered insecticide molecule, Pioxaniliprole

PI Industries has unveiled Pioxaniliprole, which the company describes as India's first indigenously discovered insecticide molecule, to help improve farm productivity.

7

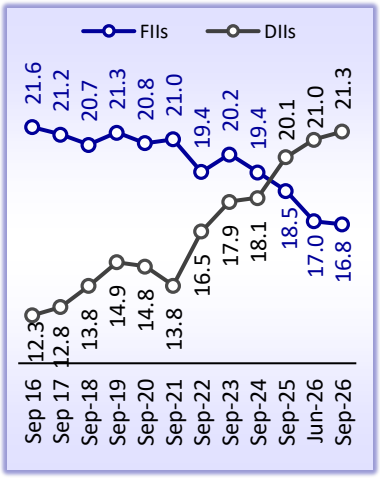
Bank of Baroda yet to receive BR Shetty's $15 billion lawsuit papers

The lender is reviewing potential steps following the selective public dissemination of a multi-billion dollar lawsuit on the eve of its quarterly results.

India Strategy

BSE Sensex: 74,151 **Nifty-50: 22,937**

Institutional ownership – Nifty-500 (%)



DIIs consolidate their control – their holdings in the Nifty-500 rise to an all-time high of 21.3%

Ownership analysis – DIIs hold the fort

FII & DII allocations rise in Internet & New-Age Tech, but moderate in Consumer

- **Flow dynamics – FII flows remain volatile:** Over the past two years, institutional sentiment and positioning in India's secondary market have diverged sharply. While **FIIs** have sharply stepped up selling in response to adverse global events and news flow, **DIIs** have remained active buyers, consistently stepping in with strong inflows to absorb the selling pressure. Despite their continued selling in the secondary market, FIIs have increasingly channeled capital into the primary market, indicating a growing preference for emerging investment themes. Given the stark divergence in positioning and the challenging global macro backdrop, we expect these contrasting flow patterns to persist in the near term.
- **DIIs consolidate their control; anchor equities:** Defying market volatility, DIIs invested USD17.7b into Indian equities, while FIIs added USD0.7b during 2QFY27. Sustained retail participation and record monthly SIP inflows of ~USD3.4b have further strengthened domestic institutional ownership. This structural shift in institutional ownership, which has gained momentum since 2021, continues to deepen, with DII ownership of Nifty 500 stocks reaching a record 21.3% in Sep'26. In contrast, FII holdings declined to a new low of 16.8% over the same period.
- **In this report, we explore their ownership across the Nifty-500 sectors and companies, tracing shifts in their holdings and investment preferences over time.**

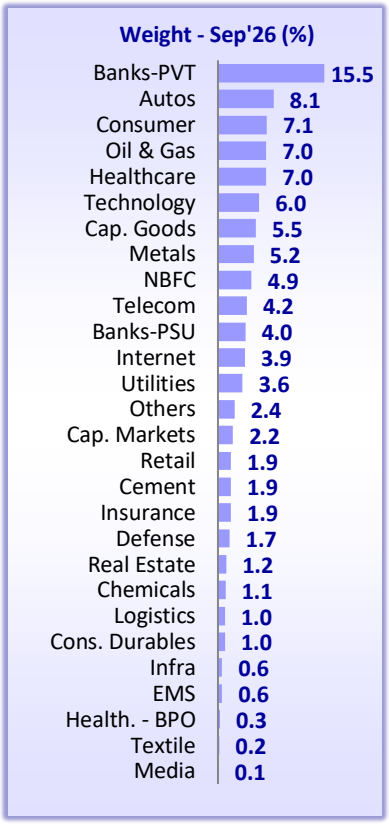
Nifty-500: DII holdings rise for the tenth consecutive quarter

- Over the past one year, **DII** ownership rose 120bp YoY (+30bp QoQ) to an all-time high of 21.3% in Sep'26, while **FII** ownership dipped 170bp YoY (-20bp QoQ) to 16.8% (from 18.5% in Sep'25).
- **Promoter** holdings, which have historically remained range-bound, experienced a dip of 20bp QoQ (+10bp YoY) to 49.2% in Sep'26.
- **Retail** holdings declined 10bp QoQ to 12.6% in Sep'26 (+30bp YoY).
- **Sectoral holding trends:** Within the Nifty-500, FIIs and DIIs showcased divergent trends. On a YoY basis, **DIIs raised their holdings in 20** out of 28 sectors, while **FIIs reduced their holdings in 21 sectors**.
- The FII-DII ownership ratio in the Nifty-500 remained flat QoQ at 0.8x in Sep'26 (-10bp YoY). Over the last year, the FII-DII ratio expanded primarily in PSU Banks, Metals, and Logistics, while it contracted in 23 out of 28 sectors.

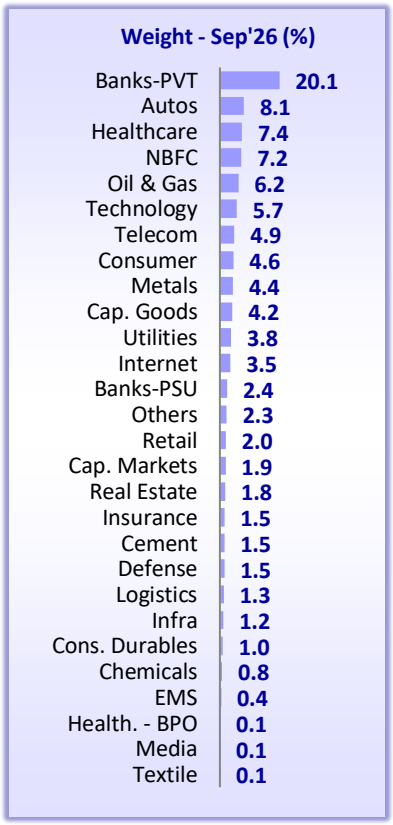
Analyzing the Caps: DIIs continue to raise their stakes across the board

- According to SEBI's categorization, large-, mid-, and small-cap stocks accounted for 65%, 23%, and 12% of the total Nifty-500 market cap, respectively.
- **DIIs** significantly raised their stakes across market caps to an all-time high as of Sep'26. In contrast, FIIs have reduced their holdings across market caps YoY.
- Among **Nifty-500 companies**, FIIs reduced their holdings in 56% of the companies YoY, while DIIs increased their stakes in 69%.
- In the **Nifty-50**, FIIs reduced their holdings in 70% of the companies, while DIIs raised their holdings in 82% of the companies.

DII's sectoral allocations within Nifty-500 (%)



FII's sectoral allocations within Nifty-500 (%)



Sectoral holdings YoY: DIIs raise holdings in 20 sectors, while FIIs reduce theirs in 21

- Within the Nifty-500, DIIs raised their holdings in 20 of 28 sectors: 1) **DIIs** had the **highest** holdings in Private Banks (39.1%), followed by Internet & New-Age Tech. (32.5%), Consumer (23.6%), Telecom (23.3%), and Capital Goods (22.3%). Among the key sectors, DIIs raised their stakes in Private Banks (+550bp), Telecom (+310bp), Internet (+260bp), Insurance (+390bp), Infrastructure (+240bp), and Defense (+200bp) on a YoY basis.
- 2) **FII holdings** were the **highest** in Private Banks (40%), followed by Internet (23.4%), Telecom (21%), Real Estate (17.7%), Healthcare (17.3%), Automobiles (16.6%), NBFCs (16.3%), and Technology (16%). FIIs raised their stakes in PSU Banks (+160bp), Logistics (+150bp), Textiles (+140bp), Metals (+130bp), and NBFCs (+110bp) YoY.

DII allocations in New-Age Tech climb, while moderating in Banks

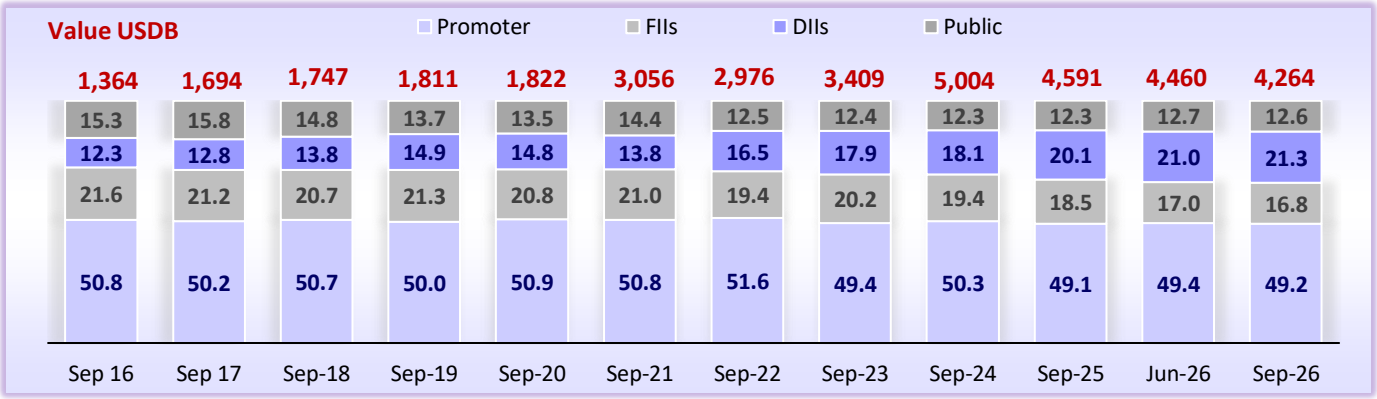
- Within the Nifty-500, DIIs were overweight in Consumer, Internet & New-Age Tech, Oil & Gas, PSU Banks, Telecom, Insurance, and Metals, while they were underweight in NBFCs, Private Banks, Retail, Utilities, Healthcare, Real Estate, Capital Markets, and Infrastructure. **DII allocation in BFSI moderated to 28.5% in Sep'26** (-60bp QoQ, +130bp YoY) in Sep'26.
- On a sequential basis, DIIs raised their weights in Internet & New-Age Tech, Technology, Automobiles, Healthcare, Metals, and Insurance, while they reduced their weights in Consumer, Banks (Private & PSU), NBFCs, Oil & Gas, Capital Goods, and Utilities.
- On a YoY basis, DIIs raised their weights in Healthcare, Internet & New-Age Tech, Capital Markets, Capital Goods, Metals, Telecom, Private Banks, and Automobiles, while they reduced their weights in Consumer, Technology, Oil & Gas, Cement, and Consumer Durables.
- Overall, the Top 5 sectoral holdings of DIIs in the Nifty-500 accounted for 57.7% of the total allocation – BFSI (28.5%), Automobiles (8.1%), Consumer (7.1%), Oil & Gas (7%), and Healthcare (7%).

FII allocations in BFSI dip, while those in New-Age Tech and Healthcare climb

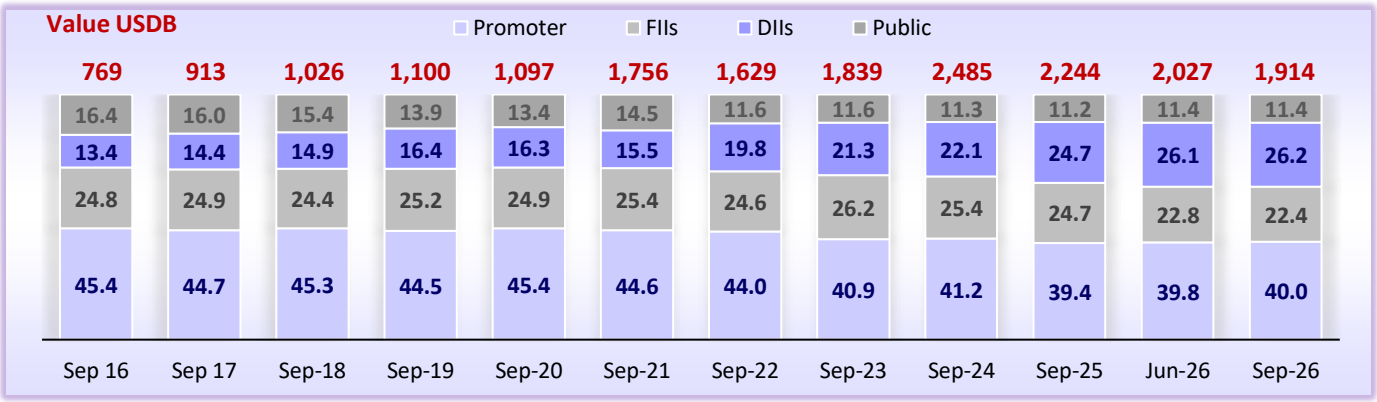
- FII allocation in BFSI (Banks, Capital Markets, Insurance, and NBFCs) moderated to 33.1% (-130bp QoQ, -120bp YoY) in the Nifty-500 as of Sep'26. FIIs remained overweight (by 340bp) in BFSI vs. the Nifty-500 (BFSI's weight in the Nifty-500 currently stands at 29.8%).
- BFSI was followed by Automobiles, in which FIIs had an 8.1% weighting (+20bp QoQ and -10bp YoY). In the Healthcare sector, FIIs had a weightage of 7.4% (+60bp QoQ and +130bp YoY). The Oil & Gas sector had a weightage of 6.2% (-20bp QoQ and -60bp YoY). The Technology sector had a weightage of 5.7% (+60bp QoQ and -160bp YoY). Overall, the Top 5 sectoral allocations of FIIs in the Nifty-500 accounted for 60.5% of their total allocation.
- On a sequential basis, FIIs raised their weights in Internet & New-Age Tech, Healthcare, Technology, Metals, Real Estate, and Automobiles, while they reduced their weights in Private Banks, Utilities, Consumer, Capital Goods, Capital Markets, Oil & Gas, NBFCs, and Telecom.
- In terms of absolute holdings, of the total FII holdings of USD717b, Private Banks topped the chart with USD144b in investment value.

INSIGHTFUL TRENDS

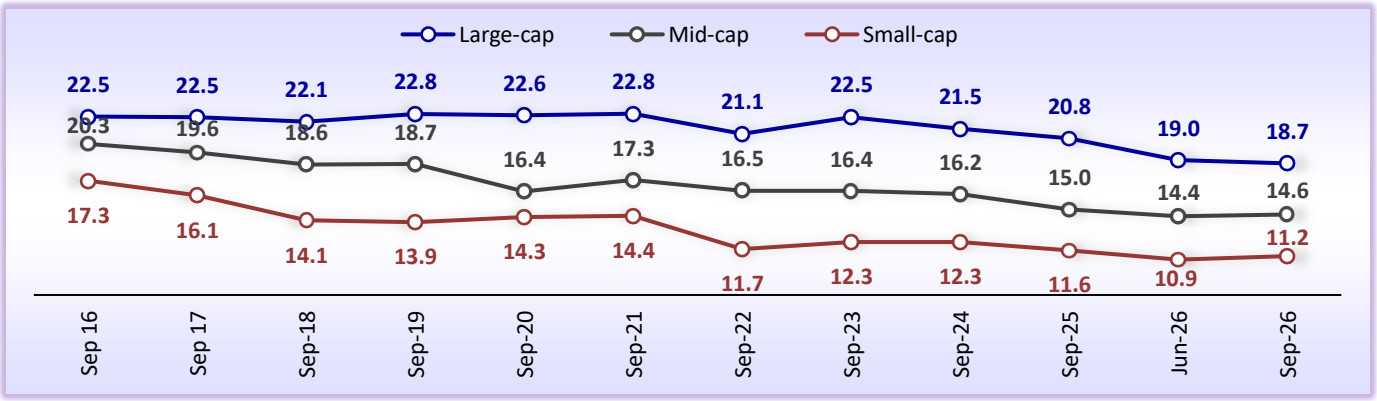
Nifty-500 holding pattern (%) – DIIs continue to raise their stakes for the tenth consecutive quarter to an all-time high



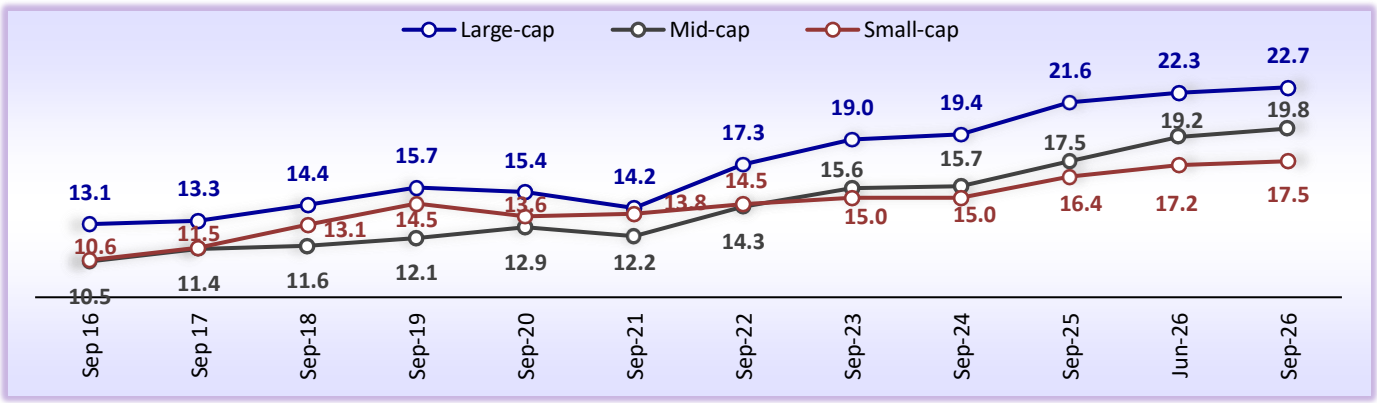
Nifty-50 holding pattern (%) – FIIs reduce their stakes by 40bp QoQ in the Nifty-50 index



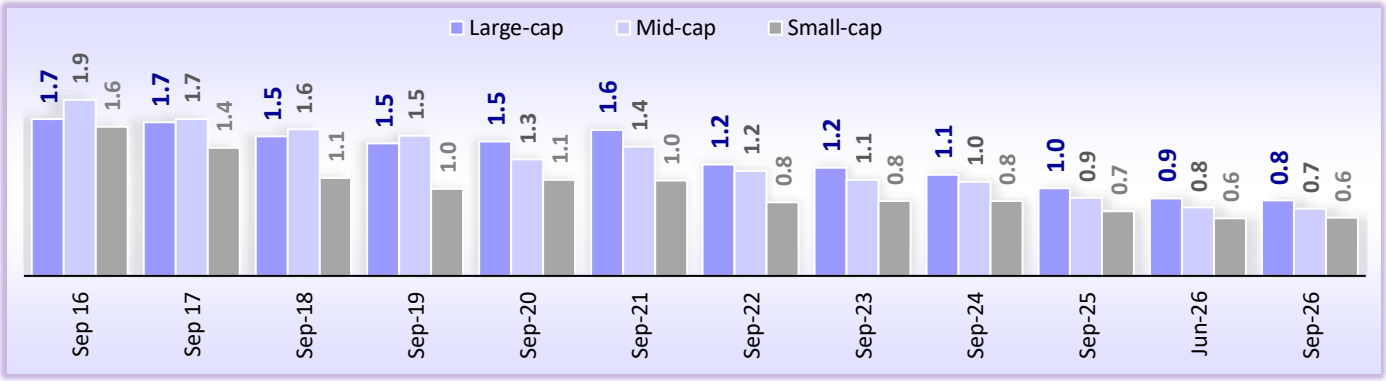
FII holdings within the Nifty-500 (%) – FII raised their stakes in mid-caps and small-caps on a sequential basis



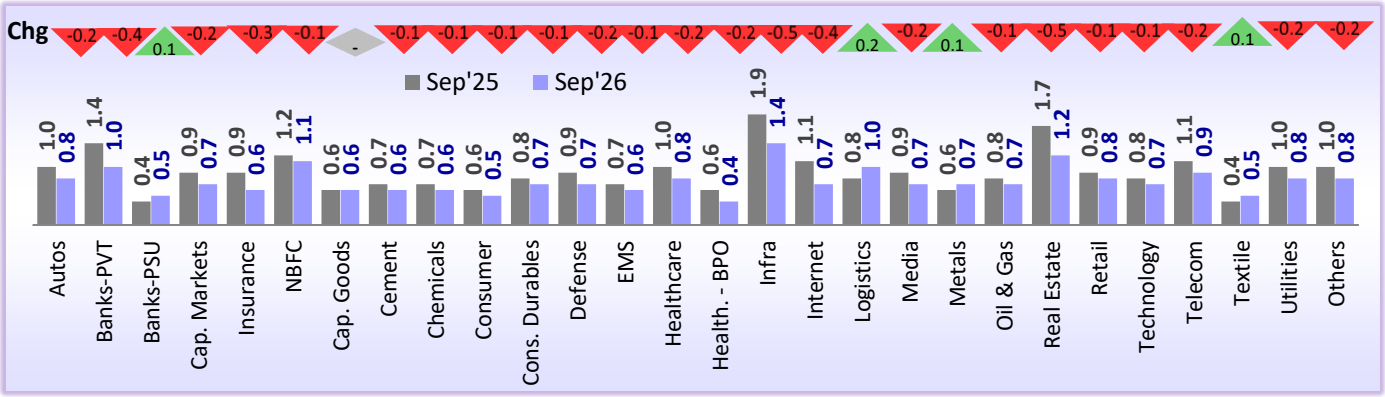
DII holdings within the Nifty-500 (%) – DIIs continue to raise their stakes across categories



Trends in FII-DII ownership ratio under various categories within the Nifty-500



Sectoral change in the FII-DII ratio over the past year



Sectoral FII/DII holdings in the Nifty-500

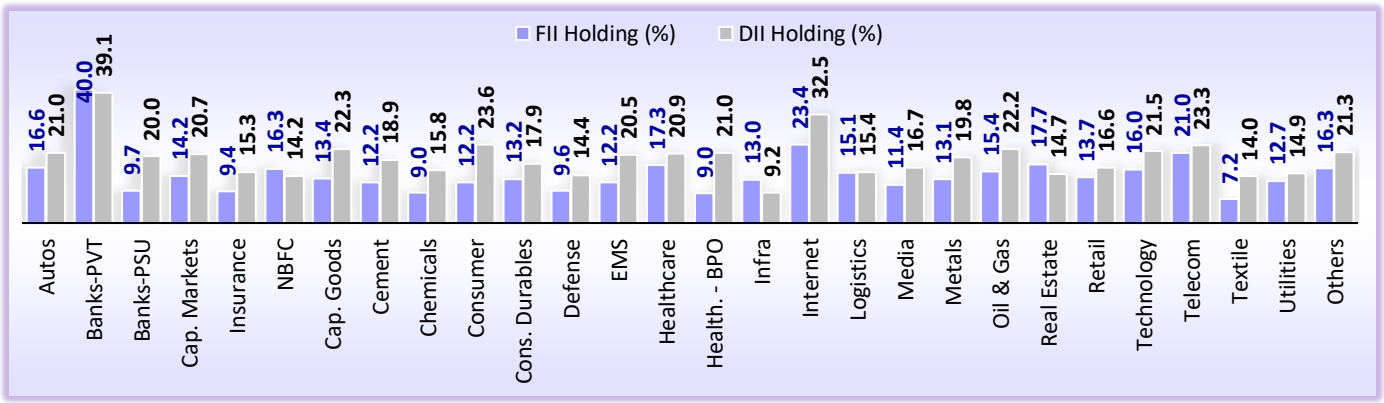


Exhibit data is sourced from Capitaline and MOFSL research database. FIIs include Depository Receipts.

Coal India

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	COAL IN
Equity Shares (m)	6163
M.Cap.(INRb)/(USDb)	2422.6 / 25.4
52-Week Range (INR)	491 / 370
1, 6, 12 Rel. Per (%)	-8/-13/15
12M Avg Val (INR M)	4609

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	1,684	1,803	1,814
Adj. EBITDA	394	405	461
Adj. PAT	329	322	353
EBITDA Margin (%)	23.4	22.4	25.4
Cons. Adj. EPS (INR)	53.3	52.3	57.3
EPS Gr. (%)	(7.5)	(1.9)	9.6
BV/Sh. (INR)	193.3	218.7	246.6
Ratios			
Net D:E	(0.4)	(0.2)	(0.2)
RoE (%)	26.1	23.9	23.2
RoCE (%)	27.1	23.5	23.0
Payout (%)	50.0	50.0	50.0
Valuations			
P/E (x)	7.4	7.5	6.9
P/BV (x)	2.0	1.8	1.6
EV/EBITDA(x)	5.1	5.2	4.5
Div. Yield (%)	6.8	6.7	7.3
FCF Yield (%)	12.7	(1.6)	5.4

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	61.1	61.1	63.1
DII	23.5	22.3	22.9
FII	9.6	10.4	8.0
Others	5.7	6.2	6.0

CMP: INR393 **TP: INR450 (+14%)** **Buy**

In-line revenue; miss on EBITDA due to higher costs

- Coal India (COAL)'s revenue during the quarter was largely in line at INR441b (+21% YoY), but it declined 5% QoQ because of sequentially lower volumes due to the monsoons.
- Adj. EBITDA (ex-OBR exp) stood at INR74b, up 28% YoY but down 28% QoQ. This was lower than our estimate of INR97b. EBITDA was hit by a spike in the cost of production (explosives, pol, and contractual expenses).
- COAL's EBITDA/t came in at INR400/t (+15% YoY and -23% QoQ) due to higher opex and lower operating leverage.
- APAT came in at INR65b (+52% YoY and -26% QoQ) vs. our est. of INR79b.
- Production for 2QFY27 stood at 151.4mt (+4% YoY and -11% QoQ) and sales volume stood at 186mt (+12% YoY and -6% QoQ).
- The E-auction premium for the quarter stood at 41% with volume of 22.8mt sold in the e-auction market (13% contribution to total sales volume). During 2Q FY26, premiums were at 41% and volumes stood at 15.3mt (9% contribution to total sales volume).
- The newly commissioned ASGKCC Mine (Katras Area) contributed 13.4kt of coal production during 1H. This mine operates under the MDO revenue-sharing model with BCCL receiving 9% of the revenue.
- The company commissioned ~200MW of solar capacity, out of the 300MW solar project at Khavda, Gujarat in May'26. It recorded revenue from energy sales amounting to INR152.9m during 1HFY27.
- COAL has been identified as the preferred bidder for the Gadadharpur Iron Ore Block in Kendujhar, Odisha with estimated resources of 288mt.
- The Board recommended a second interim dividend of INR10.25/share in 2QFY27, totaling to INR15.75/share in 1HFY27.

Valuation and view

- COAL delivered a weak performance, with revenue remaining steady but operating earnings coming in below our estimate, mainly due to the higher cost of production. We cut our EBITDA estimate for FY27 by 5% to incorporate the earnings miss during the quarter. In 2H, we expect volumes to rebound strongly and costs to stabilize, driving earnings back on track. Our estimates for FY28 remain unchanged.
- We expect COAL to post a 3-4% volume CAGR over FY26-28E, while a higher share of washed coal and e-auction sales will support overall NSR and margins. This could translate into a revenue/EBITDA CAGR of 4%/9% over FY26-28E.
- In the longer run, the company will increase its coal-washer capacity to raise the VAP share, supporting margins. It is also reducing its dependence on coal by expanding into renewable power, iron ore mining, and overseas critical mineral assets. **At CMP, the stock is trading at 4.5x FY28E EV/EBITDA. We reiterate our BUY rating with a revised TP of INR450, valuing the stock at 5.5x FY28E EV/EBITDA.**

Consolidated quarterly performance (INR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Vs Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**429.2**	**365.5**	**424.4**	**464.9**	**462.5**	**441.8**	**448.4**	**450.6**	**1,684.0**	**1,803.4**	**417**	**5.9**
Change YoY (%)	17.7	19.2	15.1	5.8	7.8	20.9	5.7	(3.1)	(0.5)	7.1		
Change QoQ (%)	(2.4)	(14.8)	16.1	9.6	(0.5)	(4.5)	1.5	0.5				
Adj. EBITDA	**111.9**	**57.8**	**100.7**	**123.3**	**102.4**	**73.9**	**108.0**	**120.4**	**393.7**	**404.7**	**97**	**-24.1**
Change YoY (%)	(3.0)	(19.2)	(12.3)	8.4	(8.5)	28.0	7.2	(2.4)	(8.7)	2.8		
Change QoQ (%)	(1.6)	(48.4)	74.3	22.4	(17.0)	(27.8)	46.1	11.5				
EBITDA per tonne	**585.9**	**348.0**	**533.8**	**619.2**	**517.4**	**396.8**	**549.5**	**585.9**	**529.5**	**514.5**	**525**	**-24.5**
Depreciation	23.1	26.6	22.2	29.5	23.0	23.8	28.0	36.2	101.4	111.0		
OBR	(14.0)	(8.7)	(14.6)	(3.4)	(18.3)	(11.1)	(13.8)	(11.3)	(40.7)	(54.4)		
Interest	2.7	2.9	3.2	3.4	3.3	3.4	4.0	5.3	12.2	16.0		
Other Income	16.2	21.4	23.9	51.3	20.4	26.5	24.0	24.1	112.8	95.0		
EO Inc/(Exp)	-	-	(22.0)	-	-	-	-	-	(22.0)	-		
PBT after EO	**116.3**	**58.4**	**91.8**	**145.1**	**114.8**	**84.3**	**113.7**	**114.2**	**411.6**	**427.1**	**104**	**-19.1**
Tax	29.9	18.4	23.1	37.2	28.7	21.8	29.0	29.4	108.5	108.9		
Tax Rate (%)	25.7	31.5	20.3	25.6	25.0	25.9	25.5	25.7	26.4	25.5		
PAT pre MI & Asso.	**86.4**	**40.0**	**68.8**	**107.9**	**86.1**	**62.5**	**84.7**	**84.8**	**303.1**	**318.2**	**78**	**-19.5**
MI	(0.1)	(0.9)	0.1	0.7	(0.0)	0.3	-	-	(0.2)	0.3		
Sh. of Assoc.	1.4	2.1	2.9	1.2	2.4	2.9	1.2	(2.2)	7.6	4.3		
PAT After MI & Asso.	**88.0**	**43.0**	**71.6**	**108.4**	**88.5**	**65.2**	**85.9**	**82.6**	**310.9**	**322.2**		
Adjusted PAT	**88.0**	**43.0**	**89.2**	**108.4**	**88.5**	**65.2**	**85.9**	**82.6**	**328.6**	**322.2**	**79**	**-17.4**
Change YoY (%)	(19.7)	(31.6)	4.9	11.2	0.6	51.5	(3.7)	(23.8)	(7.5)	(1.9)		
Change QoQ (%)	(9.8)	(51.1)	107.4	21.5	(18.3)	(26.4)	31.8	(3.8)				

Source: MOFSL, Company

COAL Dispatches (mt) - Subsidiary wise

Subsidiaries	1Q	2Q	3Q	4Q	1Q	2Q	YoY %	QoQ %
ECL	11.9	9.6	10.9	14.3	13.3	13.1	11.8	(7.0)
BCCL	8.9	7.9	8.5	7.3	7.7	8.6	(13.5)	5.5
CCL	18.2	14.5	19.7	22.8	21.7	20.6	19.2	(4.8)
NCL	33.5	32.5	33.1	33.7	32.3	28.6	(3.6)	(4.2)
WCL	17.6	11.0	14.9	16.2	17.8	17.1	1.1	9.9
SECL	46.0	37.8	44.9	49.2	48.3	41.1	5.0	(1.8)
MCL	51.8	50.8	54.0	54.3	54.9	56.2	6.0	1.1
NEC	-	0.0	-	0.0	-	-	NA	-
Total	**187.8**	**164.0**	**185.9**	**197.8**	**195.7**	**185.5**	**4.2**	**(1.1)**

Asian Paints

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	APNT IN
Equity Shares (m)	959
M.Cap.(INRb)/(USDb)	2208.1 / 23.2
52-Week Range (INR)	2986 / 2115
1, 6, 12 Rel. Per (%)	-6/-1/3
12M Avg Val (INR M)	3189

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	355.8	419.9	461.3
Sales Gr. (%)	4.9	18.0	9.9
EBITDA	67.0	77.7	87.3
EBIT Margin (%)	18.8	18.5	18.9
Adj. PAT	44.8	53.5	60.2
Adj. EPS (INR)	46.7	55.8	62.8
EPS Gr. (%)	11.2	19.4	12.5
BV/Sh.(INR)	222.8	245.1	270.3
Ratios			
RoE (%)	22.0	23.9	24.4
RoCE (%)	18.4	19.8	20.7
Payout (%)	87.7	73.5	65.3
Valuation			
P/E (x)	49.3	41.2	36.7
P/BV (x)	10.3	9.4	8.5
EV/EBITDA (x)	32.1	27.6	24.5
Div. Yield (%)	1.8	1.8	1.8

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	52.6	52.6	52.6
DII	20.5	20.8	21.6
FII	13.9	13.4	11.7
Others	13.0	13.2	14.1

FII includes depository receipts

CMP: INR2,302 TP: INR2,600 (+12%) Neutral

Weak operating print; margin concern persists in near term

- Asian Paints (APNT) reported 17% YoY consolidated revenue growth in 2QFY27 (est. 14%), while standalone revenue grew 15% YoY. Domestic decorative volumes increased 6% YoY (est. 6%), impacted by channel inventory build-up ahead of price hikes and a shift in festive demand to 3QFY27. Management indicated that the inventory-related impact was fully absorbed during the quarter. Management expects domestic volume growth of 8-9% in 3QFY27, slightly below its guidance, given the extended festive season and higher number of weddings in 2HFY27.
- Gross margin contracted 350bp YoY to 39.7% (vs. est. 42%), impacted by high-cost inventory carried forward from 1QFY27. RM costs increased 28% YoY (25% in 1QFY27 and a further 3% in 2QFY27). The company has implemented calibrated price hikes of 12% so far (7% in 1QFY27 and 5% in 2QFY27), followed by a further 3.5% increase in Nov'26. It would partly offset the impact of anti-dumping duty on TiO_2 (effective 24th Oct'26).
- EBITDA margin contracted 200bp YoY to 15.6% (est. 17.3%). EBITDA grew by just 4% YoY to INR15.6b (est. INR17.3b). Management maintained its FY27 EBITDA margin guidance of 18-20%, supported by premiumization, cost savings, and backward integration benefits. We model 19.7%/20.2% standalone and 18.5%/18.9% consolidated EBITDA margins for FY27/FY28.
- An extended festive period and higher number of weddings are expected to drive healthy secondary demand. However, persistent cost inflation is likely to keep margins under pressure in the near term. **We reiterate our Neutral rating with a TP of INR2,600.**

High-cost inflation dents margin; volume up 6%

- **Domestic volume up 6%:** APNT reported consolidated net sales growth of 17% YoY to INR99.8b. (est. INR97b). Decorative business (India) clocked value growth of 14.5% and volume growth of 6.4% (est. 6%, 9% in 1QFY27). Industrial segment clocked growth in thirties (+31% YoY). The bath business revenue rose 19% and the kitchen business revenue grew 13%. White Teak business revenue declined 12% and Weather Seal revenue declined 2%.
- **International saw strong momentum:** International business registered a value growth of 30% (24% growth in CC terms), backed by steady performance in Egypt, UAE, and Bangladesh.
- **Dents in margins**: Gross margin contracted 350bp YoY to 39.7% (est. 42%). GP grew 8% YoY to INR39.6b (est. INR40.7b). Employee expenses rose 13% YoY, while other expenses rose 9% YoY. EBITDA margin contracted 200bp YoY to 15.6% (est. 17.3%).
- **Miss in profitability**: EBITDA grew 4% YoY to INR15.6b (est. INR16.8b). PBT grew 6% YoY to INR14.4b (est. INR15.0b). Adj. PAT grew of 8% YoY to INR10.7b (est. INR11.3b).
- In 1HFY27, net sales/EBITDA/APAT delivered 17%, 19%, 25%, respectively.

Key highlights from the management commentary

- Rural demand remains a monitorable as the deficient monsoon could weigh on rural consumption and partly offset the expected demand recovery.
- VAM-VAE project commissioned the first phase in 2QFY27. It has annual production capacity of 100,000MT (VAM) and 150,000MT (VAE). VAE's production has already started, while VAM's production will begin in phase 2.
- Management highlighted that the VAM-VAE project should continue to deliver 300–500bp of gross margin benefit for the products, utilizing the in-house emulsion, although the exact benefit will depend on sourcing economics and product formulations.
- Gross margins are expected to remain in the 41-43% range in 2HFY27, depending on the extent of further raw material inflation and the impact of calibrated pricing actions.

Valuation and view

- We largely maintain our EPS estimates for FY27 and FY28.
- Given the volatile geopolitical backdrop, inflationary pressures are likely to remain elevated. Price hikes are changing the P&L structure, with revenue growth expected to remain strong, supported by double-digit price hikes. However, given input cost inflation and stiff competition, margins are expected to be under pressure in near term. The c**ompany is focusing on product innovation, brand salience, regionalization, and execution excellence to negate competitive pressure.**
- **We model 8% volume and 17% standalone revenue growth for FY27. Management maintains EBITDA margin guidance of 18-20%, supported by** premiumization, cost efficiencies, and backward integration benefits**.** We model 19.7%/20.2% standalone and 18.5%/18.9% consolidated EBITDA margins for FY27/FY28**.**
- **We value the company at 40x Sep'28E EPS to derive a TP of INR2,600. We reiterate our Neutral rating.**

Quarterly Performance (Consol.) **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Est. Dom. Deco. Vol. growth (%)	**3.9**	**10.9**	**8.0**	**12.4**	**9.0**	**6.4**	**9.0**	**7.6**	**8.7**	**8.0**	**6.0**	
Net Sales	**89,386**	**85,313**	**88,670**	**92,467**	**1,05,419**	**99,765**	**1,07,026**	**1,07,736**	**3,55,835**	**4,19,946**	**96,991**	**2.9%**
Change (%)	-0.3	6.3	3.7	10.6	17.9	16.9	20.7	16.5	4.9	18.0	13.7	
Gross Profit	**38,155**	**36,849**	**39,382**	**41,432**	**45,955**	**39,632**	**44,591**	**46,616**	**1,55,818**	**1,76,794**	**40,748**	
Gross Margin (%)	42.7	43.2	44.4	44.8	43.6	39.7	41.7	43.3	43.8	42.1	42.0	
EBITDA	**16,250**	**15,034**	**17,810**	**17,866**	**21,688**	**15,571**	**20,307**	**20,161**	**66,959**	**77,726**	**16,789**	**-7.3%**
Margin (%)	18.2	17.6	20.1	19.3	20.6	15.6	19.0	18.7	18.8	18.5	17.3	
Change (%)	-4.1	21.3	8.8	24.4	33.5	3.6	14.0	12.8	11.5	16.1	11.7	
Interest	445	439	479	591	478	554	650	701	1,954	2,383	550	
Depreciation	3,009	3,049	3,131	3,100	3,042	3,137	3,250	3,449	12,289	12,877	3,200	
Other Income	1,928	1,986	1,610	1,714	2,409	2,478	1,900	1,320	7,238	8,107	2,000	
PBT	**14,724**	**13,532**	**15,810**	**15,889**	**20,576**	**14,358**	**18,307**	**17,331**	**59,955**	**70,572**	**15,039**	**-4.5%**
Tax	3,917	3,733	4,152	4,286	5,363	3,924	4,577	4,132	16,088	17,996	3,760	
Effective Tax Rate (%)	26.6	27.6	26.3	27.0	26.1	27.3	25.0	23.8	26.8	25.5	25.0	
PAT before MI & extraordinary	**10,807**	**9,799**	**11,658**	**11,603**	**15,213**	**10,434**	**13,730**	**13,200**	**43,867**	**52,576**	**11,279**	**-7.5%**
Profit from associates and Minority Interest	190	137	517	119	180	243	268	340	963	963	8	
Adjusted PAT	**10,998**	**9,936**	**12,175**	**11,721**	**15,393**	**10,676**	**13,998**	**13,539**	**44,830**	**53,539**	**11,287**	**-5.4%**
Change (%)	-6.0	13.6	9.6	33.9	40.0	7.5	15.0	15.5	11.2	19.4	13.6	
Reported PAT	**10,998**	**9,936**	**10,599**	**11,721**	**15,393**	**10,676**	**13,998**	**13,539**	**43,254**	**53,539**	**11,287**	**-5.4%**

E: MOFSL Estimates

InterGlobe Aviation

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	INDIGO IN
Equity Shares (m)	387
M.Cap.(INRb)/(USDb)	1809.6 / 19
52-Week Range (INR)	5970 / 3895
1, 6, 12 Rel. Per (%)	-5/13/-8
12M Avg Val (INR M)	6947
Free float (%)	58.4

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	849.6	1065.8	1099.2
EBITDA	118.4	166.4	251.4
NP	-25	22.4	72.5
EPS (INR)	-31.5	58	187.5
Growth (%)	-116.8	-284.1	223.1
BV/Sh (INR)	167.8	226.2	404.8
Ratios			
Net D:E	7.6	6	3.2
RoE (%)	-15.5	29.6	59.8
RoCE (%)	7.8	11.5	19.8
Payout (%)	5.3	0	5.3
Valuations			
P/E (x)	-148.3	80.5	24.9
P/BV (x)	27.9	20.7	11.5
Adj.EV/EBITDAR(x)	16.5	12.6	8.1
Div. Yield (%)	-0.1	0	0.2
FCF Yield (%)	11.8	-0.5	2.4

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	41.6	41.6	41.6
DII	33.3	31.9	24.7
FII	19.9	20.3	28.4
Others	5.2	6.2	5.3

FII includes depository receipts

CMP: INR4,680 **TP: INR6,000 (+28%)** **Buy**

Performance hurt by elevated fuel costs

Operating performance below our estimate

- InterGlobe Aviation (INDIGO) reported a 2.6x jump in EBITDAR to INR22.2b on a lower base of 2QFY26, while EBITDA (excl. forex) declined 8% YoY to INR31.6b (INR13.7b FX loss in 2QFY27 vs INR29b in 2QFY26). Despite these ongoing cost headwinds, the company delivered 34% YoY growth in yield to INR6.3, supported by price hikes.
- Margin pressure is likely to persist in the near term due to elevated fuel costs and rupee depreciation. For 3QFY27, ASK growth is expected to be in the early single digits, with PRASK growth of over 25% YoY and load factors likely to remain stable YoY, supported by resilient festive demand and price hikes. For FY28, ASK growth is expected to be in the mid-teens, supported by fleet additions and international expansion. We believe disciplined capacity deployment and free cash of INR399b will provide flexibility to navigate near-term volatility.
- Factoring in the ongoing West Asia crisis, which is keeping crude prices and jet fuel crack spreads elevated and limiting the scope for fuel-cost relief in 2HFY27, we cut our FY27/FY28 EBITDAR estimate by 6% each. We value the stock at 10x FY28E EBITDAR to arrive at our TP of INR6,000. **Reiterate BUY.**

Cost inflation outpaces yield expansion, leading to earnings loss

- INDIGO's yield was INR6.3 vs. our estimate of INR5.9 (up 34% YoY). Revenue passenger kilometer (RPK) stood at 32.8b (our est. of 34.3b, -4% YoY), with the load factor at 80.3%. ASK remained flat YoY at 40.8b (our est. of 41.6b).
- Consequently, revenue stood at INR233.6b (est. in line, +26% YoY). EBITDAR stood at INR22.2b (est. of INR26.4b, +2.6x YoY), with EBITDA at INR18b (our est. INR22.2b, +3.3x YoY). The miss was largely due to lower-than-expected non-ticketing revenue (INR27.3b vs. our est. of INR31.4b).
- EBITDA (excluding forex loss) stood at INR31.6b (down 8% YoY), as forex loss stood at INR13.7bm as against INR29b in 2QFY26.
- The company reported an adj. loss of INR20.6b (est. adj. profit of INR13.7b) compared to an adj. profit of INR25.1b in 2QFY26.
- As of Sep'26, the total cash balance stood at INR526.9b, which provided flexibility to manage near-term volatility and fund longer-term growth. Gross debt stood at INR873b (vs. INR777.5b in FY26).

Highlights from the management commentary

- **Outlook/guidance:** PRASK growth is expected to exceed 25% YoY in 3QFY27, while capacity growth is guided at the early single digits for FY27 and the mid-teens for FY28. The ~300b ASK target by FY30 remains intact. Load factors are expected to remain broadly flat in 3Q, while FY27 CASK (ex-fuel and forex MTM) is guided to rise by high-single-digits to early-double-digits, driven by rupee depreciation and contractual escalations. Fuel-cost uncertainty and elevated refining spreads may limit profitability.

- **Widebody operations and international strategy:** INDIGO will discontinue its damp-leased widebody operations from Nov'26, as elevated fuel costs, rupee depreciation, and geopolitical disruptions have weakened their economic viability. The exit is likely to improve unit economics, while international expansion plans remain intact, with A350 operations targeted from CY28. A321XLRs will retain the Amsterdam slot, while selective international expansion continues, including Mumbai–Dar es Salaam daily services from Nov'26.
- **Revenue diversification and monetization:** Ancillary revenue per passenger increased to ~INR590 in 2QFY27 from INR525 in 1QFY27, with further upside expected from broader service offerings and improved digital distribution. The cargo business grew 37% in 2QFY27 and demand remains encouraging into 3QFY27, although reduced long-haul belly capacity will constrain growth.

Valuation and view

- Despite continued near-term headwinds from the Middle East airspace disruptions, high fuel costs, and INR depreciation, we remain confident in INDIGO's growth strategy, anchored by India's strong domestic demand base and steadily expanding international network.
- Looking ahead, gradual normalization of international operations, easing Pratt & Whitney-related groundings, fleet expansion (including A321XLR-led international deployment), and resilient demand trends are expected to support performance recovery over the coming quarters.
- We estimate a CAGR of 14%/42% in revenue/EBITDAR over FY26-28. We value the stock at 10x FY28E EBITDAR to arrive at our TP of INR6,000. **Reiterate BUY**.

Standalone Quarterly performance (INR b)

Y/E March	FY26				FY27				FY26	FY27E	FY27 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	**205.0**	**185.6**	**234.7**	**224.4**	**245.8**	**233.6**	**302.2**	**284.2**	**849.6**	**1,065.8**	**234.3**	**0%**
YoY Change (%)	*4.7*	*9.3*	*6.2*	*1.3*	*19.9*	*25.9*	*28.8*	*26.6*	*5.1*	*25.4*	*26.3*	
EBITDAR	**57.0**	**8.7**	**58.6**	**15.0**	**37.5**	**22.2**	**70.7**	**54.4**	**139.3**	**184.8**	**26.4**	**-16%**
Margin (%)	*27.8*	*4.7*	*25.0*	*6.7*	*15.3*	*9.5*	*23.4*	*19.1*	*16.4*	*17.3*	*11.3*	
Net Rentals	4.9	3.2	5.1	7.6	5.4	4.3	3.9	4.8	20.8	18.4	4.2	2%
EBITDA	**52.0**	**5.5**	**53.5**	**7.4**	**32.1**	**17.9**	**66.8**	**49.5**	**118.4**	**166.4**	**22.2**	**-19%**
Margin (%)	*25.4*	*2.9*	*22.8*	*3.3*	*13.1*	*7.7*	*22.1*	*17.4*	*13.9*	*15.6*	*9.5*	
Depreciation	25.5	26.3	27.7	28.0	29.5	30.4	30.4	30.5	107.5	120.9	29.5	
Interest	14.0	14.7	15.6	15.7	16.8	17.4	17.4	14.6	60.1	66.2	16.8	
Other Income	10.5	10.5	10.6	13.9	10.4	9.4	9.4	14.0	45.5	43.1	10.4	
PBT Before EO expense	**23.0**	**-25.1**	**20.9**	**-22.4**	**-3.8**	**-20.6**	**28.3**	**18.5**	**-3.7**	**22.4**	**-13.7**	
Tax	1.3	1.0	0.1	1.7	0.0	0.0	0.1	-0.1	4.2	0.0	0.0	
Rate (%)	*5.9*	*-4.0*	*0.6*	*-7.7*	*0.1*	*0.0*	*0.5*	*-0.7*	*-114.3*	*0.0*	*0.0*	
Adjusted PAT	**21.6**	**-26.1**	**17.1**	**-24.8**	**-3.8**	**-20.6**	**28.2**	**18.6**	**-12.2**	**22.4**	**-13.7**	
EPS	**55.9**	**-67.6**	**44.2**	**-64.0**	**-9.9**	**-53.2**	**73.0**	**48.1**	**-31.5**	**58.0**	**-35.5**	
YoY Change (%)	*-20.7*	*164.4*	*-30.0*	*-180.5*	*-117.7*	*-21.4*	*65.0*	*-175.1*	*PL*	*LP*	*-47.5*	
Operational Data												
ASK (b)	42.3	41.2	45.4	43.6	43.5	40.8	46.8	48.3	172.4	179.3	41.6	-2%
YoY Change (%)	*16%*	*8%*	*11%*	*3%*	*3%*	*-1%*	*3%*	*11%*	*10%*	*4%*	*1%*	
Load factor (%)	*84.5*	*82.5*	*84.6*	85.9	*83.2*	*80.4*	*84.6*	86.8	84.4	83.9	*82.5*	-0.0
RPK (b)	35.7	34.0	38.4	37.4	36.2	32.8	39.6	41.9	145.5	150.4	34.3	-5%
YoY Change (%)	*13%*	*8%*	*8%*	*2%*	*1%*	*-4%*	*3%*	*12%*	*7%*	*3%*	*1%*	
Yield (INR/RPK)	4.98	4.69	5.33	5.20	6.04	6.30	6.56	5.80	5.05	6.17	5.91	7%
RASK (Revenue per Available Seat KM)	4.85	4.50	5.17	5.15	5.65	5.73	6.46	5.89	4.93	5.94	5.63	2%
CASK (Cost per Available Seat KM)	4.31	5.11	4.71	5.67	5.74	6.23	5.85	5.50	4.95	5.82	5.96	5%
RASK less CASK	0.54	-0.61	0.46	-0.51	-0.09	-0.50	0.61	0.38	-0.02	0.13	-0.33	
CASK ex-Fuel	2.90	3.64	3.15	4.11	3.22	3.75	3.18	3.04	3.45	3.28	3.51	7%
Fuel Cost	1.40	1.47	1.56	1.56	2.52	2.48	2.68	2.46	1.50	2.54	2.45	1%

Trent

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	TRENT IN
Equity Shares (m)	533
M.Cap.(INRb)/(USDb)	1526 / 16
52-Week Range (INR)	3400 / 2184
1, 6, 12 Rel. Per (%)	8/7/2
12M Avg Val (INR M)	4197

Financials & Valuations Consol (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	243.0	295.4	354.7
EBITDA	47.3	59.8	73.9
NP	22.1	28.3	35.6
EBITDA Margin (%)	19.5	20.3	20.8
Adj. EPS (INR)	41.5	53.2	66.7
EPS Gr. (%)	27.1	28.0	25.5
BV/Sh. (INR)	167.8	215.9	277.6
Ratios			
Net D:E	0.0	-0.2	-0.3
RoE (%)	27.8	27.7	27.0
RoCE (%)	21.3	22.3	22.7
Payout (%)	11.2	9.5	7.6
Valuations			
P/E (x)	68.9	53.8	42.9
EV/EBITDA (x)	32.2	25.2	20.0
EV/Sales (x)	6.3	5.2	4.2
Div. Yield (%)	0.2	0.2	0.2

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	37.0	37.0	37.0
DII	23.3	23.3	20.0
FII	15.3	15.1	16.8
Others	24.4	24.6	26.2

FII includes depository receipts

CMP: INR2,862 TP: INR3,700 (+29%) Buy

LFL growth picks up to mid-single digit; gross margin improvement continues to support profitability

- Trent's revenue growth accelerated to ~22.5% (vs. 18.5% in 1Q), driven by a pick-up in LFL growth to mid-single digit (after several quarters of muted LFLs), likely due to the easing store cannibalization impact in metros/tier 1 towns and improved performance in tier 2+ towns.
- Despite inflationary pressures, the company continues to surprise with ~120bp YoY gross margin expansion, likely driven by rising Westside contribution and improved product offerings.
- 2Q pre-IND AS EBITDA rose ~37% YoY, driven by 150bp margin expansion on account of better gross margin and operating leverage, partly offset by higher employee costs (increase in minimum wages).
- Management continues to prioritize cluster densification strategy and deepening Zudio's market presence in tier 2+ cities. The focus remains on driving profitable growth with strong return metrics and cashflows.
- We raise FY27-29E standalone Pre IND-AS EBITDA by ~3-4%, largely driven by slightly higher growth and operating leverage.
- We now build in a FY26-29E CAGR of ~21%/28%/22% in standalone revenue/Pre-Ind AS EBITDA/Adj. PAT.
- We **reiterate our BUY rating with a revised TP of INR3,700**, premised on 35x Dec'28 pre-IND AS EV/EBITDA for Trent standalone (Westside+Zudio).

Revenue growth acceleration and stronger gross margin drive beat

- 2Q standalone revenue at INR57.9b grew 22.5% YoY (higher than our estimated ~18% YoY), driven by ~26% YoY net area additions as revenue per sq ft fell ~5% YoY (vs. ~10% YoY decline in the previous two quarters).
- Trent's LFL growth for the fashion portfolio was in mid-single digit in 2QFY26 (vs. low-single digit in 1Q).
- Gross profit grew 26% YoY to INR25.8b (6% beat) as gross margin (GM) expanded ~120bp YoY to 44.5% (~70bp ahead).
- Employee cost grew ~36% YoY (11% ahead), likely due to higher minimum wages, while SG&A and other costs rose ~20% YoY.
- Trent's occupancy cost (rentals above EBITDA) grew ~25% YoY, while lease rentals (below EBITDA) rose ~10% YoY, resulting in overall rental growth of ~20% YoY (vs. 22.5%/26% YoY revenue/area growth).
- Reported EBITDA grew 30% YoY to INR10.5b, 7% ahead of our estimate of INR9.9b, with reported EBITDA margin expanding ~100bp YoY to 18.2% (~50bp beat), driven primarily by higher GM, partly offset by employee cost inflation.
- Standalone pre-INDAS EBITDA grew 37% YoY to INR7.9b, with pre-INDAS EBITDA margin of 13.7% (up ~150bp YoY). Standalone Pre-Ind AS EBIT margin stood at 11.6% (up ~110bp YoY).
- Depreciation surged 27% YoY, while interest costs remained contained (2% YoY). Other income declined 71% YoY (one-off boost in 2QFY26).

- Resultantly, PAT grew 9% YoY to INR4.9b (~9% beat), driven largely by higher growth and gross margin, partly offset by lower other income.

30 net stores in 2QFY27; Westside store additions accelerate

- The company added 30 stores in 2QFY27, bringing the total fashion format store count to 1,342 (**up 22% YoY**).
- **Westside** added 10 net stores, taking its overall store count to 311 (+19% YoY).
- **Zudio** witnessed 17 net store openings (19 gross) in 2Q, reaching 999 stores (+24% YoY).
- Trent's other fashion format store count increased by 3 QoQ to 32 (-6% YoY).

Robust 37% YoY pre-IND AS EBITDA growth in 1H; margin up ~170bp YoY

- For 1HFY27, Trent's revenue grew 20.5% YoY to INR115b, driven by 26% YoY net retail area addition though offset by ~6% YoY decline in SPSF.
- Gross profit rose ~24% YoY to INR52.2b, with gross margin expanding ~135bp YoY to 45.6%.
- Reported EBITDA grew 31% YoY to INR21.6b as EBITDA margin improved ~155bp YoY to 18.9%. Pre-IND AS EBITDA rose ~37% YoY to INR16.4b as margin expanded ~170bp YoY to 14.3%.
- Reported PAT grew 17% YoY to INR10.2b as higher EBITDA was partly offset by higher depreciation (+33% YoY) and lower other income (-60% YoY).
- Based on our estimates, the ask-rate for revenue/reported EBITDA/PAT growth in 2H is 23%/25%/9%. 3QFY26 had benefits from Zara stake sale; hence, other income in 2HFY27 is expected to be lower.
- WC days increased to 35 days (vs. 30 days YoY) as inventory days rose to 47 (from 46 YoY) and payables day declined to ~14 (vs. 17 YoY).
- OCF (after interest and leases) fell ~16% YoY as ~34% YoY growth in operating cashflow was offset by WC build-up (INR3.9b vs. release of INR1.7b YoY).
- However, Trent's net capex moderated ~26% YoY to INR6.15b (vs. INR8.4b in 1HFY26), which resulted in a 20% YoY growth in FCF to INR2.8b.

Consolidated performance summary

- Consolidated revenue grew 22% YoY to INR58.7b.
- Reported EBITDA grew 32% YoY to INR10.8b, with ~140bp YoY margin improvement to 18.4%.
  - Operating (pre-IND AS) EBITDA grew ~44% YoY to INR6.5b, with margin expanding ~145bp YoY to 13.4%.
- Reported PAT stood at INR4.7b (up ~25% YoY), as higher EBITDA was partly offset by higher D&A (up 29% YoY) and lower other income (-5% YoY).

Star business: Growth recovers to over 20% YoY

- Revenue (ex-GST) **grew 22%** YoY (vs. 9% QoQ in 1Q)**.**
- Star added one net store in 2QFY27 to reach 87 stores (three net stores in 1H).
- Calculated annualized revenue per sq ft **rose ~5% YoY** to INR26.5k.
- The share of own brands offerings now contributes ~74% to Star's revenue (+100bp YoY).

Highlights from the management commentary

- **Demand trends:** Trent's formats registered healthy consumer traction, despite the festive shift. The consumer sentiment was broadly positive across product offerings, brands, and categories.

- **LFL growth:** Fashion portfolio delivered **mid-single digits in 2QFY27 (vs. low single digit in 1QFY27)**. Management's preferred lens is comparative micro-market revenue growth with strong profitability, return metrics, and cashflows rather than just store-level LFL.
- **RM inflation:** Input cost inflation remains elevated due to volatile geopolitical circumstances, interest rate hikes, and supply chain disruptions. The company-maintained stability in its value proposition through sourcing actions and broader supplier engagements to mitigate the inflationary headwinds.
- 85%+ of new Zudio stores opened in FY26 were in Tier II/III cities and peripheral micro-markets, reflecting an accelerating skew toward smaller markets. The performance in tier 2 and beyond towns is in line with the expectations.
- **Emerging categories:** BPC, innerwear, and footwear continued to contribute 21%+ of revenue. Westside online grew 20% YoY in 1HFY27 and contributed ~6% of Westside revenue.
- Newer brands (Burnt Toast, Samoh), emerging categories, and Zudio Middle East are generally seeing positive traction and improving viability.

Valuation and view

- Despite the festive shift, Trent's LFL growth recovered to mid-single digit as performance in the relatively newer tier 2 and beyond cities improve. Management continues to prioritize cluster-level revenue growth and market share gains across key micro-markets with focus on profitability, RoIC, and operational cashflows instead of just LFL growth.
- Despite persistent input cost inflation and supply chain headwinds, Trent is witnessing consistent margin expansion, supported by sourcing efficiencies, rising contribution from Westside, and operating leverage. Management remains focused on mitigating cost pressures through broader supplier engagement and supply chain interventions while preserving its competitive value proposition.
- We raise FY27-29E standalone Pre IND-AS EBITDA by ~3-4%, largely driven by slightly higher growth and operating leverage. We now build in a FY26-29E CAGR of ~21%/28%/22% in standalone revenue/Pre-Ind AS EBITDA/Adj. PAT.
- We **reiterate our BUY rating with a revised TP of INR3,700** (earlier INR3,400), premised on 35x Dec'28 pre-IND AS EV/EBITDA for Trent standalone (Westside+Zudio).

Standalone - Quarterly Earnings Summary (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Est. Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Revenue	**47,813**	**47,241**	**52,595**	**49,366**	**56,663**	**57,876**	**65,217**	**59,844**	**1,97,014**	**2,39,601**	**55,744**	**3.8**
YoY Change (%)	19.8	17.1	16.0	20.2	18.5	22.5	24.0	21.2	18.2	21.6		
Total Expenditure	39,435	39,108	41,861	40,177	45,557	47,340	51,424	48,798	1,60,581	1,93,119	45,877	3.2
EBITDA	**8,377**	**8,132**	**10,734**	**9,190**	**11,106**	**10,537**	**13,793**	**11,047**	**36,433**	**46,483**	**9,867**	**6.8**
EBITDA Margin (%)	17.5	17.2	20.4	18.6	19.6	18.2	21.2	18.5	18.5	19.4	17.7	2.9
Depreciation	2,839	3,153	3,545	3,621	3,938	4,010	4,251	4,688	13,157	16,886	4,174	-3.9
Interest	395	413	424	415	451	419	440	488	1,647	1,798	429	-2.3
Other Income	409	1,192	1,533	611	302	342	332	616	3,745	1,591	604	-43.4
PBT before EO expense	**5,552**	**5,759**	**8,298**	**5,765**	**7,018**	**6,449**	**9,435**	**6,488**	**25,373**	**29,390**	**5,867**	**9.9**
Extra-Ord expense	-	-	(258)	-	-	-	-	-	(258)	-	-	
PBT	**5,552**	**5,759**	**8,040**	**5,765**	**7,018**	**6,449**	**9,435**	**6,488**	**25,115**	**29,390**	**5,867**	**9.9**
Tax	1,326	1,251	1,643	1,217	1,701	1,552	2,264	1,536	5,437	7,054	1,379	**12.6**
Reported PAT	**4,226**	**4,508**	**6,397**	**4,548**	**5,318**	**4,897**	**7,170**	**4,952**	**19,678**	**22,336**	**4,488**	**9.1**
Adj. PAT	**4,226**	**4,508**	**6,602**	**4,548**	**5,318**	**4,897**	**7,170**	**4,952**	**19,883**	**22,336**	**4,488**	**9.1**
YoY Change (%)	23.5	6.5	40.7	30.0	25.8	8.6	8.6	8.9	25.3	12.4		

E: MOFSL Estimates

Pidilite Industries

Estimate changes	⇔
TP change	⇓
Rating change	⇔

Bloomberg	PIDI IN
Equity Shares (m)	1019
M.Cap.(INRb)/(USDb)	1448.4 / 15.2
52-Week Range (INR)	1708 / 1259
1, 6, 12 Rel. Per (%)	-4/7/6
12M Avg Val (INR M)	1309

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	146.0	177.4	197.6
Sales Gr. (%)	11.1	21.5	11.4
EBITDA	35.7	40.4	47.0
EBITDA Margin (%)	24.5	22.8	23.8
Adj. PAT	25.1	29.0	34.0
Adj. EPS (INR)	24.7	28.5	33.4
EPS Gr. (%)	19.6	15.3	17.4
BV/Sh.(INR)	106.4	121.3	138.8
Ratios			
RoE (%)	24.4	25.0	25.7
RoCE (%)	22.8	23.5	24.2
Payout (%)	97.2	47.7	47.7
Valuations			
P/E (x)	57.5	49.9	42.5
P/BV (x)	13.4	11.7	10.2
EV/EBITDA (x)	39.3	34.8	29.4
Div. Yield (%)	1.7	1.0	1.1

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	69.2	69.2	69.3
DII	9.2	9.9	9.1
FII	12.4	11.7	12.2
Others	9.2	9.2	9.4

FII includes depository receipts

CMP: INR1,422 TP: INR1,550 (+9%) Neutral

Volume trends stable; muted near-term earnings outlook

- Pidilite Industries (PIDI) reported consolidated revenue growth of 21% YoY in 2QFY27. Standalone revenue grew 22% YoY, led by 11% underlying volume growth (est. 13%). In the Consumer & Bazaar (C&B) business, value/volume growth was 21%/11% YoY. B2B segment saw 20% value growth and 9% volume growth. Demand remained resilient across rural and urban markets, with urban demand marginally outpacing rural growth this quarter, reversing the trend seen over the past few quarters.
- Gross margin (GM) contracted 650bp YoY to 48.6%, due to higher RM prices. Amid the West Asia conflict, VAM prices increased to USD1,630/ton (nearly doubled YoY) in 2QFY27 vs. USD1,370/ton in 1QFY27. Currently, VAM prices stood at USD1,200/ton. To mitigate the same, PIDI is taking a calibrated price hike (12-15% price hike in 1Q) across products, with a 3-5% hike in Oct'26. Further pricing actions will be calibrated based on demand conditions, competitive intensity and input cost movements.
- EBITDA margin declined 350bp YoY to 20.4% (vs. est. 22.5%). EBITDA saw just 3% YoY growth (vs. est. 13%), reflecting significant input cost pressure. EBITDA margin would remain in the range of 20-24% (toward higher end) in 2HFY27, with little better support from pricing.
- PIDI's volume growth delivery is encouraging (11% average volume growth in the last six quarters) despite challenges. Cost inflation sensitivity is high, thereby EBITDA growth performance is expected to be muted (base is heavy with 25% EBITDA growth in previous three quarters). Given limited upside, we reiterate our Neutral rating with a TP of INR1,550 (45x Sep'28E EPS).

In-line revenue; drag on margins

- **Consistent double-digit volume growth:** Consol. sales grew by a strong 21% YoY to INR43.0b (est. INR42.7b). UVG remained strong at 11% (est. 13%, 11% in 1QFY27). UVG was 11% for C&B businesses and 9% for B2B businesses.
- **C&B EBIT up 5%**: C&B segment revenue rose 21% YoY to INR34.2b (in line), EBIT grew by 5% YoY to INR9b (est. INR9.9b), and EBIT margins contracted by 390bp YoY to 26.3%.
- **B2B EBIT down 1%:** B2B segment revenue grew 20% YoY to INR9.1b (est. INR8.8b), EBIT fell 1% to INR1.1b (est. INR1.4b), and EBIT margins contracted by 270bp YoY to 12.5%.
- **Contraction in margins –** GM contracted by 650bp YoY to 48.6% (est. 51.4%), impacted by the West Asia crisis. Employee expenses rose 9% YoY and other expenses increased by 10% YoY. EBITDA margin contracted by 350bp YoY and 600bp QoQ to 20.4% in 2QFY27 (est. 22.5%).
- **Miss on profitability:** EBITDA was up by 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%.

Highlights from the management commentary

- Management expects double-digit UVG to remain sustainable if India's real GDP growth stays in the 6.5-7% range. Demand-generation initiatives, an expanding portfolio and construction chemicals growth are expected to support further improvement in volume growth.
- Pidilite implemented price increases of around 12-15% in categories facing high input cost inflation, largely in two staggered phases during 1QFY27. In Oct'26, it initiated a further 3-5% price increase in select high-inflation categories.
- Management aims to gradually increase UVG from the current double-digit level toward the early teens in the medium term. UVG has improved steadily in the past three to four years, with annual increases of around 60-100bp.
- VAM prices, which remained at USD800-900/ton through FY26, surged to nearly USD2,000/ton following the West Asia conflict, before cooling to around USD900-1,000/ton in early 2QFY27 and subsequently rising to around USD1,200/ton.

Valuations and view

- We largely maintain our EPS estimates for FY27 and FY28.
- PIDI's volume growth trajectory is encouraging, especially amid a challenging demand environment. PIDI stands out for its market-leading position in the adhesives market, along with a strong brand and a solid balance sheet.
- Operating margins could moderate in FY27 from the elevated level of over 24% in FY26, due to rising input cost inflation. We model 16% revenue and 15% EBITDA CAGR over FY26-28E.
- Given the limited upside, we reiterate our Neutral rating on the stock with a TP of INR1,550 (45x Sep'28E EPS).

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

Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Volume growth (%)	**9.9**	**10.3**	**9.3**	**15.3**	**11.3**	**10.7**	**17.5**	**16.0**	**11.2**	**13.9**	**13.4**	
Net Sales	**37,531**	**35,544**	**37,099**	**35,834**	**45,516**	**42,976**	**46,003**	**43,563**	**1,46,008**	**1,77,388**	**42,654**	0.8
YoY change (%)	10.5	9.9	10.1	14.1	21.3	20.9	24.0	21.6	11.1	21.5	20.0	
Gross Profit	**20,314**	**19,563**	**20,961**	**20,281**	**24,334**	**20,867**	**23,921**	**22,969**	**81,118**	**92,092**	**21,924**	-4.8
Margin (%)	54.1	55.0	56.5	56.6	53.5	48.6	52.0	52.7	55.6	51.9	51.4	
EBITDA	**9,410**	**8,507**	**9,468**	**8,329**	**11,939**	**8,775**	**10,433**	**9,279**	**35,713**	**40,379**	**9,614**	-8.7
YoY change (%)	15.8	10.7	18.6	31.7	26.9	3.1	10.2	11.4	18.5	13.1	13.0	
Margins (%)	25.1	23.9	25.5	23.2	26.2	20.4	22.7	21.3	24.5	22.8	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	135	151	542	547	140	
Other Income	857	502	655	648	920	646	880	855	2,662	3,250	750	
PBT	**9,162**	**7,877**	**8,980**	**7,867**	**11,753**	**8,293**	**10,128**	**8,925**	**33,886**	**39,001**	**9,224**	-10.1
Tax	2,383	2,027	2,159	1,925	3,085	2,078	2,532	2,056	8,495	9,750	2,306	
Rate (%)	26.0	25.7	24.0	24.5	26.2	25.1	25.0	23.0	25.6	24.9	25.0	
Reported PAT	**6,724**	**5,792**	**6,180**	**5,793**	**8,724**	**6,145**	**7,541**	**6,819**	**24,489**	**29,132**	**6,863**	-10.5
Adj PAT	**6,724**	**5,792**	**6,761**	**5,873**	**8,580**	**6,145**	**7,541**	**6,819**	**25,149**	**28,988**	**6,863**	-10.5
YoY change (%)	18.6	8.4	22.4	31.3	27.6	6.1	11.5	16.1	19.7	15.3	18.5	
Margins (%)	17.9	16.3	18.2	16.4	18.9	14.3	16.4	15.7	17.2	16.3	16.1	

E: MOSL Estimates

Laurus Labs

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	LAURUS IN
Equity Shares (m)	540
M.Cap.(INRb)/(USDb)	1212.5 / 12.7
52-Week Range (INR)	2245 / 913
1, 6, 12 Rel. Per (%)	12/108/145
12M Avg Val (INR M)	2999

Financials & valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	68.1	87.7	103.6
EBITDA	18.0	28.5	33.2
Adj. PAT	9.0	16.1	19.0
EBIT Margin (%)	19.4	26.3	25.8
Cons. Adj. EPS (INR)	16.8	30.0	35.2
EPS Gr. (%)	189.4	78.4	17.5
BV/Sh. (INR)	100.8	126.1	155.8
Ratios			
Net D:E	0.4	0.4	0.2
RoE (%)	18.0	26.4	25.0
RoCE (%)	13.5	19.4	18.9
Payout (%)	15.6	15.6	15.6
Valuations			
P/E (x)	133.7	74.9	63.7
EV/EBITDA (x)	68.6	43.5	37.1
Div. Yield (%)	0.1	0.2	0.2
FCF Yield (%)	1.0	-0.3	2.0
EV/Sales (x)	18.1	14.1	11.9

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	27.5	27.5	27.6
DII	11.9	13.7	11.7
FII	30.8	28.0	26.2
Others	29.8	30.8	34.5

FII includes depository receipts

CMP: INR2,244 TP: INR2,830 (+26%) Buy

Beats estimates; CDMO keeps raising the bar

Strong CDMO pipeline and peptides lift estimates ~30%

- LAURUS delivered slightly better-than-expected revenue in 2QFY27, though EBITDA/PAT significantly beat our estimates by 22%/38%. A favorable segmental mix and currency benefits boosted margins for the quarter.
- Laurus continues to break its earlier quarterly record in CDMO segment, backed by late-stage clinical projects, commercial API supplies and scale-up of new assets.
- Particularly, in Peptide segment, Laurus has operationalized a large-scale manufacturing facility ahead of schedule. It is also capturing the entire value chain in terms of pre-clinical to commercial supplies (comprising multiple steps of manufacturing followed by purification and isolation).
- Laurus continues to work on launching new products, adding new markets and sustaining efficient supply chain management despite global political turmoil.
- We raise our earnings estimates by 28%/30% for FY27/FY28, factoring in a) the scale-up of its CDMO segment, including peptide manufacturing, b) a steady uptick in affordable medicine supply, and 3) a better segmental mix. Considering the demand outlook, LAURUS' readiness to meet large innovator customer needs and improved return ratios, we value LAURUS at 74x 12-month forward earnings to arrive at a TP of INR2,830. Reiterate BUY.

Strong mix and operating leverage boost profitability

- 2Q revenue grew 33.4% YoY to INR22.1b (our est. INR21.1b), driven by robust CDMO growth and stable affordable medicine business (led by FDF).
- Gross margin (GM) expanded by 315bp YoY to 63% due to a better divisional mix.
- EBITDA margin expanded by ~960bp YoY to 34% (our est: 29.1%). Other expenses/staff costs decreased 550bp/100bp YoY.
- EBITDA grew 86% YoY to INR7.5b (our est. INR6.1b).
- Adj PAT grew 128% YoY to INR4.4b (our est: INR3.2b).
- For 1HFY27, revenue/EBITDA/PAT grew 31%/77%/128% YoY to INR42b/ INR13.9b/INR8.1b.

CDMO/FDF lead the growth pack

- Synthesis business (40% of sales, small molecules) rose 86% YoY to INR8.7b.
- FDF sales grew 31% YoY to INR6.8b (31% of sales).
- API sales (28% of sales) grew 1% YoY to INR6.3b.
- Bio division sales (1% of sales) fell 39% YoY to INR290m.

Highlights from the management commentary

- CDMO business has no significant customer inventory build-up or anticipated de-stocking event from its customers.
- Peptide commercial revenue is expected around CY29, reflecting the regulatory validation and approval timelines; existing programs are at various stages of development, scale-up and validation.

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- The peptide validation batch size is almost similar to commercial batch size for the contracts with LAURUS.
- Peptide resin contributes ~10-20% of peptide raw material costs, depending on fragment length.
- LAURUS expects to participate meaningfully in the GLP-1 peptide opportunity over the next five years, supported by its planned capacity and capabilities.
- Laurus Bio's LB4 facility is expected to be qualified in 3QFY27, followed by trials in 4QFY27; commercial supplies may begin in 1QFY28.
- The KRKA formulation facility remains on track, with Phase 1 production blocks and validation batches expected to commence in mid-2027; meaningful revenue contribution is expected from FY28/FY29 onwards

Consolidated- Quarterly Earning Model

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	vs Est
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	(%)
Net Sales	**15,696**	**16,535**	**17,783**	**18,116**	**20,263**	**22,064**	**22,185**	**23,160**	**68,129**	**87,673**	**21,139**	**4.4**
YoY Change (%)	31.4	35.1	25.7	5.3	29.1	33.4	24.8	27.8	22.7	28.7	27.8	
EBITDA	**3,821**	**4,033**	**4,885**	**5,247**	**6,383**	**7,503**	**7,166**	**7,411**	**17,986**	**28,463**	**6,152**	**22.0**
YoY Change (%)	123.2	126.1	71.3	24.8	67.0	86.1	46.7	41.2	70.4	58.2	52.5	
Margins (%)	24.3	24.4	27.5	29.0	31.5	34.0	32.3	32.0	26.4	32.5	29.1	
Depreciation	1,168	1,205	1,206	1,221	1,239	1,274	1,425	1,487	4,801	5,424	1,425	
Interest	515	400	388	404	422	441	466	466	1,707	1,795	466	
Other Income	104	270	58	118	92	130	77	77	550	375	73	
PBT before EO expense	**2,242**	**2,697**	**3,349**	**3,740**	**4,814**	**5,918**	**5,352**	**5,535**	**12,028**	**21,618**	**4,333**	
Extra-Ord expense	0	0	83	126	0	0	0	0	209	0	0	
PBT	**2,242**	**2,697**	**3,266**	**3,614**	**4,814**	**5,918**	**5,352**	**5,535**	**11,819**	**21,618**	**4,333**	
Tax	631	760	735	795	1,194	1,551	1,365	1,411	2,920	5,521	1,105	
Rate (%)	28.2	28.2	22.5	22.0	24.8	26.2	25.5	25.5	24.7	25.5	25.5	
Minority Interest & P/L of Asso. Cos.	7	-3	10	28	-56	-47	30	30	-1	-44	30	
Reported PAT	**1,603**	**1,940**	**2,521**	**2,791**	**3,676**	**4,415**	**3,957**	**4,093**	**8,899**	**16,141**	**3,198**	
Adj PAT	**1,603**	**1,940**	**2,585**	**2,890**	**3,676**	**4,415**	**3,957**	**4,093**	**9,019**	**16,141**	**3,198**	**38.0**
YoY Change (%)	1,164.5	877.9	180.1	53.9	129.3	127.6	53.1	41.6	188.5	79.0	64.8	
Margins (%)	10.2	11.7	14.5	16.0	18.1	20.0	17.8	17.7	13.2	18.4	15.1	

KPIs - Consolidated	FY26				FY27E				FY26	FY27E	FY27
INRb	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2Q
API	6.4	6.2	7.2	7.7	6.5	6.3	7.1	7.7	27.5	27.6	7.3
YoY Change (%)	(4.1)	10.8	35.6	12.5	2.7	1.3	(0.9)	(0.1)	22.7	28.7	18.6
Custom Synthesis	4.9	4.7	4.1	5.2	8.4	8.8	8.6	8.4	19.0	34.1	7.9
YoY Change (%)	130.4	57.5	2.0	13.7	69.4	85.8	110.0	60.0	38.0	79.6	68.0
Formulation	4.1	5.2	6.1	4.5	5.0	6.8	6.1	6.5	19.9	24.4	5.3
YoY Change (%)	50.0	57.9	39.2	(17.1)	22.1	30.7	0.0	45.1	25.6	22.8	3.1
Cost Break-up											
RM Cost (% of Sales)	40.6	40.1	39.1	38.6	37.3	37.0	37.2	37.3	39.6	37.2	38.5
Staff Cost (% of Sales)	13.7	13.0	12.4	12.3	12.8	12.0	12.5	12.2	12.8	12.4	13.0
R&D Expenses(% of Sales)	4.1	3.9	3.9	3.6	4.1	2.9	3.1	2.8	2.5	1.9	3.1
Other Cost (% of Sales)	21.4	22.5	21.0	20.1	18.4	17.0	18.0	18.5	21.2	18.0	19.4
Gross Margins(%)	59.4	59.9	60.9	61.4	62.7	63.0	62.8	62.7	60.4	62.8	61.5
EBITDA Margins(%)	24.3	24.4	27.5	29.0	31.5	34.0	32.3	32.0	26.4	32.5	29.1
EBIT Margins(%)	16.9	17.1	20.7	22.2	25.4	28.2	25.9	25.6	19.4	26.3	22.4

Hero MotoCorp

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	HMCL IN
Equity Shares (m)	200
M.Cap.(INRb)/(USDb)	1021.8 / 10.7
52-Week Range (INR)	6390 / 4672
1, 6, 12 Rel. Per (%)	-3/5/4
12M Avg Val (INR M)	3558

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	468.3	569.3	594.5
EBITDA	68.7	76.3	81.3
Adj. PAT	53.6	60.7	64.7
Adj. EPS (INR)	267.8	303.1	323.2
EPS Gr. (%)	16.3	13.2	6.7
BV/Sh. (INR)	1,078	1,181	1,269
Ratios			
RoE (%)	25.9	26.8	26.4
RoCE (%)	25.3	26.2	25.8
Payout (%)	69.1	66.0	72.7
Valuations			
P/E (x)	19.1	16.9	15.8
P/BV (x)	4.7	4.3	4.0
Div. Yield (%)	3.6	3.9	4.6
FCF Yield (%)	7.3	5.5	6.2

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	34.7	34.7	34.7
DII	24.0	24.4	26.4
FII	32.2	31.1	28.8
Others	9.1	9.8	10.1

FII includes depository receipts

CMP: INR5,105 TP: INR6,100 (+19%) Buy

Stable margins amid cost pressures

Festive season to see a mid to high single digit growth, led by EV

- Hero MotoCorp's (HMCL) 2QFY27 earnings came in line with our exp, growing 4.6% YoY to INR14.6b, despite a 50bp beat on EBITDA margins due to better EV profitability, operating leverage and overall cost savings effort.
- HMCL has further consolidated its leadership position in the 100cc segment. The ongoing positive rural sentiment bodes well for stable demand momentum for HMCL. Further, it is delivering a steady outperformance in scooters, both EV and ICE. Exports have also started outperforming, albeit over a low base. Due to better than expected margin performance in 2Q and incremental benefits of PLI flowing through from 3Q, we increase our earnings estimate by 8%/6% for FY27/FY28 respectively. We project a CAGR of ~13%/9%/10% in revenue/EBITDA/PAT over FY26-28. We reiterate our BUY rating with a TP of INR6,100 (based on 18x FY28E core EPS + INR89 for Hero FinCorp after a 20% holdco discount + INR298 for Ather after a 30% holdco discount).

Earnings in line with expectations

- Net revenue grew 21.1% YoY to ~INR147b, broadly in line with our expectations. Growth was led by 10.5% YoY growth in volumes and 9.6% YoY growth in realizations to INR78.6k per unit, supported by pricing actions and a favorable mix.
- Part, Accessories, and Merchandising business grew 27% YoY to INR19.41b.
- EBITDA margin was down 160bp YoY to 13.4% but still beat our exp, as commodity inflation was offset by operating leverage and cost savings.
- EBITDA rose 7.9% YoY to INR19.7b, beating our estimate of INR18.5b.
- However, due to lower-than-expected other income and higher depreciation, PAT came in line with our expectations, growing 4.6% YoY to INR14.6b.
- CFO as of 1HFY27 stood at INR32.4b, while free cash came in at a positive INR25.5b.

Highlights from the management commentary

- Management expects the 2W industry to deliver mid-to-high single-digit growth during the festive period, with ICE growth in the low single digits and EVs supporting overall industry growth. Rural demand remains resilient, supported by sowing levels broadly comparable with the previous year and improving festive sentiment.
- HMCL will continue prioritizing growth and market share expansion, with investments focused on scooters, EVs, premium motorcycles, and underpenetrated export markets.

- Capacity additions across ICE scooters and EVs, alongside broader retail distribution, are expected to support volume growth. Export wholesale growth is also expected to return to double digits in 3QFY27 and 4QFY27.
- Further launches across Xtreme, Xpulse, Karizma, and Harley-Davidson, together with Premier dealership expansion, are expected to strengthen HMCL's presence in higher-growth premium segments.
- Despite near-term commodity headwinds, management expects stable 3Q margins and a gradual return to the 14-16% EBITDA margin corridor over the next few quarters, supported by pricing, cost savings, premiumization, and improving EV unit economics.

Valuation and view

HMCL has further consolidated its leadership position in the 100cc segment. The ongoing positive rural sentiment bodes well for stable demand momentum for HMCL. Further, it is delivering a steady outperformance in scooters, both EV and ICE. Exports have also started outperforming, albeit over a low base. We project a CAGR of ~13%/9%/10% in revenue/EBITDA/PAT over FY26-28. We reiterate our BUY rating with a TP of INR6,100 (based on 18x FY28E core EPS + INR89 for Hero FinCorp after a 20% holdco discount + INR298 for Ather after a 30% holdco discount).

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	1,833	1,817	6,469	7,195	1,367	1,691
Growth YoY (%)	-10.9	11.3	15.9	24.2	22.7	10.5	8.0	6.0	9.7	11.2	-10.9	11.3
Net Realization	70,069	71,724	72,658	74,646	77,498	78,615	79,923	80,356	72,394	79,128	70,069	71,724
Growth YoY (%)	6.0	4.2	4.2	3.7	10.6	9.6	10.0	7.6	4.8	9.3	6.0	4.2
Net Op Revenues	**95,789**	**1,21,264**	**1,23,284**	**1,27,965**	**1,29,988**	**1,46,874**	**1,46,461**	**1,46,019**	**4,68,301**	**5,69,343**	**95,789**	**1,21,264**
Growth YoY (%)	-5.6	15.9	20.7	28.8	35.7	21.1	18.8	14.1	14.9	21.6	-5.6	15.9
RM Cost (% sales)	66.7	66.7	67.4	68.5	71.5	71.8	71.7	69.9	67.4	71.2	66.7	66.7
Staff Cost (% sales)	6.5	5.8	5.7	5.3	5.4	5.0	5.1	5.3	5.8	5.2	6.5	5.8
Other Exp (% sales)	12.3	12.5	12.2	11.7	9.9	9.8	9.8	11.4	12.1	10.2	12.3	12.5
EBITDA	**13,817**	**18,234**	**18,101**	**18,556**	**17,266**	**19,676**	**19,623**	**19,750**	**68,708**	**76,315**	**13,817**	**18,234**
EBITDA Margins (%)	14.4	15.0	14.7	14.5	13.3	13.4	13.4	13.5	14.7	13.4	14.4	15.0
Change (%)	-5.3	20.3	22.6	31.1	25.0	7.9	8.4	6.4	17.1	11.1	-5.3	20.3
Other Income	3,037	2,328	2,959	2,086	4,409	1,938	3,000	3,589	10,410	12,936	3,037	2,328
Interest	56	57	60	55	63	61	50	56	228	230	56	57
Depreciation	1,928	1,970	2,044	2,039	2,053	2,163	2,150	2,165	7,980	8,531	1,928	1,970
PBT before EO Exp/(Inc)	**14,870**	**18,537**	**18,955**	**18,548**	**19,559**	**19,390**	**20,423**	**21,118**	**70,910**	**80,490**	**14,870**	**18,537**
Effective Tax Rate (%)	24.3	24.9	24.1	24.5	25.6	24.9	24.5	23.6	24.4	24.6	24.3	24.9
Adj. PAT	**11,257**	**13,928**	**14,385**	**14,011**	**14,545**	**14,562**	**15,419**	**16,145**	**53,581**	**60,671**	**11,257**	**13,928**
Growth (%)	0.3	15.7	19.6	29.6	29.2	4.6	7.2	15.2	16.2	13.2	0.3	15.7

United Spirits

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	UNITDSPR IN
Equity Shares (m)	727
M.Cap.(INRb)/(USDb)	937.9 / 9.8
52-Week Range (INR)	1576 / 1210
1, 6, 12 Rel. Per (%)	-6/0/5
12M Avg Val (INR M)	1455

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	135.4	148.1	162.8
Sales Gr. (%)	8.7	9.4	9.9
EBITDA	25.2	28.7	32.2
Margin (%)	18.7	19.4	19.8
PAT	18.1	20.3	23.0
EPS (INR)	24.9	28.0	31.6
EPS Gr. (%)	6.8	12.1	12.9
BV/Sh.(INR)	145.8	173.7	205.3
Ratios			
RoE (%)	17.1	16.1	15.4
RoCE (%)	20.1	18.7	17.7
Payout (%)	64.1	64.4	63.3
Valuations			
P/E (x)	49.3	43.9	38.9
P/BV (x)	8.4	7.1	6.0
EV/EBITDA (x)	33.4	28.9	25.2

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	56.7	56.7	56.7
DII	17.7	17.2	14.9
FII	12.8	12.9	14.4
Others	12.8	13.3	14.0

FII includes depository receipts

CMP: INR1,290 TP: INR1,375 (+7%) Neutral

Lackluster performance; P&A recovery hinges on 2HFY27

- United Spirits (UNSP) registered 3% YoY revenue growth to INR32.6b in 2QFY27 (est. INR33.7b). Volumes contracted by 5% YoY (est. flat; 2QFY26 at +8%, 1QFY27 at -3%). Prestige & Above (P&A) revenue growth stood at 6.3% YoY on a high base of 14%, while volume was down 1% (est. +3.5%). Premiumization, led by luxury and white spirits, including the J&B Scotch relaunch and Smirnoff innovations, supported value growth. The popular segment's revenue contracted sharply by 23% YoY, with volumes contracting ~30% to 1.6m cases. Maharashtra and Karnataka's excise policy changes continue to affect the popular portfolio.
- Gross margin expanded 90bp YoY to 48% (est. 46.4%), supported by favourable mix, productivity gains and the India-UK FTA benefits, partly offset by RM cost pressures. Management quantified the RM cost impact at ~INR500m in 2Q. The UK FTA benefits are likely to support GM, but ENA inflation could offset part of the gains. A&P spending rose 57% YoY ahead of the festive season, absorbing the GM gains. Consequently, EBITDA declined 4% YoY to INR6.4b (in line), with margin contracting 130bp to 19.7%. Management expects gross margin to hold in the near term. We model an EBITDA margin of 19-20% for FY27-FY28.
- Management reiterated its double-digit P&A growth aspiration for FY27. MML anniversarization from 3Q is expected to add 2-3% to P&A growth, taking it to ~9.5%; McDowell's and innovation are expected to bridge the gap. Smirnoff is on track to exceed INR10b in FY27 NSV, while J&B and Smirnoff Ice RTD provide further growth avenues going forward. The RCB transaction is expected to close by mid-December. We model a revenue and EBITDA CAGR of 9% and 12% over FY26-29E, respectively. **We reiterate our Neutral rating with a TP of INR1,375.**

Soft quarter; high A&P spending drags EBITDA

- **Weak volumes weighed on revenue growth**: Standalone net sales grew 3% YoY to INR32.6b (est. INR33.7b) in 2QFY27. P&A revenue (accounting for 94% of the revenue mix) was up 6.3% YoY on a high base of 14% growth, while popular revenue declined by 22.6% YoY. Total volume declined 5% (est. flat YoY, +7.7% in 2QFY26).
- **Soft P&A growth continues**: P&A volume fell 1% YoY (est. +3.5% YoY, +11.5% in 2QFY26) to 14.1m cases, while popular volume contracted by ~30% YoY (est. -20% YoY, -11.6% in 2QFY26) to 1.6m cases. Popular volumes remained under pressure from MML in Maharashtra and excise slab changes in Karnataka, which also weighed on realizations. P&A growth was supported by Smirnoff local flavor innovations, the J&B Scotch relaunch and the luxury portfolio, partly offset by adverse policy changes in Maharashtra.

- **High A&P spending weighs on margin:** Gross margin expanded 90bp YoY to 48% (est. 46.4%; 47.1% in 2QFY26), driven by better product mix and productivity gains, partially offset by the continued impact from the West Asia crisis. A&P spending rose 57% YoY, while other expenses and employee expenses declined 5% and 15%, respectively. EBITDA margin contracted 130bp YoY to 19.7% (est. 19.3%, 21% in 2QFY26).
- **Profitability declined YoY:** EBITDA declined by 4% YoY to INR6.4b (est. INR6.5b), impacted by proactive A&P spending ahead of the festive season. PBT declined by 7% YoY to INR6.1b (est. INR6.2b), while APAT declined by 7% YoY to INR4.5b (est. INR4.7b).
- In 1HFY27, UNSP's net sales and APAT grew 4% and 1% YoY, respectively, while EBITDA declined 1% YoY.

Highlights from the management commentary

- Consumer sentiment remained soft due to the prolonged West Asia crisis, a weaker monsoon, and inflation. The pressure is concentrated at the bottom end (India 1, the lower half of IMFL), while the rest of the segments are holding up. Rural markets have not yet felt the monsoon impact, and management remains optimistic about the India consumption story.
- Ex-Maharashtra, 1HFY27 growth was ~10.5%, while Karnataka P&A volumes and value grew ~30% in 2Q.
- The McDowell's No.1 renovation (liquid, glass and PET packaging, communication) has reached 80-85% of salient markets, with a mixed national response.
- The West Asia impact was ~INR500m across glass, energy, packaging and logistics, and is now treated as business as usual.
- ENA was deflationary in 1Q but is turning inflationary amid El Niño concerns, and management expects the full FTA benefit to offset the rise; hence, gross margin should hold sequentially in the next quarter.

Valuation and view

- We broadly maintain our EPS estimates for FY27-FY28.
- Management reiterated its double-digit P&A growth aspiration for FY27. MML anniversarization from 3Q is expected to add 2-3% to P&A growth, taking it to ~9.5%; McDowell's and innovation are expected to bridge the gap to the ~12% run-rate targeted for 2HFY27. Smirnoff is on track to exceed INR10b in FY27 NSV, while J&B and Smirnoff Ice RTD provide further growth avenues going forward.
- Key monitorables include McDowell's renovation acceptance, normalization of the Maharashtra base, benefits from Karnataka policy changes (6–7% of revenue), gradual gains from the India-UK FTA, and continued momentum in the P&A portfolio. The RCB transaction is expected to close by mid-December.
- We model a revenue and EBITDA CAGR of 9% and 12% over FY26-29E, respectively. **We reiterate our Neutral rating with a TP of INR1,375.**

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**	**5.4**	**8.6**	**1.5**	**1.5**	**-0.3**	
Total revenues	**25,490**	**31,700**	**36,830**	**30,460**	**27,030**	**32,580**	**41,133**	**34,620**	**1,24,480**	**1,35,363**	**33,712**	**-3.4%**
YoY change (%)	8.4	11.5	7.3	3.4	6.0	2.8	11.7	13.7	7.6	8.7	6.3	
Gross Profit	**11,210**	**14,930**	**17,280**	**14,400**	**12,460**	**15,630**	**19,620**	**16,587**	**57,820**	**64,297**	**15,642**	**-0.1%**
Margin (%)	44.0	47.1	46.9	47.3	46.1	48.0	47.7	47.9	46.4	47.5	46.4	
Total Exp	21,340	24,980	30,650	24,550	22,710	26,150	33,840	27,418	1,01,520	1,10,118	27,206	
EBITDA	**4,150**	**6,720**	**6,180**	**5,910**	**4,320**	**6,430**	**7,293**	**7,202**	**22,960**	**25,245**	**6,506**	**-1.2%**
Margins (%)	16.3	21.2	16.8	19.4	16.0	19.7	17.7	20.8	18.4	18.7	19.3	
EBITDA growth (%)	-9.4	32.5	5.1	17.0	4.1	-4.3	18.0	21.9	11.6	10.0	-3.2	
Depreciation	680	650	790	710	700	740	765	773	2,830	2,978	735	
Interest	490	210	190	250	300	240	310	370	1,140	1,220	300	
Other income	610	760	510	760	720	640	600	680	2,640	2,640	750	
PBT	**3,590**	**6,620**	**5,710**	**5,710**	**4,040**	**6,090**	**6,818**	**6,739**	**21,630**	**23,687**	**6,221**	**-2.1%**
Tax	900	1,600	1,250	1,350	820	1,580	1,739	1,665	5,100	5,803	1,555	
Rate (%)	25.1	24.2	21.9	23.6	20.3	25.9	25.5	24.7	23.6	24.5	25.0	
Adj. PAT	**2,963**	**4,945**	**4,668**	**4,360**	**3,393**	**4,538**	**5,079**	**5,074**	**16,935**	**18,084**	**4,666**	**-2.7%**
YoY change (%)	-0.9	47.6	11.0	16.3	14.5	-8.2	8.8	16.4	18.5	6.8	-5.6	
Reported PAT	**2,580**	**4,720**	**5,290**	**5,710**	**3,910**	**4,620**	**5,079**	**5,074**	**18,300**	**18,684**	**4,665.8**	

E: MOSL Estimate

Volume and revenue growth in P&A and Popular categories

Particulars	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Volumes (m Cases)									
- P&A	12.9	14.9	13.6	12.6	14.4	14.6	13.1	12.4	14.2
- Popular	2.5	3.2	3.1	2.4	2.2	2.9	2.6	2.1	1.6
Total volume	**15.4**	**18.2**	**16.7**	**15.0**	**16.6**	**17.6**	**15.7**	**14.5**	**15.8**
Change YoY (%)									
- P&A	-4%	11%	9%	9%	12%	-2%	-3%	-1%	-1%
- Popular	-8%	6%	-2%	12%	-12%	-9%	-16%	-14%	-30%
Total	**-4%**	**10%**	**7%**	**9%**	**8%**	**-3%**	**-6%**	**-3%**	**-5%**
Segment Revenues (INR m)	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26**	**3QFY26**	**4QFY26**	**4QFY26**	**4QFY26**
- P&A	25,270	30,630	26,160	22,510	28,840	33,160	27,450	24,780	30,650
- Popular	2,550	3,340	3,120	2,500	2,340	3,180	2,710	2,060	1,810
Net Revenue	**27,820**	**33,970**	**29,280**	**25,010**	**31,180**	**36,340**	**30,160**	**26,840**	**32,460**
Other operating rev (INR m)	610	350	180	480	520	490	300	190	120
Total Revenue	**28,430**	**34,320**	**29,460**	**25,490**	**31,700**	**36,830**	**30,460**	**27,030**	**32,580**
Change YoY (%)									
- P&A	0%	16%	13%	9%	14%	8%	5%	10%	6%
- Popular	-7%	10%	1%	14%	-8%	-5%	-13%	-18%	-23%
Net revenue (%)	**0%**	**15%**	**12%**	**9%**	**12%**	**7%**	**3%**	**7%**	**4%**
Total revenue (%)	**-1%**	**15%**	**11%**	**8%**	**12%**	**7%**	**3%**	**6%**	**3%**

Ambuja Cements

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	ACEM IN
Equity Shares (m)	2485
M.Cap.(INRb)/(USDb)	881.4 / 9.3
52-Week Range (INR)	589 / 341
1, 6, 12 Rel. Per (%)	-4/-17/-26
12M Avg Val (INR M)	1238
Free float (%)	32.7

Consol. Financial Snapshot (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	406.6	401.2	431.9
EBITDA	65.4	62.0	78.9
Adj. PAT	19.6	16.4	21.5
EBITDA Margin (%)	16.1	15.4	18.3
Adj. EPS (INR)	7.9	6.7	8.7
EPS Gr. (%)	-3.6	-16.3	31.0
BV/Sh. (INR)	240	244	251
Ratios			
Net D:E	-0.0	0.0	0.0
RoE (%)	3.5	2.7	3.5
RoCE (%)	9.1	3.1	4.1
Payout (%)	25.2	37.6	28.7
Valuations			
P/E (x)	38.4	45.8	35.0
P/BV (x)	1.3	1.2	1.2
EV/EBITDA(x)	13.7	15.2	12.1
EV/ton (USD)	87	80	75
Div. Yield (%)	0.6	0.7	0.7
FCF Yield (%)	-0.7	-1.4	0.3

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	67.3	67.3	67.6
DII	19.3	19.6	19.6
FII	5.8	5.7	6.0
Others	7.7	7.4	6.8

FII includes depository receipts

CMP: INR355 **TP: INR430 (+21%)** **Buy**

Lower costs drive EBITDA beat; 2H volume to improve

Capacity ramp-up to drive growth; expansion pipeline strengthens

- Ambuja Cements' (ACEM) 2QFY27 EBITDA was above estimates (~5% beat), driven by lower-than-estimated opex/t. Consolidated revenue/EBITDA stood at INR92.0b/INR12.7b (flat/-28% YoY). It reported EBITDA/t of INR761 (down ~27% YoY; ~9% above estimates). Adj. PAT declined ~53% YoY to INR2.6b (~72% beat driven by lower depreciation and ETR vs. our estimates).
- Management expects volume growth ahead of the industry in 2HFY27, led by capacity utilization ramp-up. Cost optimization through manufacturing efficiencies, renewable power, logistics, and fly ash integration remains a priority amid elevated fuel costs. The company commissioned 4.6mt of grinding capacity in 2Q and 5.6mtpa is scheduled to be commissioned in 2HFY27. It has also outlined the next phase of expansion, with 30.0mtpa/10.3mtpa of grinding/clinker capacity to be commissioned over FY28-29, at a capex of INR145b.
- We largely maintain our EBITDA estimates for FY27/FY28. PAT is expected to increase ~21% in FY27, driven by lower depreciation estimates. We value the stock at 15x FY28E EV/EBITDA to arrive at our TP of INR430. **Reiterate BUY.**

Volume down ~1% YoY; blended realization/t increases ~1% YoY

- Consol. revenue/EBITDA/adj. PAT stood at INR92.0b/INR12.7b/INR2.6b (flat/-28%/-53% YoY, and -4%/+5%/+72% vs. our estimates) in 2QFY27. Consol. volume declined ~1% YoY to 16.7mt (~3% below our estimates). Realization/t increased ~1% YoY (flat QoQ; ~1% below our estimates).
- Opex/t rose ~8% YoY (~2% below estimates), led by 19%/7%/7% YoY increase in other expenses/variable cost/freight cost. Staff cost/t declined ~7% YoY. EBITDA/t declined ~27% YoY to INR761, and OPM contracted 5.4pp YoY to ~14%. Depreciation/interest cost declined ~1%/4% YoY. Other income declined ~77% YoY.
- In 1HFY27, revenue/EBITDA/PAT declined 4%/23%/44% YoY to INR187.0b/ INR28.6b/INR9.7b. OPM contracted 3.8pp YoY to ~15%. EBITDA/t declined 19% YoY to INR841. OCF stood at INR29.0b vs. INR14.1b in 1HFY26. Capex stood at INR29.7b vs. INR35.6b in 1HFY26. Net cash outflow stood at INR710m vs. INR21.6b in 1HFY26.

Highlights from the management commentary

- Cement prices remained stable during the monsoon quarter, with INR10/bag price increase realized during the current month.
- Fuel cost increased to INR1.87/kcal in 2QFY27 from INR1.60/kcal in 2QFY26 and INR1.66/kcal in 1QFY27. The fuel mix improved with a higher share of domestic coal relative to high-cost petcoke. It indicated that spot fuel costs have increased to INR2.85/kcal, highlighting the potential for further fuel cost pressure.
- Capex is pegged at INR70b in FY27. Further, based on the next phase of expansion, annual capex is estimated at INR75b over the next two years.

Valuation and view

- ACEM's 2QFY27 EBITDA was better than estimates, driven by lower opex/t. However, the company's volume continued to be weak and lower than the industry growth. While it remains focused on structural cost optimization through renewable power, logistics efficiencies, and fly ash integration, elevated fuel costs and geopolitical uncertainties remain key challenges. The industry is witnessing continuous supply addition as leading players are aggressively expanding capacity till FY30. We believe the timely execution of planned capacity expansion and utilization ramp-up would remain key monitorables going forward.
- We estimate a CAGR of ~3%/10%/5% in consol. revenue/EBITDA/PAT over FY26-28. Volume is estimated to be subdued at ~2% over FY26-28, as the company's volume declined YoY in FY27. We estimate its EBITDA/t at INR857/INR1,022 in FY27/FY28 vs. INR887 in FY26. ACEM currently trades at 15x/12x FY27E/FY28E EV/EBITDA. We value the stock at 15x FY28E EV/EBITDA to arrive at our TP of INR430. **Reiterate BUY.**

Consolidated quarterly performance **(INR b)**

	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**102.9**	**91.7**	**102.8**	**109.2**	**95.0**	**92.0**	**104.1**	**110.1**	**406.6**	**401.2**	**95.8**	(4)
YoY Change (%)	22.6	24.3	19.7	9.4	-7.7	0.2	1.3	0.8	18.4	-1.3	4.4	
EBITDA	**19.6**	**17.6**	**13.5**	**14.6**	**15.9**	**12.7**	**15.2**	**18.2**	**65.4**	**62.0**	**12.1**	5
YoY Change (%)	53.2	80.9	52.8	-21.6	-19.0	-27.8	12.2	24.3	30.6	-5.2	-31.4	
Margins (%)	19.1	19.2	13.2	13.4	16.7	13.8	14.6	16.5	16.1	15.4	12.6	121
Depreciation	8.0	8.9	9.6	10.5	8.3	8.8	9.6	10.3	37.0	37.0	10.7	(18)
Interest	0.7	0.8	0.6	0.2	0.6	0.7	0.8	0.9	2.2	3.0	0.7	14
Other Income	2.6	2.6	0.9	2.3	1.7	0.6	1.9	2.1	8.3	6.3	1.8	(67)
PBT before EO Item	**13.5**	**10.6**	**4.2**	**6.2**	**8.7**	**3.8**	**6.7**	**9.1**	**34.5**	**28.2**	**2.5**	50
Share of profit of JVs	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.2	0.2	0.0	-
Extraordinary Inc/(Exp)	0.4	-2.2	-0.2	-1.0	-0.2	-0.9	0.0	0.0	-3.0	-1.1	0.0	
PBT after EO Exp/(Inc)	**14.0**	**8.4**	**4.1**	**5.3**	**8.5**	**3.0**	**6.7**	**9.1**	**31.7**	**27.3**	**2.6**	16
Tax	4.0	2.5	1.5	-15.4	2.0	0.6	1.7	2.2	-7.4	6.5	0.6	
Prior period tax adj.	-0.3	-17.1	-1.0	2.1	-0.2	0.0	0.0	0.0	-16.3	-0.2	0.0	
Rate (%)	29.0	29.3	35.9	-292.1	24.1	20.8	24.8	23.9	-74.7	23.2	24.7	
Reported Profit	**10.2**	**23.0**	**3.7**	**18.6**	**6.6**	**2.4**	**5.1**	**6.9**	**55.4**	**21.0**	**1.9**	22
Adj PAT (before MI)	**9.6**	**7.6**	**2.7**	**5.4**	**6.6**	**3.0**	**5.1**	**6.9**	**25.4**	**21.7**	**1.9**	57
Minority Interest	1.8	5.4	1.6	0.3	0.8	0.4	1.2	2.7	9.1	5.2	0.4	2
Adj PAT (after MI)	**7.8**	**5.6**	**1.1**	**5.1**	**5.8**	**2.6**	**3.8**	**4.2**	**19.6**	**16.4**	**1.5**	72
YoY Change (%)	22.0	13.6	(75.7)	16.4	(25.8)	(53.4)	244.7	(17.9)	(3.2)	(16.3)	(72.9)	

Note: Adj. PAT (after MI) of 2QFY26 is also adjusted for ACC's tax reversal impact

Godrej Consumer

Estimate changes	⇔
TP change	⇓
Rating change	⇔

Bloomberg	GCPL IN
Equity Shares (m)	1023
M.Cap.(INRb)/(USDb)	856.6 / 9
52-Week Range (INR)	1275 / 810
1, 6, 12 Rel. Per (%)	-3/-18/-12
12M Avg Val (INR M)	1635

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	181.4	201.0	221.4
Sales Gr. (%)	19.5	10.8	10.2
EBITDA	35.6	40.5	45.4
EBITDA mrg. (%)	19.7	20.1	20.5
Adj. PAT	23.4	28.0	32.1
Adj. EPS (INR)	22.9	27.4	31.4
EPS Gr. (%)	15.4	19.7	14.6
BV/Sh.(INR)	124.6	128.0	133.4
Ratios			
RoE (%)	18.4	21.7	24.0
RoCE (%)	15.6	18.9	21.5
Payout (%)	96.1	87.6	82.8
Valuations			
P/E (x)	36.4	30.4	26.5
P/BV (x)	6.7	6.5	6.3
EV/EBITDA (x)	24.4	21.4	18.9
Div. Yield (%)	2.6	2.9	3.1

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	53.1	53.1	53.1
DII	20.7	19.6	13.6
FII	11.0	12.3	18.2
Others	15.2	15.0	15.1

FII includes depository receipts

CMP: INR837 **TP: INR1,050 (+25%)** **Buy**

Strong revenue momentum; RM inflation remains a drag

- GCPL's consolidated revenue grew 19% YoY to INR44.1b (in line) in 2QFY27, with volume growth at 8%, driven by broad-based momentum across regions. Consol. EBITDA grew 12% YoY to INR8.2b (in line), as elevated input-cost inflation led to a 300bp contraction in gross margin, limiting earnings conversion. India EBITDA grew 8% YoY, while international profitability remained strong, led by 43% EBITDA growth in GAUM and 12% growth in Indonesia.
- India revenue grew 13% YoY to INR26.3b (in line), with underlying volume growth of 7%, despite an estimated ~150bp impact from trade inventory correction. Home Care led with 19% value growth, while Personal Care grew 8%, aided by a favorable base. In Personal Care, price hikes and grammage cuts weighed on soaps, alongside inventory correction in larger packs.
- International revenue registered robust 34% growth. Indonesia delivered 20% sales growth and 8% UVG, supported by El Niño-led tailwinds for household insecticides and traction from the Stella LV relaunch. While weather provided a near-term boost, management expects healthy underlying growth to sustain going forward. GAUM continued to outperform, with revenue growing 40% YoY (23% CC) and UVG of 16%.
- High-single-digit input-cost inflation across India and Indonesia is expected to intensify mildly in 3QFY27. Management is prioritizing EBITDA growth over margin protection through calibrated pricing and cost savings. Further price increases are planned in soaps and liquid detergents, where margins remain below normative levels.
- Near-term margin pressure is likely to persist amid elevated commodity inflation. However, calibrated pricing and cost-saving initiatives should support absolute EBITDA growth. We expect international growth momentum to sustain, with Indonesia's macros and weather-led tailwinds and capacity expansion in GAUM remaining key monitorables. GCPL maintained its FY27 guidance of high-single-digit standalone UVG and double-digit consolidated revenue and EBITDA growth. **We maintain BUY rating with a TP of INR1,050, based on 35x Sep'28E EPS.**

In-line performance, navigating inflationary pressure

- **Healthy India growth despite inventory correction:** Standalone net sales (including OOI) grew 13% YoY to INR26.3b (est. INR26.1b), with UVG of 7% despite an estimated ~150bp impact from trade inventory correction. Home Care delivered 19% value growth, led by air fresheners and home care liquids, while Personal Care grew 8%, aided by a favorable base. Gross margin contracted 470bp YoY to 46.1%, reflecting elevated input costs, while GP grew 2% YoY. EBITDA margin declined 90bp YoY to 21.2% (est. 21.6%), partly supported by lower ad spends. EBITDA grew 8% YoY to INR5.6b (est. INR5.7b).

- **International growth remains broad-based:** Indonesia delivered 20% sales growth with 8% UVG, supported by broad-based category momentum and El Niño-led tailwinds for household insecticides. The Stella LV relaunch and newer formats continue to support growth, although the weather-led benefit is expected to moderate in 2HFY27. GAUM reported 40% revenue growth in INR terms (23% in CC) and 16% UVG, with strength across categories and geographies. EBITDA grew 43% YoY, reflecting operating leverage, while capacity constraints in some businesses remain a near-term growth bottleneck, with expansions expected over the next two months.
- **Input-cost inflation weighs on margins:** Consolidated net sales grew 19% YoY to INR44.1b (est. INR44.3b), with volume growth of 8%. Gross margin contracted 300bp YoY to 47.6% (est. 47.2%) amid high-single-digit input-cost inflation across India and Indonesia. EBITDA margin declined 120bp YoY to 18.6% (est. 18.7%), while EBITDA grew 12% YoY to INR8.2b (est. INR8.3b). Higher interest costs and lower other income limited PBT growth to 8% YoY at INR7.0b (est. INR7.3b), while APAT grew 10% YoY to INR5.3b (est. INR5.5b).
- Management maintained FY27 guidance of high-single-digit standalone UVG and double-digit **consolidated** revenue and EBITDA growth, prioritizing absolute profit growth over margin protection through calibrated pricing and cost-saving initiatives.

Highlights from the management commentary

- Inflation across crude-linked derivatives, palm oil and other commodities was among the highest in years, with a high single-digit impact on India and Indonesia.
- Commodity inflation is likely to be mildly higher in 3Q vs. 2Q.
- Soaps and liquid detergents margins remain below normative levels, so more calibrated price increases are planned in these two categories.
- Soaps saw trade inventory correction, concentrated in larger SKUs, alongside a price-volume recalibration as rounds of industry price hikes play out.
- Godrej Fab maintained double-digit growth, with detergent volumes unaffected by inflation as the category benefits from formalization and a shift from powders to liquids.

Valuation and view

- We maintain our EPS estimates for FY27-FY29E.
- Management focuses on delivering high-single-digit UVG in India and double-digit consolidated revenue and EBITDA growth in FY27. GAUM continues to deliver strong growth and profitability, while Indonesia's momentum remains healthy. Elevated commodity inflation is likely to keep near-term margins under pressure. However, calibrated pricing and cost-saving initiatives should support absolute EBITDA growth, with margin recovery hinging on pricing realization and input-cost trends.
- The company is expanding its TAM by foraying into new, faster-growing categories, such as men's face wash, stain removers and toilet cleaners, and continues to strengthen its core portfolio. Besides, the company has made consistent efforts to address gaps in profitability and growth across its international business. The company has guided for double-digit consolidated revenue and EBITDA growth in FY27. We model a 14%/13% revenue/EBITDA CAGR over FY26-29E. **We maintain BUY rating with a TP of INR1,050, based on 35x Sep'28E EPS.**

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

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Domestic volume Growth (%)	**5**	**3**	**9**	**8**	**7**	**7**	**9**	**10**	**6**	**8**	**8**	
Net Sales (including OOI)	**35,713**	**37,082**	**39,980**	**39,004**	**42,255**	**44,131**	**48,344**	**46,655**	**1,51,779**	**1,81,385**	**44,278**	-0.3
YoY change (%)	9.7	3.9	9.3	11.0	18.3	19.0	20.9	19.6	8.4	19.5	19.4	
Gross Profit	**18,100**	**18,762**	**20,661**	**20,312**	**20,313**	**21,025**	**22,847**	**22,517**	**77,835**	**86,702**	**20,883**	0.7
Margin (%)	50.7	50.6	51.7	52.1	48.1	47.6	47.3	48.3	51.3	47.8	47.2	
Other Operating Exp.	11,154	11,429	11,857	11,898	12,299	12,825	12,963	12,965	46,337	51,053	12,588	1.9
EBITDA	6,946	7,333	8,804	8,414	8,013	8,200	9,884	9,553	31,497	35,650	8,296	-1.2
Margins (%)	19.4	19.8	22.0	21.6	19.0	18.6	20.4	20.5	20.8	19.7	18.7	
YoY growth (%)	-4.4	-3.7	16.5	10.8	15.4	11.8	12.3	13.5	4.9	13.2	13.1	
Depreciation	594	656	664	761	752	778	775	785	2,675	3,089	750	3.8
Interest	865	759	789	903	860	873	825	804	3,316	3,361	850	2.7
Other Income	845	629	559	694	519	505	550	668	2,662	2,242	575	-12.1
PBT	**6,332**	**6,547**	**7,910**	**7,444**	**6,921**	**7,054**	**8,834**	**8,633**	**28,168**	**31,441**	**7,271**	-3.0
Tax	1,613	1,657	2,021	1,997	1,720	1,736	2,253	2,247	7,287	7,955	1,818	
Rate (%)	25.5	25.3	25.5	26.8	24.9	24.6	25.5	26.0	25.9	25.3	25.0	
Adj PAT	**4,669**	**4,811**	**5,662**	**5,162**	**5,161**	**5,296**	**6,581**	**6,386**	**20,304**	**23,424**	**5,453**	-2.9
YoY change (%)	0.4	-2.9	12.7	19.5	10.6	10.1	16.2	23.7	7.2	15.4	13.3	
Extraordinaries	-144	-218	-683	-645	-116	-67	0	0	-1,689	-183	0	
Reported PAT	**4,525**	**4,593**	**4,979**	**4,518**	**5,045**	**5,229**	**6,581**	**6,386**	**18,615**	**23,242**	**5,453**	-4.1

E: MOFSL Estimate

Rural Electrification Corp

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	RECL IN
Equity Shares (m)	2633
M.Cap.(INRb)/(USDb)	779.8 / 8.2
52-Week Range (INR)	388 / 284
1, 6, 12 Rel. Per (%)	0/-13/-11
12M Avg Val (INR M)	2642

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	216	209	223
PPP	209	187	216
PAT	163	152	159
EPS (INR)	61.8	57.6	60.2
EPS Gr. (%)	4	-7	5
BV/Shr (INR)	320	359	398
ABV/Shr (INR)	319	359	397
RoAA (%)	2.6	2.3	2.2
RoE (%)	20.1	17.0	15.9
Div. Payout (%)	30.0	37.3	39.0
Valuation			
P/E (x)	4.8	5.2	4.9
P/BV (x)	0.9	0.8	0.7
Div. Yield (%)	6.2	7.2	7.9

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	52.6	52.6	52.6
DII	16.6	17.0	15.9
FII	16.8	15.8	18.0
Others	14.0	14.6	13.5

FII Includes depository receipts

CMP: INR296 TP: INR350 (+18%) Buy

Strong sequential loan growth but NIM under pressure

Earnings miss; management guides for ~10-12% loan growth in FY27

- Rural Electrification Corp's (REC) 2QFY27 PAT declined ~23% YoY to INR33.9b (~14% miss). NII declined ~6% YoY to ~INR51.3b (~7% miss). Other income stood at -INR1.8b, which included fee and commission income of INR597m (PQ: INR1.1b and PY: INR4.7b) and exchange loss of INR2.6b (PQ: INR9.1b and PY: INR795m).
- Opex grew 120% YoY to ~INR3b (est. INR1.6b). Cost-income ratio increased to ~5.9% (PQ: 2.3% and PY: 2.5%). PPoP declined ~18% YoY to INR46.5b (~8% miss). Provisions for the quarter stood at INR3.7b (est. INR1.2b). This translated into annualized credit costs of 6bp (PY: 2bp and PQ: -16bp).
- Reported NIM for 1HFY27 declined ~12bp to ~3.22% (1QFY27: 3.34%). Yields (calc.) rose ~25bp QoQ to ~9.8%, while CoB (calc.) rose ~45bp QoQ to ~7.35%, resulting in spreads (calc.) declining ~20bp QoQ to ~2.45%.
- Management does not expect significant pressure on profitability from rising borrowing costs, given the floating-rate asset-liability mix and efforts to optimize funding costs. REC's predominantly fixed-rate borrowings and largely floating-rate loan book provide a natural hedge, with asset yields resetting annually or in line with benchmarks. We model NIMs of ~3.4%/3.3% in FY27E/FY28E (FY26: 3.8%).
- REC guided for disbursements of INR2t in FY27 (implying steady disbursement momentum in 2HFY27), and loan book growth of ~10–12%. Management highlighted that elevated prepayments had limited loan book growth despite healthy disbursements in FY26. The sharp decline in prepayments to ~INR190-200b in 1HFY27 (vs. ~INR1t in FY26) is expected to improve the conversion of disbursements into stronger loan growth in FY27. We model loan growth of ~11% in FY27E.
- We reduce our FY27/FY28 EPS estimates by ~8%/10% to factor in lower NIMs due to a moderation in yields and higher funding costs. We model a CAGR of 10%/-1% in loans/PAT over FY26-28E. We expect REC to deliver RoA/RoE of 2.2%/16% in FY28E. **Maintain BUY with a TP of INR350 (premised on 0.8x Sep'28E BVPS).**

Sequential pickup in disbursements; loan book grew ~6% YoY

- Loan book stood at INR6.2t, up ~6% YoY and ~4.5% QoQ. Repayments rose sequentially to ~20.3% (PQ: 18.8% and PY: 39.9%). Renewable loan book grew 27% YoY to INR867b, representing ~14% of the overall loan mix.
- 2Q disbursements grew 1% YoY and 67% QoQ to INR565b.
- Beyond power financing, REC is exploring biogas, aided by the government's recently announced INR230b biogas plan, as well as shipping and broader infrastructure financing. Management believes its strong financial credentials, lending capacity and ability to provide long-term funding will help REC sustain its position as a preferred lender.

Asset quality remains stable, with steady PCR

- GS3 and NS3 remained broadly stable QoQ at ~0.22% and 0.11%, respectively. PCR on Stage 3 was stable QoQ at ~51.2%. Standard asset (Stage 1 and 2) provision was also stable QoQ at 0.87% (PQ: 0.86%).
- REC expects to continue providing around 1% ECL on incremental loan book additions. Credit costs may normalize as major NPA resolutions are completed now. We model credit costs of -7bp/23bp in FY27/FY28E.

Key highlights from the management commentary

- Based on NITI Aayog's projection of power-sector investments of ~USD5t over the next 15-20 years, REC estimates funding opportunities of over INR100t, assuming it maintains its ~25% market share.
- The PFC-REC merged entity will have a ~INR12t loan book and will be a leading power-sector financier. Management believes borrowers will value its funding capacity, continuity and policy-advocacy expertise.

Valuation and view

- REC delivered a mixed quarter, with strong loan growth and lower-than-expected earnings. The earnings miss is driven by higher funding costs and NIM compression, while strong sequential loan growth is supported by healthy disbursements. Asset quality is at a comfortable level, with credit costs remaining benign. While the stock trades at an attractive valuation of 0.7x FY28E P/BV, a stable improvement in loan growth and margin trajectory is key to driving earnings growth, warranting a cautious near-term outlook.
- We model a CAGR of 10%/-1% in loans/PAT over FY26-28E. We expect REC to deliver RoA/RoE of 2.2%/16% in FY28E. **Maintain BUY with a TP of INR350 (premised on 0.9x Sep'28E BVPS). Key risks**: 1) persistently weak loan growth; 2) compression in spreads/margins amid high competition.

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	1,45,022	1,45,771	1,45,184	1,41,016	1,41,867	1,46,574	1,51,258	1,55,758	5,78,118	5,95,458	1,43,961	2
Interest Expenses	89,351	91,316	92,429	89,317	87,484	95,230	99,991	1,03,814	3,62,413	3,86,519	88,796	7
Net Interest Income	**55,671**	**54,455**	**52,755**	**51,699**	**54,383**	**51,344**	**51,267**	**51,944**	**2,15,705**	**2,08,938**	**55,164**	**-7**
YoY Gr (%)	19.2	9.6	2.8	-16.1	-2.3	-5.7	-2.8	0.5	3	(3)	1.3	
Other Operational Income	1,442	4,738	3,925	2,545	1,091	597	1,075	1,031	3,657	3,795	1,200	
Net Operational Income	**57,113**	**59,192**	**56,680**	**54,244**	**55,474**	**51,942**	**52,342**	**52,975**	**2,16,636**	**2,12,733**	**56,365**	**-8**
YoY Gr (%)	21.1	18.0	8.8	-15.1	-2.9	-12.2	-7.7	-2.3	0	(2)	-4.8	
Other Income	-5,406	-943	-2,698	-1,074	-11,753	-2,438	-1,400	-1,416	473	(17,008)	-4,150	-
Total Net Income	**51,707**	**58,249**	**53,982**	**53,171**	**43,721**	**49,503**	**50,942**	**51,559**	**2,17,109**	**1,95,726**	**52,215**	**-5**
YoY Gr (%)	3.1	14.5	1.2	-17.0	-15.4	-15.0	-5.6	-3.0	0	(10)	-10.4	
Operating Expenses	**1,404**	**1,374**	**1,708**	**3,479**	**1,253**	**3,019**	**1,793**	**2,612**	**7,965**	**8,676**	**1,580**	**91**
YoY Gr (%)	-35.4	-29.0	-45.7	45.2	-10.8	119.7	5.0	-24.9	7	9	15.0	
% to Income	2.7	2.4	3.2	6.5	2.9	6.1	3.5	5.1	4	4	3.0	
Operating Profit	**50,303**	**56,875**	**52,274**	**49,692**	**42,468**	**46,485**	**49,149**	**48,947**	**2,09,144**	**1,87,049**	**50,635**	**-8**
YoY Gr %	4.8	16.2	4.1	-19.4	-15.6	-18.3	-6.0	-1.5	0	(11)	-11.0	
Provisions	-6,166	1,347	1,110	5,721	-9,625	3,745	3,000	-1,543	2,012	(4,423)	1,200	-
PBT	**56,469**	**55,528**	**51,164**	**43,971**	**52,093**	**42,740**	**46,149**	**50,490**	**2,07,132**	**1,91,472**	**49,435**	**-14**
YoY Gr (%)	30.5	10.2	0.1	-18.3	-7.7	-23.0	-9.8	14.8	4	(8)	-11.0	
Tax	**11,959**	**11,269**	**10,733**	**10,348**	**10,599**	**8,828**	**9,922**	**10,478**	**44,309**	**39,826**	**10,134**	**-13**
Tax Rate (%)	21.2	20.3	21.0	23.5	20.3	20.7	21.5	20.8	21	21	20.5	
PAT	**44,510**	**44,259**	**40,431**	**33,623**	**41,495**	**33,912**	**36,227**	**40,013**	**1,62,823**	**1,51,646**	**39,300**	**-14**
YoY Gr (%)	29.3	10.5	0.3	-20.6	-6.8	-23.4	-10.4	19.0	3.5	(6.9)	-11.2	
Key Parameters (Calc., %)												
Yield on loans	9.99	9.95	9.91	9.59	9.54	9.58	9.52	9.60				
Cost of funds	7.17	7.19	7.35	7.11	6.91	7.36	7.42	7.47				
Spread	2.8	2.76	2.6	2.5	2.6	2.22	2.1	2.1				
NIM	3.83	3.68	3.6	3.48	3.09	3.23	3.15	3.10				
C/I ratio	2.5	2.5	3.2	6.7	2.3	5.9	3.5	5.0				
Credit cost	-0.11	0.02	0.02	0.10	-0.16	0.06	0.05	-0.02				
Balance Sheet Parameters												
Disbursements (INR b)	**595**	**560**	**500**	**457**	**337**	**565**	**526**	**473**				
Growth (%)	36.3	18.3	-8.6	0.4	-43.3	0.9	5.2	3.4				
AUM (INR b)	**5,846**	**5,822**	**5,818**	**5,837**	**5,900**	**6,165**	**6,352**	**6,453**				
Growth (%)	10.4	6.6	2.9	3.0	0.9	5.9	9.2	10.6				
Asset Quality Parameters												
GS 3 (INR B)	61.5	61.5	51.2	13.9	13.8	13.8						
GS 3 (%)	1.05	1.06	0.88	0.24	0.23	0.22						
NS 3 (INR B)	14.1	14.10	11.8	6.8	6.8	6.74						
NS 3 (%)	0.24	0.24	0.20	0.12	0.11	0.11						
PCR (%)	77.1	77.05	77.0	51.0	51.2	51.16						

E: MOFSL Estimates

Suzlon Energy

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	SUEL IN
Equity Shares (m)	13746
M.Cap.(INRb)/(USDb)	505.7 / 5.3
52-Week Range (INR)	62 / 36
1, 6, 12 Rel. Per (%)	-8/-30/-25
12M Avg Val (INR M)	4013

Financials Snapshot (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	167.3	228.6	266.9
EBITDA	30.2	35.5	42.8
Adj. PAT	20.9	22.8	27.8
EPS (INR)	1.5	1.7	2.0
EPS Gr. (%)	41.6	8.9	21.6
BV/Sh. (INR)	6.9	8.5	10.6
Ratios			
ND/Equity	-0.1	-0.1	-0.1
ND/EBITDA	-0.3	-0.2	-0.5
RoE (%)	26.9	21.5	21.1
RoIC (%)	37.2	27.5	26.8
Valuations			
P/E (x)	24.1	22.1	18.2
EV/EBITDA (x)	16.4	14.0	11.4

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	11.7	11.7	11.7
DII	10.3	11.1	10.2
FII	23.6	24.2	22.7
Others	54.4	53.0	55.4

CMP: INR37 **TP: INR60 (+64%)** **Buy**

Weak 2Q margin; strong deliveries in 2H

- **Margin disappoints:** Suzlon Energy (SUEL)'s consolidated revenue stood at INR48.8b, 4% above our estimate as deliveries came in 7% higher than our est. at 710MW. EBITDA came in at INR7.2b, 7% below our estimate, with EBITDA margin of 14.8% (vs. 15.5%/18.6% in 1QFY27/2QFY26). The YoY margin contraction was led by non-recurring opex of INR0.5b (~100bp), customer/scope mix (150-180bp), and forex/commodity inflation driven by the West Asia crisis (~50bp). APAT was INR3.9b, 14% below our estimate.
- **Key things we liked about the result:** 1) delivery momentum remained strong with 1.2GW WTG delivered in 1HFY27, up 21% YoY, 2) installation pace picked up, with 1HFY27 installations surging 168% YoY to 723 MW, with an erected stock of 1.25-1.3GW awaiting grid commissioning, and 3) management guided India wind installations to surpass 10GW in the near term and to reach 15GW by FY31.
- **Key monitorables:** 1) progress toward FY27 WTG contribution margin guidance of 22-23% amid commodity and forex volatility, customer and project mix changes, 2) commencement of order inflows from export markets and wind repowering projects, and 3) the pace of fresh order inflows, project deliveries, and installations across FY27/FY28 .
- **Valuation and view:** We moderately cut our FY27E/28E EBITDA margin to 15.5%/16.0% (vs. 17.1%/16.9% earlier), resulting in a 9%/5% cut in our FY27E/28E EBITDA. We arrive at our TP of INR60 by applying a target P/E of 30x to FY28E EPS. **Reiterate BUY.**

Miss on EBITDA and APAT as margin contracts

Financial performance:

- Consolidated revenue stood at INR48.8b (+26% YoY, +27% QoQ), 4% above our estimate as deliveries came in 7% higher than our est. at 710MW.
- EBITDA came in at INR7.2b (flat YoY, +21% QoQ), 7% below our estimate, with EBITDA margin of 14.8% (vs. 15.5% in 1QFY27).
- Adj. PAT stood at INR3.9b (-30% YoY, +29% QoQ), 14% below our estimate.

Operational performance:

- WTG deliveries stood at 710MW (+26% YoY, +40% QoQ), while installations stood at 454MW (vs. 269MW in 1QFY27).
- WTG contribution margin contracted to 22.1% (23.4% in 1QFY27).
- WTG contributed ~87% of revenue in 2QFY27, while O&M and Foundry & Forging contributed ~13% and ~3%, respectively, before inter-segment eliminations.
- Orderbook was 6GW (38% EPC), with ~1.5GW of orders received in 1HFY27.

Highlights of the 2Q performance

- SUEL's 2QFY27 deliveries surged 40% QoQ to 710 MW, representing the company's highest-ever second-quarter deliveries, while 1HFY27 deliveries reached 1,217 MW (+21% YoY).
- 1HFY27 on-ground commissioning grew 168% YoY to 723 MW, with an erected stock of 1.25 GW to 1.30 GW awaiting grid commissioning.
- Full-year FY27 EBITDA margin is guided at 15.1% plus approximately 100bp upside from H2 operating leverage (~16.1%), with WTG contribution margin guided at 22.0% to 23.0%.
- Firm order backlog stands at 6 GW, offering 18 months of revenue visibility, with 78% comprising C&I and PSU/utility clients.
- 1HFY27 order intake reached 1.5 GW, of which 900 MW was secured through the capital-light DevCo turnkey model.
- Suzlon 2.0 targets for FY31 reiterate 40% domestic market share, 25% delivery CAGR to 10 GW annual volume, 15 GW exit order book, and 1 GW annual exports.

Valuation and view

We moderately cut our FY27E/28E EBITDA margin to 15.5%/16.0% (vs. 17.1%/16.9% earlier), resulting in a 9%/5% cut in our FY27E/28E EBITDA. We arrive at our TP of INR60 by applying a target P/E of 30x to FY28E EPS. **Reiterate BUY**.

Consolidated performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)	(%)	(%)
Net Sales	**31,317**	**38,708**	**42,361**	**54,933**	**38,291**	**48,757**	**67,122**	**74,419**	**1,67,318**	**2,28,589**	**46,742**	**4**	**26**	**27**
YoY Change (%)	*55%*	*84%*	*42%*	*45%*	*22%*	*26%*	*58%*	*35%*	*54%*	*37%*	*21%*			
Total Expenditure	25,327	31,499	34,976	45,293	32,339	41,559	56,640	62,569	1,37,095	1,93,106	39,000	**7**	**32**	**29**
EBITDA	**5,991**	**7,208**	**7,385**	**9,640**	**5,952**	**7,198**	**10,482**	**11,851**	**30,224**	**35,483**	**7,743**	**-7**	**0**	**21**
Margin (%)	*19.1%*	*18.6%*	*17.4%*	*17.5%*	*15.5%*	*14.8%*	*15.6%*	*15.9%*	*18.1%*	*15.5%*	*16.6%*			
Depreciation	702	752	800	930	1,056	1,114	1,019	867	3,185	4,055	1,054	6	48	5
Interest	1,031	1,097	1,143	1,352	1,336	1,226	1,212	1,130	4,622	4,904	1,222	0	12	-8
Other Income	335	266	225	274	334	323	403	307	1,099	1,367	408	-21	22	-3
PBT before EO exp.	**4,592**	**5,625**	**5,668**	**7,632**	**3,895**	**5,182**	**8,654**	**10,161**	**23,517**	**27,891**	**5,875**	**-12**	**-8**	**33**
Extra-Ord inc./(exp.)	0	7,182	0	3,543	0	0	0	0	10,725	0	0			
PBT	**4,592**	**12,807**	**5,668**	**11,176**	**3,895**	**5,182**	**8,654**	**10,161**	**34,242**	**27,891**	**5,875**	**-12**	**-60**	**33**
Tax	1,349	12	1,215	32	843	1,241	2,072	866	2,608	5,020	1,271			
Rate (%)	*29%*	*0%*	*21%*	*0%*	*22%*	*24%*	*24%*	*9%*	*8%*	*18%*	*22%*			
Share of JV & associates	0	0	0	0	0	0	0	0	0	0	0			
Minority Interest	0	0	0	0	0	0	7	20	0	26	7			
Reported PAT	**3,243**	**12,794**	**4,453**	**11,144**	**3,052**	**3,942**	**6,575**	**9,276**	**31,634**	**22,845**	**4,598**	**-14**	**-69**	**29**
Adj PAT	**3,243**	**5,613**	**4,453**	**7,600**	**3,052**	**3,942**	**6,575**	**9,276**	**20,909**	**22,845**	**4,598**	**-14**	**-30**	**29**
YoY Change (%)	*7%*	*179%*	*14%*	*31%*	*-6%*	*-30%*	*48%*	*22%*	*42%*	*9%*	*-18%*			
Margin (%)	*10.4*	*14.5*	*10.5*	*13.8*	*8.0*	*8.1*	*9.8*	*12.5*	*12.5*	*10.0*	*9.8*			

Hexaware Technologies

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	HEXT IN
Equity Shares (m)	611
M.Cap.(INRb)/(USDb)	329 / 3.5
52-Week Range (INR)	808 / 400
1, 6, 12 Rel. Per (%)	11/24/-12
12M Avg Val (INR M)	625
Free float (%)	25.7

Financials & Valuations (INR b)

Y/E Dec	CY25	CY26E	CY27E
Sales	134.3	153.0	164.2
Adj. EBIT Margin (%)	14.0	13.4	13.7
Adj. PAT	14.3	14.4	17.2
Adj. EPS (INR)	23.1	23.4	28.1
EPS Gr. (%)	19.6	1.3	20.2
BV/Sh. (INR)	103.7	115.5	129.6
Ratios			
RoE (%)	23.5	22.4	23.1
RoCE (%)	19.6	17.8	19.0
Payout (%)	49.0	50.0	50.0
Valuations			
P/E (x)	23.1	22.8	19.0
P/BV (x)	5.1	4.6	4.1
EV/EBITDA (x)	13.5	12.4	10.8
Div Yield (%)	2.1	2.2	2.6

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	74.3	74.3	74.6
DII	16.1	16.1	11.1
FII	3.5	3.4	8.3
Others	6.1	6.3	6.0

FII Includes depository receipts

CMP: INR538 **TP: INR630 (+18%)** **Buy**

Near-term growth remains soft; deal ramp-ups pushed out

Slower deal ramp-ups and GSE client weakness weigh on 3Q growth

- Hexaware Technologies (HEXT) reported revenue of USD412m in 3QCY26, rising 1.7% QoQ in CC terms vs. our estimate of 3.0% QoQ CC. Technology/Banking/ Financial Services grew 7.1%/6.6%/3.0%, whereas Travel declined 3.6% QoQ. Adj. EBIT margin stood at 13.8%, broadly in line with our estimate of 13.8%. Adj. PAT rose 20%/7.2% QoQ/YoY to INR3.9b (our est. of INR4.0b).
- For 9MCY26, revenue/Adj. EBIT increased 14.5%/6.1%, while PAT declined 2.7% YoY (in INR terms). In 4QCY26, we expect revenue/Adj. EBIT/PAT to grow 12.5%/18.5%/11.7% YoY (in INR terms). **We reiterate our BUY rating with a TP of INR630 (based on 22x CY27E EPS), implying ~18% potential upside**.

Our view: Execution on delayed deals will shape the CY27 growth outlook

- **HEXT reported revenue growth of 1.7% QoQ CC in 3QCY26, below our estimate of 3.0%, as softness at a large GSE client and slower-than-expected deal ramp-ups weighed on performance. Following the CEO transition, management has chosen not to provide guidance for now. Achieving the lower end of its earlier CY26 revenue growth guidance of 6–7% YoY in USD terms would require a steep recovery in 4Q, which, in our view, appears challenging given the usual seasonality, lower working days, and the continued GSE client headwind. HEXT is likely to deliver CY26 revenue growth of ~5.1% YoY in USD terms, below its earlier guidance.**
- **4Q growth outlook has weakened; deal ramp-ups remain a key monitorable: Earlier, management expected delayed deal ramp-ups to support growth in 4Q despite seasonal furloughs. However, the latest commentary suggests that some deals may ramp up only in 1QCY27, while the GSE client headwind is expected to continue.**
- **Management indicated that the deals remain active, with delays largely related to timing rather than lost deals. We believe the pace of deal conversion and ramp-ups will be key to the growth outlook over the next few quarters.**
- **Margins to remain broadly range-bound in the near term: Adjusted EBIT margin stood at 13.8% in 3QCY26, in line with our estimate. Management narrowed its CY26 margin guidance to 13.0–13.5%. Seasonal weakness and merit hikes effective October are likely to weigh on 4Q margins, partly offset by operational improvements and benefits from the Netherlands restructuring. The restructuring is expected to provide around 40bp of annual margin benefit. We believe the company's ability to offset near-term cost pressures through operational improvements will remain a key monitorable. We estimate CY26/CY27 EBIT margin of 13.4%/13.7%.**

- **Performance remains mixed across verticals; Banking and H&I expected to support growth: Banking grew 6.6% QoQ and 13.5% YoY, with broad-based growth across geographies, while Healthcare & Insurance remained healthy on a YoY basis despite a marginal sequential decline due to lower asset revenue. In contrast, Travel & Transportation declined 3.5% QoQ and 8.5% YoY, and the company expects continued weakness through CY26. Financial Services grew 3.0% QoQ, although a client-led cost-optimization exercise is expected to remain a headwind in 4Q. We expect growth to remain uneven across verticals, with Banking and H&I partly offsetting weakness in Travel and Financial Services.**

Valuation and view

- While HEXT has discontinued providing revenue guidance following the CEO transition, the softer-than-expected 3Q performance and continued client-specific headwinds point to CY26 growth of ~5.1%, below its earlier guidance of 6–7%. We have cut our estimates by ~3% to factor in slower deal ramp-ups and continued weakness in the GSE client. However, management indicated that delayed deals remain active, with some ramp-ups likely to extend into 1QCY27. We expect deal ramp-ups and continued strength in Banking and H&I to support growth over the coming quarters.
- HEXT's adjusted EBIT margin remained in line with our estimates at 13.8% in 3QCY26, while the CY26 margin outlook is now 13.0–13.5%. We estimate EBIT margins of 13.4%/13.7% for CY26/CY27. **We reiterate our BUY rating with a TP of INR650 based on 22x CY27E EPS (earlier 23x), implying ~18% upside**.

Miss on revenue and margins in-line with our estimates; headcount up 4% QoQ

- HEXT's USD revenue came in at USD412m, rising 1.7% QoQ in CC terms vs. our estimates of 3.0% QoQ CC.
- Technology/Banking/ Financial Services grew 7.1%/6.6%/3.0%, whereas Travel declined 3.6% QoQ.
- In terms of geographies, the Americas/Europe grew 1.5%/3.1% QoQ, whereas Asia declined 1.7% QoQ in USD terms.
- Adj. EBIT margin stood at 13.8%, broadly in line with our estimate of 13.8%.
- Adj. PAT rose 20%/7.2% QoQ/YoY to INR3.9b (our est. of INR4.0b).
- The headcount rose to 35,887 (up 4% QoQ) in 3QCY26. Attrition (LTM) decreased 10bp QoQ to 11.1%. Utilization rose 10bp QoQ to 84.9%.

Key highlights from the management commentary

- Vendor consolidation remains structural, with ~13 large clients having undergone the process. Most outcomes have been favorable, with one pending and one negative.
- Deal decisions were delayed by client-side leadership changes (new CIO/CTO), mainly in healthcare and insurance and travel and transportation.
- Deals remain active, with delays reflecting timing issue rather than deal losses. Some are expected to close in 4Q, with the rest likely to convert in 1Q. Management sees no change in underlying pipeline momentum, attributing the delays to client-specific factors rather than systemic issues.

- HEXT is a challenger in most accounts and tends to gain share when incumbents are rebid on price. The miss reflected softness at one GSI client and slower ramp-up in select large deals, including one rebadging deal.
- No 4Q outlook was given. The quarter is expected to follow the usual seasonal decline, with the GSI client headwind continuing.
- Asset revenue accounts for ~2% of annual revenue (1.5-2.5% in a quarter). While it was a sequential headwind, it was not the cause of the miss.
- A net earn-out write-back of ~420bp lifted reported PAT margin to 10.9% versus 9.4% on an adjusted basis.
- 4Q faced seasonality headwinds and a ~100bp merit increase (effective 1st October), partly offset by better realization, operational gains, and the Netherlands exit.
- The full-year adjusted EBIT margin range was narrowed to 13-13.5%; hedge and translation losses are expected at ~USD 4m and ~USD 3m over the next two quarters.

Quarterly Performance (INR Million)

Y/E December	CY25				CY26E				CY25	CY26E	Est.	Var. (% /
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QCY26	bp)
Revenue (USD m)	**372**	**382**	**395**	**389**	**389**	**405**	**412**	**410**	**1,537**	**1,616**	**417**	**-1.2**
QoQ (%)	-0.2	2.9	3.3	-1.4	-0.1	4.4	1.6	-0.5			2.8	-121bp
Revenue (INR m)	**32,079**	**32,607**	**34,836**	**34,782**	**36,130**	**38,452**	**39,331**	**39,132**	**1,34,304**	**1,53,045**	**39,830**	**-1.3**
YoY (%)	16.7	11.1	11.1	10.3	12.6	17.9	12.9	12.5	12.2	14.0	14.3	-143bp
GPM (%)	**41.9**	**42.5**	**43.1**	**41.3**	**40.6**	**41.1**	**41.5**	**41.0**	**42.2**	**41.1**	**42.0**	**-46bp**
Other (%)	25.5	25.1	25.8	25.5	24.8	25.3	25.5	25.5	25.5	25.3	25.3	20bp
EBITDA	**5,278**	**5,676**	**6,013**	**5,498**	**5,708**	**6,053**	**6,311**	**6,065**	**22,465**	**24,138**	**6,652**	**-5.1**
EBITDA Margin (%)	**16.5**	**17.4**	**17.3**	**15.8**	**15.8**	**15.7**	**16.0**	**15.5**	**16.7**	**15.8**	**16.7**	**-65bp**
EBIT	**4,543**	**4,924**	**5,124**	**4,261**	**4,801**	**5,236**	**5,440**	**5,048**	**18,852**	**20,525**	**5,497**	**-1.0**
EBIT Margin (%)	**14.2**	**15.1**	**14.7**	**12.3**	**13.3**	**13.6**	**13.8**	**12.9**	**14.0**	**13.4**	**13.8**	**3bp**
Other income	-180	-196	-157	-409	-337	-829	-423	-39	-942	-1,628	-40	
PBT	**4,363**	**4,728**	**4,967**	**3,852**	**4,464**	**4,407**	**5,017**	**5,009**	**17,910**	**18,897**	**5,457**	
ETR (%)	25.0	18.9	25.5	10.4	27.2	25.1	21.0	23.0	20.4	23.9	25.0	-400bp
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0			0.0	
Reported PAT	**3,271**	**3,798**	**3,699**	**2,916**	**3,516**	**3,302**	**4,293**	**3,857**	**13,684**	**14,968**	**4,093**	**4.9**
QoQ (%)	2.0	17.2	-3.5	-6.7	-5.8	1.5	20.0	-2.7			23.9	
YoY (%)	17.2	39.6	23.4	7.6	-0.6	-13.9	7.2	11.7	21.4	0.8	10.6	
Extra-ordinary items	0	36	0	535	-264	0	-329	0	571	-593	0	
Adj. PAT	**3,271**	**3,834**	**3,699**	**3,451**	**3,252**	**3,302**	**3,964**	**3,857**	**14,256**	**14,374**	**4,093**	
EPS (INR)	**5.3**	**6.2**	**6.0**	**5.6**	**5.3**	**5.3**	**7.0**	**6.3**	**23.1**	**23.4**	**6.6**	**5.8**

Banking/Financial Services/Manufacturing increased sequentially in 3Q

Verticals(QoQ, %)	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25	1QCY26	2QCY26	3QCY26
Financial Services	5.3	3.9	4.6	1.2	2.0	0.1	-1.8	1.2	3.0
Healthcare and Insurance	8.5	-2.3	-1.5	2.2	11.3	-9.0	10.1	6.5	-0.4
Manufacturing and Consumer	-4.4	-6.9	0.2	-0.7	16.5	-0.7	-1.7	3.8	1.8
Hi-Tech and Professional Services	15.9	1.3	-22.4	25.3	-8.7	-19.2	1.0	13.5	0.3
Banking	1.4	5.0	-11.4	13.5	4.1	11.1	-7.9	4.0	6.6
Travel and Transportation	14.2	-7.5	9.2	7.1	-9.9	5.2	-8.6	-1.2	-3.6

Source: Company, MOFSL

Europe grew 3.1% QoQ in 3Q

Geography(QoQ, %)	3QCY24	4QCY24	1QCY25	2QCY25	3QCY25	4QCY25	1QCY26	2QCY26	3QCY26
America	5.5	2.3	0.5	1.7	3.7	-2.9	0.1	3.0	1.5
Europe	11.5	-8.1	-2.2	8.1	2.2	0.2	1.1	6.8	3.1
APAC	1.6	-9.0	-2.6	1.8	1.4	13.8	-6.6	14.0	-1.7

Source: Company, MOFSL

ACME Solar Holdings

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	ACMESOLA IN
Equity Shares (m)	707
M.Cap.(INRb)/(USDb)	292.6 / 3.1
52-Week Range (INR)	477 / 196
1, 6, 12 Rel. Per (%)	-6/42/57
12M Avg Val (INR M)	613

Financials Snapshot			(INR b)
Y/E March	FY26	FY27E	FY28E
Sales	20.2	41.4	80.1
EBITDA	17.8	34.2	67.8
Adj. PAT	5.0	9.3	18.7
EPS (INR)	8.2	13.2	26.5
EPS Gr. (%)	81.6	60.7	101.5
BV/Sh. (INR)	83.6	124.4	150.7
ND/Equity	2.5	2.7	3.3
ND/EBITDA	7.2	7.0	5.2
RoE (%)	10.4	13.4	19.3
RoIC (%)	6.0	7.3	9.1
Valuations			
P/E (x)	50.7	31.6	15.7
EV/EBITDA (x)	22.3	16.0	9.8

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	71.4	71.4	83.4
DII	17.5	19.1	6.4
FII	6.5	4.6	5.6
Others	4.6	4.9	4.6

CMP: INR414 **TP: INR495 (+20%)** **Buy**

Strong earnings momentum to continue

- **In-line 2Q:** ACME Solar (ACME) reported revenue of INR8.9b (+2% vs. our estimate) and EBITDA of INR7.5b, in line with estimates. EBITDA margin stood at 85% (vs. our estimate of 83%), while adjusted PAT of INR2.7b beat estimates by 25%, driven by lower finance costs.
- **Key things we liked about the result:** 1) PPAs have been secured for 92% of the 8.3GW portfolio, providing visibility capacity additions beyond FY28, 2) cumulative BESS commissioned capacity reached 5.2GWh, meeting the H1FY27 target while management raised its FY27 BESS commissioning guidance from 10GWh to 12GWh+, 3) revenue of INR16b+ for FY27 and INR15b+ for FY28 BESS capacity is locked in, with 90–95% of FY27 and 50–60% of FY28 capacity contracted, and 4) management raised its 2030 RE capacity target from 10GW to 15GW.
- **Key monitorables:** 1) the pace of commissioning against FY27/FY28 renewable capacity addition guidance of 1.5GW and 2.5–3GW, 2) progress towards the 15GW RE capacity target by 2030 and sustainability of BESS margin, and 3) new bidding activity and the pace of PPA signings.
- **Valuation and view:** We assign an EV/EBITDA multiple of 11x to core FY28E EBITDA and 6x to merchant FY28E EBITDA. After adjusting for net debt, we derive our TP of INR495, implying a 20% potential upside. **Reiterate 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).
- BESS revenue in 2Q was INR3.2b (+43% QoQ).
- It commissioned ~2.1 GWh of BESS capacity during the quarter to date, taking the total commissioned BESS capacity to ~5.2 GWh.
- Weighted average cost of debt for fully operational projects stands at 8.4%.
- INR16b+ in revenue is 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.

Highlights of the 2QFY27 performance

- FY27 BESS commissioning guidance revised from 10 GWh to 12+ GWh.
- The RE capacity target for 2030 has been revised upwards from 10GW to 15GW, leveraging FDRE/assured peak power, CfD, RE power for Green Hydrogen/Molecules, and data centers among others.
- Doubled the 2030 storage target to 50 GWh.
- It contracted over INR16b of BESS revenue for FY27 (90-95% tied up) and over INR15b for FY28 (50-60% tied up).
- Operational weighted average cost of debt stood at 8.4%, with 65% of borrowings sourced from long-term financial institutions (PFC, REC, IREDA, and NaBFID) and foreign currency debt exposure reduced to zero.
- Capex incurred in H1FY27 totaled INR65b (INR35b capitalized and INR30b in CWIP).
- Gross debt expanded to ~INR265b in Q2FY27 from INR200b in Q1FY27, reflecting front-ended debt disbursements for BESS capex, leaving an unutilized cash balance of INR100b at the end of the quarter.
- ACME's blended EBITDA margin of 86.7% reflected a divergence between renewable generation (90.8%) and BESS operations (78.3%), with the BESS margin weighed down by the cost of external power purchased on IEX to charge batteries, which is booked within operating expenses.

Valuation and view

- We **reiterate our BUY rating** on ACME with a TP of INR495. We assign an EV/EBITDA multiple of 11x to core FY28E EBITDA and 6x to Merchant FY28E EBITDA. After adjusting for net debt, we derive our TP of INR495, implying a 20% potential upside.

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	**5,110**	**4,677**	**4,968**	**5,479**	**8,575**	**8,870**	**11,077**	**12,915**	**20,234**	**41,437**	9,035	-2%	90%	3%
YoY Change (%)	*65%*	*80%*	*42%*	*13%*	*68%*	*90%*	*123%*	*136%*	*44%*	*105%*	*93%*			
Total Expenditure	532	675	523	690	1,232	1,335	1,644	3,075	2,420	7,287	1,506	-11%	98%	8%
EBITDA	**4,578**	**4,002**	**4,445**	**4,788**	**7,343**	**7,535**	**9,433**	**9,840**	**17,813**	**34,150**	7,529	0%	88%	3%
YoY Change (%)	*68%*	*81%*	*45%*	*10%*	*60%*	*88%*	*112%*	*105%*	*44%*	*92%*	1			
Margin (%)	*90%*	*86%*	*89%*	*87%*	*86%*	*85%*	*85%*	*76%*	*88%*	*82%*	*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	5,562	6,400	11,230	18,857	4,303	-20%	31%	0%
Other Income	730	1,336	1,200	1,571	963	1,201	1,632	2,019	4,837	5,814	1,376	-13%	-10%	25%
PBT before EO expense	**1,903**	**1,519**	**1,563**	**1,756**	**3,315**	**3,560**	**3,266**	**2,256**	**6,741**	**12,397**	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**	**3,266**	**2,256**	**6,768**	**12,397**	2,854	25%	128%	7%
Tax	436	411	426	517	961	874	816	448	1,789	3,099	714	22%	112%	-9%
Tax rate	*25%*	*26%*	*27%*	*27%*	*29%*	*25%*	*25%*	*20%*	*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**	**2,449**	**1,808**	**4,989**	**9,295**	2,141	25%	133%	14%
Adj PAT	**1,467**	**1,108**	**1,137**	**1,250**	**2,353**	**2,684**	**2,449**	**1,808**	**4,962**	**9,295**	2,141	25%	142%	14%
YoY Change (%)	*10465%*	*624%*	*-4%*	*-9%*	*60%*	*142%*	*115%*	*45%*	*82%*	*87%*	*93%*			
Margin (%)	*29%*	*24%*	*23%*	*23%*	*27%*	*30%*	*22%*	*14%*	*25%*	*22%*	*24%*			

Valuation table

Particulars	Units	Amount
FY28 Core EBITDA	INR m	56,166
EV/EBITDA	Times	11
FY28 Merchant EBITDA	INR m	11,651
EV/EBITDA	Times	6
EV	INR m	7,04,575
Net debt	INR m	3,55,379
Market Cap	**INR m**	**3,49,196**
Target Price	INR/sh	495
CMP	INR/sh	414
Upside/(Downside)		**20%**

Craftsman Automation

Estimate changes	↑
TP change	↑
Rating change	↔

CMP: INR10,700 **TP: INR11,000 (+5%)** **Neutral**

Bloomberg	CRAFTSMA IN
Equity Shares (m)	26
M.Cap.(INRb)/(USDb)	280.6 / 2.9
52-Week Range (INR)	11999 / 6252
1, 6, 12 Rel. Per (%)	1/44/78
12M Avg Val (INR M)	729

Consol. Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	80.7	111.3	125.4
EBITDA	12.4	17.0	20.4
Adj. PAT	3.9	7.2	9.6
EPS (INR)	164.8	273.8	366.7
EPS Gr. (%)	78.9	66.1	33.9
BV/Sh. (INR)	1,368	2,274	2,624
Ratios			
RoE (%)	12.9	15.5	15.0
RoCE (%)	10.1	12.2	12.4
Payout (%)	6.8	4.4	4.6
Valuations			
P/E (x)	64.9	39.1	29.2
P/BV (x)	7.8	4.7	4.1
Div. Yield (%)	0.1	0.1	0.2
FCF Yield (%)	-4.0	-4.2	-0.7

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	42.4	42.4	48.7
DII	33.6	32.9	24.4
FII	16.5	17.3	15.4
Others	7.5	7.4	11.5

FII includes depository receipts

Strong topline performance, margins to rebound

Strong underlying demand and RM pass through to support growth

- Craftsman Automation's (Craftsman) 2QFY27 consol. adj. PAT of INR1.5b came in line with our estimate, growing ~68% YoY on account of strong performance across segments. Despite strong top line growth, commodity inflation and higher opening inventory impacted margins, as EBITDA margin contracted 180bp YoY to 13.3%.
- The aluminum business is likely to emerge as a key growth driver going forward, driven by the ramp-up of its alloy wheel facilities at Bhiwadi and Hosur, steady order visibility from both domestic and export customers, and benefits of the restructuring of Sunbeam to be visible from FY27E. Management remains committed to a 15% real revenue CAGR, over the medium term. Fueled by a strong earnings growth in 2Q, we raise our EPS estimates by 14%/8% for FY27/ FY28. However, after the recent run-up in the stock, most of the positives appear factored in at **39x FY27E and at 29x FY28E**. **Hence, we reiterate our Neutral rating with a TP of INR11,000 (valued at 30x FY28E EPS).**

Margin miss due to higher-than-expected raw material prices

- Craftsman's 2QFY27 consolidated revenue grew 47.1% YoY/21.1% QoQ to INR29.5b, beating our estimate of INR24.8b. Even on a standalone basis, revenue beat our estimates.
- Gross margin contracted 540bp YoY/470bp QoQ at 44.5%.
- However, due to higher-than-expected raw material inflation, EBITDA came in line with our estimate, growing ~30% YoY to INR3.9b. Margin came in at 13.3%, and was below our estimate of 15.5%.
- Segmental performance:
  - **Powertrain:** Revenue at INR7.5b rose 38.7% YoY (beating our estimate of INR6.4b). EBIT margin at 18% declined 30bp QoQ, broadly in line with our estimates.
  - **Aluminum:** Revenue at INR18.2b rose 51% YoY (above estimate of INR15.1b). EBIT margin at 7.5% declined 420bp YoY (below expectations).
  - **Industrial:** Revenue at INR3.8b rose 46% YoY, beating our estimate of INR3.4b. EBIT margin at 7.6% rose 620bp YoY (down 140bp QoQ), below our estimate of 9%.
- As a result, despite strong top-line growth, PAT came in line with our estimate, growing 67.9% YoY to INR1.5b.
- CFO for 1HFY27 stood at a negative INR5.1b, and free cash was also negative at INR5.8b.
- However, the company was still net cash positive with ~INR5b.

Key highlights from the management commentary

- Management expects growth momentum to sustain over the next 2-3 quarters, supported by order wins, capacity additions and product developments, with growth expected across powertrain (excluding tractors in the near term) and aluminium.
- The company remains committed to a 15% real revenue CAGR, supported by new product launches, increasing exports, premiumisation, hybrid powertrains and the gradual shift towards outsourced manufacturing by OEMs.
- Sunbeam's profitability is expected to improve as loss-making, low-margin business is phased out over the next few months, despite a potential reduction in revenue. Q3 and Q4FY27 are expected to show improvement, with new customer orders anticipated in FY28.
- Consolidated net debt/EBITDA is expected at 1.7-1.8x for FY27, with working capital elevated due to growth, inventory build-up and capacity ramp-ups.

Valuation and view

The aluminum business is likely to emerge as a key growth driver going forward, driven by the ramp-up of its alloy wheel facilities at Bhiwadi and Hosur, steady order visibility from both domestic and export customers, and benefits of the restructuring of Sunbeam to be visible from FY27E. Management remains committed to a 15% real revenue CAGR, over the medium term. However, after the recent run-up in the stock, most of the positives appear factored in at **39x FY27E and at 29x FY28E**. **Hence, we reiterate our Neutral rating with a TP of INR11,000 (valued at 30x FY28E EPS).**

Quarterly (Consol) **(INR m)**

	FY26				FY27E				FY26	FY27E	FY27E	Variance
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net operating income	**17,840**	**20,016**	**20,573**	**22,264**	**24,316**	**29,452**	**29,113**	**28,454**	**80,693**	**1,11,334**	**24,844**	**18.5**
Change (%)	55.0	64.9	30.5	27.3	36.3	47.1	41.5	27.8	41.8	38.0	24.1	
RM/Sales (%)	53.9	54.7	55.0	54.6	55.5	60.2	55.0	51.1	54.6	55.5	55.5	470bp
Staff Cost (% of Sales)	8.1	7.2	7.3	6.7	6.8	6.2	7.1	8.7	7.3	7.2	7.0	-80bp
Other Exp. (% of Sales)	23.2	23.0	22.6	22.6	21.9	20.4	22.0	23.8	22.8	22.0	22.0	-160bp
EBITDA	**2,649**	**3,019**	**3,122**	**3,585**	**3,839**	**3,918**	**4,629**	**4,648**	**12,376**	**17,034**	**3,851**	**1.8**
EBITDA Margins (%)	14.9	15.1	15.2	16.1	15.8	13.3	15.9	16.3	15.3	15.3	15.5	-220bp
Change (%)	34.3	56.6	56.9	47.2	44.9	29.8	48.3	29.6	185.1	221.8	27.6	
Non-Operating Income	50	96	277	191	231	197	400	399	614	1227	280	
Interest	663	770	794	863	862	803	840	894	3090	3399	850	
Depreciation	1019	1090	1149	1181	1204	1264	1330	1417	4439	5215	1275	
Minority Int/Share of Profit	-2	-4	-3	-3	-6	-6	-5	-5	-11	-22	-5	
PBT after EO items	**937**	**1,253**	**1,422**	**1,730**	**2,010**	**2,055**	**2,864**	**2,741**	**5,343**	**9,670**	**2,011**	**2.2**
Eff. Tax Rate (%)	25.7	27.5	24.7	32.7	25.1	25.4	26.0	26.9	28.1	25.9	25.4	
Rep. PAT	**696**	**909**	**1,071**	**1,164**	**1,506**	**1,532**	**2,121**	**2,004**	**3,840**	**7,162**	**1,499**	**2.2**
Change (%)	30.9	47.3	728.4	74.4	116.3	68.6	98.0	72.1	69.7	86.5	65.0	
Adj. PAT	**755**	**912**	**1,098**	**1,168**	**1,506**	**1,532**	**2,121**	**2,004**	**3,933**	**7,162**	**1,499**	**2.2**
Change (%)	42.0	47.9	352.8	55.8	99.4	67.9	93.2	71.5	73.8	82.1	64.4	

E: MOSL Estimates

R R Kabel

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	RRKABEL IN
Equity Shares (m)	113
M.Cap.(INRb)/(USDb)	240.1 / 2.5
52-Week Range (INR)	2984 / 1281
1, 6, 12 Rel. Per (%)	-17/36/61
12M Avg Val (INR M)	1031
Free float (%)	40.7

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	97.2	130.0	154.4
EBITDA	7.8	11.4	14.4
Adj. PAT	5.1	7.4	9.4
EBITDA Margin (%)	8.1	8.8	9.3
Cons. Adj. EPS (INR)	44.8	65.4	82.9
EPS Gr. (%)	62.7	45.9	26.9
BV/Sh. (INR)	227.6	281.9	352.8
Ratios			
Net D:E	0.0	0.0	(0.0)
RoE (%)	21.4	25.7	26.1
RoCE (%)	21.7	26.1	26.7
Payout (%)	21.2	18.4	14.5
Valuations			
P/E (x)	47.5	32.5	25.7
P/BV (x)	9.3	7.5	6.0
EV/EBITDA (x)	30.8	21.3	16.6
Div Yield (%)	0.4	0.6	0.6
FCF Yield (%)	0.0	0.6	1.8

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	59.3	61.4	61.8
DII	10.3	11.9	13.9
FII	12.5	10.7	8.2
Others	17.9	16.1	16.2

FII includes depository receipts

CMP: INR2,123 TP: INR2,900 (+37%) Buy

Earnings in line; export share rises in 1H

C&W volume guidance trimmed by 3-4pp; margin guidance retained

- RR Kabel's (RRKABEL) 2QFY27 earnings were in line with our estimates. Consol. revenue/EBITDA grew ~52%/61% YoY to INR32.8b/INR2.8. OPM expanded 50bp YoY to 8.6% (30bp below our estimates). PAT grew ~55% YoY to INR1.8b.
- Management indicated high-single-digit C&W volume growth in 2QFY27, with wires outpacing cables. It now anticipates volume growth of ~14-15% YoY vs. earlier estimate of ~18% in FY27. However, it maintained C&W margin guidance at ~9.5%/10.5% for FY27/FY28, led by operating leverage and disciplined commodity management. In FMEG, it reiterated its FY27 breakeven target. Capex guidance stands at INR5.5-6.0b, with an additional INR2b investment approved for land acquisition in Rajasthan for future expansion.
- We largely maintain our earnings estimates for FY27-28. The stock is trading at 33x/26x FY27E/FY28E EPS. We value RRKABEL at 35x FY28E EPS to arrive at our revised TP of INR2,900. **Reiterate BUY.**

C&W revenue rises ~53% YoY; margin at 9.4% (est. 9.5%)

- Consol. revenue/EBITDA/PAT stood at INR32.8b/INR2.8b/INR1.8b (+52%/+61%/+55% YoY and +9/+6%/+4% vs. our estimates). Gross margin dipped 90bp YoY to ~18%. Employee cost rose 26% YoY (3.9% of revenue vs. 4.7% in 2QFY26). Other expenses rose 35% YoY (5.4% of revenue vs. 6.1% in 2QFY26). Depreciation/interest costs grew ~40%/2x YoY. Other income increased ~14% YoY.
- Segmental highlights: **1) 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%; and **2) FMEG:** 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.

Key highlights from the management commentary

- Exports are expected to contribute ~30-35% of revenue in 2HFY27; it maintains an equal focus on domestic and international markets.
- Gross margin contracted 90bp YoY in 2QFY27, primarily due to a product mix change and the impact of higher RM prices.
- The net working capital cycle improved to 46 days, with receivable days improved to 32 from 34, despite higher revenue and receivables in absolute terms.

Valuation and view

- RRKABEL's 2QFY27 earnings were in line with our estimates; however, its C&W volume growth moderated sequentially. The company has reduced C&W volume growth guidance to ~14-15% vs. earlier ~18% due to volatility seen in the industry. However, it remains focused on improving the C&W product mix and expanding its presence in higher-value cables and B2B segments. It is looking for new expansion in Rajasthan, for which the board has approved initial investment of INR2b for land acquisition. The company reiterated its target of achieving breakeven in the FMEG business in FY27.
- We estimate RRKABEL's revenue/EBITDA/PAT CAGR at ~26%/35%/38% over FY26-28. We estimate OPM at 9.3%/9.8% in FY27/FY28 vs. 8.1% in FY26. The stock is trading at 33x/26x FY27E/28E EPS. We value RRKABEL at 35x FY28E EPS to arrive at our revised TP of INR2,900. **Reiterate BUY.**

Quarterly performance (INR m)

	FY26				FY27E				FY26	FY27E	MOFSL	Var.
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Sales	**20,586**	**21,638**	**25,359**	**29,641**	**31,682**	**32,840**	**31,586**	**33,898**	**97,224**	**1,30,006**	**30,100**	**9**
YoY Change (%)	13.9	19.5	42.3	33.7	53.9	51.8	24.6	14.4	27.6	33.7	**39.1**	
EBITDA	**1,421**	**1,758**	**2,043**	**2,617**	**2,832**	**2,836**	**2,712**	**2,996**	**7,838**	**11,376**	**2,685**	**6**
YoY Change (%)	49.6	104.9	84.8	34.6	99.3	61.3	32.8	14.5	61.4	45.1	**52.8**	
Adj EBITDA margin (%)	6.9	8.1	8.1	8.8	8.9	8.6	8.6	8.8	8.1	8.8	**8.9**	**(29)**
Depreciation	203	219	239	262	297	307	310	313	923	1,227	**300**	**2**
Interest	151	162	189	250	263	326	310	299	753	1,198	**235**	**39**
Other Income	124	169	142	129	329	193	175	183	564	880	**185**	**4**
PBT	**1,190**	**1,546**	**1,757**	**2,234**	**2,601**	**2,396**	**2,267**	**2,568**	**6,727**	**9,831**	**2,336**	**3**
Tax	303	386	405	574	708	616	580	629	1,668	2,534	**607**	
Effective Tax Rate (%)	25.4	25.0	23.1	25.7	27.2	25.7	25.6	24.5	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**	**1,702**	**1,936**	**4,922**	**7,496**	**1,731**	**4**
Change (%)	39.4	134.7	72.4	30.1	128.6	55.3	43.9	15.3	58.0	52.3	**48.9**	
Adj PAT	**898**	**1,163**	**1,329**	**1,680**	**1,950**	**1,806**	**1,702**	**1,936**	**5,068**	**7,393**	**1,731**	**4**
YoY Change (%)	39.4	134.7	93.8	30.1	117.2	55.3	28.1	15.3	62.7	45.9	**48.9**	
Margins (%)	4.4	5.4	5.2	5.7	6.2	5.5	5.4	5.7	5.2	5.7	**5.8**	

Segmental performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	MOFSL	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Sales												
Cables & Wires	18,335	19,712	22,926	26,664	28,800	30,103	28,658	30,751	87,637	1,18,312	27,596	**9**
FMEG	2,251	1,926	2,432	2,977	2,882	2,737	2,929	3,147	9,586	11,695	2,504	**9**
Growth YoY (%)												
Cables & Wires	16.2	22.3	48.6	36.3	57.1	52.7	25.0	15.3	31.0	35.0	40.0	
FMEG	(2.1)	(2.9)	1.5	13.8	28.1	42.1	20.4	5.7	3.1	22.0	30.0	
EBIT												
Cables & Wires	1,391	1,804	1,988	2,573	2,854	2,824	2,608	2,888	7,756	11,173	2,622	**8**
FMEG	(71)	(117)	(49)	(93)	-	(124)	(100)	(68)	(330)	(292)	(50)	**148**
EBIT Margin (%)												
Cables & Wires	7.6	9.2	8.7	9.6	9.9	9.4	9.1	9.4	8.9	9.4	9.5	**(12)**
FMEG	(3.2)	(6.1)	(2.0)	(3.1)	-	(4.5)	(3.4)	(2.2)	(3.4)	(2.5)	(2.0)	**(253)**

Pine Labs

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	PINELABS IN
Equity Shares (m)	1155
M.Cap.(INRb)/(USDb)	189.6 / 2
52-Week Range (INR)	284 / 135
1, 6, 12 Rel. Per (%)	-5/-12/-
12M Avg Val (INR M)	2893

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Revenue from Op	27.1	34.0	43.2
Contribution Profit	20.4	24.8	32.0
Adjusted EBITDA	5.6	7.3	11.3
EBITDA	4.1	6.2	10.2
PAT	1.1	2.3	5.6
EPS (INR)	1.1	2.1	5.1
EPS Gr. (%)	NA	99.4	142.1
Ratios			
Contribution Margin (%)	75.3	72.9	74.1
EBITDA Margin (%)	15.0	18.2	23.6
Adjusted EBITDA Margin (%)	20.6	21.5	26.2
RoE (%)	2.4	3.8	8.9
RoA (%)	0.9	1.7	3.7
Valuations			
P/E(X)	158.0	79.2	32.7
P/BV (X)	5.0	3.1	2.8
P/Sales (X)	41.6	27.4	16.6

Shareholding pattern (%)

As On	Sep-26	Jun-26
Promoter	0.0	0.0
DII	29.6	24.8
FII	13.2	9.5
Others	57.2	65.7

FII includes depository receipts

CMP: INR166 **TP: INR235 (+42%)** **Buy**

In-line revenue; adj. EBITDA margin improves to 19%

GTV grows 5% QoQ

- Pine Labs reported strong revenue growth of 24% YoY/9% QoQ to INR8.1b (inline), EBITDA of INR1.3b (inline) of and PAT of INR386m (est. INR514m) in 2QFY27 as platform GTV growth picked up at 5% QoQ.
- The DITP segment grew 21% YoY/7% QoQ, aided by strong traction in the number of transactions (22% YoY) and a steady pick-up in DCPs (17% YoY). Subscription revenue now contributes 27% of overall revenue.
- IAP revenue grew 31% YoY/15% QoQ led by strong growth in prepaid cards of 40% QoQ. The take rate of IAP rose to 1.53% (vs 1.32% in 1QFY27).
- Contribution profit rose 18% YoY to INR5.9b, with contribution margin improving to 72.8% from 72.3% in 1QFY27. Adj EBITDA grew 27% YoY and the Adj. EBITDA margin was 19%. EBITDA grew 41% YoY/31% QoQ (in line).
- On MDR, management indicated that more than 65% of the UPI GTV is driven by transactions above 2,000.
- **We tweak our FY27E/28E earnings and estimate a PAT of INR2.3b/INR5.6b in FY27/FY28. We value Pine Labs at INR235, based on 24x FY28E EV/EBITDA. Reiterate BUY.**

Contribution margin improves; elevated tax rates suppress earnings

- Pine Labs reported a PAT of INR386m (est. INR514m, up ~2x QoQ and ~6x YoY), with strong revenue growth and a stable contribution margin partly offset by higher finance costs and softer other income.
- Revenue growth was robust at 24% YoY/9% QoQ to INR8.1b (in line), led by strong growth in DITP (up 21% YoY/7% QoQ) and IAP (up 31% YoY/15% QoQ), supported by continued expansion in the mid-market segment and an increasing UPI transaction mix on DCPs (70%+).
- The international revenue mix declined from 16% in 1QFY27 to 15% in 2QFY27 owing to the exit of one large global retailer from Singapore. Management expects underlying international businesses to continue scaling, despite quarterly fluctuations in revenue mix.
- The number of transactions increased from 2.01b in 1QFY27 to 2.29b in 2QFY27 (22% YoY/ 14% QoQ) while the average transaction value declined to INR1,943.
- The number of registered merchants increased 12% YoY to 1.1m, with the DCPs rising 17% YoY to 2.2m. The number of prepaid cards grew by 7% YoY/40% QoQ to 280m, with the GTV per card declining to INR643.
- Contribution profit grew 18% YoY/ 11% QoQ to INR5.9b (in line), while contribution margin improved to 72.8% (vs. 72.3% in 1QFY27), aided by healthy revenue growth and controlled direct expenses.
- Adj. EBITDA grew by 27% YoY, with Adj. EBITDA margin coming in at 19%. EBITDA grew by 41% YoY/31% QoQ (inline). Management expects the effective tax rate to taper gradually to ~30% by the exit of FY27.

Highlights from the management commentary

- Business cyclicality and differences in monetization across use cases can lead to a divergence between GTV growth and associated revenue growth
- Pine Labs' 2H EBITDA is expected to be materially higher than 1H as recent sales-team additions become productive, typically over nine months.
- EBITDA margin guidance remains at 21% for FY27, with a contribution margin of 52-56% and a DITP margin of 81–82%.
- Pine Labs plans to deploy 1m additional soundboxes, primarily across its existing merchant base, to capture transactions currently processed through competing devices.

Valuation and view: Reiterate Buy with TP of INR235

Pine Labs reported a strong quarter, driven by robust revenue growth and continued market share gains across segments. Management expects FY27 revenue growth to exceed its guidance 23%, with H2 expected to be better than 1H. The company remains on track toward sustainable profitability, supported by operating leverage and improving productivity of the sales team hired recently. Management continues to guide for an FY27 EBITDA margin at 21%, with contribution margin ranging between 52% and 56% and DITP margin at 81-82%. **We tweak our FY27E/28E earnings and now estimate a PAT of INR2.3b/INR5.6b in FY27/28, valuing Pine Labs at INR235, based on 24x FY28E EV/EBITDA. Reiterate BUY.**

Quarterly Performance (INR b)

	FY26				FY27E				FY26	FY27E	FY27E 2QE	V/s our Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Revenue from Operations	**6.2**	**6.5**	**7.4**	**7.0**	**7.4**	**8.1**	**8.8**	**9.7**	**27.1**	**34.0**	7.9	**2%**
% Change (Y-o-Y)	17.9	17.8	23.7	17.0	19.7	24.0	18.7	38.7	19.2	25.4	21.6	
Direct Expenses	1.4	1.5	1.9	1.9	2.0	2.2	2.4	2.6	6.7	9.2	2.0	**8%**
Contribution Profit	**4.8**	**5.0**	**5.5**	**5.1**	**5.3**	**5.9**	**6.4**	**7.1**	**20.4**	**24.8**	5.9	**0%**
% Change (Y-o-Y)	16.5	21.3	19.2	15.4	11.0	18.0	17.1	39.2	18.1	21.5	18.1	
Indirect Expenses	3.6	3.8	3.8	3.6	4.1	4.3	4.4	4.7	14.8	17.5	4.2	**4%**
Adjusted EBITDA	**1.2**	**1.2**	**1.7**	**1.5**	**1.3**	**1.6**	**2.0**	**2.5**	**5.6**	**7.3**	1.7	**-9%**
PAT	**0.0**	**0.1**	**0.4**	**0.6**	**0.2**	**0.4**	**0.7**	**1.1**	**1.1**	**2.3**	0.5	**-25%**
Operating Parameters												
Platform GTV (INR b)	4,060	4,240	4,510	4,350	4,220	4,450	4,950	5,671	17,150	19,291	4,800.0	**-7%**
GMV Growth (%)	118.7	91.9	29.2	12.7	3.9	5.0	9.8	30.4	50.1	12.5	13.2	
Profitability												
Contribution Margin (%)	77.9	76.5	74.0	73.3	72.3	72.8	72.9	73.6	75.3	72.9	74.33	
Adjusted EBITDA Margin (%)	20.3	18.8	23.3	21.3	17.2	19.2	22.8	25.6	20.6	21.5	21.54	
EBITDA Margin (%)	9.5	14.4	19.1	17.5	13.7	16.4	19.4	21.9	15.0	18.2	16.77	

E: MOFSL Estimates

Prudent Corporate Advisory

Estimate change	⟷
TP change	↓
Rating change	⟷

CMP: INR2,890 TP: INR3,200 (+11%) Neutral

Bloomberg	PRUDENT IN
Equity Shares (m)	41
M.Cap.(INRb)/(USDb)	119.7 / 1.3
52-Week Range (INR)	4106 / 1955
1, 6, 12 Rel. Per (%)	-8/6/22
12M Avg Val (INR M)	126

Financials & Valuations (INRm)

Y/E March	2026	2027E	2028E
Revenues	13,174	15,475	18,812
Opex	10,071	11,396	13,846
PBT	2,980	4,199	5,167
PAT	2,221	3,142	3,875
EPS (INR)	53.6	75.9	93.6
EPS Gr. (%)	13.5	41.5	23.3
BV/Sh. (INR)	213.2	284.6	372.6
Ratios (%)			
EBITDA Margin	23.6	26.4	26.4
PAT margin	16.9	20.3	20.6
RoE	28.6	30.5	28.5
Div. Payout	6.5	5.9	5.9
Valuations			
P/E (x)	53.9	38.1	30.9
P/BV (x)	13.6	10.2	7.8
Div. Yield (%)	0.1	0.2	0.2

Shareholding Pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	55.3	55.3	55.3
DII	22.9	23.9	21.5
FII	14.6	14.3	16.9
Others	7.2	6.5	6.4

FII includes depository receipts

Operating performance drives a PAT beat

- **Prudent Corporate Advisory (Prudent) posted operating revenue of ~INR3.9b (+22% YoY/12% QoQ in 2QFY27; in line). For 1HFY27, revenue grew 20% YoY.**
- **Operating expenses grew 15% YoY/11% QoQ to INR2.9b (in line). However, its operational efficiency led to a 42% YoY/15% QoQ growth in EBITDA to INR1b (7% beat), with EBITDA margins of 26.4% (vs. 25.6% in 2QFY26).). For 1HFY27, the company's EBITDA grew 38% YoY.**
- **Prudent's PAT grew 34% YoY/declined 4% QoQ to INR717m (5% beat, led by strong operating performance). For 1HFY27, PAT grew 39% YoY.**
- **Its current AUM is below the 1HFY27 average, reversing the historical trend and providing scope for growth as market conditions improve. On the insurance distribution side, if the proposed distribution reforms are implemented as-is, they could dent profitability by up to ~12%, as per the management.**
- **We broadly retain our FY27/FY28 earnings estimates, with the impact of market volatility on AUM to be offset by operational efficiency. While we have not envisaged any impact of the proposed distribution reforms, a 50% dent in commission income can lead to a 9% cut in our FY28E earnings. We reiterate our Neutral rating on the stock with a TP of INR3,200, based on 34x FY28E EPS.**

Strong quarterly net sales offset by negative MTM impact

- Prudent's QAAUM grew 21% YoY/8% QoQ to INR1.4t in 2QFY27. The current AUM has declined 1.2% compared with the 1HFY27 average AUM owing to the volatile market environment.
- The company's equity AUM (97% of closing AUM) grew 16% YoY/2% QoQ, driven by strong SIP inflows and lower redemptions.
- Commission and fees income included INR3.2b (+18% YoY) from the distribution of MF products, while the contribution from the distribution of insurance products rose 46% YoY to INR473m.
- Monthly SIP flows improved to ~INR13b (vs INR11b YoY), maintaining ~3.7% market share.
- Alternative assets (PMS, AIF and related products) AUM stands at ~20.3b, growing 37% YoY.
- Strong quarterly net sales (INR41.4b) in 2QFY27 offset the negative MTM impact on sequential AUM growth.
- Total insurance premium for the quarter stood at INR2.5b (+32% YoY), led by strong growth across segments, with life insurance premium at INR1.7b (+24% YoY) and general insurance premium at INR748m (+56% YoY). Insurance distribution revenue grew 46% YoY.
- The MF revenue growth of 18.1% YoY was slower than the QAAUM growth of 20.7% YoY.

- The gross yields for the quarter stood at 89.3bp vs. 88.2bp in 1QFY27.
- Revenue from the stockbroking segment increased 18% YoY/dipped 7% QoQ at INR52m. Revenue from other financial and non-financial products rose 41% YoY to INR117m.
- Other income stood at INR38m vs. INR82m in 2QFY26 and INR208m in 1QFY27 as higher bond yields led to MTM losses on the debt portfolio.
- Operating expenses grew 15% YoY/11% QoQ to INR2.9b. The CIR (excluding commission) came in at 19.2% vs. 17.9% in 2QFY26 and 19.7% in 1QFY27.
- Commission & Fee Expenses rose 11% YoY/11% QoQ to INR2.1b, while other expenses grew 30% YoY/17% QoQ to INR315m. Employee costs grew 31% YoY/ 3% QoQ to INR431m.

Key takeaways from the management commentary

- Tighter insurance commissions may prompt individual agents to diversify into mutual fund distribution, giving Prudent the potential to expand its MFD network.
- IDEs require adequate compensation for technology, claims support and other infrastructure, and hence, the industry is seeking a level playing field vs. individual agents.
- More than 90% overlap between MFD and PoSP relationships at the family level supports cross-selling.

Valuation and view

- Prudent delivered a healthy 2QFY27 performance, with PAT outperforming expectations driven by strong operating performance. Core business momentum remains strong, supported by healthy AUM growth, resilient SIP inflows, robust insurance premium growth and continued traction across alternate products. The proposed commission framework could have a greater impact on standalone insurance agents than on multi-line distributors.
- We broadly retain our FY27/FY28 earnings estimates, with the impact of market volatility on AUM to be offset by operational efficiency. While we have not envisaged any impact of the proposed distribution reforms, a 50% dent in commission income can lead to a 9% cut in our FY28E earnings. **We reiterate our Neutral rating on the stock with a TP of INR3,200, based on 34x FY28E EPS.**

Quarterly performance

(INR m)

	FY26				FY27				FY26	FY27E	2QFY27E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Commission and Fees Income	2,910	3,168	3,407	3,579	3,443	3,850	3,905	4,147	13,065	15,345	3,700	4.1	22%	12%
Other Operating revenue	28	30	25	27	33	37	30	29	109	130	30	24.7	26%	13%
Revenue from Operations	**2,938**	**3,198**	**3,432**	**3,606**	**3,476**	**3,887**	**3,935**	**4,177**	**13,174**	**15,475**	**3,730**	4.2	22%	12%
Change YoY (%)	17.8	11.8	20.4	27.5	18.3	21.6	14.7	15.8	19.4	17.5	16.6			
Operating Expenses	2,265	2,476	2,654	2,676	2,586	2,859	2,909	3,042	10,071	11,396	2,771	3.2	15%	11%
Change YoY (%)	18.9	13.9	21.1	24.9	14.2	15.5	9.6	13.7	19.7	13.2	11.9			
EBIDTA	**673**	**722**	**778**	**930**	**891**	**1,028**	**1,026**	**1,135**	**3,103**	**4,079**	**959**	**7.2**	42%	15%
Depreciation	72.5	76.8	80.2	78.7	80.0	87.6	90.0	93.8	308	351	82	6.8	14%	9%
Finance Cost	6.9	7.3	16.9	16.4	16.8	17.6	18.0	18.9	48	71	17	3.4	141%	5%
Other Income	103	82	95	-47	208	38	145	151	233	543	50	-24.0	-54%	-82%
PBT	**696**	**719**	**776**	**788**	**1,002**	**961**	**1,063**	**1,173**	**2,980**	**4,199**	**910**	**5.6**	34%	-4%
Change YoY (%)	17.5	3.8	20.3	14.3	44.1	33.6	37.0	48.8	13.7	40.9	26.5			
Tax Provisions	178.1	184.0	199.7	197.1	254.7	243.8	265.7	293.1	759	1,057	227	7.2	32%	-4%
Net Profit	**518**	**535**	**576**	**591**	**748**	**717**	**797**	**880**	**2,221**	**3,142**	**682**	**5.1**	34%	-4%
Change YoY (%)	17.1	4.0	19.6	14.5	44.4	33.9	38.3	48.9	13.5	41.5	27.4			
Key Operating Parameters (%)														
EBIDTA Margin	22.9	22.6	22.7	25.8	25.6	26.4	26.1	27.2	23.6	26.4	25.7	74bp	387bp	82bp
Cost to Income Ratio	18.2	17.9	18.4	19.1	19.7	19.2	19.5	18.9	18.4	19.3	19.4	-20bp	129bp	-55bp
PBT Margin	23.7	22.5	22.6	21.9	28.8	24.7	27.0	28.1	22.6	27.1	24.4	32bp	222bp	-412bp
Tax Rate	25.6	25.6	25.7	25.0	25.4	25.4	25.0	25.0	25.5	25.2	25.0	37bp	-20bp	-4bp
PAT Margins	17.6	16.7	16.8	16.4	21.5	18.4	20.3	21.1	16.9	20.3	18.3	15bp	170bp	-306bp
MF revenue / QAAUM (bp)	90.3	91.3	92.2	90.0	88.2	89.3	88.0	87.0	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	3,254	3,303	11,024	11,469	3,107	3.2	18%	9%
Distribution of Insurance Products	291	324	336	569	351	473	487	678	1,520	1,580	437	8.1	46%	35%
Stock Broking and Allied Services	50	44	44	47	56	52	53	54	185	191	50	4.0	18%	-7%
Other Financial and Non-Financial Products	80	83	86	84	102	117	110	112	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	82.7	79.1	83.7	74.1	83.3	-79bp	-241bp	-187bp
Distribution of Insurance Products	9.9	10.1	9.8	15.8	10.1	12.2	12.4	16.2	11.5	10.2	11.7	44bp	204bp	207bp
Stock Broking and Allied Services	1.7	1.4	1.3	1.3	1.6	1.3	1.3	1.3	1.4	1.2	1.3	0bp	-4bp	-27bp
Other Financial and Non-Financial Products	2.7	2.6	2.5	2.3	2.9	3.0	2.8	2.7	2.5	2.3	2.8	19bp	41bp	8bp
Opex Mix (%)														
Fees and commission	76.4	76.9	76.2	74.3	73.5	73.9	73.6	74.0	75.9	73.8	73.9	1bp	-298bp	45bp
Employees expenses	13.9	13.3	14.4	13.1	16.2	15.1	15.0	14.3	13.7	15.1	15.3	-22bp	176bp	-109bp
Other expenses	9.7	9.8	9.4	12.6	10.4	11.0	11.3	11.7	10.4	11.1	10.8	20bp	121bp	64bp

Zensar

Estimate change	⟷
TP change	↑
Rating change	⟷

CMP: INR537 **TP: INR630 (+17%)** **Buy**

Broader growth, measured recovery

Margin expansion to be limited by wage hikes

- Zensar (ZENT) reported 2QFY27 revenue growth of 4.1% QoQ CC (est. 2.4% QoQ CC). BFSI/HLS/MCS grew 7.1%/2.4%/2.9 QoQ CC, while TMT declined 2.2% QoQ CC. Deal TCV bookings came in at USD152m (up 1.5% QoQ/down 4.5% YoY), and the book-to-bill was 0.9x. EBIT margin was 13.4% (est. 13%), up 70bp QoQ. Adj. PAT stood at INR1,901m (up 3.5% QoQ/up 4.4% YoY), above our estimate of INR1,876m.
- In INR terms, 1HFY27 revenue/EBIT/adj. PAT grew 10.2%/9.3%/2.7% YoY. In 2HFY27, we expect revenue/EBIT/adj. PAT to grow 13.1%/6.7%/-4.3% YoY. We reiterate our **BUY** rating with a TP of INR630, implying a 16x FY28E EPS.

Our view: Growth broadens as vertical performance improves

- **Revenue growth broadens beyond the BFSI mega-deal:** ZENT reported 4.1% QoQ CC revenue growth in 2QFY27, with BFSI (~50% of revenue) growing **7.1% QoQ CC.** Growth was supported by the ongoing ramp-up of the USD210m mega-deal as well as **expansion across other BFSI accounts**. The mega deal is expected to reach its peak run-rate in 3QFY27. We build in **2.0%/1.5% QoQ CC revenue growth in 3Q/4Q**, respectively, with growth expected to moderate after the deal ramp-up.
- **Growth was broad-based across verticals:** HLS and MCS grew **2.4% and 2.9% QoQ C**C, respectively, while **TMT declined 2.2%**. HLS growth is expected to be supported by opportunities in providers, pharma and biotech, particularly in the mid-market. TMT remains **exposed to weakness in telecom**, although the impact has moderated as its share of revenue has declined. The impact of furloughs is expected to persist across verticals, but **the lower TMT mix should limit the drag relative to previous years**.
- **Margin expansion reflects operating leverage, while wage hikes remain a headwind:** EBITDA margin expanded 120bp QoQ to 15.8%, supported by volume, working days and **higher utilization (+130bp), lower ESOP costs (+130bp) and forex (+40bp)**. These benefits were partly offset by the absence of prior-quarter **management bonus reversals (-130bp) and higher software costs and a lower offshore mix (-50bp)**.
- Annual wage hikes are planned across 3Q and 4Q, with an impact of **~150-200bp**. Continued ramp-up of the mega-deal, furloughs and wage hikes are likely to weigh on margins, partly offset by operating efficiencies and utilization. The **company reiterated its mid-teens EBITDA margin guidance. We build in an EBITDA margin of 15.6% for FY27** (16.1% in FY26).
- **AI adoption is progressing, although deal bookings remain muted:** AI-influenced deals **accounted for 36% of the order book**, up from the low-teens range over the past three to four quarters. However, order bookings remain subdued, **with 1HFY27 TCV down 9% YoY**. Certain deals worth **~USD30m were pushed into the next quarter** due to paperwork, rather than delayed client decisions. Deal sizes may moderate as AI reduces delivery effort and accelerates execution, while smaller and shorter-duration engagements could also lower reported TCV across the industry, according to the company. **ZENT remains selective on large deals given pricing and margin considerations.**

Bloomberg	ZENT IN
Equity Shares (m)	228
M.Cap.(INRb)/(USDb)	122.4 / 1.3
52-Week Range (INR)	814 / 416
1, 6, 12 Rel. Per (%)	24/8/-21
12M Avg Val (INR M)	1031

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	56.9	63.5	68.1
EBIT Margin (%)	14.5	13.4	14.5
PAT	7.9	7.8	9.0
EPS (INR)	34.5	34.2	39.1
EPS Gr. (%)	21.7	-1.1	14.4
BV/Sh. (INR)	207.8	226.6	249.5
Ratios			
RoE (%)	18.1	15.9	16.5
RoCE (%)	13.6	12.4	13.3
Payout (%)	43.4	43.9	41.0
Valuations			
P/E (x)	15.5	15.7	13.7
P/BV (x)	2.6	2.4	2.2
EV/EBITDA (x)	10.5	9.3	7.7
Div Yield (%)	2.8	2.8	3.0

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	49.0	49.0	49.0
DII	21.7	22.0	22.2
FII	10.5	11.1	13.3
Others	18.8	17.9	15.4

FII Includes depository receipts

- **Demand remains measured:** Clients continue to exercise caution on spending and long-term commitments, with investments increasingly directed towards AI-led transformation, service quality and process simplification. While the macro environment remains subdued, the outlook for 2H will depend on sustained growth beyond the BFSI mega-deal, conversion of AI engagements into production and the ability to absorb **wage** hikes while maintaining mid-teens margins. The company expects 3Q to be better than in prior years.

Valuation and changes to our estimates

- **ZENT's 2Q performance indicates improving breadth in revenue growth, with HLS and MCS returning to sequential growth alongside continued momentum in BFSI. We expect BFSI to remain the key growth driver through FY27, supported by the ramp-up of the USD210m mega-deal, while the lower TMT revenue share should limit the drag from continued weakness in the vertical.**
- **While the demand environment remains measured, the growth outlook is constructive, supported by the mega-deal ramp-up and improving performance across verticals. Margins are likely to remain range-bound within the mid-teen guidance, given wage hikes and continued investments, partly offset by operating efficiencies. We maintain our estimates and reiterate our BUY rating, with a revised TP of INR630, based on 16x FY28E EPS (earlier 15x).**

Beat on revenue and margin; deal TCV up 1.5% QoQ

- ZENT revenue stood at USD166.2m, up 4.1% QoQ in CC terms, above our estimates of 2.4% QoQ CC. Reported USD revenue was up 4.2% QoQ.
- BFSI/HLS/MCS grew 7.1%/2.4%/2.9 QoQ CC, while TMT declined 2.2% QoQ CC.
- Deal TCV: Bookings came in at USD152m (up 1.5% QoQ/down 4.5% YoY) and the book-to-bill was 0.9x.
- EBIT margin was 13.4% (est. 13%), up 70bp QoQ.
- In 2Q, total headcount reached 12,320 (up 8.6% QoQ). LTM attrition was 9.3%, down 30bp QoQ. Utilization was up 250bp QoQ at 87.6%.
- Adj. PAT of INR1,901m (up 3.5% QoQ/up 4.4% YoY) was in line with our estimate of INR1,876m.

Key highlights from the management commentary

- Macro conditions remained broadly unchanged, with clients staying measured on spending and long-term commitments.
- Committed spending are being directed at embedding AI into core operations, with a focus on service quality and measurable returns.
- Management expects deal sizes to keep shrinking as AI cuts effort and timelines, leading to muted industry order books.
- Q3 outlook looks better than prior years despite furloughs, helped by lower TMT exposure and the large deal ramp-up.
- Revenue grew ~4.1% QoQ in CC to ~USD 166m, with BFSI contributing ~USD 5.5m of the ~USD 6.7m sequential increase.
- Growth was broad-based across volumes, with all regions and three of the four verticals growing QoQ.
- Service lines now contribute ~72% of revenue, up ~420 bps YoY, led by products and platforms (~18% YoY) and data engineering and analytics (~13% YoY).
- Management expects order books to remain muted industry-wide, as smaller and shorter AI deals become the norm.

- Average deal tenure is largely unchanged, though some five-year contracts are now being signed as three-year contracts.
- Renewal win-rates remain close to 100%, and large deals are pursued selectively given margin dilution.
- Fixed-price and outcome-based contracts are expected to rise over the next 3-4 quarters, as T&M does not pass on AI benefits to margins.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27	(% / bp)
Revenue (USD m)	**162**	**163**	**161**	**158**	**160**	**166**	**170**	**172**	**644**	**667**	**164**	**1.6**
QoQ (%)	3.3	0.5	-1.4	-1.3	0.7	4.2	2.0	1.5	3.1	3.7	2.6	164bp
Revenue (INR m)	**13,850**	**14,213**	**14,307**	**14,504**	**15,083**	**15,852**	**16,173**	**16,415**	**56,874**	**63,523**	**15,632**	**1.4**
YoY (%)	7.5	8.7	7.9	6.7	8.9	11.5	13.0	13.2	7.7	11.7	10.0	155bp
GPM (%)	**30.5**	**31.0**	**33.8**	**32.7**	**29.7**	**29.5**	**30.0**	**30.5**	**32.0**	**29.9**	**29.9**	**-41bp**
SGA (%)	15.3	15.6	16.3	16.5	15.1	13.7	14.3	14.4	15.9	14.4	15.1	-135bp
EBITDA	**2,106**	**2,199**	**2,499**	**2,357**	**2,208**	**2,496**	**2,539**	**2,643**	**9,161**	**9,886**	**2,313**	**7.9**
EBITDA Margin (%)	**15.2**	**15.5**	**17.5**	**16.3**	**14.6**	**15.7**	**15.7**	**16.1**	**16.1**	**15.6**	**14.8**	**95bp**
EBIT	**1,875**	**1,947**	**2,296**	**2,130**	**1,923**	**2,128**	**2,183**	**2,298**	**8,248**	**8,532**	**2,032**	**4.7**
EBIT Margin (%)	**13.5**	**13.7**	**16.0**	**14.7**	**12.7**	**13.4**	**13.5**	**14.0**	**14.5**	**13.4**	**13.0**	**42bp**
Other income	531	454	607	625	538	390	485	492	2,217	1,906	469	-16.8
ETR (%)	24.4	24.2	24.5	23.7	25.4	24.5	25.0	24.5	24.2	24.8	25.0	
Adj. PAT	**1,820**	**1,821**	**2,191**	**2,102**	**1,837**	**1,901**	**2,001**	**2,107**	**7,934**	**7,846**	**1,876**	**1.3**
QoQ (%)	3.2	0.1	20.3	-4.1	-12.6	3.5	5.3	5.3			2.1	
YoY (%)	15.3	16.9	37.2	19.2	0.9	4.4	-8.7	0.2	22.1	-1.1	3.0	
Exceptional Items	0.0	0.0	193.0	-3.8	0.0	0.0	0.0	0.0	**189**	**0**	0.0	
Reported PAT	**1,820**	**1,821**	**1,998**	**2,106**	**1,837**	**1,901**	**2,001**	**2,107**	**7,745**	**7,846**	**1,876**	**1.3**
Adj. EPS (INR)	**7.9**	**7.9**	**9.5**	**9.2**	**8.0**	**8.3**	**8.7**	**9.2**	**34.5**	**34.2**	**8.2**	1.5

Key Performance Indicators

Y/E March	FY26				FY27		FY26
	1Q	2Q	3Q	4Q	1Q	2Q	
Revenue (QoQ CC %)	1.9	-	(1.3)	(1.9)	1.1	4.1	
Margins							
Gross Margin	30.5	31.0	33.8	32.7	29.7	29.5	32.0
EBIT Margin	13.5	13.7	16.0	14.7	12.7	13.4	14.5
Net Margin	13.1	12.8	15.3	14.5	12.2	12.0	14.0
Operating metrics							
Headcount	10,620	10,550	10,732	10,779	11,342	12,320	10,779
LTM Attrition (%)	9.8	9.8	9.5	9.8	9.6	9.3	10
Offshore Rev	52.6	54.2	54.5	53.8	53.5	52.7	54
Key Geographies (YoY USD %)							
North America	4.3	2.7	(0.5)	(2.1)	(4.6)	1.7	1.1
UK	8.6	6.2	6.1	7.3	3.3	(1.0)	7.0
Africa	2.2	9.8	10.2	6.9	8.1	9.8	7.3

Equitas Small Finance Bank

Estimate change	↑
TP change	↓
Rating change	↔

Bloomberg	EQUITASB IN
Equity Shares (m)	1144
M.Cap.(INRb)/(USDb)	65.4 / 0.7
52-Week Range (INR)	84 / 51
1, 6, 12 Rel. Per (%)	-16/-9/7
12M Avg Val (INR M)	260

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	33.9	42.2	50.9
OP	12.6	17.1	21.4
NP	1.0	8.3	10.5
NIM (%)	6.8	7.2	7.3
EPS (INR)	0.9	7.3	9.2
BV/Sh. (INR)	54	58	66
ABV/Sh. (INR)	51	56	64
Ratios			
RoA (%)	0.2	1.3	1.3
RoE (%)	1.7	13.0	14.8
Valuations			
P/E(X)	63.2	7.8	6.2
P/BV (X)	1.1	1.0	0.9
P/ABV (X)	1.1	1.0	0.9

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	0.0	0.0	0.0
DII	52.2	51.3	48.2
FII	15.8	15.7	15.7
Others	32.0	33.0	36.1

FII includes depository receipts

CMP: INR57 **TP: INR75 (+31%)** **Buy**

Sudden leadership exit casts shadow over healthy earnings

Raises RoA guidance to ~1.35% for FY27

- Equitas SFB reported 2QFY27 PAT of INR2.2b (up 19% QoQ, 14% beat), supported by healthy other income and lower-than-expected provisions.
- NII grew 33% YoY/flat QoQ to INR10.3b (marginally below estimates). NIM contracted 55bp QoQ to 6.69%, primarily due to excess liquidity and higher funding costs. CoF increased 7bp QoQ.
- Net advances grew 29% YoY/5% QoQ to INR468b. Deposits grew 19% YoY/7% QoQ to INR525b. CASA ratio improved to 26% (vs. 25.1% in 1Q), while the CD ratio moderated to 89% from 91.3% in 1QFY27.
- Asset quality improved, with GNPA/NNPA ratios declining 13bp/1bp QoQ to 2.29%/0.70%. PCR moderated to 70.1%. Credit cost declined to 0.94% from 1.37% in 1QFY27 (1.12% adjusted for ARC sale).
- FY27 RoA guidance is raised to 1.35% from 1.2%, supported by expected NIM recovery and moderating credit costs. Management expects an 18-20bp improvement in NIM by 4QFY27.
- Slippages increased to INR4.6b from INR4.0b in 1QFY27 (up 16.2% QoQ).
- **We increase our earnings estimates by 8.0%/2.5% in FY27/FY28 and estimate RoA/RoE of 1.3%/14.8% by FY28E. Reiterate BUY with a revised TP of INR75 (1.2x FY28E ABV).**

NIM contracted 55bp QoQ; guides for medium-term NIM of ~7%

- EQUITASB reported 2QFY27 PAT of INR2.2b (up 19% QoQ, 14% beat), aided by healthy other income and lower provisions. RoA improved to 1.3% from 1.2% in 1QFY27.
- NII was up 33% YoY/flat QoQ at INR10.3b (below est.). NIM contracted 55bp QoQ to 6.69%, due to excess liquidity and higher funding costs.
- CoF increased 7bp QoQ to 7.12% as banks raised SA and TD rates before the repo rate hike. Equitas expects a further increase of 8-10bp in 3QFY27 due to repricing of existing deposits.
- Other income grew 27% YoY/14% QoQ to INR2.9b (9% beat), including INR225m from an ARC transaction.
- Opex grew 20% YoY/4% QoQ to INR9.1b (in line). PPoP stood at INR4.0b (up 67% YoY/down 1% QoQ, 5% miss). Provisions declined 44% YoY/28% QoQ to INR1.1b (33% below estimates).
- Advances grew 29% YoY/5% QoQ to INR468b. Disbursements stood at INR74.5b, with non-MFI disbursements growing 31% YoY. SBL/VF grew 16% YoY each, while HF/business loans grew 27%/38% YoY.
- Deposits grew 19% YoY/7% QoQ to INR525b. CASA ratio improved to 25.7%, while CD ratio moderated to 89%. The bank mobilized USD110m under the FCNR(B) window.
- Asset quality improved, with GNPA/NNPA declining 13bp/1bp QoQ to 2.29%/0.70%. PCR moderated to 70.1%, while credit cost declined to 0.94% (1.12% adjusted for ARC sale) from 1.37% in 1QFY27.
- Revises FY27 RoA guidance to 1.35% from 1.2% and expects ~18-20bp NIM recovery by 4QFY27. The MD & CEO succession process is expected to conclude within 3-4 months.

Highlights from the management commentary

- MD & CEO Mr. P.N. Vasudevan has expressed his intention to step down, citing investor concerns regarding the perceived conflict of interest arising from his family's investments in an NBFC.
- The bank expects the entire succession process, including regulatory approval and takeover, to be completed in 3-4 months, with candidate shortlisting expected within a month.
- FY27 RoA guidance is revised to ~1.35% from ~1.2%, supported by improving NIMs, moderating credit costs and operating leverage.
- NIM is expected to improve by ~18-20bp by 4QFY27 from the 2QFY27 level of 6.69%, supported by liquidity deployment.
- CoF is expected to increase by another ~8-10bp in 3QFY27 due to deposit repricing, with no immediate plans for further deposit rate hikes.

Valuation and view: Reiterate BUY with a revised TP of INR75

EQUITASB reported a steady quarter, with healthy earnings supported by higher other income and lower provisions, despite a PPoP miss. NIM contracted 55bp QoQ to 6.69%, primarily due to excess liquidity and higher funding costs. The bank expects an 18-20bp recovery in NIM by 4QFY27 as surplus liquidity gets deployed, though further CoF repricing may exert near-term pressure. Advances growth was healthy, led by traction across SBL, VF, HF and other secured segments, while deposit growth improved with a moderation in the CD ratio. Asset quality trends were encouraging, with improving GNPA/NNPA ratios and moderation in credit costs. Management raised its FY27 RoA guidance to 1.35% from 1.2%, supported by margin recovery, benign credit costs and operating leverage. The impending MD & CEO transition remains a key monitorable, although management expects no disruption to business continuity. **We increase our earnings estimates by 8.0%/2.5% in FY27/FY28 and estimate RoA/RoE of 1.3%/14.8% by FY28E. Reiterate BUY with a revised TP of INR75 (1.2x FY28E ABV).**

Quarterly Performance — **INRb**

Y/E March (INR b)	FY26				FY27E				FY26	FY27E	FY27E	v/s
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Est
Net Interest Income	**7.9**	**7.7**	**8.5**	**9.8**	**10.3**	**10.3**	**10.6**	**11.1**	**33.9**	**42.2**	**10.6**	**-3%**
% Change (YoY)	-2.0	-3.6	4.1	18.2	31.0	32.6	24.2	13.1	4.3	24.5	37.0	
Other Income	2.9	2.3	2.9	2.6	2.6	2.9	3.0	3.2	10.7	11.7	2.7	9%
Total Income	**10.8**	**10.0**	**11.4**	**12.4**	**12.8**	**13.2**	**13.6**	**14.3**	**44.6**	**53.9**	**13.3**	**-1%**
Operating Expenses	7.6	7.6	8.3	8.4	8.8	9.1	9.3	9.5	32.0	36.8	9.0	1%
Operating Profit	**3.1**	**2.4**	**3.1**	**4.0**	**4.0**	**4.0**	**4.2**	**4.8**	**12.6**	**17.1**	**4.3**	**-5%**
% Change (YoY)	-7.5	-31.2	-7.7	29.3	28.6	67.3	37.6	19.8	-5.2	35.3	76.9	
Provisions	6.1	2.1	1.9	1.2	1.6	1.1	1.5	1.8	11.4	6.1	1.7	-33%
Profit before Tax	**-3.0**	**0.3**	**1.1**	**2.8**	**2.4**	**2.9**	**2.7**	**3.0**	**1.3**	**11.0**	**2.5**	**13%**
Tax	-0.7	0.1	0.2	0.7	0.6	0.7	0.7	0.7	0.3	2.7	0.6	8%
Net Profit	**-2.2**	**0.2**	**0.9**	**2.1**	**1.8**	**2.2**	**2.0**	**2.3**	**1.0**	**8.3**	**1.9**	**14%**
% Change (YoY)	-968.7	87.4	35.8	405.2	-182.0	803.6	126.2	7.9	-29.9	709.6	689.7	
Operating Parameters												
Deposits	444	441	437	465	490	525	540	564	465	564	525	0%
Loans	347	364	398	428	447	468	486	509	428	509	474	-1%
Deposit Growth (%)	18.3	10.6	7.2	7.9	10.4	19.0	23.6	21.3	7.9	21.3	19.0	
Loan Growth (%)	8.8	7.0	12.6	18.1	28.8	28.6	22.0	19.0	18.1	19.0	30.5	
Asset Quality												
Gross NPA (%)	2.9	2.9	2.8	2.6	2.4	2.3	2.2	2.1	2.6	2.1	2.29	
Net NPA (%)	1.0	1.0	0.9	0.7	0.7	0.7	0.7	0.6	1.1	0.6	0.67	
PCR (%)	67.0	66.9	67.1	73.0	71.0	70.1	70.6	71.0	57.2	71.0	71.2	

E: MOSL Estimates

Restaurant Brands Asia

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	RBA IN
Equity Shares (m)	712
M.Cap.(INRb)/(USDb)	65.7 / 0.7
52-Week Range (INR)	111 / 57
1, 6, 12 Rel. Per (%)	-1/45/42
12M Avg Val (INR M)	508

Financials & Valuations (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	33.9	39.4	46.2
Sales growth (%)	20.0	16.4	17.2
EBITDA	5.0	6.8	8.6
Margins (%)	14.9	17.2	18.6
Adj. PAT	-0.5	0.6	1.8
Adj. EPS (INR)	-0.6	0.8	2.5
EPS Growth (%)	N/M	L/P	220.1
BV/Sh.(INR)	21.7	22.5	25.1
Ratios			
RoE (%)	-4.0	3.6	10.7
RoCE (%)	4.3	7.0	10.0
Valuations			
P/E (x)	N/M	115.7	36.1
P/BV (x)	4.2	4.1	3.7
EV/EBITDA (x)	11.1	8.0	5.9
EV/EBITDA (x) *	29.3	17.2	11.6
EV/Sales (x)	1.7	1.4	1.1

* pre Ind-AS

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	41.7	9.2	11.3
DII	26.7	39.6	40.1
FII	8.4	9.3	20.7
Others	23.2	41.9	28.0

FII Includes depository receipts

CMP: INR92 TP: INR125 (+36%) Buy

Robust India performance; confidence-boosting print

- Restaurant Brands Asia (RBA) reported 24% YoY revenue growth in its India business (est. 24%) in 2QFY27, led by a 14% YoY increase in store count. Same-store sales growth (SSSG) was 14% (est. 13%), led by healthy traction in dine-in and delivery channels thanks to value offerings. New launches such as Peri Peri Burgers and Korean Burgers received a strong consumer response and helped drive incremental traffic. Management highlighted that the shift of Navratri and Shradh to Oct'26 had a minimal impact on reported growth, given its balanced vegetarian and non-vegetarian menu.
- India GM was up 200bp YoY/down 40bp QoQ at 70.4% (est. 70%), impacted by an increase in chicken prices. India ROM (pre-Ind AS) rose 54% YoY to INR910m, with margins expanding 250bp YoY to 12.9% (est. 13.2%). Pre-Ind AS EBITDA grew 94% YoY to INR551m (est. INR555m), while EBITDA margin expanded 280bp YoY to an all-time high of 7.8%. Management focuses on improving profitability through pricing optimization, menu innovation, and tighter control over fixed costs, including utilities.
- Indonesia revenue grew 3% YoY. Indonesia RoM (pre-Ind AS) improved to INR8m vs. loss of INR63m in 2QFY26. The company has largely completed the rationalization of Burger King stores and currently does not intend to expand, with its focus remaining on improving profitability.
- Consolidated revenue grew 20% YoY to INR8.5b, led by strong performance in the India business, while Indonesia continued to weigh on overall growth. Reported EBITDA (post-Ind AS) rose 45% YoY to INR1,101m, with margins expanding 220bp YoY to 13%. Consolidated net loss was INR238m vs. INR633m YoY.
- RBA continues to focus on improving store-level economics and maintaining an expansion strategy in India. It added 17 stores in 2Q and increased India store potential to 80-100 stores per year (earlier 60-70 stores) over time. In Indonesia, the turnaround strategy continues and the company focuses on reducing losses through operational improvements and tighter cost controls. The pace and sustainability of the recovery will remain a key monitorable in the coming quarters. **We reiterate BUY with a TP of INR125. We value India business at 21x Sep'28E EV/EBITDA (pre-IND AS) and Indonesia EV at INR5b (~0.9x EV/sales Sep'28E).**

Robust India performance; SSSG up 14%

India business

- **India SSSG up 14%:** India business revenue rose 24% YoY to INR7.1b (est. INR7b), led by 14% YoY store addition. SSSG was 14% (est. 13%), the highest in the last 16 quarters. India business ADS grew 10% YoY to INR131k. It added 17 stores in 2Q in India, taking the total store count to 607 stores.
- **Margin improvement:** India GP grew 28% YoY to INR5b. Gross margins improved 200bp YoY/fell 40bp QoQ to 70.4%. India ROM (pre-Ind AS) rose 54% YoY to INR910m (est. INR930m). RoM expanded 250bp YoY/fell 30bp QoQ to 12.9%. EBITDA (pre-Ind AS) grew 94% YoY to INR551m (est. INR555m). Margin was up 280bp YoY and 10bp QoQ at 7.8%, an all-time high. EBITDA (post-Ind AS) was up 36% YoY at INR1,104m (est. INR1,209m). Margins improved 140bp YoY to 15.6%.
- APAT stood at INR156m vs. loss of INR202m in the base.

Indonesian business

- Revenue grew by 3% YoY to INR1,393m.
- BK's ADS was up 4% YoY at INR101k.
- Added no store in 2Q (137 BK stores/25 Indonesia Popeyes stores).
- GP grew 4% YoY to INR796m. Gross margins expanded 20bp YoY to 57.1%.
- EBITDA (pre-Ind As) loss was INR119m vs. loss of INR91mn in 1QFY27 and INR170mn in 2QFY26.
- ROM (pre-IND AS) was a profit of INR8m vs. a profit of INR33m in 1QFY27 and a loss of INR63m in 2QFY26.
- EBITDA (post-Ind As) loss was INR4m vs. a loss of INR51m in 2QFY26.

Consolidated business

- Consol. revenue was up 20% YoY at INR8.4b, led by strong India business performance and stable Indonesia business.
- Consol. GP was up 24% YoY at INR5.8b and margins expanded 210bp YoY/fell 50bp QoQ to 68.2%.
- Consol. reported EBITDA (post-Ind AS) was up 45% YoY at INR1,101m and margins improved 220bp YoY to 13%.
- Consol. loss stood at INR238m vs. INR633m loss in 2QFY26 and INR330m loss in 1QFY27.

Key takeaways from the management commentary

- The value strategy focuses on customer acquisition, with the 2-for-INR79 and 2-for-INR99 offers continuing to attract customers. App-exclusive deals also supported engagement, with usage frequency increasing 7% YoY.
- The company also noted that the shift of Navratri and Shradh to Oct'26 had a minimal impact on reported growth, given its balanced vegetarian and non-vegetarian menu.
- Management indicated the potential to increase annual restaurant openings in India from 60-70 currently to 80-100 over time, supported by a larger identified opportunity and a stronger expansion pipeline.
- The company has planned a capital infusion of ~INR1.3b into Indonesia, subject to the required approvals and business milestones. The investment was envisaged at the beginning of the year and is intended partly to support operating losses and working-capital requirements.

Valuation and view

- We maintain our EBITDA estimates for FY27 and FY28.
- RBA continues to focus on improving store-level economics while maintaining an expansion strategy in India. The company added nine stores in 1QFY27 and reiterated its plan to open 80 stores in FY27.
- As more stores mature, improving the contribution of new outlets across the network is expected to support margin recovery. Indonesian business should see a gradual recovery as RBA has rationalized its portfolio by closing non-performing stores. That said, we expect near-term challenges in Indonesia to persist.
- Inspira Global has acquired a controlling stake in RBA through Lenexis Foodworks and retained the existing operating leadership team. **We reiterate BUY with a TP of INR125. We value India business at 21x Sep'28E EV/EBITDA (pre-IND AS) and Indonesia EV at INR5b (~0.9x EV/sales Sep'28E).**

Quarterly Standalone Performance

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
SSSG (%)	**2.6%**	**2.8%**	**4.5%**	**6.3%**	**12.6%**	**14.0%**	**11.0%**	**10.4%**	**4.0%**	**12.0%**	**13.0%**	
No. of stores	**519**	**533**	**577**	**581**	**590**	**607**	**637**	**641**	**581**	**641**	**605**	
Net Sales	**5,523**	**5,687**	**5,773**	**5,735**	**6,829**	**7,056**	**7,309**	**7,104**	**22,717**	**28,297**	**7,040**	**0.2**
YoY change (%)	12.6	15.6	16.5	17.1	23.6	24.1	26.6	23.9	15.4	24.6	23.8	
Gross Profit	**3,739**	**3,884**	**4,034**	**4,027**	**4,837**	**4,964**	**5,116**	**4,919**	**15,683**	**19,836**	**4,928**	**0.7**
Margin (%)	67.7	68.3	69.9	70.2	70.8	70.4	70.0	69.3	69.0	70.1	70.0	
Total Exp	4,778	4,874	4,820	4,743	5,854	5,952	5,887	5,668	19,214	23,361	5,831	
EBITDA	**745**	**813**	**953**	**992**	**975**	**1,104**	**1,421**	**1,436**	**3,503**	**4,936**	**1,209**	**-8.7**
EBITDA growth %	20.6	16.2	20.8	27.6	30.8	35.8	49.1	44.7	21.2	40.9	48.8	
Margin (%)	13.5	14.3	16.5	17.3	14.3	15.6	19.4	20.2	15.4	17.4	17.2	
EBITDA (Pre - Ind As)	**225**	**284**	**406**	**409**	**527**	**551**	**690**	**536**	**1,324**	**2,304**	**555**	**-0.7**
EBITDA growth %	28.6	16.4	31.4	53.8	134.2	94.0	70.0	31.0	33.2	74.0	95.3	
Margin (%)	4.1	5.0	7.0	7.1	7.7	7.8	9.4	7.5	5.8	8.1	7.9	
Depreciation	663	690	715	738	764	792	775	734	2,805	3,065	760	
Interest	410	404	417	457	445	452	500	557	1,688	1,953	475	
Other Income	212	78	132	200	202	296	100	-73	621	525	100	
PBT	**-116**	**-202**	**-48**	**-3**	**-32**	**156**	**246**	**72**	**-369**	**442**	**74**	
Tax	0	0	0	0	0	0	0	0	0	0	0	
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Adjusted PAT	**-116**	**-202**	**-48**	**-3**	**-32**	**156**	**246**	**72**	**-369**	**442**	**74**	
YoY change (%)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	

E: MOFSL Estimates

Quarterly Consolidated Performance

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY26 4QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
No. of stores	**683**	**694**	**740**	**743**	**752**	**769**	**800**	**808**	**743**	**808**	**768**	
Net Sales	**6,977**	**7,034**	**7,147**	**7,068**	**8,226**	**8,448**	**8,737**	**8,470**	**28,226**	**33,882**	**8,402**	0.6
YoY change (%)	7.9	11.2	11.8	11.7	17.9	20.1	22.3	19.8	10.7	20.0	19.4	
Gross Profit	**4,564**	**4,651**	**4,800**	**4,812**	**5,650**	**5,760**	**5,916**	**5,722**	**18,827**	**23,048**	**5,720**	0.7
Margin (%)	65.4	66.1	67.2	68.1	68.7	68.2	67.7	67.6	66.7	68.0	68.1	
EBITDA	**755**	**762**	**927**	**967**	**1,002**	**1,101**	**1,459**	**1,472**	**3,411**	**5,034**	**1,220**	-9.8
EBITDA growth %	14.7	24.4	27.6	25.3	32.7	44.5	57.4	52.2	24.6	47.6	60.2	
Margin (%)	10.8	10.8	13.0	13.7	12.2	13.0	16.7	17.4	12.1	14.9	14.5	
EBITDA (Pre - Ind As)	**119**	**113**	**246**	**271**	**435**	**432**	**603**	**442**	**749**	**1,913**	**445**	-2.9
EBITDA growth %	36.8	197.4	85.0	85.6	265.5	282.3	145.2	63.1	102.4	155.4	293.9	
Margin (%)	1.7	1.6	3.4	3.8	5.3	5.1	6.9	5.2	2.7	5.6	5.3	
Depreciation	934	969	984	1,007	1,035	1,057	1,100	1,011	3,894	4,204	1,085	
Interest	468	456	471	498	495	501	520	291	1,894	1,807	495	
Other Income	193	30	71	63	198	220	100	-73	358	525	100	
PBT	**-454**	**-633**	**-457**	**-474**	**-330**	**-238**	**-61**	**97**	**-2,019**	**-451**	**-260**	
Tax	0	0	0	0	0	0	0	0	0	0	0	
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Adjusted PAT	**-454**	**-633**	**-457**	**-474**	**-330**	**-238**	**-61**	**97**	**-2,019**	**-451**	**-260**	
YoY change (%)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	

E: MOFSL Estimates

MAS Financial Services

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	MASFIN IN
Equity Shares (m)	181
M.Cap.(INRb)/(USDb)	45.8 / 0.5
52-Week Range (INR)	359 / 238
1, 6, 12 Rel. Per (%)	-11/-17/-5
12M Avg Val (INR M)	54

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Total income	10.4	13.3	15.9
PPP	6.7	8.7	10.3
PAT	3.6	4.6	5.2
EPS (INR)	20.0	25.2	28.6
EPS Gr. (%)	18.9	25.7	13.4
BVPS (INR)	160	183	209
Ratios (%)			
NIM	7.3	8.3	8.1
C/I ratio	35.7	34.5	35.5
RoA	2.9	3.2	3.0
RoE	13.4	14.7	14.6
Payout	10.0	10.0	10.0
Valuations			
P/E (x)	13	10	9
P/BV (x)	1.6	1.4	1.2
Div. yield (%)	0.8	1.0	1.1

Shareholding pattern (%)

As on	Sep-26	Jun-26	Sep-25
Promoter (%)	66.7	66.7	66.6
DII (%)	20.0	19.7	20.2
FII (%)	2.7	3.7	3.2
Others (%)	10.7	10.0	10.0

FII includes depository receipts

CMP: INR253 TP: INR330 (+31%) Buy

Healthy loan growth momentum; sequential contraction in NIM

Earnings in line; insignificant exposure to agri income customer profiles

- MAS Financial's (MASFIN) PAT grew ~23% YoY to INR1.1b (in line). Net total income rose 30% YoY to INR3.2b (in line). NIM (calc.) contracted ~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%).
- MASF continues to prioritize prudent underwriting and risk-adjusted growth, with asset quality remaining manageable despite a modest uptick in GNPA as its retail and SME portfolios mature. Management expects 90+ DPD to remain in the range of ~2.5-2.75%, while net NPA is likely to stay below 2%. We expect MASF to deliver credit costs of ~1.6%/~1.7% for FY27/FY28.
- Weak monsoons and drought-like conditions in select states will have limited impact on MASFIN, as drought-affected regions account for <10% of MASFIN's portfolio and fewer than ~1% of its customers depend on agricultural income. Stringent underwriting and periodic monitoring of borrower financials should help contain potential stress and safeguard portfolio quality.
- MASF's growth trajectory remains healthy, supported by robust credit demand and a diversified portfolio. Proactive identification of vulnerable borrower segments and calibrated underwriting measures have helped maintain asset quality, positioning the company to sustain growth while preserving risk-adjusted profitability.
- We estimate an AUM/PAT CAGR of 23%/19% over FY26-28, with an RoA/RoE of ~3.0%/15% in FY28. **Reiterate BUY with a TP of INR330 (based on 1.5x Sep'28E BV).**

Strong growth outlook supported by core segments and expansion initiatives

- Standalone AUM stood at ~INR160b and rose ~23% YoY/6% QoQ. Within this, AUM of Micro-enterprise/SME/2W/CV loans rose 28%/24%/15%/2% YoY. Salaried PL grew ~24% YoY to ~INR14.6b. Around ~32% of underlying assets in the standalone AUM were through partner NBFCs. MSME segment contributed ~85% in the YoY AUM growth.
- MASF targets 20-25% growth while maintaining an RoA of 2.75-3%, driven by portfolio diversification and expansion into newer geographies. The proportion of the Wheels business in the AUM mix is expected to improve over the next 2-3 years, while the housing finance subsidiary's entry into Tamil Nadu and Karnataka should drive stronger growth from FY28. The company also plans to expand its branch network to ~300 over the next two years, while improving branch productivity and preserving asset quality. We expect MASF to deliver an AUM CAGR of 23% over FY26-28.

Margin contraction amid lower yields; funding costs set to rise

- Yields (calc.) declined ~45bp QoQ to 14.8%, while CoF (calc) remained stable QoQ at ~8.9%. This resulted in ~45bp QoQ decline in spreads to ~5.9%. NIM (calc.) contracted ~8bp QoQ to ~8.3%.
- MASF's borrowing profile provides a degree of insulation against immediate interest rate volatility, with ~70-75% of borrowings linked to fixed-rate benchmarks, including MCLR-linked facilities (which reprice over 6-12 months). On the asset side, while ~65-70% of the portfolio carries fixed interest rates, shorter loan tenures enable progressive repricing as loans mature, providing flexibility to adapt to evolving funding costs. MASF expects its CoB to rise to ~9.4-9.5%, provided there is a ~50bp increase in repo rates. We model NIMs of ~8.3%/8.1% for FY27E/FY28E (FY26: 7.3%).

Stable asset quality backed by prudent underwriting

- Asset quality for the standalone entity remained broadly stable QoQ, with GS3 increasing marginally ~5bp QoQ to 2.63%, while NS3 remained stable QoQ at ~1.7%. The company continues to carry a management overlay of ~INR176m as of Sep'26 (~0.13% of on-book assets).
- MASF has also adopted a calibrated approach toward vulnerable sectors, including import-export, transportation, and certain metal-related businesses (given the volatility in prices), while remaining selective in lending based on borrower risk profiles and risk-return considerations.

Other highlights – 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 of Sep'26 (~0.48% of the on-book assets).

Key highlights from the management commentary

- Wheels' share in the AUM mix is expected to increase ~2-3pp annually and reach ~15-20% over the next five years.
- MASF intends to deepen penetration through existing branches and improve productivity before investing in newer branches.

Valuation and view

- MASF's healthy ~23% YoY AUM growth, led by the MSME segment, underscores strong business momentum. Improving traction in the Wheels business, expansion into newer geographies, and a wider distribution network provide additional growth levers. Despite strong credit demand, we expect MASF to remain prudent in its underwriting. It proactively identifies vulnerable borrower segments and calibrates lending to emerging risks, supporting asset quality. While near-term margin pressures will remain a monitorable, its focus on maintaining RoA of 2.75-3% and risk-adjusted profitability positions the company well for sustainable growth.
- We estimate an AUM/PAT CAGR of 23%/19% over FY26-28, with an RoA/RoE of ~3.0%/15% in FY28. Reiterate BUY with a TP of INR330 (based on 1.5x Sep'28E BV).

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**	**5,934**	**6,313**	**19,003**	**23,154**	**5,587**	**0**
Interest Income	3,687	3,760	3,892	4,242	4,563	4,757	4,995	5,208	15,581	19,522	4,791	-1
Gain on assignments	430	534	597	709	545	619	668	790	2,270	2,622	561	10
Other operating Income	320	292	327	213	196	227	271	316	1,152	1,010	235	-3
Interest expenses	2,062	2,116	2,191	2,219	2,225	2,383	2,543	2,666	8,587	9,816	2,336	2
Total income	**2,376**	**2,471**	**2,625**	**2,945**	**3,079**	**3,220**	**3,391**	**3,647**	**10,417**	**13,337**	**3,252**	-1
Growth Y-o-Y (%)	*36*	*29*	*28*	*30*	*30*	*30*	*29*	*24*	*31*	*28*	*32*	
Operating Expenses	827	897	1,002	1,039	1,071	1,114	1,175	1,234	3,723	4,595	1,141	-2
Operating Profits	**1,549**	**1,574**	**1,623**	**1,906**	**2,007**	**2,106**	**2,216**	**2,413**	**6,694**	**8,743**	**2,111**	**0**
Growth Y-o-Y (%)	*31*	*23*	*17*	*26*	*30*	*34*	*37*	*27*	*25*	*31*	*34*	
Provisions	424	371	393	575	605	633	664	732	1,763	2,634	635	0
Profit before tax	**1,124**	**1,202**	**1,230**	**1,331**	**1,403**	**1,474**	**1,551**	**1,681**	**4,888**	**6,109**	**1,476**	**0**
Growth Y-o-Y (%)	*19*	*18*	*17*	*22*	*25*	*23*	*26*	*26*	*19*	*25*	*23*	
Tax Provisions	285	305	327	334	357	373	388	422	1,252	1,539	369	1
Net Profit	**839**	**897**	**903**	**997**	**1,046**	**1,101**	**1,164**	**1,259**	**3,637**	**4,569**	**1,107**	**-1**
Growth Y-o-Y (%)	*19*	*17*	*16*	*23*	*25*	*23*	*29*	*26*	*19*	*26*	*23*	
Key Operating Parameters (%)												
Yield on loans (Cal)	14.85	14.56	14.35	14.98	15.27	14.80	14.87	14.99				
Cost of funds (Cal)	9.32	9.18	9.20	9.16	8.87	8.87	8.93	9.03				
Spreads (Cal)	5.5	5.4	5.2	5.8	6.4	5.9	5.9	6.0				
NIM on AUM (Cal)	7.73	7.75	7.84	8.37	8.35	8.27	8.23	8.41				
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	34.7	33.8				
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**	**169.4**	**177.5**				
Change YoY (%)	20.4	18.0	18.0	18.7	21.1	23.2	22.9	23.6				
Disbursements (INR B)	**31.9**	**32.0**	**36.0**	**41.6**	**44.6**	**48.1**	**50.4**	**52.1**				
Change YoY (%)	17.1	5.8	13.9	34.6	39.8	50.5	40.0	25.3				
Borrowings (INR B)	**89.9**	**94.5**	**96.1**	**97.6**	**103.1**	**111.7**	**116.0**	**120.3**				
Change YoY (%)	25.1	21.3	19.3	12.2	14.7	18.2	20.7	23.2				
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

Estimate change	⟷
TP change	↓
Rating change	⟷

CMP: INR498 **TP: INR700 (+41%)** **Buy**

Cost pressure dents 2Q, but apparel recovery and garmenting scale-up boost 2H outlook

- Raymond Lifestyle (RLL) delivered a mixed 2Q performance, with revenue at INR20.8b (5% beat) but EBITDA at INR2.2b (7% miss), as higher brand spends and elevated high raw material and freight costs weighed on margins.
- Garmenting continues to drive growth, supported by an order book through mid-Feb'27, rising European traction and early benefits from the India-UK FTA. Hindupur capacity expansion (3 to 10 lines) and the proposed EU FTA should help RLL sustain growth in the next two years.
- Branded apparel showed early signs of recovery with 20% growth, led by strong secondary sales and casualization. 2H is likely to be stronger as festive demand shifts to 3Q, wedding dates remain favourable and fresh-season price increases flow through.
- RLL reiterated its FY27 guidance of double-digit revenue growth and mid-double-digit EBITDA growth, with 2H acceleration expected from festive demand, fresh-season price increases and operating leverage. However, 1H EBITDA growth of 2% leaves a meaningful step-up required in 2H to achieve the full-year target.
- We raise our revenue estimates by 3-4% for FY27–29E and pre-IND AS EBITDA by 4%/9% for FY28/29E, reflecting stronger garmenting and branded apparel momentum, while near-term raw material inflation and brand investments remain elevated. We build in revenue/pre-IND AS EBITDA/PAT CAGR of 8%/16%/26% over FY26-29E.
- **We maintain BUY with a TP of INR700, based on 15x Dec'28E EPS.** After a ~50% YTD fall, RLL's INR30b market cap is below its adjusted book value (INR48b) and net block plus investments (INR36b), creating a compelling valuation disconnect.

Apparel and Garmenting lead growth; input costs dent margins

- 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 INR.
- **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).

Bloomberg	RAYMONDL IN
Equity Shares (m)	61
M.Cap.(INRb)/(USDb)	30.3 / 0.3
52-Week Range (INR)	1267 / 488
1, 6, 12 Rel. Per (%)	-26/-33/-47
12M Avg Val (INR M)	162

Financials & valuations (INR b)

Y/E MARCH	FY27E	FY28E	FY29E
Sales	75.4	81.4	87.1
EBITDA	7.0	8.4	9.3
Adj. PAT	1.4	2.4	3.0
EPS (INR)	23.7	39.6	49.7
EPS Gr. (%)	1.5%	67.1%	25.5%
Ratios			
BV/Sh. (INR)	1,606	1,646	1,695
RoE (%)	3.3	5.2	6.2
RoCE (%)	7.2	8.8	9.8
Valuations			
P/E (x)	21.0	12.6	10.0
P/BV (x)	0.3	0.3	0.3
EV/EBITDA (x)	5.0	4.2	3.8

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	59.6	59.6	57.2
DII	4.6	5.7	7.5
FII	7.0	7.4	9.0
Others	28.8	27.3	26.4

FII includes depository receipts

- **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.

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 included 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) outflow was INR5.8b in 1HFY27 (vs. INR3.0b outflow in 1HFY26) due to 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.

Highlights from the management commentary

- **Branded apparel:** Secondary sales remained strong, with like-for-like growth of 14% pre-Dussehra and 26% YoY growth in ColourPlus. Margins were stable at 8.8% despite brand spends rising to 7.2% (vs. 6.8% YoY) of B2C sales and high input costs. Fresh-season price increases, operating leverage and cost savings should drive margins toward double digits.
- **Garmenting:** Order visibility has strengthened, with factories booked through Jan'27 and bookings underway for Feb'27. Capacity utilization is already above 90%, while Hindupur expansion from three to 10 lines (set at INR700m capex) should support growth over the next two years. Europe revenue grew 50% YoY in 2Q (30% in 1H) on a low base. UK orders are boosted by the FTA.
- **Guidance:** Management reiterated FY27 guidance of double-digit revenue growth, mid-double-digit EBITDA growth and double-digit PBT growth. 1H revenue and EBITDA grew 10% and 6%, respectively, implying a stronger 2H as the festive calendar shifts to 3Q and fresh-season price increases flow through.

Valuation and view

- RLL's cash-generating textile franchise continues to fund investments in branded businesses, while Garmenting is emerging as a structural second growth engine. Global sourcing realignment, the UK/EU FTAs and ongoing capacity expansion should help RLL scale up its export platform, built around higher-value suits and jackets.
- Branded apparel is transitioning from consolidation to growth, led by casualization, premiumization and deeper penetration. A leaner store network and continued brand investments should support ~140bp margin improvement over the next two years.

- We raise our revenue estimates by 3-4% over FY27–29E and pre-IND AS EBITDA by 4%/9% for FY28/29E, reflecting stronger garmenting and branded apparel momentum, while near-term raw material inflation and brand investments remain elevated. We build in revenue/pre-IND AS EBITDA/PAT CAGR of 8%/16%/26% over FY26–29E.
- **We maintain BUY with a TP of INR700, based on 15x Dec'28 EPS.** After a ~50% YTD fall, RLL's INR30b market cap is below its adjusted book value (INR48b) and net block plus investments (INR36b), creating a compelling valuation disconnect.

Consolidated – Quarterly Earnings **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	Var (%)
Revenue	**14,304**	**18,324**	**18,487**	**17,765**	**15,155**	**20,751**	**20,898**	**18,575**	**68,880**	**75,379**	**19,733**	**5.2%**
YoY Change (%)	17%	7%	5%	19%	6%	13%	13%	5%	12%	9%	8%	
Total Expenditure	13,534	16,064	16,118	16,579	14,257	18,550	18,288	17,315	62,296	68,410	17,360	6.9%
EBITDA	**770**	**2,260**	**2,369**	**1,185**	**898**	**2,201**	**2,609**	**1,260**	**6,584**	**6,968**	**2,373**	**-7.2%**
EBITDA Margin	**5.4%**	**12.3%**	**12.8%**	**6.7%**	**5.9%**	**10.6%**	**12.5%**	**6.8%**	**9.6%**	**9.2%**	**12.0%**	
Change YoY (%)	29%	5%	32%	775%	17%	-3%	10%	6%	41%	6%	32%	
Depreciation	888	914	923	982	1,094	1,049	1,060	1,054	3,708	4,258	1,013	3.6%
Interest	575	600	603	553	635	737	646	602	2,331	2,620	670	9.9%
Other Income	445	330	341	339	448	495	414	408	1,455	1,764	369	34.0%
PBT	**-248**	**1,029**	**615**	**-682**	**-383**	**909**	**1,317**	**13**	**715**	**1,856**	**1,059**	**-14.1%**
Tax	-50	277	187	-161	-157	234	331	3	254	411	267	-12.2%
Rate (%)	20.0%	27.0%	30.3%	23.6%	41.1%	25.7%	25.2%	25.2%	35.4%	22.2%	25.2%	
Reported PAT	**-198**	**752**	**429**	**-521**	**-226**	**675**	**985**	**10**	**462**	**1,444**	**792**	**-14.8%**
Adj PAT	**-198**	**787**	**854**	**-19**	**-226**	**675**	**985**	**10**	**1,424**	**1,444**	**792**	**-14.8%**
YoY Change (%)	-12.8%	-22.6%	32.3%	-95.6%	14.0%	-14.2%	15.4%	-NM	67.9%	1.5%	23.5%	

Automobiles

Wholesales to stay strong despite retail slump on high base

Despite multiple OEMs showing strong growth in the festive season so far, Oct'26 retails for all segments, except for tractors, are expected to see a double-digit decline due to the high base of last year on account of festive season demand and pent-up demand getting released in October. Wholesales, however, are expected to report stronger headline growth as OEMs ramp up dispatches to replenish dealer inventory ahead of the festive season. In PVs, the four listed OEMs are expected to report aggregate wholesale growth of ~5% YoY in Oct'26, led by TMPV and HMIL. Strong EV sales are expected to support growth for TMPV, while strong export recovery is expected to support growth for HMIL. In 2Ws, the four listed OEMs are expected to deliver aggregate volume growth of 7.5% YoY, with TVS likely to continue to outperform the rest of the pack. CV demand remains robust, supported by healthy freight activity and rates, with the top three OEMs expected to report aggregate volume growth of ~31%. In contrast, tractors face significant headwinds from a high base and the El Niño effect, with wholesales of the two listed players expected to decline ~48% YoY. Our top OEM picks are MSIL, TVSL and MM. Among auto ancillaries, our top picks are HFL, SPRL and TENNIND.

- **PVs:** Retail demand remains healthy, although Oct'26 registrations will see a double-digit decline on a high base and a later festive calendar. Despite the softer retail trend, OEM wholesales are expected to benefit from festive-season channel stocking and a recovery in exports. We expect the four listed PV OEMs to report aggregate wholesale growth of ~5% YoY in Oct'26. TMPV and HMIL are expected to outperform, supported by new launches ahead of the festive season and healthy order books, strong traction for EVs and recovery in export volumes. On the other hand, MSIL and MM are expected to underperform the market due to capacity constraints.
- **2Ws:** We expect the four listed 2W OEMs to report aggregate wholesale growth of ~7.5% YoY in Oct'26, supported by healthy underlying demand, festive-season sales and export momentum. TVS is the only player that would outperform the market owing to strong growth in both the domestic and export markets. Growth for Royal Enfield is likely to remain constrained by capacity limitations, while we expect HMCL to underperform the industry, with volumes declining due to a high base and inventory levels already at eight weeks. Bajaj would underperform the industry marginally as the subdued domestic volumes would be compensated by strong volumes from exports.
- **CVs:** CVs remain the strongest segment, supported by healthy freight movement, firm freight rates and stable infrastructure-led demand. We expect the top three listed CV OEMs to report aggregate wholesale growth of ~31% YoY for the month.
- **Tractors:** While the tractor segment has seen healthy growth momentum in 1HFY27 after GST rate cuts, aided by a low base, a high base, monsoon deficit with drought-like situation in few states and channel inventory of close to four weeks would weigh on volumes. Overall, we expect tractor wholesales for the two listed players to decline 31.4% YoY for the month.
- **Valuation and view:** As the high base from the post-GST 2.0 era catches up, growth rates are expected to taper off in 2H. 2Q margins are expected to be under pressure on account of commodity inflation, though price hikes, stronger

exports mix and expectations of RM normalization after US mid-term elections should support margin recovery for OEMs in FY27. Our top OEM picks are MSIL, TVSL, and MM. Among auto ancillaries, our top picks are HFL, SPRL, and TENNIND.

Auto OEM sales estimates for Oct'26

Company Sales	October-26	October-25	YoY (%) chg	September-26	MoM (%) chg	YTDFY27	(%) chg	FY27E	Gr. (%)
Maruti Suzuki	**231,091**	**220,894**	**4.6**	**236,013**	**-2.1**	**1,610,469**	**23.9**	**2,820,792**	**16.4**
Domestic	198,222	189,590	4.6	191,794	3.4	1,344,745	26.8	2,333,022	18.1
Export	32,869	31,304	5.0	44,219	-25.7	265,724	11.3	487,770	8.9
Hyundai Motor	**76,075**	**69,894**	**8.8**	**77,916**	**-2.4**	**473,229**	**7.3**	**842,637**	**8.7**
Domestic	57,557	53,792	7.0	57,166	0.7	362,703	11.4	643,006	9.9
Exports	18,517	16,102	15.0	20,750	-10.8	110,525	-4.4	199,631	5.0
Mahindra & Mahindra	**156,821**	**194,777**	**-19.5**	**168,762**	**-7.1**	**1,066,206**	**11.2**	**1,824,418**	**11.1**
UV	65,894	71,624	-8.0	64,092	2.8	424,036	14.9	744,468	12.8
Tractors	38,303	73,660	-48.0	52,100	-26.5	312,371	-5.5	547,459	4.0
Escorts Kubota	**9,917**	**18,798**	**-47.2**	**15,214**	**-34.8**	**80,796**	**-3.0**	**140,354**	**5.0**
Tata Motors CV	**50,224**	**37,530**	**33.8**	**51,062**	**-1.6**	**293,826**	**34.9**	**481,439**	**17.9**
Tata Motors PV	**69,941**	**61,295**	**14.1**	**70,210**	**-0.4**	**454,238**	**37.4**	**773,207**	**20.5**
Hero MotoCorp	**639,295**	**635,808**	**0.5**	**766,348**	**-16.6**	**4,184,870**	**13.3**	**7,195,256**	**11.2**
Bajaj Auto	**547,347**	**518,170**	**5.6**	**538,443**	**1.7**	**3,534,482**	**20.9**	**6,135,382**	**19.9**
Domestic	298,441	314,148	-5.0	294,456	1.4	1,774,875	5.0	3,117,313	8.7
Exports	248,907	204,022	22.0	243,987	2.0	1,759,608	42.6	3,018,069	34.1
TVS Motor	**649,350**	**543,557**	**19.5**	**672,790**	**-3.5**	**4,198,913**	**26.2**	**7,197,880**	**22.2**
Domestic	473,325	427,751	10.7	492,090	-3.8	3,015,118	22.6	5,108,882	18.7
Exports	176,025	115,806	52.0	180,700	-2.6	1,183,795	36.3	2,088,998	31.8
Eicher Motors									
Royal Enfield	**128,383**	**124,951**	**2.7**	**133,958**	**-4.2**	**837,479**	**16.8**	**1,431,415**	**15.6**
VECV	**9,603**	**8,050**	**19.3**	**11,396**	**-15.7**	**62,489**	**21.2**	**109,959**	**6.2**
Ashok Leyland	**23,451**	**17,820**	**31.6**	**24,049**	**-2.5**	**136,891**	**23.1**	**234,250**	**6.3**
M&HCV	15,427	10,865	42.0	16,188	-4.7	87,028	24.9	146,332	2.6
LCV	8,023	6,955	15.4	7,861	2.1	49,862	20.1	87,918	13.0

Aviation

** AIX Connect merged with Air India Express.*
*** Air India data includes Air India Express.*
**** Vistara's data was only up to 11th Nov'24. Effective 12th Nov, Vistara merged with Air India.*

Air traffic declines 6% YoY in Sep'26

- **Domestic air passenger (PAX) traffic declined 6% YoY and 3% MoM to 12m in Sept'26. PAX growth stood at -5%/-2% for IndiGo, flat/-1% for Akasa, -9%/-2% for Air India, and -70%/-48% for SpiceJet on a YoY/MoM basis.**
- **Adjusted average domestic load factor (PLF) declined ~230bp YoY to 82% in Sept'26. PLF increased MoM for the AI/Indigo/Akasa Group by 290bp/190bp/50bp and declined ~110bp MoM for SpiceJet. Domestic airline on-time performance (OTP) stood at 71%, with IndiGo leading at 91.1%.**
- **IndiGo gained ~110bp market share YoY (increased ~30bp MoM) to 65.4% in Sept'26. In contrast, market share for the AI Group/SpiceJet declined ~70bp/130bp, while Akasa's market share increased ~40bp on a YoY basis. On an MoM basis, AI/Akasa each witnessed ~10bp increase, while SpiceJet witnessed ~50bp decline. Market share for AI/SpiceJet/Akasa stood at 26.8%/0.6%/5.6%.**

India's domestic air PAX and market share

- India's domestic air PAX declined 6% YoY and 3% MoM to 12m in Sep'26. Domestic PAX stood at 7.7m for IndiGo (down 5% YoY/2% MoM), 3.2m for the AI Group (down 9% YoY/2% MoM), 0.7m for Akasa (flat YoY/down 1% MoM), and 0.1m for SpiceJet (down 70% YoY/48% MoM).
- IndiGo's domestic market share expanded ~110bp YoY/30bp MoM to 65.4%. Domestic market share for: i) AI Group – 26.8% (down 70bp YoY/up 10bp MoM), ii) Akasa – 5.6% (up 40bp YoY/10bp MoM), and iii) SpiceJet – 0.6% (down 130bp YoY/50bp MoM).

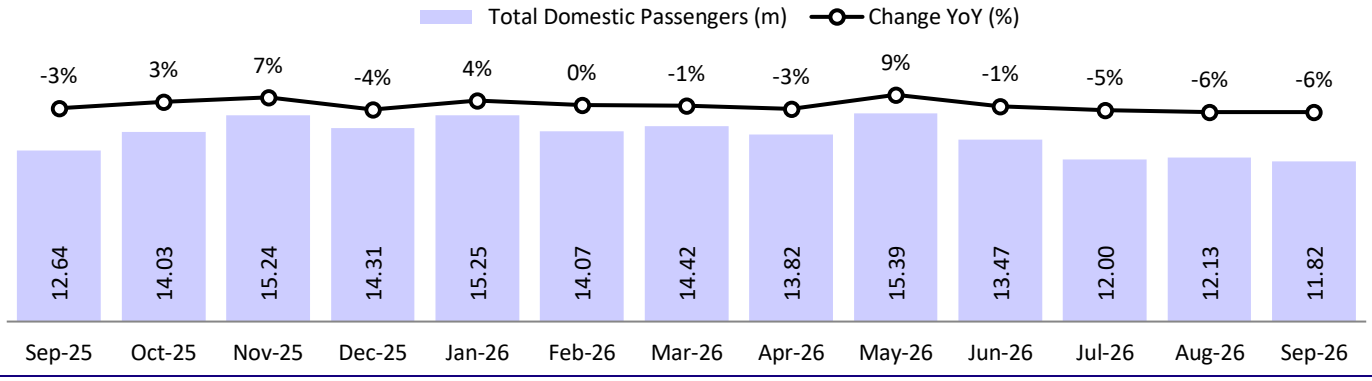
Domestic industry's PLF and OTP

- Adj. domestic PLF stood at 82% in Sept'26 (80.9% in Aug'26 and 84.3% in Sept'25). PLF was 81.1% for IndiGo (Up 190bp MoM), 79.9% for the AI Group (down 290bp MoM), 88.1% for Akasa (up 50bp MoM), and 78.8% for SpiceJet (down 110bp MoM).
- The average OTP for domestic airlines across the top 10 airports stood at 71%. OTP stood at 91.1% for IndiGo, 81.7% for the AI Group, 90.8% for Akasa, and 16.6% for SpiceJet. According to the DGCA report, 65% of the delays were classified as 'reactionary', i.e. a delay caused by the late arrival of an aircraft or crew.

Other highlights

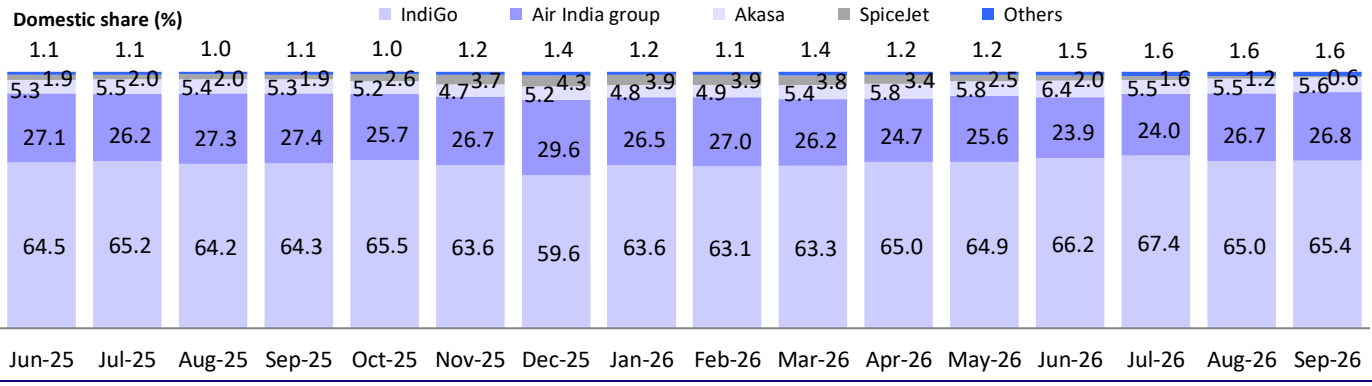
- Brent crude oil prices averaged USD102/bbl in Sept'26 vs. USD88/bbl in Aug'26. Stalled US-Iran talks, a record spike in Hormuz shipping attacks, and Houthi strikes on Saudi infrastructure kept the geopolitical risk premium elevated.

Exhibit 1: Domestic PAX



Source: DGCA, MOFSL

Exhibit 2: Domestic market share trend



Source: DGCA, MOFSL

Blue Star

BSE SENSEX	S&P CNX
74,151	22,937

Conference Call Details



Date: 30th October 2026

Time: 11:30 am

Dial-in details:
+91 22 6280 1102
+91 22 7115 8003
Link for the call

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	124.0	138.9	158.9
EBITDA	9.3	8.6	10.9
Adj PAT	5.6	4.9	6.6
EBITDA Margin (%)	7.5	6.2	6.9
EPS (INR)	27.3	23.9	32.1
EPS Gr. (%)	-3.5	-12.7	34.8
BV/Sh (INR)	166.9	182.3	204.4
Ratios			
Net D/E	0.1	0.1	0.0
RoE (%)	16.4	13.1	15.7
RoCE (%)	15.2	12.6	15.2
Payout (%)	31.1	41.9	37.3
Valuations			
P/E (x)	61.2	70.1	52.0
P/BV (x)	10.0	9.2	8.2
EV/EBITDA (x)	37.2	40.2	31.5
Div Yield (%)	0.5	0.6	0.7
FCF Yield (%)	-0.5	0.6	1.0

CMP: INR1,670 **Neutral**

Earnings beat; OPM at ~6.9% (est. 4.6%)

- Blue Star's 2QFY27 Revenue grew 21% YoY to INR29.3b (+10% vs. estimates), led by PES/UCP/EMPS growth of 51%/29%/16%. EBITDA rose 10% YoY to INR2.0b (+64% vs. estimates), with OPM down 65bp YoY to 6.9%. **Segment EBIT was INR1.8b (+26% vs. estimates), a lower beat than EBITDA despite PES provision write-backs**. Adj. PAT grew 8% YoY to INR1.1b (+95% vs. estimates).
- RAC demand was strong due to extended summer, though; profitability was impacted due to elevated RM costs. Growth momentum is expected to sustain in H2FY27, supported by festive-season RAC demand, Data Centre MEP orders and a recovery in commercial AC and refrigeration demand. Margin improvement will be led by price hikes, cost optimisation and operational efficiencies.
- We have a Neutral rating on the stock; however, we will review our assumptions after the concall on 30th Oct'26.

UCP revenue up ~29% YoY; UCP margin at 2.3% (est. 3.0%)

- Consol. revenue/EBITDA/adj. PAT stood at INR29.3b/INR2.0b/INR1.1b (+21%/+10%/+8% YoY and +10%/+64%/+95% vs. our estimates) in 2QFY27. OPM declined 65bp YoY to 6.9% (+2.3pp vs. our estimates). Depreciation increased ~57% YoY, while interest costs remained flat YoY. Other income rose ~82% YoY.
  Segmental highlights: a) **UCP:** Revenue was up 29% YoY (13% above estimates) at INR9.0b, EBIT declined ~51% YoY to INR207m, and EBIT margin contracted 3.9pp YoY to 2.3% (-70bp below estimates). b) **EMPS**: Revenue increased 16% YoY to INR19.4b (~7% above estimates), EBIT declined ~10% YoY to INR1.3b, and PBIT margins contracted 2.0pp YoY to 6.9%. c) **PES:** Revenue increased ~51% YoY to INR973m (~56% above estimates), PBIT increased 3.7x YoY to INR231m, and PBIT margins expanded 14.1pp YoY to 23.7%. Strong margin was supported by reversal of write-back of warranty provisions following the MedTech business divestment.
- In 1HFY27, revenue/EBITDA/PAT stood at INR63.1b/INR3.8b/INR2.0b (+17%/-2%/-8% YoY). OPM declined 1.1pp YoY to ~6.0%. Operating cash inflow stood at INR4.1b vs. operating cash outflow of INR7.3b in 1HFY26. Capex stood at INR1.4b vs. INR1.3b in 1HFY26. Net cash inflow stood at INR2.8b vs. net cash outflow INR8.6b in 1HFY26.

Key highlights of management commentary

- EMPS & CAC: Order inflows were led by data centers, with strong factory enquiries but subdued billing due to execution delays. CAC growth remained robust across key segments, supported by new VRF and ducted launches, while US heat pump growth is expected to accelerate as tariff uncertainties ease.

- UCP: Delayed monsoon and extended summer supported strong RAC demand, though partial pass-through of higher material costs weighed on margins. Product portfolio rationalization through cost-optimized models is underway, while commercial refrigeration demand is recovering amid continued margin pressure.
- PES: It has divested its MedTech business for INR356m. Industrial Solutions sustained strong growth on manufacturing and testing demand, while Data Security Solutions remained steady, driven by BFSI and large enterprises.

Valuation and view

- Strong revenue growth across all three segments was driven by data center-led order inflows, robust CAC and RAC demand, and stable demand for Industrial Solutions. Higher material costs weighed on UCP margins, while MedTech divestment and warranty provision write-backs supported PES profitability.
- **We have a Neutral rating on the stock;** however, we will review our assumptions following the concall on 30th Oct'26 (Concall Link).

Quarterly performance (Consolidated) (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Sales	**29,823**	**24,224**	**29,253**	**40,721**	**33,779**	**29,310**	**32,441**	**43,348**	**1,24,020**	**1,38,878**	**26,743**	**10**
Change (%)	4.1	6.4	4.2	1.3	13.3	21.0	10.9	6.5	3.6	12.0	10.4	
EBITDA	**2,000**	**1,834**	**2,207**	**3,263**	**1,750**	**2,026**	**2,197**	**2,632**	**9,304**	**8,604**	**1,236**	**64**
Change (%)	-15.9	22.8	5.4	16.8	-12.5	10.4	-0.4	-19.3	6.2	-7.5	-32.6	
As of % Sales	6.7	7.6	7.5	8.0	5.2	6.9	6.8	6.1	7.5	6.2	4.6	229
Depreciation	414	434	459	482	566	679	490	250	1,788	1,985	580	**17**
Interest	101	169	221	231	135	169	170	252	721	725	180	**-6**
Other Income/JV share	147	90	112	276	206	165	87	214	625	671	265	**-38**
Extra-ordinary Items	**1,632**	**1,322**	**1,640**	**2,826**	**1,254**	**1,343**	**1,625**	**2,344**	**7,419**	**6,566**	**741**	**81**
PBT	424	334	271	729	321	334	384	609	1,758	1,642	195	**72**
Tax	26.0	25.3	16.5	25.8	25.6	24.9	23.6	26.0	23.7	25.0	26.2	
Effective Tax Rate (%)	0	0	-564	175	92	230	0	0	-388	322	0	
MI/Share of profit from JV	1	2	1	-1	0	0	1	-3	4	-2	1	
Reported PAT	**1,210**	**990**	**807**	**2,271**	**1,025**	**1,239**	**1,242**	**1,732**	**5,277**	**5,244**	**548**	**126**
Change (%)	-28.4	2.9	-39.2	17.3	-15.3	25.2	54.0	-23.7	-10.8	-0.6	-44.6	
Adj PAT	**1,210**	**990**	**1,277**	**2,141**	**957**	**1,066**	**1,242**	**1,732**	**5,617**	**4,997**	**548**	**95**
Change (%)	-28.4	2.9	3.7	10.5	-20.9	7.7	-2.7	-19.1	-3.5	-11.0	-44.6	

Segment wise details (INR M)

Description	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE	FY26	FY27E	2QE	Var
EMP & Services	14,125	16,642	16,962	19,899	16,251	19,360	18,404	21,025	67,628	75,040	18,140	**7**
Engineering products and services	704	644	749	972	636	973	764	696	3,068	3,068	624	**56**
Unitary cooling business	14,994	6,938	11,542	19,850	16,893	8,977	13,274	21,627	53,324	60,770	7,979	**13**
Total	**29,823**	**24,224**	**29,253**	**40,721**	**33,779**	**29,310**	**32,441**	**43,348**	**1,24,020**	**1,38,878**	**26,743**	**10**
PBIT												
EMP & Services	1,116	1,471	1,147	1,285	1,102	1,332	1,288	1,531	5,019	5,253	1,088	**22**
Engineering products and services	76	62	68	143	96	231	99	4	349	430	75	**208**
Unitary cooling business	875	427	977	2,070	497	207	796	1,842	4,348	3,342	239	**-13**
Total PBIT	**2,067**	**1,960**	**2,191**	**3,497**	**1,695**	**1,770**	**2,184**	**3,376**	**9,716**	**9,025**	**1,403**	**26**
Segment PBIT (%)												
EMP & Services (%)	7.9	8.8	6.8	6.5	6.8	6.9	7.0	7.3	7.4	7.0	6.0	88
Engineering products and services (%)	10.8	9.6	9.1	14.7	15.1	23.7	13.0	0.5	11.4	14.0	12.0	1,174
Unitary cooling business (%)	5.8	6.2	8.5	10.4	2.9	2.3	6.0	8.5	8.2	5.5	3.0	-69
Total PBIT (%)	**6.9**	**8.1**	**7.5**	**8.6**	**5.0**	**6.0**	**6.7**	**7.8**	**7.8**	**6.5**	**5.2**	79

MTAR Technologies

BSE SENSEX	S&P CNX
74,151	22,937

Conference Call Details



Date: 29th Oct'26
Time: 10:30am IST
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CMP: INR7,159 — Buy

Earnings above estimates

- Consolidated revenue grew 3x YoY to INR4.1b (est. INR3.3b).
- EBITDA grew 5.8x YoY to INR992m (est. INR749m).
- EBITDA margin expanded 12pp YoY to 24.4% (est. 23%), gross margin stood at 46.8% (-440bp YoY), while employee expenses/other expenses as % of sales stood at 12.2%/10.2% (-12PP/-390bp YoY).
- Adj. PAT grew 14x YoY to INR598m (est. INR450m).
- In 1HFY27, revenue/EBITDA/PAT grew 2.6x/4x/7.3x YoY to INR7.7b/INR1.8b/INR1.1b.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Gross Sales	**1,566**	**1,356**	**2,780**	**3,061**	**3,607**	**4,068**	**4,364**	**4,985**	**8,762**	**17,024**	**3,254**	**25%**
YoY Change (%)	22.1	-28.7	59.3	67.2	130.4	200	57	62.9	29.6	94.3	140	
Total Expenditure	1,282	1,186	2,139	2,443	2,757	3,076	3,314	3,739	7,050	12,886	2,506	
EBITDA	**284**	**170**	**640**	**618**	**851**	**992**	**1,050**	**1,246**	**1,712**	**4,138**	**749**	**32%**
Margins (%)	18.1	12.5	23	20.2	23.6	24.4	24.1	25	19.5	24.3	23	
Depreciation	84	88	88	90	97	111	112	116	350	436	108	
Interest	58	62	77	96	158	162	80	78	294	478	90	
Other Income	6	37	24	164	79	85	55	59	231	278	50	
PBT before EO expense	**148**	**57**	**499**	**595**	**674**	**803**	**913**	**1,112**	**1,299**	**3,501**	**601**	
Extra-Ord expense	0	0	38	0	0	0	0	0	38	0	0	
PBT	**148**	**57**	**461**	**595**	**674**	**803**	**913**	**1,112**	**1,261**	**3,501**	**601**	
Tax	40	14	114	153	172	204	232	283	321	892	151	
Rate (%)	27	25.2	24.8	25.6	25.5	25.5	25.5	25.5	25.5	25.5	25.1	
Minority Interest & P/L of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	**108**	**42**	**347**	**443**	**502**	**598**	**680**	**829**	**940**	**2,609**	**450**	
Adj PAT	**108**	**42**	**375**	**443**	**502**	**598**	**680**	**829**	**968**	**2,609**	**450**	**33%**
YoY Change (%)	144.2	-77.4	135	222.6	364.5	1,309.70	81.3	87.1	83.1	169.4	959.9	
Margins (%)	6.9	3.1	13.5	14.5	13.9	14.7	15.6	16.6	11.1	15.3	13.8	

Deepak Nitrite

BSE SENSEX	S&P CNX
74,151	22,937

Conference Call Details



Date: 30th Oct 2026
Time: 15:30 hours IST
Link: Click here

CMP: INR1,476 — Sell

Robust beat on estimates led by operating leverage and margin expansion across segments

- 2QFY27 revenue came in at INR30.8b (est. INR21.4b), up 62% YoY/19% QoQ.
- Gross margin stood at 34.8% (+730bp YoY, -200bp QoQ).
- EBITDAM came in at 20.4% (compared to 10.7% in 2QFY26 and 20.4% in 1QFY27).
- EBITDA stood at INR6.3b (est. INR3b), up 3x YoY/16% QoQ.
- Adjusted PAT stood at ~INR4b (est. INR1.6b), up 3.3x YoY/15% QoQ.
- 1HFY27 revenue/EBITDA/adj PAT grew 49%/3x/3.2x YoY to INR56.5b/ INR11.7b/INR7.4b.
- Gross debt stood at INR16.6b vs. INR15.3b as of Mar'26.

Segmental performance

- Phenolics revenue grew 72% YoY to ~INR23b, EBIT grew 3.6x YoY to ~INR5.1b, and EBIT margins stood at 22.5% vs. 11% in 2QFY26.
- Advanced Intermediates revenue grew 38% YoY to INR8b, EBIT grew 2.1x to INR488m and EBIT margins stood at 6% vs. ~4% in 2QFY26.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY26				FY27				FY26	FY27E	FY27 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Gross Sales	**18,899**	**19,019**	**19,750**	**21,203**	**25,776**	**30,764**	**20,978**	**21,979**	**78,871**	**99,497**	**21,144**	**45%**
YoY Change (%)	*-12.8*	*-6.4*	*3.8*	*-2.7*	*36.4*	*61.8*	*6.2*	*3.7*	*-4.8*	*26.2*	*11.2*	
Total Expenditure	*17,003*	*16,976*	*17,641*	*17,443*	*20,374*	*24,495*	*18,566*	*18,902*	*69,064*	*82,337*	*18,247*	
Gross Margin (%)	*28.0%*	*27.6%*	*27.8%*	*34.9%*	*36.8%*	*34.8%*	*28.9%*	*30.5%*	*29.7%*	*33.1%*	*30.6%*	
EBITDA	**1,896**	**2,043**	**2,109**	**3,760**	**5,402**	**6,269**	**2,412**	**3,077**	**9,807**	**17,160**	**2,897**	**116%**
Margin (%)	*10.0*	*10.7*	*10.7*	*17.7*	*21.0*	*20.4*	*11.5*	*14.0*	*12.4*	*17.2*	*13.7*	
Depreciation	513	533	576	626	637	713	660	671	2,246	2,681	650	
Interest	81	79	110	189	229	291	250	240	460	1,011	220	
Other Income	246	200	85	69	140	163	147	110	599	560	177	
PBT	**1,547**	**1,630**	**1,380**	**3,014**	**4,676**	**5,427**	**1,649**	**2,276**	**7,571**	**14,028**	**2,204**	
Tax	425	443	382	815	1,226	1,450	415	573	2,064	3,664	555	
Rate (%)	*27.5*	*27.2*	*27.7*	*27.1*	*26.2*	*26.7*	*25.2*	*25.2*	*27.3*	*26.1*	*25.2*	
Minority Interest & Profit/Loss of Asso. Cos.	1	0	0	1	0	0	0	0	2	0	0	
Reported PAT	**1,122**	**1,187**	**998**	**2,197**	**3,450**	**3,977**	**1,234**	**1,703**	**5,504**	**10,364**	**1,649**	**141%**
Adj PAT	**1,122**	**1,187**	**1,091**	**2,197**	**3,450**	**3,977**	**1,234**	**1,703**	**5,598**	**10,364**	**1,649**	**141%**
YoY Change (%)	*-44.6*	*-38.9*	*11.2*	*8.5*	*207.5*	*235.0*	*13.1*	*-22.5*	*-19.7*	*85.1*	*38.9*	
Margin (%)	*5.9*	*6.2*	*5.5*	*10.4*	*13.4*	*12.9*	*5.9*	*7.7*	*7.1*	*10.4*	*7.8*	

Brigade Enterprises

BSE SENSEX	S&P CNX
74,151	22,937

Conference Call Details



Date: 30 October 2026
Time: 14:30 IST
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+91 22 7195 0000

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	57.0	68.6	80.9
EBITDA	14.3	19.6	23.4
EBITDA (%)	25.1	28.5	28.9
PAT	6.6	10.1	13.2
EPS (INR)	20.2	30.9	40.6
EPS Gr. (%)	(4.0)	53.0	31.3
BV/Sh. (INR)	209.1	239.8	278.9
Ratios			
RoE (%)	10.6	13.8	15.6
RoCE (%)	8.9	10.3	11.9
Payout (%)	7.6	4.7	3.7
Valuations			
P/E (x)	26.4	17.2	13.1
P/BV (x)	2.5	2.2	1.9
EV/EBITDA (x)	11.5	7.8	6.0
Div yld (%)	0.3	0.3	0.3

CMP: INR532 — Buy

Slight miss on pre-sales; annuity segment improving

Residential:

- BRGD's 2Q presales declined 10% YoY (high base) to INR18.3b and were 8% below our expectations. However, performance improved notably QoQ.
- The sequential improvement was led by two key launches during the quarter: Brigade Barcelona in Hyderabad (2.07msf) and Brigade Misty Greens in Mysore (0.29msf).
- The new launches contributed 34% of 2Q pre-sales.
- Sustenance sales also witnessed a pick-up with INR12.1b clocked in 2Q, higher than the INR10.6b seen in 1Q.
- Consolidated collections declined 18% YoY to INR16.3b.

Annuity:

- Leasing revenue was flattish QoQ (declined 5% YoY) at INR3.3b while EBITDA stood at INR2.5b with margins expanding 330bp QoQ to 73.3%.
- Portfolio occupancy marginally increased to ~90% as the company leased some incremental area in WTC Bengaluru in 2Q.
- Retailer sales grew 16% YoY, driven by stronger electronics and restaurant sales.
- Mall footfalls were steady in the quarter, supported by new store openings, festive activations, promotional events, and major movie releases
- BRGD completed two projects, viz. Brigade Square (Thiruvananthapuram) and Arcadia at Brigade Cornerstone Utopia (Bengaluru) thereby adding 0.27msf of leasing space.

Hospitality:

- Revenue grew 12% YoY to INR1.6b. EBITDA totaled INR590m with margins expanding 560bp QoQ to 36.9%.
- Portfolio ARR grew by 11% YoY/ 9% QoQ to INR7,876, while occupancy stood at 75%.
- BHVL currently has 1,602 keys. Nine hotels with a total of 1,700 keys are under the planning stage, of which six hotels with 940 keys have agreements with Marriott International.

Financials:

- In 2QFY27, revenue declined by 14% YoY to INR12b.
- Despite the decline in revenue, EBITDA grew 29% YoY to INR4.2b (in-line with our estimates). EBITDA margin expanded 310bp QoQ to 35.5%.
- Adj. PAT grew 19% YoY to INR1.9b (9% below our estimates). PAT margin stood at 16.2%, up 210bp QoQ.
- Net debt increased by INR5.5b QoQ to INR27.7b while net debt-to-equity stood at 0.31x (vs. 0.26x in 1QFY27).

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27	FY27 2Q Est.	2QE Variance (%/bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Net Sales	**12,811**	**13,834**	**15,751**	**14,576**	**11,156**	**11,964**	**18,974**	**26,495**	**56,972**	**68,589**	**16,507**	-28%
YoY Change (%)	18.9	29.0	7.6	-0.2	-12.9	-13.5	20.5	81.8	12.3	20.4	19.3	
Total Expenditure	9,575	10,553	11,642	10,929	7,541	7,719	9,059	24,697	42,699	49,016	12,211	
EBITDA	**3,237**	**3,281**	**4,109**	**3,647**	**3,614**	**4,245**	**9,915**	**1,798**	**14,273**	**19,572**	**4,296**	-1%
Margins (%)	25.3	23.7	26.1	25.0	32.4	35.5	52.3	6.8	25.1	28.5	26.0	*946bps*
Depreciation	756	765	801	802	732	799	823	1,100	3,124	3,455	754	
Interest	1,056	1,023	899	1,117	1,092	1,105	1,111	907	4,094	4,215	1,097	
Other Income	517	465	481	655	637	536	545	357	2,118	2,076	450	
PBT before EO expense	**1,941**	**1,958**	**2,890**	**2,384**	**2,427**	**2,877**	**8,526**	**148**	**9,173**	**13,978**	**2,894**	-1%
Extra-Ord expense	0	0	191	-53	-429	0	0	0	138	-429	0	
PBT	**1,941**	**1,958**	**2,699**	**2,437**	**2,856**	**2,877**	**8,526**	**148**	**9,035**	**14,407**	**2,894**	-1%
Tax	359	253	638	542	679	688	2,038	221	1,791	3,626	688	
Rate (%)	18.5	12.9	23.6	22.2	23.8	23.9	23.9	148.8	19.8	25.2	23.8	
MI & P/L of Asso. Cos.	84	80	196	440	173	253	78	-222	800	281	68	
Reported PAT	**1,499**	**1,625**	**1,865**	**1,455**	**2,004**	**1,936**	**6,410**	**150**	**6,444**	**10,499**	**2,138**	-9%
Adj PAT	**1,499**	**1,625**	**2,056**	**1,402**	**1,575**	**1,936**	**6,410**	**150**	**6,582**	**10,071**	**2,138**	-9%
YoY Change (%)	79.0	36.6	-13.0	-43.2	5.1	19.1	211.7	-89.3	-4.0	53.0	31.6	
Margins (%)	11.7	11.7	13.1	9.6	14.1	16.2	33.8	0.6	11.6	14.7	13.0	

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

CAMS

BSE Sensex	S&P CNX
74,151	22,937

Conference Call Details



Date: 30th October 2026
Time: 11:00 AM IST
Link for the call

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
AAUM	52.7	58.4	66.9
Revenue	15.2	16.5	18.6
EBITDA	6.8	7.5	8.6
EBITDA Margin (%)	44.9	45.2	46.3
PAT	4.7	5.1	6.0
PAT Margin (%)	31	31	32
EPS	18.9	20.6	24.3
EPS Grw. (%)	1.0	8.8	18.0
BVPS	53.3	60.5	69.0
RoE (%)	38.5	36.2	37.5
Div. Payout (%)	66.0	65.0	65.0
Valuations			
P/E (x)	36.8	33.8	28.7
P/BV (x)	13.1	11.5	10.1
Div. Yield (%)	1.8	1.9	2.3

CMP: INR697 **Buy**

Operational leverage drives 6% EBITDA beat

- CAMS reported operating revenue of ~INR4.1b in 2QFY27 (in-line), growing 10% YoY/5% QoQ. For 1HFY27, revenue grew 11% YoY.
- Total operating expenses grew 7% YoY to INR2.2b (in-line) with employee expenses growing 8% YoY to INR1.3b and other expenses growing 8% YoY to INR909m.
- Operational leverage resulted in 6% EBITDA beat which was INR1.9b growing 14% YoY/4% QoQ. EBITDA margin was at 45.9% (vs 44.5% in 2QFY26 and our est. of 44.6%).
- Other income at INR137m, was higher than our estimates of INR90m.
- Better-than-expected operational efficiency and other income led to 9% PAT beat which grew 15% YoY/3% QoQ to INR1.3b. For 1HFY27, PAT grew 16% YoY.
- The Board approved interim dividend of INR3.25/share.

Valuation and view

- CAMS remains structurally well placed to benefit from steady MF AUM growth, supported by strong SIP momentum, while accelerating traction in high-growth non-MF segments with an increasing revenue mix shift. Profitability is gradually improving, aided by operating leverage in scalable, platform-led non-MF businesses and a disciplined cost structure.
- We will revisit our estimates after the conference call scheduled for 30th Oct'26.

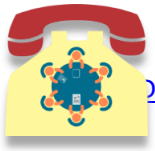
Quarterly Performance (INR m)

Y/E March	FY26				FY27		FY26	FY27E	act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q					
Revenue from Operations	3,542	3,767	3,901	3,952	3,950	4,145	15,162	16,521	3	10	4.9
Change YoY (%)	6.9	3.2	5.5	11	11.5	10	6.6	9			
Employee expenses	1,224	1,248	1,245	1,253	1,237	1,332	4,970	5,368	-0.3	6.7	7.7
Total Operating Expenses	1,999	2,091	2,112	2,121	2,123	2,241	8,356	9,053	0.5	7.2	5.6
Change YoY (%)	10.1	7.3	7.3	7.8	6.2	7.2	8.5	8.3			
EBITDA	**1,543**	**1,676**	**1,789**	**1,831**	**1,827**	**1,904**	**6,806**	**7,468**	6.2	13.6	4.2
Other Income	131	122	129	129	166	137	512	622	52.1	12.2	-17.4
Depreciation	208	246	253	280	245	281	988	1,174	4.2	14.6	14.6
Finance Cost	19	18	17	15	15	14	70	70	-18.2	-24.5	-6
PBT	**1,444**	**1,534**	**1,647**	**1,665**	**1,730**	**1,745**	**6,261**	**6,846**	9.3	13.8	0.8
Change YoY (%)	1.4	-5.5	-0.8	12.6	19.8	13.8	1.2	9.3			
Tax Provisions	363	394	401	406	460	436	1,565	1,739	9.3	10.6	-5.1
Net Profit	**1,080**	**1,139**	**1,246**	**1,254**	**1,271**	**1,309**	**4,695**	**5,107**	9.4	14.9	3
Change YoY (%)	1	-5.7	0.4	11.2	17.6	14.9	1	8.8			
Key Operating Parameters (%)											
Cost to Operating Income Ratio	56.4	55.5	54.1	53.7	53.7	54.1	55.1	54.8	-1.4	-1.4	0.3
EBITDA Margin	43.6	44.5	45.9	46.3	46.3	45.9	44.9	45.2	1.4	1.4	-0.3
PBT Margin	40.8	40.7	42.2	42.1	43.8	42.1	41.3	41.4	2.4	1.4	-1.7
Tax Rate	25.2	25.7	24.4	24.4	26.6	25	25	25.4	0	-0.7	-1.6
PAT Margin	30.5	30.2	31.9	31.7	32.2	31.6	31	30.9	1.8	1.3	-0.6

Indegene

BSE Sensex	S&P CNX
74,151	22,937

Conference Call Details



Date: 30th October 2026
Time: 08:00 AM IST
Diamond Pass Registration

CMP: INR 593 **Buy**

Healthy show; beat across revenue/EBITDA/PAT

- Indegene reported strong 2QFY27 revenue of INR11.22b (+39.5% YoY/ +5.6% QoQ), exceeding our estimate of INR10.89b by 3%, primarily driven by Enterprise Commercial Solutions (+45.1% YoY/+6.6% QoQ), which contributed 71.3% to consolidated revenue.
- Consolidated EBITDA grew 32% YoY and 4.4% QoQ to INR1.87b, exceeding our estimate of INR1.68b by 11.1%. EBITDA margin contracted 20bp QoQ and 90bp YoY to 16.7% (above our estimate of 15.5%).
- PAT grew 10% YoY but declined 3.4% QoQ to INR1.12b, exceeding our estimate of INR1.08b by 4%. PAT margin contracted 270bp YoY and 90bp QoQ to 10%.
- Geographies: North America (74.5% of revenue) grew 49.3% YoY and 4.6% QoQ, while Europe (22.9% of revenue) rose 18.5% YoY and 9.1% QoQ.
- Industries: Biopharma (91.8% of revenue) grew 39.2% YoY and 5.7% QoQ, Medical Devices (3.0% of revenue) rose 22.7% YoY and 2.3% QoQ, and Emerging Biotech (3.2% of revenue) grew 47.7% YoY and 3.3% QoQ.
- Service offerings: Enterprise Medical Solutions (24.5% of revenue) grew 22.8% YoY and 0.6% QoQ, Enterprise Commercial Solutions (71.3% of revenue) rose 45.1% YoY and 6.6% QoQ, and Others (4.2% of revenue) grew 63.0% YoY and 19.3% QoQ.
- Total headcount stood at 5,952 vs. 5,826 in 1QFY27 and 5,245 in 2QFY26. Voluntary attrition declined 30bp QoQ and 80bp YoY to 15.4%.
- Top-client concentration declined to 7.8% from 11% YoY and 9% QoQ, while top-10 client concentration stood at 49.1% vs. 55.0% YoY and 45.7% QoQ.
- Total active clients stood at 107 vs. 105 in 1QFY27 and 72 in 2QFY26. Notably, the number of USD1m+ clients increased to 59 from 40 YoY and 54 QoQ.
- Top-five client concentration stood at 31.4% vs. 37.4% YoY and 30.4% QoQ, while top-20 client concentration declined to 67.3% from 75.2% YoY but increased from 66.6% QoQ.
- Two clients generated annual revenue exceeding USD25m, compared with three in 1QFY27, while the number of USD10-25m clients increased to 11 from nine QoQ. Clients in the USD1-10m category rose to 46 from 42 QoQ.
- Revenue per employee increased 15.5% YoY and 3.3% QoQ to USD79.6k, reflecting improved employee productivity.
- The offshore employee mix increased to 82.7% from 82.1% QoQ, while the onsite mix declined to 17.3% from 17.9% QoQ.
- Net DSO stood at 69 days vs. 67 days QoQ and 71 days YoY.
- Cash and cash equivalents, including investments and bank balances, stood at INR13.90b vs. INR14.60b QoQ and INR12.68b YoY.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	Est. 2Q27E	Var. (% / bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue (USD m)	**89**	**92**	**106**	**110**	**113**	**118**	**122**	**126**	**397**	**477**	**115**	**1.9**
QoQ (%)	1.7	3.7	15.1	3.4	2.6	4.4	3.5	3.5	18.2	20.3	2.5	
Revenue (INR m)	**7,608**	**8,042**	**9,421**	**10,034**	**10,631**	**11,223**	**11,616**	**12,022**	**35,105**	**45,492**	**10,897**	**3.0**
YoY (%)	12.5	17.1	30.8	32.8	39.7	39.6	23.3	19.8	23.6	29.6	35.5	
GPM (%)	**36.7**	**35.9**	**39.7**	**37.0**	**38.0**	**39.3**	**39.0**	**39.0**	**37.4**	**38.8**	**37.1**	
SGA (%)	**16.3**	**18.4**	**22.8**	**20.7**	**21.6**	**22.7**	**20.0**	**20.0**	**19.8**	**21.0**	**21.6**	
EBITDA	**1,553**	**1,406**	**1,595**	**1,636**	**1,742**	**1,857**	**2,207**	**2,284**	**6,190**	**8,090**	**1,689**	**9.9**
EBITDA Margin (%)	**20.4**	**17.5**	**16.9**	**16.3**	**16.4**	**16.5**	**19.0**	**19.0**	**17.6**	**17.8**	**15.5**	**100bp**
EBIT	**1,337**	**1,172**	**1,199**	**1,218**	**1,301**	**1,393**	**1,800**	**1,924**	**4,926**	**6,418**	**1,253**	**11.2**
EBIT Margin (%)	**17.6**	**14.6**	**12.7**	**12.1**	**12.2**	**12.4**	**15.5**	**16.0**	**14.0**	**14.1**	**11.5**	**90bp**
Finance cost	37	38	46	72	64	69	40	40	193	213	40	
Other Income	290	218	226	233	290	150	174	180	967	795	246	
ETR (%)	23.5	23.3	23.6	24.2	23.9	23.8	23.8	23.8	23.6	23.8	23.9	
PAT	**1,164**	**1,021**	**1,029**	**797**	**1,162**	**1,123**	**1,474**	**1,572**	**4,011**	**5,331**	**1,089**	**3.1**
QoQ (%)	-1.0	-12.3	0.8	-2.9	16.3	-3.4	31.3	6.7			-6.3	
YoY (%)	32.7	11.3	-6.2	-15.0	-0.2	10.0	43.2	57.3		32.9	6.7	
EPS (INR)	4.8	4.2	4.3	3.3	4.8	4.6	6.1	6.5	16.7	22.3	4.5	**2.0**

Shaily Engineering

BSE Sensex	S&P CNX
74,151	22,937

Conference Call Details



Date: 30 October 2026

Time: 16:00 IST

Diamond pass link

CMP: INR3,056 — Buy

Healthy quarter, marginal beat

- 2QFY27 revenue/EBITDA/PAT grew 24%/22%/20% YoY (4-8% beat).
- Gross margin (60%) and EBITDA margin (30.4%) expanded QoQ.
- Revenue growth was led by Healthcare segment (up 78% YoY, 55% mix).
- Consumer segment revenue (down 14% YoY) continued to be impacted by weak demand in Europe and USA.
- Generated healthy OCF

Healthcare segment

- Semaglutide pens supply: Two new contracts signed for IP-led platforms
- Two-step reusable auto-injector pen, Shaily AI Toby, launched for GLP-1 therapies.
- Capacity of 25m pens expected to be added; automation machines received, currently under commissioning and validation stage.
- Abu Dhabi facility for manufacturing 75m devices at INR3.5b capex to support global GLP-1 opportunity.

Consumer segment

- Business confirmation received for 1) new product from an existing home furnishing customer, and 2) increased volumes for existing product from home furnishing customer.

Industrial

- Business confirmation received for 1) seven new products on power tools, and 2) new knobs from an appliance customer.

Quarterly performance (INR m)

	FY26				FY27E				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Net Sales	**2,467**	**2,567**	**2,505**	**2,368**	**2,807**	**3,195**	**3,239**	**3,446**	**9,907**	**12,687**	**3,070**	**4**
YoY Change (%)	37.5	33.7	26.8	8.7	13.8	24.5	29.3	45.5	25.9	28.1	19.6	
Total Expenditure	1,784	1,773	1,842	1,712	1,976	2,224	2,262	2,389	7,107	8,851	2,148	
EBITDA	**683**	**793**	**663**	**656**	**831**	**971**	**977**	**1,057**	**2,799**	**3,836**	**922**	**5**
Margins (%)	27.7	30.9	26.5	27.7	29.6	30.4	30.2	30.7	28.3	30.2	30.0	
Depreciation	114	120	125	133	140	143	148	153	492	584	145	
Interest	39	39	44	37	33	30	40	40	159	143	40	
Other Income	21	23	1	37	3	47	10	10	78	70	10	
PBT before EO expense	**551**	**657**	**495**	**523**	**659**	**846**	**799**	**874**	**2,226**	**3,178**	**746**	
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0	
PBT	**551**	**657**	**495**	**523**	**659**	**846**	**799**	**874**	**2,226**	**3,178**	**746**	**13**
Tax	140	144	121	122	179	233	192	210	527	814	179	
Rate (%)	25.3	22.0	24.5	23.3	27.2	27.5	24.0	24.0	23.7	25.6	24.0	
Reported PAT	**411**	**513**	**374**	**402**	**480**	**613**	**607**	**664**	**1,699**	**2,364**	**567**	**8**
Adj PAT	**411**	**513**	**374**	**402**	**480**	**613**	**607**	**664**	**1,699**	**2,364**	**567**	**8**
YoY Change (%)	136.2	133.8	48.4	40.5	16.7	19.5	62.4	65.4	82.5	39.1	10.7	
Margins (%)	16.7	20.0	14.9	17.0	17.1	19.2	18.7	19.3	17.2	18.6	18.5	

E: MOFSL Estimates

Operating performance

	1QFY26	2QFY25	3QFY26	4QFY26	1QFY27	2QFY27	% YoY	% QoQ
Segment Revenues (INR m)								
Consumer	1,514	1,349	1,228	1,021	1,155	1,159	(14)	0
Healthcare	772	986	1,043	1,128	1,424	1,751	78	23
Industrial	181	232	234	219	227	286	23	26
Total revenue	**2,467**	**2,567**	**2,505**	**2,368**	**2,806**	**3,196**	**25**	**14**
Segment Revenues - Mix (%)								
Consumer	61	53	49	43	41	36		
Healthcare	31	38	42	48	51	55		
Industrial	7	9	9	9	8	9		
Geographical Revenue (INR m)								
Exports	1,713	1,590	1,686	1,279	1,596	2,081	31	30
Domestic	538	766	679	961	1,151	1,016	33	(12)
UK, UAE Subs. (Platform Fees)	216	210	141	128	59	98	(53)	67
Total revenue	**2,467**	**2,567**	**2,505**	**2,368**	**2,807**	**3,195**	**24**	**14**
Geographical Revenue - Mix (%)								
Exports	69	62	67	54	57	65		
Domestic	22	30	27	41	41	32		
UK, UAE Subs. (Platform Fees)	9	8	6	5	2	3		

Privi Speciality Chemicals

BSE SENSEX	S&P CNX
74,151	22,937

Conference Call Details



Date: 30th October, 2026

Time: 4:00pm IST

Dial-in details:

Click Here

CMP: INR3,305 — Buy

Earnings in line with our estimates

- Privi's consolidated revenue grew 12% YoY to INR7.6b (in line).
- Gross margin contracted 400bp YoY to 47%.
- EBITDA grew 10% YoY to INR1.9b (est. in line). EBITDA margin contracted 50bp YoY to 26.3% (est. 26.6%) led by lower gross margin. This was partially offset by lower other expenses as a % of sales (down 300bp).
- Adj. PAT grew 25% YoY to INR1.2b (est. in line).
- For 1HFY27, Privi's revenue/EBITDA/Adj PAT grew 15%/12%/29% to INR14.3b/ INR3.5b/INR2.0b.
- Gross debt stood at INR9.9b vs. INR10.2b as of Mar'26. CFO stood at INR3.6b vs. INR2.3b as of Sep'25.

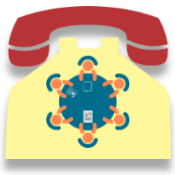
Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2Q	%
Gross Sales	**5,588**	**6,787**	**6,046**	**7,215**	**6,662**	**7,605**	**7,679**	**8,671**	**25,637**	**30,617**	**7,805**	**-3**
YoY Change (%)	20%	27%	23%	18%	19%	12%	27%	20%	22%	19%	15.0	
Total Expenditure	4,267	4,967	4,494	5,413	5,140	5,607	5,685	6,471	19,141	22,903	10,853	
Gross Margin (%)	50.7%	50.7%	50.1%	43.8%	44.2%	46.8%	48.0%	47.0%	48.6%	46.6%	48.0%	
EBITDA	**1,321**	**1,820**	**1,552**	**1,802**	**1,523**	**1,998**	**1,994**	**2,200**	**6,496**	**7,714**	**2,073**	**-4**
Margin (%)	23.6	26.8	25.7	25.0	22.9	26.3	26.0	25.4	25.3	25.2	26.6	
Depreciation	362	356	355	365	374	370	415	509	1,438	1,668	395	
Interest	237	215	186	182	167	169	160	155	820	651	165	
Other Income	90	1	65	42	152	127	20	20	198	319	20	
PBT before EO expense	**812**	**1,251**	**1,077**	**1,297**	**1,134**	**1,585**	**1,439**	**1,556**	**4,436**	**5,714**	**1,533**	
Extra-Ord expense	0	0	39	0	0	0	0	0	39	0	0	
PBT	**812**	**1,251**	**1,038**	**1,297**	**1,134**	**1,585**	**1,439**	**1,556**	**4,397**	**5,714**	**1,533**	
Tax	236	349	289	356	305	410	362	372	1,230	1,449	386	
Rate (%)	29.1	27.9	27.9	27.4	26.9	25.9	25.2	23.9	28.0	25.4	25.2	
Minority Interest & P/L of Asso. Cos.	-44	-37	-31	4	-14	5	5	5	-108	1	5	
Reported PAT	**619**	**939**	**780**	**937**	**842**	**1,170**	**1,072**	**1,179**	**3,275**	**4,263**	**1,142**	
Adj. PAT	**619**	**939**	**809**	**937**	**842**	**1,170**	**1,072**	**1,179**	**3,305**	**4,263**	**1,142**	**2**
YoY Change (%)	97.4	109.1	82.1	40.8	36.0	24.6	32.4	25.8	76.5	29.0	21.6	
Margin (%)	11.1	13.8	13.4	13.0	12.6	15.4	14.0	13.6	12.9	13.9	14.6	

P N Gadgil Jewellers

BSE SENSEX	S&P CNX
74,151	22,937

Conference Call Details



Date: 30th October 2026

Time: 4:00 PM

Dial-in details:

+ 91 22 6280 1123/ +91 22 7115 8024

Diamond Pass Registration

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	131.1	157.2	180.3
Sales Growth (%)	22.0	19.9	14.7
EBITDA	7.9	9.5	11.3
EBITDA Margin (%)	6.1	6.1	6.2
Adj. PAT	4.9	5.8	6.8
EPS (INR)	36.4	42.9	49.8
EPS Gr. (%)	22.4	18.0	16.1
BV/Sh. (INR)	181.0	223.9	273.7
Ratios			
Debt/Equity	0.7	0.7	0.7
RoE (%)	22.3	21.2	20.0
RoIC (%)	17.0	17.0	16.8
Valuations			
P/E (x)	16.1	13.7	11.8
EV/EBITDA (x)	9.2	7.5	6.1

CMP: INR585

In-line revenue; sharp cost cut driven a beat in EBITDA

Revenue

- Consolidated sales rose 22% YoY to INR26.7b (est. INR26.5b) in 2QFY27.
- Retail segment (77% of total sales) recorded robust revenue growth of 31% to INR20.6b.
- Additionally, the share of retail revenue from Northern and Central regions increased to 2.7% in 2QFY27 from 0.7% in 2QFY26.
- Same-Store Sales Growth (SSSG) for the quarter stood at 25.5%.
- During the quarter, the diamond category continued to witness exceptional momentum, delivering 21% growth in value and 11% growth in volume, reflecting increasing customer preference for studded jewelry.
- Gold Jewelry grew 47% in value and 4% in volume. Gold Bars & Coins reduced 24% in value and 48% in volume. Silver category increased 12% in value and reduced 42% in volume.
- The retail stud ratio improved to 11.8% in 2QFY27 from 9% in the base. The Northern and Central regions achieved a stud ratio of 17.4%. Additionally, YOOU by PNG recorded an impressive studded jewelry ratio of 53.1%, reflecting strong customer acceptance of the brand's lightweight studded offerings.
- Franchisee operations saw 35% YoY growth to INR4.6b, contributing 17% to total revenue.
- E-commerce revenue declined 84% YoY to INR0.2b, contributing 1% to total revenue.
- Transaction count reported healthy growth with ATV of INR122k.
- The company witnessed healthy footfalls, coupled with a strong 89% conversion rate.
- The company opened two stores during the quarter (total 80 stores), with the majority of the year's expansion scheduled across 3Q and 4QFY27.

Profitability

- Gross margin expanded 100bp YoY to 12.6% (vs est. 12.2%; 12.8% in 1QFY27). GP was adjusted to an inventory gain of INR50m on unhedged inventory. Gross profit was in line.
- Employee expenses rose 11% YoY, while other expenses declined 21% YoY.
- The sharp cut in other expenses led to a beat in EBITDA. EBITDA doubled YoY to INR2b (est. INR1.7b).
- EBITDA margin expanded 300bp YoY to 7.6% (est. 6.5%, 7.2% in 1QFY27).
- APAT grew 57% YoY to INR1.2b (est.INR1.1b). PAT margin came in at 4.4% (est. 4%).

Consol. Quarterly Performance

(INR m)

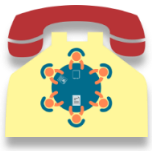
Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	**17,146**	**21,776**	**33,026**	**35,443**	**24,130**	**26,664**	**41,899**	**38,361**	**1,07,391**	**1,31,054**	**26,510**	**1%**
YoY change (%)	2.8	8.8	35.6	123.2	40.7	22.4	26.9	8.2	39.6	22.0	21.7	
Gross Profit	**2,158**	**2,521**	**4,739**	**3,442**	**3,099**	**3,348**	**5,028**	**3,772**	**12,921**	**15,248**	**3,234**	**4%**
Margins (%)	12.6	11.6	14.4	9.7	12.8	12.6	12.0	9.8	12.0	11.6	12.2	
EBITDA	**999**	**1,011**	**2,443**	**1,352**	**1,727**	**2,024**	**2,706**	**1,477**	**6,058**	**7,934**	**1,732**	**17%**
Margins (%)	5.8	4.6	7.4	3.8	7.2	7.6	6.5	3.8	5.6	6.1	6.5	
YoY growth (%)	55.2	40.3	99.0	43.6	72.9	100.1	10.8	9.2	71.2	31.0	61.7	
Depreciation	112	139	152	169	178	202	188	175	572	742	182	
Finance Cost	189	198	251	276	341	418	275	171	916	1,205	275	
Other Income	129	358	274	311	100	172	150	178	881	600	150	
PBT	**826**	**1,032**	**2,315**	**1,219**	**1,309**	**1,575**	**2,393**	**1,309**	**5,452**	**6,586**	**1,425**	**11%**
YoY growth (%)	73.2	61.6	101.3	44.2	58.4	52.7	3.4	7.3	75.2	20.8	30.6	
APAT	**618**	**793**	**1,743**	**903**	**981**	**981**	**1,795**	**874**	**4,031**	**4,933**	**1,069**	**-8%**
Margins (%)	3.6	3.6	5.3	2.5	4.1	3.7	4.3	2.3	3.8	3.8	4.0	
YoY change (%)	75.0	49.9	102.6	45.6	58.7	23.7	3.0	-3.2	70.6	22.4	34.8	

E: MOFSL estimates

Indostar Capital Finance

BSE Sensex	S&P CNX
74,151	22,937

Conference Call Details



Date: 30th October 2026
Time: 12 PM IST
Dial-in details:
Link for the call
Number: +91 22 6280 1550

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	6.4	8.1	9.8
PPP	2.7	4.3	5.7
PAT	1.3	2.0	3.3
EPS (INR)	8.1	12.4	20.7
EPS Gr. (%)	109	54	67
BV (INR)	234	246	267
Ratios			
NIM (%)	8.8	9.9	9.8
C/I ratio (%)	65.5	55.5	50.9
RoA (%)	1.3	1.9	2.7
RoE (%)	3.6	5.2	8.1
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	22.9	14.9	9.0
P/BV (x)	0.8	0.8	0.7
Div. Yield (%)	0.0	0.0	0.0

CMP: INR185 **Buy**

Strong disbursement momentum; asset quality improves

AUM rises ~12% YoY; NIM (calc.) expands ~55bp sequentially

- Indostar's (INDOSTAR) NII in 2QFY27 grew 34% YoY to INR2b. Other income stood at INR407m during the quarter (PQ: INR367m)
- Opex rose ~10% YoY to INR1.3b translating into a cost-to-income ratio of ~54.9% in 2QFY27 (PY: 63.6% and PQ: 58.2%). PPOP grew 58% YoY to INR1.1b. Credit costs stood at ~INR961m (PQ: ~INR815m). This translated to annualized credit costs of ~4.6% in 2QFY27 (PQ: 4% and PY: 3.1%).
- Its 2QFY27 profit stood at INR132m (vs. PAT of INR115m in 1QFY27).

Healthy disbursements; VF disbursements grew ~47% YoY

- Total AUM grew 12% YoY and 2.6% QoQ to ~INR84.6b. VF AUM grew 13% YoY and 2.6% QoQ.
- Total disbursements grew 51% YoY and ~13% QoQ to ~INR14b. VF disbursements stood at ~INR13.2b, growing ~47% YoY and ~12% QoQ.
- Micro-LAP AUM grew ~177% YoY/ ~29% QoQ to INR2.8b. Disbursements in Micro-LAP grew ~174% YoY to INR740m. LTV in this segment stood at 40.3% as of Sep'26.

Incremental CoB stable QoQ; GS3 declines ~30bp sequentially

- Reported CoF during the quarter declined ~20bp QoQ to 9.7% (PQ: 9.9% and PY: 10.4%). Incremental CoF was stable QoQ at 9.1% in 2QFY27.
- Yields (calc.) rose ~7bp QoQ to 17.5%, while CoF (Calc.) declined ~65bp QoQ to 9.5%. NIM (calc.) expanded ~55bp QoQ to ~9.7%.
- Disbursements yields in vehicle finance were stable QoQ at 17.4% (PQ: 17.4%)
- GS3 declined ~30bp QoQ to ~4.5%, whereas NS3 dipped ~10bp QoQ to 2.4%. PCR declined ~3.5pp QoQ to 46.4% (PQ: 49.9% and PY: 63.6%)

Valuation and view

- INDOSTAR reported healthy disbursement growth in 2QFY27, indicating improving business momentum. Asset quality improved during the quarter, with GS3 declining 30bp QoQ. NIMs continued to expand, supported by a decline in the cost of funds and improved yields.
- We will assess the feasibility of these growth targets, seek greater clarity on the underlying assumptions during the earnings call, and update our estimates and outlook following the management call on 30th Oct'26.

Quarterly Performance

(INR M)

Y/E March	FY26				FY27		FY26	FY27
	1Q	2Q	3Q	4Q	1Q	2Q		
Interest Income	3,146	3,172	3,151	3,158	3,300	3,414	12,625	14,261
Interest Expenses	1,855	1,667	1,371	1,319	1,444	1,396	6,212	6,175
Net Interest Income	**1,291**	**1,506**	**1,779**	**1,839**	**1,856**	**2,017**	**6,414**	**8,085**
YoY Growth (%)	*24.7*	*39.7*	*48.8*	*47.1*	*43.7*	*34.0*	*40.7*	*26.1*
Other Income	291	396	315	309	367	407	1,311	1,592
Total Income	**1,582**	**1,902**	**2,094**	**2,149**	**2,223**	**2,425**	**7,724**	**9,677**
YoY Growth (%)	*11.3*	*15.7*	*15.9*	*18.2*	*40.5*	*27.5*	*15.0*	*25.3*
Operating Expenses	1,393	1,210	1,242	1,215	1,294	1,332	5,060	5,374
Operating Profit	**189**	**692**	**852**	**933**	**929**	**1,092**	**2,665**	**4,303**
YoY Growth (%)	*-40.2*	*86.3*	*43.5*	*50.7*	*390.7*	*58.0*	*40.2*	*61.5*
Provisions & Loan Losses	4,904	586	769	5,173	815	961	11,432	2,300
Profit before Tax and exceptional item	**-4,715**	**105**	**83**	**-4,240**	**115**	**132**	**-8,768**	**2,003**
Exceptional item (post-tax)	**10,069**	**0**	**0**	**0**	**0**	**0**	**10,070**	**0**
PBT (incl. exception gain/loss)	**5,355**	**105**	**83**	**-4,240**	**115**	**132**	**1,303**	**2,003**
Tax Provisions	0	0	0	0	0	0	0	0
Reported PAT	**5,355**	**105**	**83**	**-4,240**	**115**	**132**	**1,303**	**2,003**
YoY Growth (%)	-	*-41.2*	*-27.6*	-	-	*25.7*	*147.7*	*53.8*
AUM Growth (%)	8.9	0.2	(2.1)	1.2	5.9	11.8		
NIM (%)	6.6	7.8	9.3	9.3	9.1	9.7		
Cost to Income Ratio (%)	88.0	63.6	59.3	56.6	58.2	54.9		
Tax Rate (%)	-	0.2	0.1	-	0.0	0.0		
Key Operating Parameters (%)								
Yield on loans (Cal)	17.6	18.0	17.8	17.3	17.4	17.5		
Cost of funds (Cal)	10.8	10.6	10.1	9.9	10.2	9.5		
Spreads (Cal)	6.8	7.4	7.7	7.4	7.2	8.0		
NIMs (Cal)	6.6	7.8	9.3	9.3	9.1	9.7		
Credit Cost (Cal)	24.9	3.1	4.0	26.3	4.0	4.6		
Cost to Income Ratio	88.0	63.6	59.3	56.6	58.2	54.9		
Tax Rate	0.0	0.2	0.1	0.0	0.1	0.1		
Balance Sheet Parameters								
AUM (INR B)	77.8	75.6	76.9	80.6	82.4	84.6		
Change YoY (%)	8.9	0.2	-2.1	1.2	5.9	11.8		
AUM Mix (%)								
Vehicle	92.9	92.9	93.0	93.1	93.7	93.7		
Micro-LAP	1.0	1.3	1.7	2.2	2.6	3.3		
SME & Others	4.7	4.5	4.1	4.7	3.7	3.0		
Corporate	1.4	1.3	1.2	0.0	0.0	0.0		
Asset Quality Parameters (%)								
GS 3 (INR B)	3.0	2.2	3.0	3.8	3.9	3.7		
Gross Stage 3 (% on Assets)	4.0	3.0	4.1	4.8	4.8	4.5		
Net Stage 3 (% on Assets)	1.7	1.1	1.8	2.1	2.5	2.4		
PCR (%)	59.6	63.6	57.8	57.4	49.9	46.4		

E: MOFSL estimates



Pidilite | Under Pressure After Reporting A Mixed Q2FY27 Performance
Sudhanshu Vats, MD

- Raw material prices remain volatile, uncertainty persists
- Expect full-year EBITDA margin at higher end of 20-24% band
- Targeting sustained 20% plus revenue growth in H2FY27

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Suvankar Sen, MD & CEO

- Expect a good wedding season
- Customers are moving to light weight jewellery with rising gold prices
- Seeing 40-50% growth in footfall in Q3 vs Q2
- Targeting 20%+ revenue growth in FY27

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Anmol Jain, MD

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- Full year revenue growth seen at 25%
- Confident of delivering ₹11,000 cr topline by FY31 via organic growth

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Asad Daud, Chairman & MD

- Expect FY27 EBITDA growth of 70%, up from 35% earlier
- Capex to be completed in FY28, largely funded through internal accruals and bridge financing
- Peak capacity utilisation from new capex expected in FY30

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Index and MOFSL Universe stock performance

Index	1 Day (%)	1M (%)	12M (%)
Sensex	**1.2**	**2.2**	**-12.8**
Nifty-50	**1.0**	**1.0**	**-12.0**
Nifty Next 50	**1.2**	**-1.9**	**-3.0**
Nifty 100	**1.1**	**0.4**	**-10.4**
Nifty 200	**1.1**	**-0.2**	**-9.2**
Company	**1 Day (%)**	**1M (%)**	**12M (%)**
Automobiles	**-0.2**	**-2.0**	**-4.8**
Amara Raja Ener.	-0.7	-8.1	-30.5
Apollo Tyres	-0.2	-5.0	-23.6
Ashok Leyland	0.1	-5.5	4.0
Bajaj Auto	-1.0	-4.0	14.9
Balkrishna Inds	-0.1	-1.3	-9.9
Bharat Forge	0.4	-9.0	33.6
Bosch	-0.1	4.2	27.3
CEAT	0.2	-3.0	-21.8
CIE Automotive	-2.4	-5.7	-19.2
Craftsman Auto	-2.6	2.1	65.8
Eicher Motors	-0.8	0.8	4.1
Endurance Tech.	0.6	-12.9	-18.6
Escorts Kubota	-3.2	-3.2	-29.6
Exide Inds.	-2.6	-15.3	-10.4
Gabriel India	-0.2	10.9	12.1
Happy Forgings	0.6	-13.4	75.6
Hero Motocorp	-4.1	-2.0	-8.0
Hyundai Motor I	3.0	-8.5	-18.5
M & M	0.7	-2.0	-18.2
Maruti Suzuki	-1.3	-3.8	-29.2
Motherson Wiring	2.6	4.1	-25.2
MRF	-0.5	-4.6	-26.6
Samvardh. Mothe.	-0.2	0.9	48.5
Sona BLW Precis.	-0.7	7.1	80.8
SPR Auto Tech.	-1.0	-6.2	63.9
Tata Motors	0.2	-6.9	
Tata Motors PVeh	0.9	-5.3	-35.3
Tenneco Clean	-2.3	-15.8	
Tube Investments	2.0	-9.8	-30.7
TVS Motor Co.	0.9	4.6	22.3
Uno Minda	-1.1	-6.4	-10.5
Banks-Private	**1.2**	**2.3**	**-5.0**
AU Small Finance	0.2	-12.4	-0.2
Axis Bank	0.4	1.1	-1.9
Bandhan Bank	4.2	-12.7	-6.0
DCB Bank	4.3	-1.2	25.6
Equitas Sma. Fin	-12.2	-14.8	-4.9
Federal Bank	0.5	8.6	48.0
HDFC Bank	-0.3	-5.5	-32.2
ICICI Bank	0.7	7.3	1.2
IDFC First Bank	-0.2	-7.7	-7.5
IndusInd Bank	2.0	-1.1	7.5
Kotak Mah. Bank	4.3	13.1	6.7
RBL Bank	3.1	-10.2	11.5

Index	1 Day (%)	1M (%)	12M (%)
Nifty 500	**1.0**	**-0.7**	**-8.4**
Nifty Midcap 100	**1.0**	**-2.5**	**-3.8**
Nifty Smallcap 100	**0.9**	**-2.0**	**1.8**
Nifty Midcap 150	**0.9**	**-2.8**	**-4.3**
Nifty Smallcap 250	**0.7**	**-3.6**	**-1.9**
Banks-PSU	**2.2**	**4.3**	**2.8**
Bank of Baroda	4.1	6.0	-12.1
Canara Bank	1.7	0.2	-7.0
Indian Bank	2.9	8.7	1.1
Punjab Natl.Bank	3.0	10.9	2.3
SBI	1.6	0.7	3.4
Union Bank (I)	1.9	12.3	27.6
Building Materials			
Astral	0.4	-0.7	-6.8
Century Plyboard	-0.1	-3.5	-14.8
Cera Sanitary.	-0.2	-13.4	-27.5
Kajaria Ceramics	-1.2	-7.4	-9.4
Prince Pipes	0.0	1.3	-18.2
Supreme Inds.	-0.6	-6.8	-16.6
NBFCs	**1.2**	**0.2**	**-10.5**
AAVAS Financiers	-0.8	-11.3	-33.5
Aditya Birla Cap	0.7	-5.2	15.3
Bajaj Finance	2.4	-3.6	-11.7
Bajaj Finserv	0.9	-4.3	-21.9
Bajaj Housing	0.6	-4.1	-29.6
Can Fin Homes	1.1	0.2	-15.0
Cholaman.Inv.&Fn	3.8	-1.4	-6.2
CreditAcc. Gram.	1.7	-14.5	-25.9
Five-Star Bus.Fi	1.2	-15.8	-30.8
Fusion Finance	-0.3	-22.3	-27.2
HDB FINANC SER	-0.7	-20.8	-32.0
Home First Finan	4.8	-2.9	-12.3
IIFL Finance	5.4	-7.5	7.5
Indostar Capital	-4.5	-11.6	-24.6
Jio Financial	0.9	-4.9	-33.2
L&T Finance Ltd	1.8	-7.4	-6.4
LIC Housing Fin.	0.8	-6.3	-13.4
M & M Fin. Serv.	0.7	-19.3	-16.6
Manappuram Fin.	4.6	-4.5	9.2
MAS FINANC SER	-2.9	-10.3	-16.8
Muthoot Finance	4.4	-8.8	-21.6
Northern Arc	4.4	-8.4	-1.2
Piramal Finance.	2.8	-12.8	
PNB Housing	-1.1	1.1	18.3
Poonawalla Fin	9.5	-0.3	-9.5
Power Fin.Corpn.	1.3	-1.1	-21.6
REC Ltd	2.1	1.3	-23.2
Repco Home Fin	2.5	-8.8	-24.8
Shriram Finance	1.0	-13.4	13.9
Spandana Sphoort	2.3	-12.2	-20.7
Tata Capital	5.5	-1.5	0.0

Company	1 Day (%)	1M (%)	12M (%)
Capital Markets			
360 ONE	3.0	-0.8	-9.4
Aditya AMC	-2.5	-11.6	8.1
Anand Rathi Wea.	0.2	8.1	47.1
Angel One	0.4	7.4	16.9
Billionbrains	0.4	4.1	
BSE	0.5	9.4	43.1
C D S L	4.1	1.6	-20.7
Cams Services	2.9	4.6	-9.6
HDFC AMC	0.7	4.2	-14.2
ICICI AMC	-1.7	-15.2	
KFin Technolog.	0.6	2.6	-23.9
Multi Comm. Exc.	1.6	0.0	76.1
N S D L	0.3	-5.9	-38.8
Nippon Life Ind.	0.2	-13.5	7.7
Nuvama Wealth	2.2	8.0	21.2
Prudent Corp.	-2.5	-6.7	9.7
SBI Funds Mgt.	1.4	-9.5	
UTI AMC	0.2	-6.0	-35.4
Insurance			
Canara HSBC	1.2	-16.4	6.6
HDFC Life Insur.	0.6	-1.3	-32.1
ICICI Lombard	-0.7	3.8	-22.5
ICICI Life Insurance	0.0	-7.3	-31.5
Life Insurance	1.2	1.5	-12.8
Max Financial	-1.0	-13.0	-20.2
Niva Bupa Health	0.1	-0.6	-3.1
SBI Life Insuran	-0.9	-4.8	-16.2
Star Health Insu	3.3	-0.3	11.7
Chemicals			
Alkyl Amines	0.2	-7.0	-13.0
Atul	-1.5	-14.0	-12.6
Clean Science	0.5	-4.4	-29.3
Deepak Nitrite	-0.9	-3.6	-15.6
Ellen.Indl.Gas	0.5	-13.4	-29.5
Fine Organic	1.0	0.2	14.9
Galaxy Surfact.	-0.2	-5.9	-4.6
Navin Fluo.Intl.	-2.8	0.3	65.9
P I Industries	2.7	-7.8	-41.5
Privi Speci.	-5.2	-8.6	15.4
SRF	0.2	-2.7	-22.2
Tata Chemicals	0.2	-1.7	-33.9
Vinati Organics	-4.0	-11.6	-38.9
Capital Goods	**0.3**	**-5.5**	**0.3**
A B B	0.6	-2.0	23.5
Atlanta Electric	1.7	1.9	70.6
CG Power & Ind	-0.3	-3.3	10.8
Cummins India	-2.3	-5.9	3.6
GE Vernova T&D	0.8	-1.0	33.4
Hitachi Energy	-1.1	-8.5	60.9
Kalpataru Proj.	2.4	-0.6	7.8

Company	1 Day (%)	1M (%)	12M (%)
KEC Internationa	1.7	-9.1	-58.4
Kirloskar Oil	-1.1	-21.3	85.7
Larsen & Toubro	0.9	2.3	-3.1
MTAR Technologie	2.6	-3.6	204.2
Siemens	-0.2	-9.3	6.9
Siemens Ener.Ind	-1.0	-12.1	-10.3
Thermax	0.4	-3.0	-2.3
Triveni Turbine	3.1	-13.6	-12.4
Cement			
ACC	1.2	-4.1	-38.6
Ambuja Cements	1.0	-3.0	-38.0
Birla Corpn.	1.5	-7.0	-33.0
Dalmia BharatLtd	-4.5	-14.0	-33.9
Grasim Inds	1.1	-5.4	-0.9
India Cements	-0.8	-1.1	-23.2
J K Cements	-2.1	1.1	-23.0
JK Lakshmi Cem.	0.2	-6.0	-45.8
JSW Cement	0.5	2.9	-15.3
Shree Cement	0.4	5.6	-20.8
The Ramco Cement	-0.3	-13.6	-31.0
UltraTech Cem.	0.6	3.2	-6.9
Consumer	**2.3**	**-2.0**	**-22.5**
Asian Paints	0.8	-4.7	-9.3
Bikaji Foods	-0.4	-13.6	-37.4
Britannia Inds.	2.6	-3.0	-19.9
Colgate-Palmoliv	1.8	-8.7	-28.1
Dabur India	2.8	-2.7	-27.2
Emami	-0.5	-2.6	-31.8
Godrej Consumer	1.8	-2.1	-24.4
Gopal Snacks	-1.1	-4.2	-30.6
Hind. Unilever	2.3	-0.3	-24.1
Indigo Paints	-0.1	-6.2	-0.2
ITC	2.1	0.0	-37.1
Jyothy Labs	0.3	-5.0	-45.5
L T Foods	-1.2	-5.4	-9.8
Marico	4.3	2.0	11.2
Mrs Bectors	2.2	-10.9	-32.2
Nestle India	1.8	-11.7	-6.6
P & G Hygiene	1.0	1.1	-48.3
Page Industries	0.2	-7.3	-18.0
Pidilite Inds.	2.3	-2.7	-5.7
Prataap Snacks	-1.3	-1.2	-2.2
Radico Khaitan	2.4	-3.0	33.8
Tata Consumer	2.1	5.5	-13.3
United Breweries	-0.5	-1.5	-35.2
United Spirits	5.1	-5.4	-7.1
Varun Beverages	2.5	-3.5	-16.3
Zydus Wellness	3.4	-5.3	-2.8
Consumer Durables	**1.5**	**-5.4**	**-7.9**
Blue Star	4.7	9.4	-14.9
Crompton Gr. Con	-2.0	-5.4	-31.3

Company	1 Day (%)	1M (%)	12M (%)
Havells India	-0.5	-2.2	-32.4
KEI Industries	-0.7	-14.1	-6.3
LG Electronics	-0.5	-3.3	1.6
Polycab India	0.8	-4.4	0.1
R R Kabel	-3.8	-15.9	48.9
Voltas	2.9	-4.5	-26.6
Defense			
Astra Microwave	0.6	-4.5	51.7
Bharat Dynamics	1.9	-6.8	-33.7
Bharat Electron	1.8	-4.6	-9.1
Data Pattern	0.9	-4.7	46.1
Hind.Aeronautics	0.4	7.0	3.7
Solar Industries	1.0	4.2	39.2
Unimech Aero.	1.2	-1.0	62.5
Zen Technologies	3.4	0.1	19.1
EMS			
Aditya Infotech	-0.7	3.5	186.4
Amber Enterp.	0.5	-5.6	-25.0
Avalon Tech	0.8	-10.4	71.4
Cyient DLM	3.7	-14.0	73.5
Dixon Technolog.	0.8	-13.3	-25.9
Kaynes Tech	1.5	-9.2	-53.9
Syrma SGS Tech.	6.8	-1.4	104.3
Healthcare	**0.6**	**-0.8**	**19.1**
Ajanta Pharma	0.2	-2.6	40.8
Alembic Pharma	1.8	-7.5	-11.5
Alkem Lab	-0.4	-3.8	-8.8
Apollo Hospitals	0.8	-5.3	4.3
Aster DM Quality	1.7	-7.2	-2.7
Aurobindo Pharma	0.9	-2.2	49.3
Biocon	0.3	-6.7	-5.8
Blue Jet Health	-2.8	-8.4	-22.7
Cipla	-0.6	-1.5	-14.1
Divi's Lab.	1.1	2.5	48.4
Dr Agarwal's Hea	2.8	-1.4	-4.5
Dr Reddy's Labs	0.7	7.4	7.5
Emcure Pharma	-0.5	-4.8	39.2
ERIS Lifescience	0.0	-3.6	-27.9
Fortis Health.	-0.6	-8.2	-28.5
Gland Pharma	0.7	2.7	61.2
Glaxosmi. Pharma	0.8	-9.5	-4.7
Glenmark Pharma.	1.7	-4.2	26.9
Global Health	1.3	-8.1	-5.5
Granules India	-0.4	-3.4	46.6
Ipca Labs.	-0.2	-0.6	49.3
Laurus Labs	2.8	13.4	133.3
Laxmi Dental	-2.1	-7.8	-43.4
Lupin	0.9	-3.0	1.7
Mankind Pharma	-0.8	-3.0	1.0
Max Healthcare	0.0	-13.3	-28.4
Piramal Pharma	-0.9	10.4	13.1

Company	1 Day (%)	1M (%)	12M (%)
Molbio Diagnosti	-0.8	3.7	
Rubicon Research	-0.3	-3.1	159.7
Sun Pharma.Inds.	0.2	-5.6	2.6
Symbiotec Pharma	-1.9	9.3	
Torrent Pharma.	0.5	-6.4	27.2
Zydus Lifesci.	0.8	-1.3	18.1
Healthcare BPO			
Indegene	-0.7	-1.7	9.0
Inventurus Knowl	1.1	-3.8	9.0
Sagility	-1.4	5.0	-12.2
Infrastructure	**1.2**	**0.6**	**-9.0**
Adani Enterp.	5.2	-12.3	2.8
G R Infraproject	-0.6	-5.1	-34.9
IRB Infra.Devl.	1.0	-4.4	-27.5
KNR Construct.	-0.5	-15.6	-45.9
Internet & New-Age Tech			
Eternal	3.6	3.1	2.2
FSN E-Commerce	3.0	7.8	36.8
Indiamart Inter.	-1.8	-4.3	-37.8
Info Edg.(India)	-1.4	-5.8	-15.6
Lenskart Solut.	-1.2	1.1	
Meesho	-1.3	0.7	
One 97	3.4	0.2	28.8
PB Fintech.	3.1	-5.8	-40.9
Physicswallah	1.0	6.0	
Pine Labs	1.0	-4.3	
Swiggy	1.0	-27.0	-55.8
Turtlemint Fintech	4.3	-30.1	
Urban Company	1.1	-10.7	-6.4
Logistics			
Adani Ports	6.3	2.7	28.7
Blue Dart Expres	-0.7	-7.3	-35.5
Container Corpn.	0.7	-5.1	-24.0
Delhivery	3.2	-4.8	-18.0
JSW Infrast	2.9	-7.5	9.3
Mahindra Logis.	-1.0	0.3	19.9
TCI Express	-2.6	-11.1	-30.3
Transport Corp.	1.4	0.4	-28.9
VRL Logistics	0.3	-4.3	-1.0
Oil & Gas	**0.5**	**-2.1**	**-14.5**
Aegis Logistics	-0.4	-9.3	50.1
B P C L	0.8	-3.4	-16.9
Castrol India	-0.7	-6.1	-5.2
GAIL (India)	0.2	-2.9	-10.5
Gujarat Energy	-0.6	-10.9	-39.9
H P C L	-1.4	-2.0	-27.0
I O C L	0.2	-0.7	-20.0
Indraprastha Gas	0.7	-0.3	-33.3
Mahanagar Gas	0.0	0.2	-18.7
O N G C	0.4	-1.8	-11.7
Oil India	1.6	-1.1	8.1

Company	1 Day (%)	1M (%)	12M (%)
Petronet LNG	0.9	1.6	1.3
Reliance Industries	0.8	-1.2	-22.4
Media	**1.1**	**7.4**	**5.9**
PVR Inox	3.1	25.2	20.9
Sun TV Network	-1.7	12.0	7.5
Zee Entertainmen	2.1	-4.9	-32.1
Metals	**0.7**	**-8.5**	**9.9**
Coal India	0.3	-7.5	2.9
Hindalco Inds.	-0.8	-7.2	3.5
Hindustan Zinc	1.9	-8.3	6.8
Jindal Stain.	0.4	-7.2	-14.8
Jindal Steel	1.1	-6.2	-1.0
JSW Steel	1.1	-1.3	3.9
Midwest	-2.3	26.0	1.4
Natl. Aluminium	0.0	-6.7	35.9
NMDC	0.1	-12.3	-11.9
S A I L	-0.6	-11.5	14.5
Tata Steel	0.1	-9.9	-8.5
Vedanta	0.6	-9.8	21.4
Vedanta Aluminium Metal	-2.9	-19.7	
Real Estate	**2.8**	**-1.7**	**-13.8**
A B Real Estate	-1.1	-10.2	-42.6
Anant Raj	0.0	-23.0	-27.0
Brigade Enterpr.	-1.2	-5.5	-31.4
DLF	4.2	6.3	-10.8
Godrej Propert.	0.8	-2.1	-30.8
Kolte Patil Dev.	2.2	9.2	8.8
Lodha Developers	3.8	-5.5	-11.3
Mahindra Life.	2.1	-12.1	-18.1
Oberoi Realty	2.4	-7.0	-4.3
Phoenix Mills	3.7	2.1	15.3
Prestige Estates	3.4	1.5	-17.9
SignatureGlobal	2.1	-5.0	-34.5
Sobha	-0.4	-5.0	-25.9
Sri Lotus	-1.3	13.3	32.1
Sunteck Realty	2.0	-1.0	-37.6
Retail			
Kalyan Jewellers	1.0	-9.5	0.4
P N Gadgil Jewe.	2.1	-0.2	-10.9
Senco Gold	-1.0	-7.6	-6.9
Titan Company	2.2	-5.2	18.3
A B Lifestyle	-1.2	-7.7	-47.6
Aditya Bir. Fas.	0.8	-13.2	-52.5
Arvind Fashions.	-2.3	-13.1	-29.4
Avenue Super.	1.3	-15.3	-24.9
Bata India	-1.8	4.6	-39.7
Campus Activewe.	1.5	-8.8	-31.4
Go Fashion (I)	-0.5	-15.6	-61.4
Metro Brands	-0.1	-5.5	-27.7
Raymond Lifestyl	0.3	-24.3	-58.8
Relaxo Footwear	0.8	-3.3	-36.1

Company	1 Day (%)	1M (%)	12M (%)
Shoppers Stop	0.6	-14.8	-31.3
Trent	-1.8	8.6	-10.2
V2 Retail	-0.5	-26.1	-30.2
Vedant Fashions	0.3	-8.5	-29.0
Vishal Mega Mart	-1.5	-17.0	-41.2
V-Mart Retail	-2.2	-1.8	-9.7
Devyani Intl.	0.1	-7.0	-27.5
Jubilant Food.	-0.6	-9.0	-31.3
Restaurant Brand	-2.9	0.3	29.8
Sapphire Foods	0.4	-4.8	-31.0
United Foodbrands	-5.0	-4.9	208.4
Westlife Food	3.2	3.1	4.7
Staffing			
Quess Corp	-0.2	-5.1	29.2
SIS	0.0	-8.2	13.0
Team Lease Serv.	-0.8	-9.5	-39.4
Updater Services	-1.5	-1.1	-12.3
Technology	**1.0**	**15.2**	**-11.7**
Coforge	0.0	13.9	9.2
Cyient	-1.0	8.5	-3.4
HCL Technologies	0.2	14.9	-9.9
Hexaware Tech.	-5.9	11.7	-24.1
Infosys	2.1	12.9	-24.1
KPIT Technologi.	-1.6	4.6	-54.5
L&T Technology	2.3	35.7	1.9
LTM	-0.2	4.0	-27.8
Mphasis	1.7	18.9	-10.9
Persistent Systems	0.5	13.9	-0.2
Tata Elxsi	1.3	18.4	-31.3
Tata Technolog.	0.8	-4.0	-6.0
TCS	0.7	21.9	-19.0
Tech Mahindra	-0.4	17.2	21.9
Wipro	3.0	21.2	-21.5
Zensar Tech.	8.1	25.2	-33.0
Telecom	1.3	5.2	20.9
Bharti Airtel	1.2	11.3	-6.1
Bharti Hexacom	-0.4	17.7	-13.3
Indus Towers	2.9	4.5	0.8
Jio Platforms	0.3		
Tata Comm	1.7	3.3	-10.5
Vodafone Idea	2.2	-10.6	29.5
Textiles			
Arvind Ltd	-0.6	-6.6	55.6
Gokaldas Exports	-0.4	-4.8	-25.4
Indo Count Inds.	5.0	3.3	57.5
K P R Mill Ltd	-0.8	0.1	0.2
Kitex Garments	2.0	-0.5	-45.6
Pearl Global Ind	-1.2	-8.2	80.3
Trident	0.7	-4.8	-26.1
Vardhman Textile	-1.9	-6.3	12.1
Welspun Living	-1.5	-5.8	59.6

Company	1 Day (%)	1M (%)	12M (%)
Travel & Leisure			
Le Travenues	1.6	-11.4	-56.3
TBO Tek	-1.5	-8.0	0.6
Yatra Online	-0.3	-26.9	-50.6
Utilities	1.6	-3.3	-1.1
ACME Solar Hold.	1.1	-5.1	45.6
Adani Power	3.6	-2.6	18.0
Indian Energy Ex	2.6	-1.0	-29.1
Inox Wind	0.3	-17.2	-62.1
JSW Energy	5.6	1.8	-4.6
NTPC	2.2	-4.0	-10.6
Power Grid Corpn	3.4	-0.6	-12.0
Premier Energies	2.0	-0.9	-21.6
Saatvik Green	-0.5	-16.2	-32.6
Suzlon Energy	-1.4	-6.9	-36.8
Tata Power Co.	2.9	-4.0	-16.1
Torrent Power	1.5	-3.5	-10.4
Waaree Energies	3.6	-2.6	-33.3
Others			
APL Apollo Tubes	1.4	0.3	21.6
Cello World	2.6	2.6	-48.2
Coromandel Inter	0.9	-4.1	-23.8
EPL Ltd	1.7	-6.2	7.3
Fujiyama Power	3.1	-6.2	
GNG Electronics	-4.6	2.3	113.6
Godrej Agrovet	1.4	-7.0	-11.9
Gravita India	5.3	-2.2	-13.9
Indian Hotels Co	0.6	13.4	8.5
Interglobe Aviat	-0.3	-4.0	-19.6
Jain Resource	-2.1	-4.5	-29.2
Lemon Tree Hotel	3.9	6.9	-32.6
Safari Inds.	-2.3	-16.3	-44.5
SBI Cards	2.4	-7.1	-40.7
Shaily Engineer.	0.2	0.5	19.7
Time Technoplast	0.5	-11.5	-22.3
UPL	1.0	0.7	-24.7
V I P Inds.	1.1	-13.2	-39.3
Va Tech Wabag	3.0	-11.0	31.5
Ventive Hospital	-2.1	-3.8	-27.2

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

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