Market snapshot

Equities - India	Close	Chg .%	CYTD.%
Sensex	77,301	0.5	-9.3
Nifty-50	23,961	0.6	-8.3
Nifty-M 100	59,506	1.6	-1.6
Equities-Global	**Close**	**Chg .%**	**CYTD.%**
S&P 500	7,689	1.6	12.3
Nasdaq	25,737	1.4	10.7
FTSE 100	10,829	1.8	9.0
DAX	26,438	2.2	8.0
Hang Seng	8,058	1.4	-9.6
Nikkei 225	62,189	-1.4	23.5
Commodities	**Close**	**Chg .%**	**CYTD.%**
Brent (US$/Bbl)	96	-8.4	54.3
Gold ($/OZ)	4,061	3.3	-6.0
Cu (US$/MT)	14,117	-0.3	13.4
Almn (US$/MT)	3,103	0.4	4.5
Currency	**Close**	**Chg .%**	**CYTD.%**
USD/INR	94.6	-0.1	5.3
USD/EUR	1.1	0.3	-4.4
USD/JPY	158.4	-0.2	1.1
YIELD (%)	**Close**	**1MChg**	**CYTD ch**
10 Yrs G-Sec	7.2	-0.11	0.6
Flows (USD b)	**4-Nov**	**MTD**	**CYTD**
FIIs	0.77	1.87	-29.3
DIIs	-0.39	-1.21	73.3
Volumes (INRb)	**4-Nov**	**MTD***	**YTD***
Cash	1,415	1347	1334
F&O	1,22,416	3,40,868	2,53,835

Note: Flows, MTD includes provisional numbers.
*Average

Today's top research idea

Himadri Speciality Chemical: Scaling the carbon materials value chain

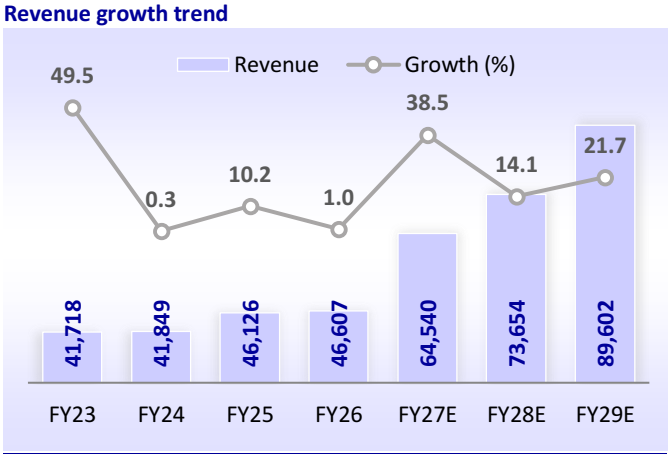
- Incorporated in 1987, Himadri Speciality Chemical has evolved from a coal tar distillation player into an integrated specialty carbon and advanced materials company, with a diversified portfolio spanning coal tar pitch, carbon black, specialty chemicals, battery materials and tyres.
- Himadri is entering the lithium-ion battery materials space through LFP cathode and anode materials, targeting 40,000 MTPA LFP capacity by FY28 (capex: INR11.25b) and developing a 200 MTPA anode pilot facility. Growth will be driven by China+1 sourcing, OBBBA, India's cell manufacturing ramp-up and rising global LFP adoption.
- The acquisition of Birla Tyres for INR3.1b enables forward integration of its carbon black business. Production resumed in May'25, with plans to expand SKUs from 75 to ~400 and enter PCR tyres in FY27.
- Himadri is also expanding into higher-value segments, including CNTs, SSCB and specialty chemicals, leveraging its integrated carbon platform.
- We expect 24%/23%/21% revenue/EBITDA/PAT CAGR over FY26–29, driven by battery materials, specialty carbon and tyre expansion. We value the company at 30x FY29E EPS, with a TP of INR780 and a BUY rating.

Research covered

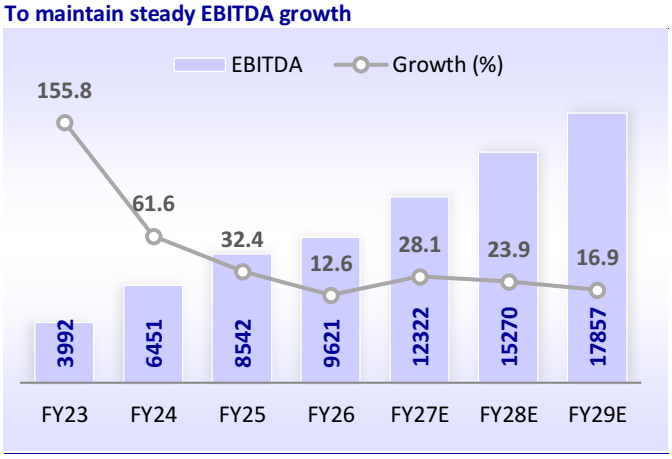
Cos/Sector	Key Highlights
Himadri Speciality Chemical	Scaling the carbon materials value chain
Other Updates	Solar Industries | BSE | Lenskart Solut. | Zydus Lifesci. | Power Fin. Corpn. | FSN E-Commerce | Lupin | Multi Comm. Exc. | Torrent Power | Biocon | Glaxosmi. Pharma | Global Health | Physicswallah | Endurance Tech | Alembic Pharma | Anant Raj | Fine Organics | Niva Bupa Health | Mahanagar Gas | Jain Resource | Bata India | EPL | Jyothy Labs | V2 Retail | V-Mart Retail | Prince Pipes | Laxmi Dental | Angel One | FLASHs

Chart of the Day: Himadri Speciality Chemical (Scaling the carbon materials value chain)

Revenue growth trend



To maintain steady EBITDA growth



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

In the news today

Kindly click on textbox for the detailed news link

1

US to loan about a third of heating oil reserve in bid to tame prices

The US Energy Department will loan 300,000 barrels of fuel oil from its emergency heating reserve to four companies to ease supply pressures and rising prices ahead of winter.

2

Nitin Gadkari flags Indian highways, expressways still lack perfect signage

Nitin Gadkari highlighted the need for better project preparation and accountability in urban road development initiatives.

3

Biocon CEO forecasts H2 results to outperform H1; company posts 52% fall in Q2 net profit; revenue up 2%

Biocon reported a 52% drop in second-quarter net profit due to shipment delays caused by geopolitical issues.

4

HDFC Bank to offer deposits under Capital Gains Accounts Scheme

HDFC Bank has received government authorisation to offer deposits under the Capital Gains Accounts Scheme (CGAS), 1988.

5

Chalet Hotels reports total income from core operations of Rs 511 crore, PAT up 40% to Rs 216 crore

Chalet Hotels reported a 39.7% year-on-year rise in Q2 FY27 net profit to Rs 216.2 crore, despite a 31.7% decline in revenue to Rs 501.9 crore.

6

eMudhra says TLS certificate security incident impacted 1% of revenue

eMudhra Ltd experienced a certificate security incident in October that impacted its TLS business revenue significantly.

7

International airlines have choice to shift to Navi Mumbai airport or suspend operations temporarily: Adani Airports CEO

International airlines currently operating from Mumbai airport are given options to temporarily suspend operations or relocate.

Himadri Speciality Chemical

BSE Sensex	S&P CNX
76,918	23,811

CMP: INR531 **TP: INR780 (+47%)** **Buy**

Scaling the carbon materials value chain

Incorporated in 1987, Himadri Speciality Chemical (Himadri) has evolved from a coal tar distillation player into an integrated specialty carbon and advanced materials company, with a diversified portfolio spanning coal tar pitch, carbon black, naphthalene derivatives, battery chemicals, and tyres, supported by an integrated feedstock-to-downstream value chain.

- Himadri is entering the lithium-ion battery materials space through LFP cathode and anode materials, targeting EVs and BESS. Key growth drivers include China+1 sourcing, OBBBA, India's cell manufacturing ramp-up, and growing global LFP adoption. The company targets 40,000 MTPA of LFP cathode capacity by FY28 (capex ~INR11.25b) and is developing anode materials through a 200 MTPA pilot facility (~INR1.2b investment).
- Himadri acquired Birla Tyres for INR3.1b, enabling forward integration for its carbon black business. Production resumed at Balasore in May'25, leveraging in-house carbon black to improve control over tyre chemistry. With 49 distributors, 1,000+ dealers, and exports to seven countries, the company plans to expand its SKUs from 75 to ~400 and enter the PCR tyre segment in FY27. These initiatives are expected to drive 109% revenue CAGR over FY26–29.
- Himadri is leveraging its leadership in CTP and integrated carbon platform to expand into higher-value specialty segments, including carbon black, carbon nanotubes (CNTs), super specialty carbon black (SSCB), and specialty chemicals. Rising demand from EVs, batteries, and electronics, along with China+1 sourcing opportunities, will lead to diversification and margin expansion.
- We expect Himadri to deliver strong growth (24%/23%/21% CAGR in revenue/EBITDA/PAT over FY26–29), driven by the scaling of its battery materials, specialty carbon black, CNT, and SSCB businesses, alongside the expansion of Birla Tyres. We value the company at 30x FY29E EPS with a TP of INR780 and a **BUY** rating.

Battery materials: Building capabilities for energy transition

- Himadri is entering the lithium-ion battery materials space through LFP cathode active materials and anode materials. According to the Press Information Bureau, ~178 GWh of additional cell manufacturing capacity is expected over the next five years, taking India's total cell capacity to ~181 GWh and implying ~USD7b battery materials opportunity. This could translate into ~2% market share for the company by FY30.
- Further, Himadri targets ~USD3b revenue from battery chemicals in the next six years, implying ~2% global market share by FY35 (global market of USD193b). LFP cathode capacity is planned to scale from 2,000 MTPA in 3QFY27 to 40,000 MTPA by FY28, with ~INR11.25b capex. Anode development includes a 200 MTPA pilot facility (Apr'26) with ~INR1.2b capex.

Stock Info

Bloomberg	HSCH IN
Equity Shares (m)	505
M.Cap.(INRb)/(USDb)	267.9 / 2.8
52-Week Range (INR)	820 / 419
1, 6, 12 Rel. Per (%)	-26/-12/19
12M Avg Val (INR M)	3719

Financials Snapshot (INR b)

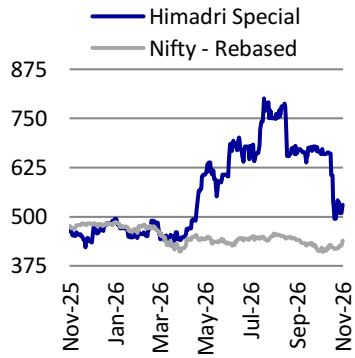
Y/E March	2027E	2028E	2029E
Sales	64.5	73.7	89.6
EBITDA	12.3	15.3	17.9
PAT	9.1	11.3	13.2
EBITDA %	19.1	20.7	19.9
EPS (INR)	18.1	22.3	26.2
EPS Gr. (%)	21.3	23.4	17.7
BV/Sh.(INR)	111.3	133.6	159.8
Ratios			
Net D:E	0.1	0.1	(0.1)
RoE (%)	17.7	18.2	17.9
RoCE (%)	13.6	14.6	14.6
Valuations			
P/E (x)	29.5	23.9	20.3
P/BV (x)	4.8	4.0	3.3
EV/EBITDA (x)	22.3	17.9	14.8
FCF per share	(9.3)	4.3	19.8

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	52.5	52.5	51.6
DII	2.9	3.3	3.2
FII	7.3	6.8	5.7
Others	37.3	37.4	39.5

FII Includes depository receipts

Stock's performance (one-year)



Overall, battery chemicals are expected to contribute ~15% of revenue by FY30, diversifying Himadri's business beyond traditional carbon materials and providing exposure to the EV and BESS markets.

- The company is building capabilities through an exclusive Sicona silicon-carbon anode technology partnership, a 19.44% stake in IBC, and a 40% stake in Invati Creations. Overall, battery chemicals are expected to contribute ~15% of revenue by FY30.

Strategic downstream expansion into tyres

- Himadri acquired Birla Tyres for INR3.1b through the National Company Law Tribunal (NCLT) resolution process, creating forward integration for its carbon black business.
- Commercial production resumed in May'25, focusing on off-highway tyres (OHT), agriculture, construction, industrial and mining (CIM), commercial vehicle, and EV tyres. Backward integration enables better control over tyre chemistry and product performance.
- With 49 distributors, 1,000+ dealers, and exports to seven countries in FY26, Himadri plans to expand its distribution network, increase SKUs from 75 to ~400, and enter the PCR tyre segment in FY27.

Capturing growth across the carbon materials ecosystem

- Himadri has the capacity (~300,000 MTPA) to cater to ~80% of CTP's domestic demand. Expansion into liquid coal tar pitch (LCTP) reduces customer handling costs, with the first 3,600-ton Middle East export completed in Nov'25.
- Specialty carbon black capacity doubled to 130,000 MTPA in FY26, alongside 120,000 MTPA of standard carbon black capacity. The addition of new CNT (200 MTPA) and SSCB (6,000 MTPA) capacities targets growing demand from EVs, electronics, and energy storage.
- Further, Sulphonated Naphthalene Formaldehyde (SNF), Polycarboxylate Ether (PCE), Anthraquinone, and Carbazole support downstream integration and value addition. Overall, expansion into higher-value carbon materials and specialty chemicals offers growth and margin expansion opportunities.

Valuation and view: Initiate coverage with BUY and a TP of INR780

With 49 distributors, 1,000+ dealers, and exports to seven countries in FY26, Himadri plans to expand its distribution network, increase SKUs from 75 to ~400, and enter the PCR tyre segment in FY27.

- Himadri is diversifying into battery materials with LFP cathode and anode capacities, targeting 40,000 MTPA LFP by FY28. With the global LFP cathode and anode market expected to reach ~USD193b by CY35, its ~USD3b battery chemicals revenue ambition translates into a potential market share of ~2%.
- Himadri is moving up the carbon materials value chain through specialty carbon black, CNTs, SSCB, LCTP, and downstream chemicals, while Birla Tyres provides forward integration into tyre manufacturing. The company also maintains a dominant position in CTP, with capacity to cater to 80% of domestic demand.
- The company is expected to deliver a 24%/23%/21% CAGR in revenue/EBITDA/PAT over FY26–29, and currently trades at 29x/24x/20x FY27E/FY28E/FY29E EPS, with FY29E RoE/RoCE of 18%/15%. We value the company at 30x FY29E EPS (in line with its 10-year average one-year forward P/E of 30.6x), resulting in a **TP of INR780 and a BUY rating.**
- **We value the company at 30x FY29E EPS with a TP of INR780 and a BUY rating.**

Key risks

- Manufacturing operations face risks from unplanned shutdowns, equipment failures, utility disruptions, and dependence on third-party suppliers and coal tar.

STORY IN CHARTS

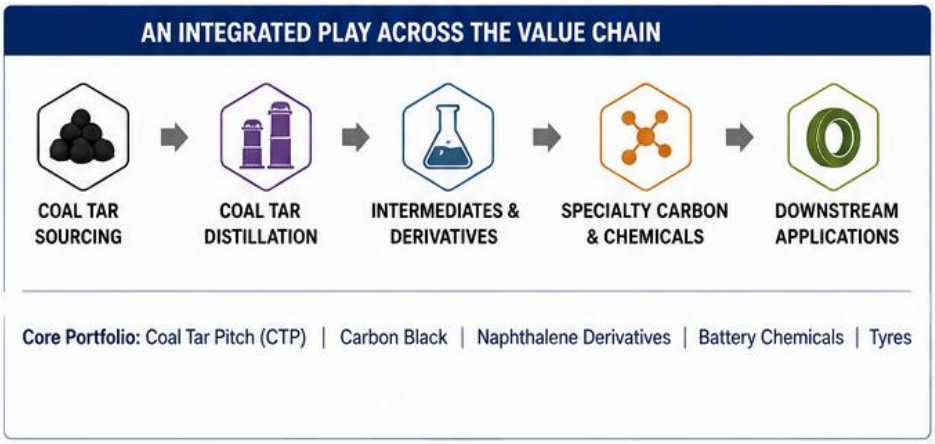
Key customers and product applications

Product	Key Customers	Product Application
LFP Cathode Active Materials	Target customers: global lithium-ion cell manufacturers, EV battery companies, energy storage companies	Cathode active material for lithium-ion batteries
Battery Anode Materials (Graphite Anode)	Target customers: global lithium-ion cell manufacturers, EV battery companies, energy storage companies	Anode active material for lithium-ion batteries
Silicon Carbon Anode Materials (Sicona Battery Technologies)	Target customers: global EV battery manufacturers, energy storage companies	High-energy-density silicon-carbon composite anodes
Carbon Nano Tubes	Lithium-ion battery manufacturers, semiconductor manufacturers, industrial coatings and plastic manufacturers, automotive and aerospace component manufacturers	100 times stronger than steel with conductivity of copper
Super Specialty Carbon Black	Engineering plastics and conductive manufacturers, EV manufacturers, energy storage systems, fiber industry, coating & ink manufacturers, and infrastructure sector	Superior and different morphology with high purity for niche applications
Specialty Carbon Black	Global tyre companies, automotive component manufacturers, plastics companies, paints & coatings companies, ink manufacturers, electronics manufacturers, and packaging companies	High-performance tyres, conductive plastics, paints, coatings, printing inks, cables, ESD packaging, polymer compounds, EV components, electronics, and energy storage systems
Standard Carbon Black	Domestic and global tyre companies	Reinforcing agent in tyre rubber compounds; improves abrasion resistance, strength, and durability
Coal Tar Pitch	Domestic aluminum smelters, global aluminum smelters (Middle East, Europe, Americas), graphite electrode manufacturers	Binder pitch for carbon anodes used in aluminum smelting; binder/impregnation pitch for graphite electrodes
Graphite Electrode Grade Pitch	Domestic graphite electrode manufacturers, global graphite electrode manufacturers	Manufacturing of graphite electrodes used in electric arc furnace steel production
Refined Naphthalene	Construction chemical companies, dye manufacturers, agrochemical companies, specialty chemical manufacturers	Raw material for SNF, dyes, pigments, resins, surfactants, phthalic anhydride, agrochemical intermediates
SNF	Domestic admixture manufacturers, agrochemical manufacturers, textile manufacturers, dyes manufacturers	Superplasticiser for concrete; dispersant in agrochemicals, textiles, gypsum boards, and dyes
PCE	Concrete admixture manufacturers, ready-mix concrete companies, infrastructure chemical suppliers	High-performance and modern construction applications like ready-mix and self-compacting concrete
Specialty Oils/Creosote Oil	Wood preservation companies, chemical processors, industrial users	Preservatives, chemical intermediates and industrial applications
Anthraquinone	Dye manufacturers, pigment manufacturers, paper industry, and hydrogen peroxide manufacturers	Critical intermediate for colorants and sustainable bleaching processes
Carbazole	Pharmaceutical industry, electronics manufacturers, and agrochemical manufacturers	Enhances thermal stability, electrical conductivity, and molecular performance
Birla Tyres	Replacement market dealers, distributors, fleet operators; OEM and other auto ecosystem players	Passenger vehicle, OHT/OTR, and truck/bus

Capacity trend across segments

Segment	Unit	FY26	FY27E	FY28E
Coal Tar Distillation	MTPA	600,000	600,000	600,000
Coal Tar Pitch	MTPA	300,000	300,000	300,000
Commodity Carbon Black	MTPA	120,000	120,000	120,000
Speciality carbon black	MTPA	130,000	130,000	130,000
Birla Tyres	TPD	400	400	400
LFP Cathode	MTPA		2,000	40,000
Anthraquinone and Carbazole	MTPA		2,600	5,300
Carbon Nanotube	MTPA		200	200

Source: Company data, MOFSL





Raw material details

Segment	Raw Material	Source	Remarks
Coal Tar Pitch	Coal tar	External	Primary feedstock from coke ovens (steel companies)
Coal Tar Pitch	Coal tar distillates (oils, pitch)	Internal	Derived via in-house distillation
Coal Tar Pitch	Additives/fillers	External	Speciality chemical
Carbon Black	Coal tar-derived oils	Internal	Captive feedstock advantage
Carbon Black	Petroleum-based aromatic oils	External	Supplementary feedstock
Carbon Black	Fuel (natural gas/fuel oil)	External	Utility input
Naphthalene & Derivatives	Crude naphthalene	Internal	From coal tar distillation
Naphthalene & Derivatives	Chemicals (H2SO4, NaOH, formaldehyde)	External	Standard chemical inputs
Speciality Oils	Coal tar	External	Base raw material
Speciality Oils	Distilled fractions (light, middle, heavy oils)	Internal	Integrated processing
Battery Cathode (LFP)	Lithium salts	External	Fully import dependent
Battery Cathode (LFP)	Iron & phosphate sources	External	Specialty chemicals
Tyres (Forward Integration)	Carbon black	Internal	Captive supply from Himadri/outsourced
Tyres (Forward Integration)	Natural & synthetic rubber	External	No backward integration
Tyres (Forward Integration)	Steel, chemicals, fabric	External	Standard tyre inputs

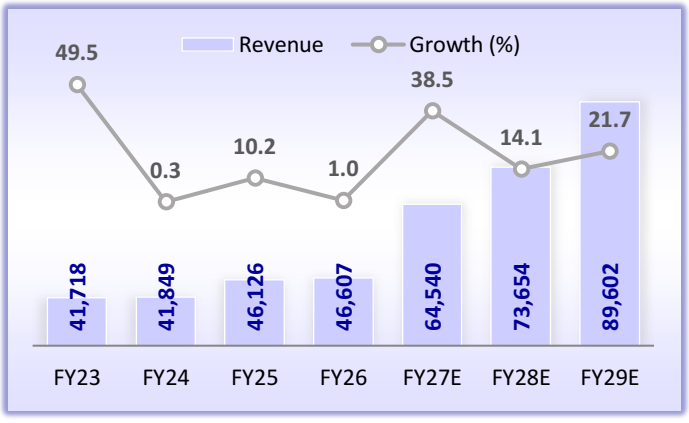
Source: Company data, MOFSL

Lithium ion battery component mix

Component	Approx. share of total BESS cost
Battery cells	58%
PCS (power conversion system/converter)	18%
BMS & control system	8%
Thermal management system	10%
Structural components, auxiliary materials, and system integration	8%

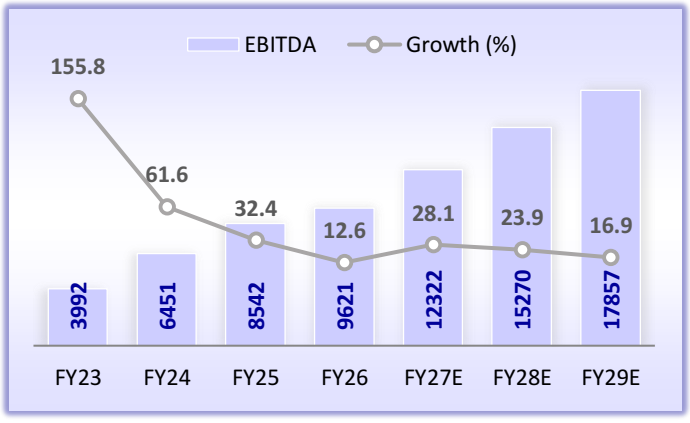
Source: Company data, MOFSL

Revenue growth trend



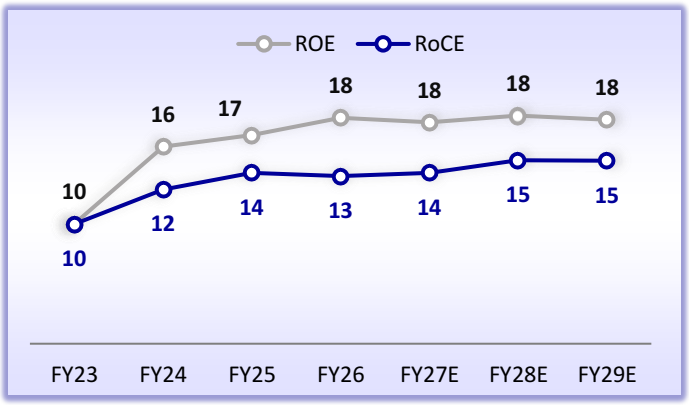
Source: MOFSL

To maintain steady EBITDA growth



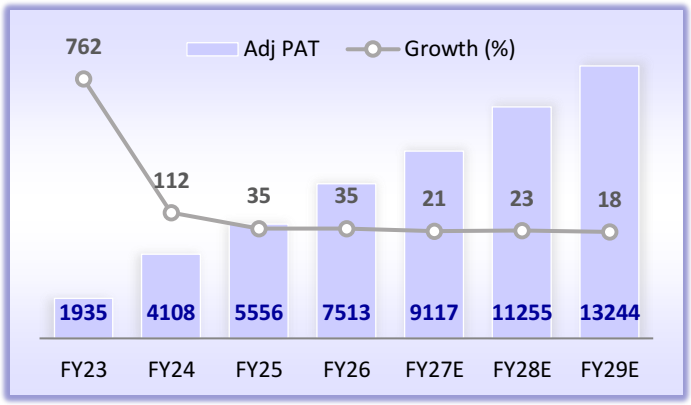
Source: MOFSL

To maintain healthy RoE and RoCE



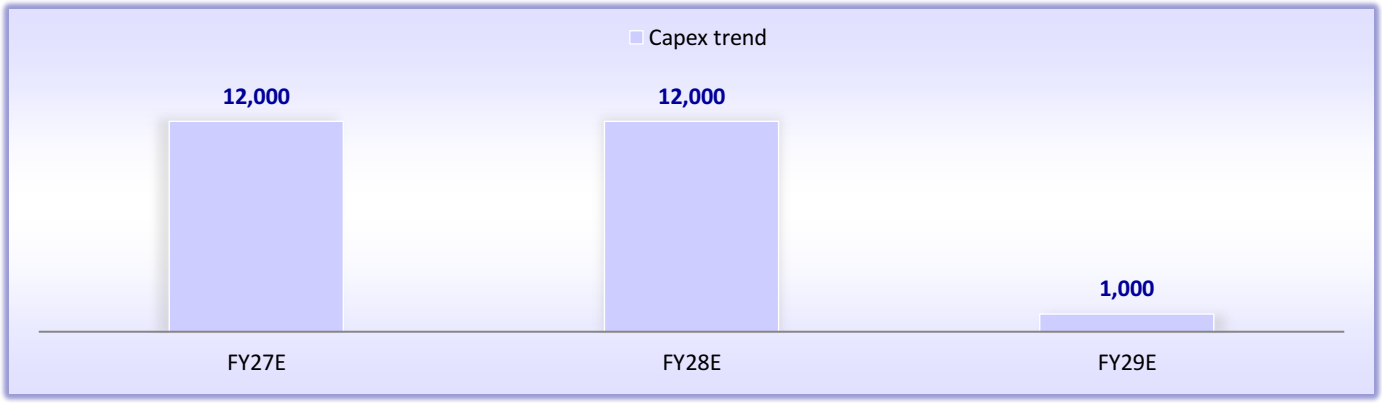
Source: MOFSL

Adj PAT growth trend



Source: MOFSL

Capex trend going forward



Source: MOFSL

Peer comparison

Company Name	Revenue (INR b)			EBITDA (INR b)			EBITDA Margin (%)			PAT (INR b)		
	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E	FY26	FY27E	FY28E
SRF	158	193	217	36	47	51	23	25	24	20	27	30
Tata Chemicals	146	166	179	18	20	30	12	12	17	-4	3	11
Fine Organic Industries	24	26	29	5	6	6	21	22	21	4	5	5
Vinati Organics	22	27	31	7	7	9	29	26	28	4	5	6
Deepak Nitrite	79	90	101	10	14	15	12	15	15	6	8	9
Atul	63	72	80	11	14	15	17	19	19	7	9	10
Galaxy Surfactants	52	63	69	5	7	7	9	11	11	3	4	4
Aarti Industries	83	111	119	11	15	18	14	14	15	4	6	7
GHCL	31	NA	NA	7	NA	NA	22	NA	NA	5	NA	NA
Gujarat Fluorochemicals	50	66	83	13	18	24	26	28	28	6	10	13
Navin Flourine	33	44	53	11	14	17	33	33	32	7	9	11
Alkyl Amines	15	18	18	3	4	4	19	21	21	2	2	2
Clean science	10	11	13	4	4	5	37	36	37	2	3	3
NOCIL	13	16	17	1	2	2	8	9	11	1	2	2
Ellenbarrie	3	5	6	1	2	2	35	39	39	1	1	2
Privi Speciality	26	31	40	6	8	11	25	25	26	3	4	6
Himadri	**47**	**65**	**74**	**10**	**12**	**15**	**21**	**19**	**21**	**8**	**9**	**11**

Solar Industries India

Estimate changes	↑
TP change	↑
Rating change	↔

Bloomberg	SOIL IN
Equity Shares (m)	90
M.Cap.(INRb)/(USDb)	1754.9 / 18.5
52-Week Range (INR)	22700 / 11641
1, 6, 12 Rel. Per (%)	-7/26/49
12M Avg Val (INR M)	2862

Financials Snapshot (INR b)

Y/E MARCH	FY27E	FY28E	FY29E
Net Sales	152.0	327.2	369.0
EBITDA	43.5	68.2	80.4
PAT	28.0	36.2	45.4
EPS (INR)	309.0	399.9	502.1
GR. (%)	66.7	29.4	25.6
BV/Sh (INR)	993	1,383	1,875
Ratios			
ROE (%)	31.1	28.9	26.8
RoCE (%)	27.6	16.2	17.9
Payout (%)	3.2	2.5	2.0
Valuations			
P/E (X)	62.8	48.5	38.7
P/BV (X)	19.6	14.0	10.4
EV/EBITDA (X)	40.6	27.8	23.2
Div Yield (%)	0.1	0.1	0.1

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	73.2	73.2	73.2
DII	13.6	13.4	12.9
FII	6.1	6.4	7.1
Others	7.2	7.1	6.9

FII includes depository receipts

CMP: INR19,393 TP: INR24,000 (+24%) Buy

Pricing gains led to outperformance

Solar Industries India (SOIL)'s results were ahead of our estimates, led by strong pricing gains in the explosives segment and healthy growth in the defense segment. SOIL has benefited from both volume and pricing gains in domestic and international explosives, and it expects to outpace the initial FY27 revenue guidance of INR140b. We expect order inflows in the defense segment to remain strong, fueled by export orders and guided Pinaka orders in the near term, followed by Bhargavastra, 155mm ammunition, and missile orders over the medium to long term. We expect Omnia's acquisition to be completed by 1QFY28 and expect SOIL to benefit from business synergies thereafter. We revise our estimates by 9%/6%/4% for FY27/FY28/FY29 to factor in higher realization in explosives and 1HFY27 performance. We reiterate our BUY rating with a revised TP of INR24,000, based on 50x Dec'28E earnings (vs. INR23,000 earlier).

A strong set of results

Revenue grew 69% YoY to INR35.2b in 2QFY27 (14% above our est.). Revenue growth was broad-based across segments. Gross margin expanded 120bp YoY to 52.4% (vs. est. of 50.5%). Absolute EBITDA increased 82% YoY to INR10b, while EBITDA margin expanded 210bp YoY to 28.6% (vs. our est. of 27.5%). Supported by strong execution and margin expansion, PAT increased 79% YoY to INR6.2b (14% above est). Order book as of Sep'26 increased 18% YoY to INR202b. During 1HFY27, revenue/EBITDA/PAT jumped 70%/86%/86% YoY, while margin expanded 240bp YoY to 28.1%. For 1HFY27, OCF surged 848% YoY to INR9b (vs. INR959m last year) supported by higher profitability, while the company reported a FCF inflow of INR300m (vs. an outflow of INR6b last year).

Domestic explosives growth healthy despite seasonal weakness

Domestic explosives segment revenues grew by 61% YoY. This was supported by strong pricing gains, as reflected in a 27% YoY increase in ammonium nitrate prices. Volume growth was also very healthy supported by 1) a weaker-than-expected monsoon in 2QFY27, leading to higher production from key mining clients, and 2) an extremely weak volume base of last year, which was adversely impacted by the monsoon. Sequentially, domestic explosive segment revenue dipped 29%, while ammonium nitrate prices were down by 25% QoQ, indicating that the volume decline was only marginal QoQ in 2QFY27 vs. the sharp decline in 2QFY26. Management expects volume growth of 10-15% for SOIL. Thus, based on current ammonium nitrate prices, we believe domestic explosives revenue could recover by more than 50% YoY in 3QFY27, followed by growth of 15-20% in 4QFY27. We thus expect the segment revenue to clock a 17% CAGR over FY26-30.

International explosives' revenue growth momentum sustained

International explosives' revenue grew 57% YoY, and we expect this growth to be led by better prices, currency depreciation, and a ramp-up across subsidiaries. SOIL plans to further scale up through acquisitions and greenfield expansion. We expect this segment's revenue to record a 25% CAGR over FY26-30.

Defense segment to benefit from the base and large orders

Defense revenue nearly doubled YoY to INR10b, in-line with our estimate. Total order book grew 18% YoY to INR202b as of Sep'26, with defense accounting for 87%, mainly from international orders. Going ahead, we expect the defense segment to benefit from 1) a guided Pinaka order worth INR30b, by FY27-end, 2) a Bhargavastra order by next year as trials will conclude in CY26, 3) steady demand for high-energy materials from global ammunition replenishment, and 4) a scale up from the 155mm ammunition facility for both domestic and export markets. We also expect SOIL to benefit from the opening up of the missile market for private players over the medium to long term. We expect the segment's revenue to clock a 29% CAGR over FY26-30.

We expect Omnia consolidation by 1QFY28

On the Omnia acquisition, we expect it to be completed by 1QFY28, with consolidation beginning in FY28, lifting consolidated revenue by 115% to INR327b in FY28E. Management expects SOIL to benefit from Omnia's wide reach and distribution network, backward integration of ammonium nitrate, as well as ready access to Omnia's key markets. We expect these synergies to bring higher revenue and EBITDA margins for Omnia post-integration, which are not currently factored into our estimates and could provide additional upside to our revenue estimates.

Margin performance remains strong

EBITDA margin expanded 210bp YoY to 28.6% in 2QFY27 (vs. our est. of 27.5%), supported by a higher contribution from the defense business as well as price hikes to pass on RM costs. We expect FY27 margin to remain strong and expect moderation in margins following the consolidation of Omnia Holdings from FY28 onward. Our revised margin estimates stand at 28.6%/20.9%/21.8% for FY27/28/29.

Guidance upgraded

Management expects to surpass its initial FY27 revenue guidance of INR140b and defense revenue of INR45b, supported by strong 1HFY27 performance and healthy execution momentum across segments. It also expects FY27 EBITDA margin to cross 29%, compared with its initial guidance of ~28%.

Financial outlook and valuation

We revise our estimates by 9%/6%/4% for FY27/28/29 to factor in higher realization in explosives and 1HFY27 performance. We estimate a CAGR of 43%/37%/35% in overall revenue/EBITDA/PAT over FY26-30, baking in growth in explosives and defense and the Omnia acquisition. The stock is currently trading at 49x/39x P/E on FY28/FY29 earnings. **We reiterate our BUY rating on the stock with a revised TP of INR24,000 based on 50x Dec'28E earnings (vs. INR23,000 earlier).**

Key risks and concerns

Key risks to our estimates and rating include delays in order inflows and in the finalization of a large platform order pipeline, as well as country-specific risks due to high exposure to the African market. Poor performance of subsidiaries and sharp currency fluctuations can also hurt the overall margin performance.

Consolidated - Quarterly Snapshot (INR m)

Income Statement	FY26				FY27E				FY26	FY27E	FY27E	Est
Y/E March	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var %
Net Sales	**21,545**	**20,822**	**25,483**	**30,528**	**36,682**	**35,189**	**39,889**	**40,265**	**98,377**	**1,52,02**	**30,832**	**14**
Change (%)	27.9	21.4	29.2	40.9	70.3	69.0	56.5	31.9	30.5	54.5	48.1	
Expenses	16,196	15,294	18,401	22,268	26,530	25,131	28,520	28,309	72,159	1,08,49	22,353	12
EBITDA	**5,349**	**5,528**	**7,082**	**8,260**	**10,152**	**10,058**	**11,368**	**11,957**	**26,218**	**43,535**	**8,479**	**19**
Change (%)	19.0	24.3	34.5	53.1	89.8	81.9	60.5	44.8	33.7	66.0	53.4	
As of % Sales	24.8	26.5	27.8	27.1	27.7	28.6	28.5	29.7	26.7	28.6	27.5	
Depreciation	560	606	629	714	797	880	908	999	2,509	3,584	871	1
Interest	274	309	344	413	413	554	449	493	1,340	1,908	290	91
Other Income	293	292	251	445	85	154	180	198	1,280	616	263	(42)
PBT pre EO items	**4,807**	**4,905**	**6,360**	**7,578**	**9,027**	**8,778**	**10,191**	**10,662**	**23,650**	**38,659**	**7,581**	**16**
Extra-ordinary Items	-	-	-	-	-	-	-	-	-	-	-	
PBT	**4,807**	**4,905**	**6,360**	**7,578**	**9,027**	**8,778**	**10,191**	**10,662**	**23,650**	**38,659**	**7,581**	**16**
Tax	1,281	1,281	1,694	2,030	2,451	2,275	2,640	2,687	6,286	10,052	1,964	16
Effective Tax Rate (%)	26.7	26.1	26.6	26.8	27.2	25.9	25.9	25.2	26.6	26.0	25.9	
MI & P/L Share of JV	(139)	(174)	(204)	(71)	(51)	(334)	(125)	(137)	(588)	(647)	(186)	
Reported PAT	**3,387**	**3,450**	**4,463**	**5,476**	**6,526**	**6,170**	**7,426**	**7,838**	**16,776**	**27,960**	**5,431**	**14**
Adj PAT	**3,387**	**3,450**	**4,463**	**5,476**	**6,526**	**6,170**	**7,426**	**7,838**	**16,776**	**27,960**	**5,431**	**14**
Change (%)	18.2	20.7	41.7	70.0	92.7	78.9	66.4	43.1	38.7	66.7	57.4	
Margin (%)	15.7	16.6	17.5	17.9	17.8	17.5	18.6	19.5	17.1	18.4	17.6	

Revenue breakup	FY26				FY27E				FY26	FY27E	FY27E	Est
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var %
Domestic Explosives	8,980	5,980	8,150	10,320	13,610	9,630	11,818	12,315	33,430	47,373	8,073	19
Change (%)	-0.6	2.4	2.6	8.1	51.6	61.0	45.0	19.3	3.3	41.7	35.0	
International Explosives	8,260	9,630	10,200	10,060	13,640	15,150	15,300	15,043	38,150	59,133	12,519	21
Change (%)	42.7	20.5	34.6	31.7	65.1	57.3	50.0	49.5	31.6	55.0	30.0	
Defense	4,180	5,060	7,020	10,080	9,330	10,020	12,636	13,034	26,340	45,020	10,120	-1
Change (%)	115.5	57.1	71.6	134.4	123.2	98.0	80.0	29.3	94.4	70.9	100.0	
Others	120	150	110	80	100	390	135	-125	460	500	120	225
Change (%)	33.3	36.4	-8.3	-52.9	-16.7	160.0	22.7	-256.3	-6.1	8.7	-20.0	
Total	**21,545**	**20,822**	**25,483**	**30,528**	**36,682**	**35,189**	**39,889**	**40,265**	**98,377**	**1,52,02**	**30,832**	**14**
Change (%)	27.9	21.4	29.2	40.9	70.3	69.0	56.5	31.9	30.5	54.5	48.1	

BSE

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	BSE IN
Equity Shares (m)	408
M.Cap.(INRb)/(USDb)	1469 / 15.5
52-Week Range (INR)	4447 / 2377
1, 6, 12 Rel. Per (%)	11/-2/51
12M Avg Val (INR M)	14262

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Net Sales	48.3	64.0	74.7
EBITDA	31.6	44.7	52.4
PAT	24.6	36.6	42.4
Adj. PAT	24.8	36.6	42.4
EPS (INR)	60.4	89.8	103.9
EPS Gr (%)	87.1	48.7	15.6
BV / Sh (INR)	164	232	312
Ratios (%)			
RoE	44.4	45.4	38.1
Payout ratio	16.6	23.3	23.3
Valuations			
P/E (x)	59.6	40.1	34.7
P / BV (x)	22.0	15.5	11.5

Shareholding Pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	0.0	0.0	0.0
DII	26.2	24.2	20.0
FII	17.1	21.3	16.3
Others	56.7	54.5	63.8

FII includes depository receipts

CMP: INR3,602 TP: INR4,200 (+17%) BUY

Sequential dip; momentum to recover in 2HFY27

- BSE's reported operating revenue stood at ~INR14.3b (in line), reflecting a growth of 34% YoY/decline of 9% QoQ. This was driven by 42% YoY growth in transaction charges and 20% YoY growth in revenue from services to corporates. For 1HFY27, revenue grew ~50% YoY.
- Opex came in at INR4.5b, rising 19% YoY/declining 9% QoQ (in line), with employee costs growing 20% YoY, while regulatory expenses/technology costs/other expenses/clearing house expenses grew 13%/21%/23%/26% YoY. Operational leverage resulted in a 6% EBITDA beat, which stood at INR9.8b, growing 42% YoY (down 8% QoQ). This led to EBITDA margin of 68.7% vs. our expectations of 67.3% and 64.7% in 2QFY26.
- EBITDA beat and higher investment income offset by SGF led to a 7% PAT beat, which stood at ~INR8.1b (+45% YoY). For 1HFY27, PAT grew 54% YoY.
- BSE is yet to achieve double-digit cash market share, with several growth levers still playing out. Moreover, institutional activity is yet to scale up meaningfully, representing an additional opportunity for market share gains.
- We have increased our earnings estimates by 3%/5% for FY27/FY28, factoring in strong volume trajectory witnessed in Oct'26 and recovery in volumes expected with partial reversal of CAS in Dec'26, supported by better-than-expected operational leverage. **We reiterate our BUY rating on the stock with a TP of INR4,200 (premised on 40x FY28E EPS).**

CAS impacts volumes sequentially; strong recovery in Oct'26

- Transaction charges witnessed strong growth of 42% YoY to INR11.3b, driven by 53%/9%/4% YoY growth in derivative/cash/Star MF revenue.
- Cash ADTO grew 38% YoY to an all-time high of INR104.9b, while premium ADTO rose 50% YoY to INR225b in 2QFY27, backed by an increase in listings, market volatility, and rising share of longer-tenure contracts.
- On a sequential basis, premium ADTO declined 24% owing to the impact from implementation of CAS (Aug'26) along with RBI's stringent bank guarantee reforms. However, volatile market environment has resulted in strong recovery in Oct'26, with premium ADTO at INR355b for the month.
- STAR MF delivered a steady quarter, with total transactions growing 22% YoY to ~246m.
- Revenue from services to corporates grew 20% YoY to INR1.7b, driven by a 71% YoY rise in book building fees. During 2QFY27, there were 63 mainboard listings (46 in 2QFY26), while SME listing activity also remained strong with 55 listings (51 in 2QFY26). With a strong mainboard IPO pipeline for FY27, continued momentum is expected in this revenue stream.
- Other operating income at INR1b grew 10% YoY, including INR523m revenue from colocation services. 175–190 colocation racks are under construction, with execution timelines to be accelerated depending on demand.
- Treasury income declined 15% YoY to INR396m. Investment income stood at INR1.2b (our est. of INR915m).

- SGF contribution came in at INR110m for the quarter (vs our estimates of nil).
- Among subsidiaries, BSE Index Service has a total AUM of INR12.5t across 180+ indices.
- BSE Clearing has significantly scaled capacity, with daily trade capacity in equity increasing to 100m from 20m and in derivatives to 90m from 40m. The number of contracts settled during the quarter ranged between 0.89b and 1.29b/month.
- Trades/second per member surged 9x to 27,000, enabling faster trade processing and attracting large-scale participants.

Key takeaways from the management commentary

- BSE does not intend to revise transaction, colocation, or docket charges at present, unless market participants indicate a need.
- 175–190 colocation racks are under construction, with execution timelines to be accelerated depending on demand.
- Expiry of existing bank guarantees is yet to play out, making the impact of BG regulations difficult to assess.

Valuation and view

- BSE witnessed a sequential dip in financial performance during the quarter due to CAS-related impact on volumes. However, Oct'26 volumes have surged, supported by market volatility. With the partial reversal of CAS effective from Dec'26, derivatives activity should normalize faster, supporting top-line growth and, in turn, margin expansion through operating leverage.
- We expect BSE to witness a strong recovery in volume growth, aided by rising member participation and improving P/N ratio. An improved growth trajectory in the cash segment, robust demand for co-location, and the strong positioning of the Star MF platform will also contribute to the company's performance.
- We have increased our earnings estimates by 3%/5% for FY27/FY28, factoring in strong volume trajectory post CAS-impact, supported by better-than-expected operational leverage. **We reiterate our BUY rating on the stock with a TP of INR4,200 (premised on 40x FY28E EPS).**

Cons. Quarterly perf. (INR m)

Y/E March	FY26				FY27				FY26	FY27E	Est. 2Q	Vav. (%/bp)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Revenue from operations	**9,580**	**10,684**	**12,441**	**15,635**	**15,660**	**14,327**	**48,340**	**63,964**	**13,849**	**3.4**	**34%**	**-9%**	**14,327**	**48,340**
YoY Change (%)	57.6	44.2	62.0	84.7	63.5	34.1	63.5	32.3	30				34.1	63.5
Total Expenditure	3,325	3,775	4,426	5,022	4,941	4,486	16,785	19,303	4,529	-0.9	19%	-9%	4,486	16,785
EBITDA	**6,255**	**6,909**	**8,015**	**10,614**	**10,719**	**9,840**	**31,555**	**44,662**	**9,320**	**5.6**	**42%**	**-8%**	**9,840**	**31,555**
Margins (%)	65.3	64.7	64.4	67.9	68.4	68.7	65.3	69.8	67.3	139bp	402bp	24bp	68.7	65.3
Depreciation	269	325	448	548	426	461	1,590	1,827	435	6.0	42%	8%	461	1,590
Interest	0	0	0	0	0	0	0	0	0				0	0
Investment income	865	711	899	667	1,407	1,179	3,142	5,140	915	28.9	66%	-16%	1,179	3,142
PBT before EO expense	**6,851**	**7,296**	**8,465**	**10,732**	**11,700**	**10,558**	**33,107**	**47,974**	**9,800**	**7.7**	**45%**	**-10%**	**10,558**	**33,107**
SGF	0	106	456	207	259	110	770	370	0				110	770
Exceptional items	120	0	-238	0	0	0	-118	0	0				0	-118
PBT	**6,971**	**7,189**	**7,772**	**10,525**	**11,441**	**10,449**	**32,220**	**47,604**	**9,800**	**6.6**	**45%**	**-9%**	**10,449**	**32,220**
Tax	1,752	1,819	1,987	2,680	2,910	2,649	8,238	11,949	2,450	8.1	46%	-9%	2,649	8,238
Rate (%)	25	25	26	25	25	25	26	25	25				25	26
P/L of Asso. Cos.	163	200	182	109	195	275	654	981	205	34.1	37%	41%	275	654
Reported PAT	**5,382**	**5,570**	**5,966**	**7,955**	**8,727**	**8,075**	**24,636**	**36,637**	**7,555**	**6.9**	**45%**	**-7%**	**8,075**	**24,636**
Adj PAT	**5,292**	**5,570**	**6,143**	**7,955**	**8,727**	**8,075**	**24,753**	**36,637**	**7,555**	**6.9**	**45%**	**-7%**	**8,075**	**24,753**
YoY Change (%)	104	61	173	61	62	45	87	49	36				45	87
Margins (%)	55.2	52.1	49.4	50.9	55.7	56.4	51.0	57.3	55	181bp	423bp	64bp	56.4	51.0

Lenskart

Estimate change	⟷
TP change	↑
Rating change	⟷

Bloomberg	LENSKART IN
Equity Shares (m)	1739
M.Cap.(INRb)/(USDb)	1199.8 / 12.7
52-Week Range (INR)	725 / 356
1, 6, 12 Rel. Per (%)	-7/34/-
12M Avg Val (INR M)	4026

Financials & Valuations (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	118.3	149.4	183.7
EBITDA (reported)	26.5	35.2	45.6
EBITDA (pre-IND AS)	16.8	23.2	31.0
Adj. Net Profit	9.7	14.2	20.8
EBITDA Margin (%)	22.4	23.6	24.8
Adj. EPS (INR)	5.5	8.1	11.9
BV/Sh. (INR)	56.8	65.1	77.3
Ratios			
Net D:E	-0.2	-0.3	-0.4
RoE (%)	10.4	13.5	16.9
RoCE (%)	7.8	9.9	12.0
Valuations			
P/E (x)	123.2	84.0	57.4
EV/EBITDA (x)	46.0	34.4	26.3
EV/pre-IND AS EBITDA	70.2	50.1	36.9
EV/Sales (x)	10.3	8.1	6.5

Shareholding pattern (%)

As On	Sep-26	Jun-26
Promoter	17.5	17.5
DII	26.8	23.6
FII	18.7	13.2
Others	37.0	45.7

FII Includes depository receipts

CMP: INR690 TP: INR815 (+18%) Buy

In-line 2Q; continues to deliver strong growth with margin expansion

- Lenskart sustained its growth momentum, with consolidated revenue growing 33% YoY, in line with expectations, driven by healthy volume growth (27% YoY) and premiumization (ASP up ~4% YoY).
- India revenue growth accelerated to ~35% YoY (from ~31% YoY in 1Q) driven by robust SSSG (~21%) and store additions (26% YoY), while the international business (with +23% YoY CC) delivered a strong quarter.
- Pre-Ind AS EBITDA surged ~64% YoY to INR3.9b, with margin expanding ~265bp YoY to 13.7% (+45bp QoQ, in line), supported by product-margin expansion (+80bp YoY) and operating leverage.
- Management continues to target ~25% consolidated pre-IND AS EBITDA margin over the medium term (vs. 13.7% in 2Q), driven by the company's presence across the value chain (own brands, insourcing of frames and lenses, and centrally automated just-in-time manufacturing and retailing). However, its utmost focus would remain on driving volume-led growth.
- We fine tune our FY27-29 estimates and model **27%/45%/57% CAGR in revenue/pre-Ind AS EBITDA/adj. PAT over FY26-29**, driven by ~28%/25% revenue CAGR in India/International. We expect the pre-IND AS EBITDA margin to expand to ~19.3%/13.0% in India/International by FY29.
- We reiterate our **BUY rating with a revised TP of INR815**, based on a **48x Dec'28 blended pre-Ind AS EBITDA** multiple.

Largely in line 2Q; strong revenue growth with margin expansion

- Lenskart's consolidated 2Q revenue **grew 33% YoY** (vs. ~34% YoY in 1Q, in line) to INR28.5b (+5% QoQ).
  - The company's volume grew ~27% YoY to 10.6m (vs. ~25% YoY in 1Q), while implied ASP rose ~4% YoY to INR2,681 (+4% QoQ).
  - Lenskart added 165 net new stores (India: 143, International:22) during the quarter, bringing the total store count to 3,624 (up ~23% YoY).
- Gross profit rose 34% YoY to INR19.9b (+4% QoQ), as product margin expanded ~80bp YoY to 70% (-25bp QoQ, 20bp beat).
- Employee expenses increased ~24% YoY, while other expenses (ex- leases) rose ~35% YoY.
- Its reported pro forma EBITDA **surged 46%** YoY to INR6.2b (+6% QoQ, in line), with margin expanding ~200bp YoY to 21.9% (up ~20bp QoQ, ~25bp miss).
- Lenskart's lease rentals grew 22% YoY (vs. 33% YoY growth in revenue), thereby, driving operating leverage.
- Pre-IND AS EBITDA jumped 64% YoY to INR3.9b (+8% QoQ, in line), with margin expanding ~265bp YoY to 13.7% (+45bp QoQ, in line).
- Depreciation/interest costs grew 26%/19% YoY each, while other income surged ~63% YoY (23% beat).
- Adjusted PAT surged 2.1x YoY to INR2.26b (+2% QoQ) and came in 6% ahead of our estimate, due to higher other income and a lower tax rate.

- Lenskart's 1HFY27 revenue grew 33% YoY, with pre-IND AS EBITDA surging 78% YoY, led by 340bp margin expansion. Its 1HFY26 adj. PAT jumped 2.3x YoY to INR4.5b.
- We estimate 2HFY27 revenue growth at ~30% with pre-IND AS EBITDA rising ~57% YoY, driven by ~255bp YoY margin expansion.

India revenue up 35% YoY, pre-IND AS EBITDA margin expands ~255bp YoY

- Revenue **grew 35% YoY** to INR16.7b (vs. ~31% YoY in 1Q, our est. was INR16.4b).
- Volume grew ~26.5% YoY to 8.55m (+23% YoY in 1Q, vs. our est. of 8.7m), while implied ASP rose ~7% YoY to INR1,951 (+5% QoQ, vs. our est. of INR1,879).
- Lenskart added 143 net stores during 2Q to reach 2,607 stores (up 26% YoY).
- Gross profit grew 37% YoY to INR10.7b (+9% QoQ) as product margin expanded ~60bp YoY to 64% (-10bp QoQ, 15bp miss).
- Pro forma reported EBITDA **grew 50% YoY** to INR3.6b (+10% QoQ, in line) as margin expanded ~215bp YoY to 21.7% (+30bp QoQ, ~25bp miss).
- Lease rentals grew ~26% YoY, resulting in **pre-IND AS EBITDA growth of ~61% YoY to INR2.67b (vs. our est. of INR2.6b)**, with margin **expanding ~255bp YoY** to 16% (+60bp QoQ, ~15bp beat).

Int'l CC revenue rise 23% YoY, pre-IND AS EBITDA margin up ~300bp YoY

- Revenue **grew 29% YoY** to INR12b (flat QoQ, ~23% YoY CC growth vs. 29% YoY in 1Q) and came in line with our estimate.
- Volume grew ~30% YoY to 2.1m (vs. +37% YoY in 1Q, 6% above our estimate), while implied ASP was flat YoY at INR5,830 (+10% QoQ, 6% below our estimate).
- The company added 22 new stores during 2Q to reach 756 stores (up 11% YoY).
- Gross profit grew 32% YoY to INR9.3b (flat QoQ) as product margin expanded 170bp YoY to 77.2% (up 15bp QoQ, ~50bp beat).
- Pro forma reported EBITDA **rose 45% YoY** to INR2.63b (flat QoQ, **in line**) as margin expanded 230bp YoY to 21.9% (flat QoQ, ~20bp miss).
- Lease rentals grew ~22% YoY, resulting in **pre-IND AS EBITDA at INR1.25b** (up 82% YoY), with margin at 10.4% **(+300bp YoY,** -5bp QoQ, 35bp miss).

Key highlights from the management commentary

- **Margin expansion** should continue driven by the operating leverage, although better-than-planned profitability is likely to be reinvested in brand marketing, Bharat market development and international expansion. The 25% pre-Ind AS EBITDA margin remains a long-term aspiration, though driving volume-led growth is the utmost priority.
- **Eye-testing** capacity ramp-up remains the biggest priority for the company. Eye tests grew ~44% with remote optometry expanding to 934 stores (vs. 303 YoY). AI-led eye-testing "Drysh", currently in the pilot stage could further improve optometrist productivity.
- **India:** Growth momentum remains strong, with 26.5% volume growth and 20.8% SSSG. The ASP growth of ~7% YoY was driven by premium lenses and a rising share of progressives in the mix. Lenskart added 143 net stores in 2Q, with 94 of them in tier 2+ cities, driven by rising availability of remote optometry in stores. Growth across markets, despite rising store density, reinforces the demand runway and supports the potential for a 10,000+ store network.

- **International:** The business scaled up well, with ~23% constant-currency growth and ~30% volume growth, largely driven by SSSG. Eye-test-led market creation is yet to begin, providing a further growth runway beyond existing-market penetration.
- **Lenskart Evolv**, a ~2,500 sq ft concept flagship (2.5x the typical store), is positioned as a brand-building and customer-experience concept. While initial response is encouraging, there are no major rollout plans yet. Learnings will be implemented across the wider network.

Valuation and view

- Lenskart has built strong moats in a difficult-to-scale category through - i) a centralized, automated manufacturing facility and logistics network; ii) strong backward integration, which provides significant cost advantage; iii) large omnichannel presence; iv) leveraging technology to ease constraints on scaling up; and v) a house-of-brands architecture, to achieve its goal of making quality eyewear accessible and affordable. Please refer to our IC for detailed thesis on Lenskart.
- We fine tune our FY27-29 estimates and model **27%/45%/57% CAGR in revenue/pre-Ind AS EBITDA/adj. PAT over FY26-29**, driven by ~28%/25% revenue CAGR in India/International. We expect the pre-IND AS EBITDA margin to expand to ~19.3%/13.0% in India/International by FY29.
- We reiterate our **BUY rating with a revised TP of INR815**, based on a **48x Dec'28 blended pre-IND AS EBITDA** multiple.

Consolidated – Quarterly earnings

	FY26				FY27E				FY26	FY27	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Revenue	**20,322**	**21,466**	**23,077**	**25,157**	**27,142**	**28,450**	**30,563**	**32,110**	**90,023**	**1,18,266**	**28,254**	**0.7**
YoY Change (%)	26.9	23.9	37.4	40.6	33.6	32.5	32.4	27.6	32.3	31.4		
Gross Profit	**13,961**	**14,851**	**15,907**	**17,512**	**19,069**	**19,911**	**21,281**	**22,396**	**62,232**	**82,657**	**19,716**	1.0
Gross margin	68.7	69.2	68.9	69.6	70.3	70.0	69.6	69.7	69.1	69.9	69.8	0
Total Expenditure	10,318	10,582	11,266	12,128	13,185	13,691	14,313	14,953	44,294	56,141	13,464	1.7
EBITDA	**3,643**	**4,269**	**4,641**	**5,384**	**5,885**	**6,220**	**6,968**	**7,443**	**17,938**	**26,516**	**6,252**	**-0.5**
EBITDA margins (%)	17.9	19.9	20.1	21.4	21.7	21.9	22.8	23.2	19.9	22.4	22.1	-1
Depreciation	2,381	2,539	2,703	2,875	3,046	3,206	3,435	3,524	10,499	13,212	3,217	-0.3
Interest	416	446	487	435	532	532	529	525	1,785	2,118	515	3.2
Other Income	517	334	404	490	685	545	508	336	1,745	2,073	443	22.9
PBT before EO expense	**1,363**	**1,618**	**1,855**	**2,564**	**2,991**	**3,027**	**3,511**	**3,730**	**7,398**	**13,259**	**2,963**	**2.1**
JV Share	-38	-41	-31	-55	-61	-36	-44	-59	-165	-200	-71	-49.5
Extra-Ord expense	-104	0	-53	0	0	0	0	0	-157	0	0	
PBT	**1,221**	**1,577**	**1,771**	**2,509**	**2,930**	**2,991**	**3,468**	**3,670**	**7,077**	**13,059**	**2,893**	**3.4**
Tax	459	476	457	506	712	720	886	1,032	1,898	3,350	769	-6.4
Rate (%)	37.6	30.2	25.8	20.2	24.3	24.1	25.6	28.1	26.8	25.7	26.6	
Reported PAT	**762**	**1,101**	**1,314**	**2,003**	**2,218**	**2,271**	**2,581**	**2,639**	**5,178**	**9,709**	**2,123**	**6.9**
Adj PAT	**866**	**1,101**	**1,367**	**2,003**	**2,218**	**2,271**	**2,581**	**2,639**	**5,336**	**9,709**	**2,123**	**6.9**
YoY Change (%)	290.1	45.4	248.0	125.8	156.2	112.5	84.5	31.8	142.9	82.0		

Zydus LifeSciences

Estimate change	↓
TP change	↔
Rating change	↔

CMP: INR1,188 TP: INR1,280 (+8%) Neutral

Bloomberg	ZYDUSLIF IN
Equity Shares (m)	998
M.Cap.(INRb)/(USDb)	1185.1 / 12.5
52-Week Range (INR)	1267 / 836
1, 6, 12 Rel. Per (%)	-3/32/29
12M Avg Val (INR M)	1286

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	271.5	326.2	358.9
EBITDA	71.9	77.4	88.3
Adj. PAT	45.0	39.5	50.7
EBIT Margin (%)	21.3	16.5	18.8
Cons. Adj. EPS (INR)	44.7	39.3	50.4
EPS Gr. (%)	-2.9	-12.1	28.4
BV/Sh. (INR)	269.5	305.9	352.6
Ratios			
Net D:E	0.5	0.3	0.1
RoE (%)	17.6	13.6	15.3
RoCE (%)	13.9	10.8	12.7
Payout (%)	7.8	10.2	7.9
Valuations			
P/E (x)	27.7	31.6	24.6
EV/EBITDA (x)	18.9	17.1	14.5
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	-5.7	3.7	3.9
EV/Sales (x)	5.0	4.0	3.6

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	75.0	75.0	75.0
DII	11.3	11.3	10.9
FII	7.0	6.9	7.3
Others	6.7	6.8	6.8

FII Includes depository receipts

2Q – A mixed bag; NA rebound offset by higher costs

Specialty build-out weighs on near-term earnings; Saroglitazar is the FY28 catalyst

- Zydus Lifescience (ZYDUSLIF) delivered better-than-expected revenue (5% beat) in 2QFY27. It delivered in-line EBITDA due to higher opex. Earnings missed our estimate by 5% due to higher depreciation, interest, and tax rate for the quarter.
- After two quarters of YoY sales decline, North America (NA) formulation sales exhibited healthy growth, led by product launches and market share gain in base products. Specifically, the US specialty portfolio has witnessed increased share in NA sales QoQ, driven by Rolvedon and continued traction in 505b2 products.
- Domestic formulation (DF) sustained its growth momentum, led by volume and new launches. Effectively, the share of chronic and sub-chronic therapies expanded 450bp over the past four years.
- Given the target action date for Saroglitazar for PBC indication expected in Nov'26, ZYDUSLIF is preparing itself for launch in Mar'27 in US market.
- We tweak our earnings estimate (-3.8%/+3.4%) for FY27/FY28, factoring in: a) operational expenses associated with pre-commercialization activities for Saroglitazar, b) superior execution in the DF segment, and c) higher depreciation and amortization run-rate on account of acquisition.
- We value ZYDUSLIF at 24x 12M forward earnings to arrive at a TP of INR1,280. We expect 6% earnings CAGR over FY26-28, with YoY decline in FY27 and healthy pick-up in FY28. FY27 would be a year of higher operational costs related to the specialty portfolio. The benefit is expected to accrue from FY28 onwards, subject to timely regulatory approval. Considering limited upside from current levels, **we reiterate our Neutral stance on the stock**.

Revenue growth offset by margin contraction and higher expenses

- ZYDUSLIF sales grew 29% YoY to INR79.1b (4.6% beat).
- Gross margin expanded 40bp YoY to 72.8%.
- EBITDA margin contracted 400bp YoY at 22.2% (our est. 23.2%), due to higher opex (employee expenses/other expenses up 30bp/360bp YoY each as % of sales) and R&D spend (up 40bp YoY as % of sales).
- EBITDA grew 9.8% YoY to INR17.5b (broadly in line with est.)
- ZYDUSLIF had forex gains of INR1.4b and exceptional expense of INR13m.
- Adjusting for the same, PAT decreased 16.5% YoY to INR8.5b (4% miss).

Broad-based growth across key business segments on a YoY basis

- DF grew 18.3% YoY to INR18.8b (24% of sales).
- Consumer Wellness grew 76.1% YoY to INR11.2b, driven by steady urban recovery and rural demand improvement (14% of sales).
- Emerging market sales grew 33% YoY to INR10b (13% of sales).

- US sales grew 21% YoY (up 10% YoY in CC terms) to INR33b (USD347m; 43% of sales).
- API sales grew 1% YoY to INR1.4b (2% of sales).
- Med-tech segment revenue was INR2.2b (3% of the sales) for 2QFY27.
- ZYDUSLIF has received 12 ANDA approvals and filed 4 ANDAs during the quarter. It launched five products during the quarter.
- 2Q capex stood at INR4.7b.
- R&D investments stood at INR6.6b (8.3% of revenues) during the quarter.

Highlights from the management commentary

- Full-year FY27 EBITDA margin guidance was maintained at 24%+.
- Saroglitazar magnesium for PBC indication has a targeted goal date in Nov'26, with a planned commercial launch in Mar'27 and a long-term target of 10% to 12% patient share by FY30.
- Ongoing pre-launch commercialization investments for Saroglitazar in the US diluted Q2FY27 consolidated EBITDA margin by 150bp.
- Formycon-partnered Keytruda biosimilar became the first publicly disclosed pembrolizumab biosimilar BLA accepted for review by the USFDA.
- ZYDUSLIF filed 4 ANDAs, received 12 product approvals, and commercialized 5 new products during 2QFY27 in US generic formulations.
- ZYDUSLIF launched the first generic version of Riociguat tablets in the US market in Oct'26, partnering with both specialty distributors active in the category. US specialty portfolio expanded to 16% of US revenues during 2QFY27, up approximately 550bp sequentially, driven by the addition of Ralvedon and traction in 505(b)(2) products.

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

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Chg.
INRm	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			2QE	(%)
Net Revenues	**65,737**	**61,232**	**68,645**	**75,870**	**80,170**	**79,096**	**79,961**	**86,983**	**2,71,484**	**3,26,210**	**75,609**	**4.6**
YoY Change (%)	5.9	16.9	30.3	16.2	22.0	29.2	16.5	14.6	16.8	20.2	23.5	
Total Expenditure	45,423	45,215	52,125	56,775	61,445	61,517	61,250	64,629	1,99,538	2,48,841	58,068	
EBITDA	**20,314**	**16,017**	**16,520**	**19,095**	**18,725**	**17,579**	**18,711**	**22,355**	**71,946**	**77,370**	**17,541**	**0.2**
YoY Change (%)	-3.7	13.1	27.1	-11.8	-7.8	9.8	13.3	17.1	2.9	7.5	9.5	
Margins (%)	30.9	26.2	24.1	25.2	23.4	22.2	23.4	25.7	26.5	23.7	23.2	
Depreciation	2,381	3,019	3,596	5,084	5,300	6,045	6,039	6,044	14,080	23,428	5,283	
EBIT	**17,933**	**12,998**	**12,924**	**14,011**	**13,425**	**11,534**	**12,672**	**16,311**	**57,866**	**53,942**	**12,259**	
YoY Change (%)	-5.3	9.9	20.7	-27.3	-25.1	-11.3	-2.0	16.4	-4.7	-6.8	-5.7	
Margins (%)	27.3	21.2	18.8	18.5	16.7	14.6	15.8	18.8	21.3	16.5	16.2	
Interest	847	1,013	1,299	1,230	1,560	1,870	1,543	1,505	4,389	6,478	1,580	
Other Income	1,549	1,090	1,114	1,342	1,061	1,299	1,226	1,226	5,095	4,811	1,201	
PBT before EO Income	**18,635**	**13,075**	**12,739**	**14,123**	**12,926**	**10,963**	**12,355**	**16,031**	**58,572**	**52,275**	**11,879**	
EO Exp/(Inc)	-571	-4,141	-795	-2,474	-387	-1,379	0	0	-7,981	-1,766	0	
PBT after EO Income	**19,206**	**17,216**	**13,534**	**16,597**	**13,313**	**12,342**	**12,355**	**16,031**	**66,553**	**54,041**	**11,879**	
Tax	4,340	4,540	3,883	3,184	3,583	3,340	2,903	3,623	15,947	13,449	2,910	
Rate (%)	22.6	26.4	28.7	19.2	26.9	27.1	23.5	22.6	24.0	24.9	24.5	
Min. Int/Adj on Consol	-198	252	770	-688	-126	253	-90	-70	136	-33	-110	
Reported PAT	**14,668**	**12,928**	**10,421**	**12,725**	**9,604**	**9,255**	**9,361**	**12,338**	**50,742**	**40,558**	**8,859**	
Adj PAT	**14,226**	**10,150**	**9,854**	**10,726**	**9,321**	**8,475**	**9,361**	**12,338**	**44,956**	**39,496**	**8,859**	**-4.3**
YoY Change (%)	-1.2	15.5	3.8	-21.4	-34.5	-16.5	-5.0	15.0	-2.9	-12.1	-12.7	
Margins (%)	21.6	16.6	14.4	14.1	11.6	10.7	11.7	14.2	16.6	12.1	11.7	

Power Finance Corporation

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	POWF IN
Equity Shares (m)	3300
M.Cap.(INRb)/(USDb)	1064.3 / 11.2
52-Week Range (INR)	487 / 310
1, 6, 12 Rel. Per (%)	-5/-27/-12
12M Avg Val (INR M)	3254

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
NII	219	210	231
PPP	230	232	255
PAT	201	194	201
EPS (INR)	60.8	58.9	60.9
EPS Gr. (%)	16	-3	3
BV/Sh. (INR)	311	352	394
ABV/Sh. (INR)	267	308	350
RoAA (%)	3.4	3.1	3.0
RoAE (%)	20.7	17.8	16.3
Div Payout (%)	30.5	30.5	30.0
Valuations			
P/E (x)	5.3	5.5	5.3
P/BV (x)	1.0	0.9	0.8
Core P/E (x)	3.8	3.9	3.8
Core P/BV (x)	0.8	0.7	0.6
Div. Yld (%)	5.8	5.6	5.7

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	56.0	56.0	56.0
DII	15.8	14.5	16.0
FII	17.8	20.5	18.8
Others	10.4	9.0	9.1

FII includes depository receipts

CMP: INR323 **TP: INR405 (+26%)** **Buy**

Weak loan growth with minor NIM compression; earnings in line

Higher prepayments continued; asset quality improved further

- Power Finance Corporation's (PFC) 2QFY27 PAT grew ~12% YoY to INR49.9b (in line). NII declined ~3% YoY to ~INR51.2b (in line). Other operating income grew ~7% YoY to ~INR12.7b, which included fee and commission income of ~INR2.6b and dividend income of INR8.8b (PY: INR11b).
- PFC reported exchange loss of INR1.8b (PQ: gain of INR752m | PY: loss of INR5b). Opex grew ~17% YoY to ~INR2.3b (in line). Cost-income ratio was broadly stable QoQ at ~4.4%. PPoP grew ~3% YoY to INR59.8b (in line).
- Provision writebacks for the quarter stood at INR1.8b (vs. est. +INR1.2b). This translated into provision write-backs of -3bp in 2Q (PY: 4bp and PQ: -10bp). The provision reversal in 2Q was majorly on account of partial prepayment of INR61.7b received from the Kaleshwaram Irrigation project.
- Reported yields in 1HFY27 stood at ~9.57% (1QFY27: 9.56%), while CoB stood at ~7.17% (1QFY27: 7.07%), resulting in spreads of ~2.4% (1QFY27: ~2.5%). NIM (calc.) contracted ~20bp QoQ to ~3.5%.
- PFC's share of foreign currency borrowings in the overall funding mix rose to 24% in 1HFY27 from the historical range of 20-21%, driven by a calibrated increase in overseas borrowings to leverage the concessional foreign exchange swap facility introduced by the RBI for PSUs, which is available until Dec'26. The company shared that its cost of funds will remain sensitive to foreign exchange market volatility and periodic repo rate hikes by the RBI. We model NIMs of ~3.5%/3.6% in FY27/FY28E (vs. 3.7% in FY26).
- **We keep our FY27 EPS estimate largely unchanged and cut our FY28 EPS estimate by 2%. We estimate a disbursement/advances CAGR of 3%/7% over FY26-FY28 and PAT to remain broadly flat over the next two years, with RoA/RoE of 3%/16% and a dividend yield of ~5.7% in FY28E. We reiterate our BUY rating with an SoTP (Sep'28E)-based TP of INR405.**

Disbursements declined ~31% YoY; muted loan growth of ~2% YoY

- Loan book stood at INR5.7t, up 2% YoY and flat QoQ. 2Q repayments stood at ~22.2% (PQ: 20.9% and PY: ~28.0%). Loan growth was impacted by elevated prepayments. We model loan growth of ~5% in FY27E.
- Disbursements fell 31% YoY and grew 69% QoQ to INR341b. Disbursements to infrastructure sector formed 6% of total disbursements in 2Q. Renewables segment in the Loan mix rose to 15.6% (PQ: 14.8%). CRAR stood at ~24% as of Sep'26.

Asset quality improves; PCR on standard assets declines QoQ

- GS3 declined ~20bp QoQ to ~0.9%, while NS3 was stable QoQ at ~0.15%. **PCR on Stage 3 declined ~3pp QoQ to 83.2%. Standard assets (Stage 1 + 2) PCR declined ~4bp QoQ to 74bp (PQ: 78bp and PY: 101bp).**

- PFC has ~18 projects that are classified as NPA. Resolution in nine NPA projects is being pursued under NCLT, and the remaining nine NPA projects are being pursued outside NCLT.
- In 1HFY27, an outstanding loan of INR11.2b to East Coast Energy (which was undergoing liquidation) was written off from the books, against which 100% provision had already been maintained.

Key highlights from the press release

- PFC's outstanding foreign currency borrowings stood at USD11.79b as of Sep'26, comprising 61% USD-denominated, 21% JPY and 18% EUR borrowings. Nearly 98% of the portfolio was hedged against exchange rate risk, ensuring that PFC remains well-positioned to manage range-bound foreign exchange volatility.
- On incremental business, PFC will continue to focus on realistic and resilient growth. In the current competitive pricing environment, priority of the company is to tap the capex opportunities while balancing growth with sustainable returns.

Valuation and view

- PFC reported an operationally weak quarter, with earnings broadly in line but underlying loan growth remaining weak. Asset quality improved, resulting in benign credit costs. However, NIM remained under pressure amid heightened competitive intensity and higher incremental borrowing costs.
- PFC (standalone) trades at 0.6x FY28E P/BV and ~4x FY28E EPS. We **reiterate our BUY rating** with an SoTP (Sep'28E)-based TP of INR405 (based on a 0.8x target multiple for the PFC standalone business and INR147/sh for PFC's stake in REC after a hold-co discount of 20%).
- **Key risks:** 1) weaker loan growth driven by weak disbursements; 2) an increase in exposure to power projects without PPAs; 3) compression in spreads and margins due to an aggressive competitive landscape; and 4) any slowdown in the offtake of renewable energy projects.

PFC: SOTP – Sep'28

	Stake	Target Multiple	Value (INR B)	INR per share	% To Total	Rationale
PFC Standalone	100	0.8	950	288	71	0.8x Sep'28 PBV
REC Stake (Pre-holdCo)	53	0.8	485	**147**		0.8x Sep'28 PBV
Hold Co Discount (20%)			97			
REC Stake (Post Hold-CO)				**388**	**118**	29
Target Value			**1,338**	**405**	**100**	

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	2QFY27E	v/s Est.
Particulars	**1Q**	**2Q**	**3Q**	**4Q**	**1Q**	**2Q**	**3Q**	**4Q**				
Interest Income	1,37,389	1,34,728	1,39,359	1,39,253	1,37,364	1,36,577	1,38,899	1,44,068	5,50,728	5,56,908	1,37,501	-1
Interest Expenses	82,697	81,835	83,294	84,028	85,029	85,356	86,893	90,069	3,31,769	3,47,347	85,454	0
Net Interest Income	**54,692**	**52,893**	**56,065**	**55,225**	**52,335**	**51,221**	**52,007**	**53,999**	**2,18,959**	**2,09,561**	**52,047**	**-2**
YoY Gr %	26.4	20.0	19.4	-6.6	-4.3	-3.2	-7.2	-2.2	13.2	-4.3	-1.6	
Other Income	**2,016**	**11,829**	**6,827**	**13,910**	**2,817**	**12,688**	**7,164**	**13,787**	34,494	**36,456**	**12,620**	**1**
Net Operational Income	**56,708**	**64,722**	**62,892**	**69,135**	**55,152**	**63,909**	**59,171**	**67,785**	**2,53,452**	**2,46,017**	**64,667**	**-1**
YoY Gr %	22.1	10.2	18.9	-1.8	-2.7	-1.3	-5.9	-2.0	10.9	-2.9	-0.1	
Exchange gain/(loss)	-6,546	-4,972	-1,276	-3,089	752	-1,873	-1,600	-1,778	-15,883	-4,500	-1,000	87
Total Net Income	**50,162**	**59,750**	**61,616**	**66,046**	**55,904**	**62,036**	**57,571**	**66,007**	**2,37,569**	**2,41,517**	**63,667**	**-3**
YoY Gr %	6.7	7.4	15.4	-2.6	11.4	3.8	-6.6	-0.1	6.2	1.7	6.6	
Operating Expenses	1,848	1,932	1,991	2,222	2,333	2,261	2,309	2,343	7,989	9,246	**2,241**	**1**
Operating Profit	**48,313**	**57,819**	**59,625**	**63,824**	**53,571**	**59,775**	**55,262**	**63,663**	**2,29,581**	**2,32,271**	**61,427**	**-3**
YoY Gr %	5.0	8.5	15.7	-2.5	10.9	3.4	-7.3	-0.3	6.1	1.2	6.2	
Provisions	-6,818	2,420	52	-13,817	-5,560	-1,796	1,100	1,032	-18,164	-5,224	1,200	-250
PBT	**55,132**	**55,399**	**59,573**	**77,640**	**59,131**	**61,571**	**54,162**	**62,631**	**2,47,744**	**2,37,495**	**60,227**	**2**
Tax	10,117	10,780	11,940	14,395	11,677	11,704	9,749	10,094	47,231	43,224	10,841	8
Tax Rate %	18.3	19.5	20.0	18.5	19.7	19.0	18.0	16.1	19.1	18.2	18.0	
PAT	**45,015**	**44,619**	**47,633**	**63,246**	**47,454**	**49,867**	**44,413**	**52,537**	**2,00,513**	**1,94,271**	**49,386**	**1**
YoY Gr %	21.1	2.1	14.6	23.8	5.4	11.8	-6.8	-16.9	15.9	-3.4	10.7	
Key Parameters (Calc., %)												
Yield on loans	10.3	9.9	10.0	9.8	9.7	9.7	9.7	9.7				
Cost of funds	7.1	7.0	7.0	7.0	7.1	7.2	7.3	7.3				
Spread	3.1	2.9	3.0	2.9	2.6	2.5	2.4	2.4				
NIM	3.93	3.73	3.96	3.90	3.68	3.49	3.50	3.52				
C/I ratio	3.38	3.65	3.55	4.02	4.46	4.41	4.44	4.34				
Credit cost	(0.12)	0.04	0.00	(0.24)	(0.10)	(0.03)	0.02	0.02				
Balance Sheet Parameters												
Disbursements (INR b)	362	498	394	400	202	341	418	544				
Growth YoY (%)	86	7	15	(41)	(44)	(32)	6	36				
AUM (INR b)	5,498	5,612	5,696	5,801	5,700	5,725	5,850	6,094				
Growth YoY (%)	16	14	13	7	4	2	3	5				
Asset Quality Parameters												
GS 3 (INR B)	105	105	93	63	63	52						
GS 3 (%)	1.92	1.87	1.64	1.09	1.11	0.91						
NS 3 (INR B)	20.8	20.8	14.7	8.7	8.7	8.7						
NS 3 (%)	0.38	0.37	0.26	0.15	0.15	0.15						
PCR (%)	80.3	80.2	84.2	86.2	86.2	83.2						

E: MOFSL Estimates

FSN E-commerce Ventures

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	NYKAA IN
Equity Shares (m)	2864
M.Cap.(INRb)/(USDb)	1018.4 / 10.8
52-Week Range (INR)	357 / 219
1, 6, 12 Rel. Per (%)	3/35/101
12M Avg Val (INR M)	1879

Financials & Valuations (INR b)

INR b	FY26	FY27E	FY28E
BPC GMV	149.5	192.4	252.1
Net Sales	100.2	131.0	173.7
Change (%)	26.1	30.7	32.6
EBITDA	7.5	11.7	17.2
EBITDA margin (%)	7.5	8.9	9.9
Adj. PAT	2.2	4.8	8.1
PAT margin (%)	2.1	3.7	4.7
RoE (%)	14.4	27.6	34.1
RoCE (%)	19.9	31.8	38.7
EPS	0.7	1.7	2.8
EV/ Sales	10.1	7.8	5.9
Price/ Earnings	498.8	211.9	124.8
Price/ Book	67.7	51.3	36.3

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	52.1	52.1	52.1
DII	22.3	24.1	25.0
FII	15.7	13.7	12.5
Others	9.9	10.1	10.4

FII includes depository receipts

CMP: INR356 **TP: INR370 (+4%)** **Neutral**

Beauty steady; Fashion continues to improve

Healthy pre-festive demand sets up 3Q for both segments; valuations remain full

- FSN E-commerce Ventures (NYKAA) reported a 2QFY27 net revenue of INR30b, up 28% YoY vs. our estimate of 28.3% YoY growth.
- BPC vertical's NSV grew 28% YoY to INR25.3b, supported by acceleration in both growth and profitability vs. our estimate of 27% YoY growth in 2QFY27. BPC vertical's EBITDA margin was 10.5% in 2QFY27 vs. our estimate of 10.3%.
- The Fashion vertical's NSV grew 47% YoY to INR5.09b vs. our estimate of 49.6% YoY growth in 2QFY27. The vertical reported a contribution margin of 11.3% vs. our estimate of 12.1% in 2QFY27. The EBITDA margin for the Fashion business stood at 0.2% vs. our estimate of 2.4%.
- Consolidated adj. PAT came in at INR1,012m (up 207% YoY) vs. our estimate of INR987m. For 1HFY27, NYKAA's revenue/EBITDA/adj. PAT grew 29%/67%/3.15x YoY. For 2HFY27, we expect its revenue/EBITDA/adj. PAT to grow 32%/48%/104% YoY.
- We value NYKAA on an SoTP basis to arrive at our TP of INR370. **Valuations remain a key deterrent, and we await a better risk-reward profile to turn constructive on the stock. Reiterate Neutral.**

Our view: Improving Fashion margins remain key to earnings growth

- **Beauty remains the core growth driver, with premiumization supporting growth and margins:** Beauty NSV grew 28% YoY, while **AOV increased ~5%, which management attributed to premiumization**. We believe NYKAA's focus on both customer penetration and premiumization, **supported by brand launches and a wider assortment, should continue to drive growth**. Beauty EBITDA margin expanded to 10.5% despite continued investments in customer acquisition and stores. We expect Beauty NSV to expand at a CAGR of 28% over FY26-30.
- **3QFY27 should benefit from the festive season across both segments: While the festive season shifted largely to 3Q this year**, management indicated that pre-festive demand in October was strong. We believe Beauty should benefit from higher festive spending, premium brand demand, and stronger customer activity, while Fashion should see better traction from festive purchases and seasonal demand. **We expect Beauty/Fashion NSV to grow 28%/49% YoY in 3QFY27, respectively.**
- **Fashion growth is improving, with profitability now turning more consistent:** Fashion NSV grew 47% YoY, while the business reported its third consecutive positive EBITDA quarter at 0.2% margin, supported by lower customer acquisition costs and better marketing efficiency. We believe additions such as H&M, Nike, and other premium brands are helping NYKAA attract more customers and improve assortment.

- **On a relatively benign base, we expect Fashion to expand at ~40% CAGR over FY26-30, led by NYKAA's flywheel as it continues to add premium brands** and keeps acquiring discerning, profitable consumers.
- **House of Nykaa and advertising income remain important margin levers:** House of Nykaa's quarterly NSV grew 39% to INR5.3b, with Dot & Key, Kay Beauty, and Nykaa Cosmetics continuing to scale. **Advertising and marketing services income also improved, supported by better funnel placements** and advertiser tools. In our view, further scale in owned brands and ad monetization should support profitability, although the pace will depend on demand and continued investment.
- **We continue to view NYKAA's moat in BPC as difficult to displace**, supported by **10,000+ brands, 338 stores across 111 cities**, strong owned brands, and deep brand partnerships. At the same time, we view **the company as building an assortment-intelligence-led Fashion vertical, with marquee partnerships** such as Nike, H&M Move, and Birkenstock strengthening its long-term positioning**.**

Valuations and changes to our estimates

- We believe NYKAA should continue to deliver healthy growth in Beauty, supported by premiumization, customer additions, and festive demand, while Fashion is showing improving growth and sustained break-even. **Given the largely in-line performance this quarter, we keep our estimates unchanged**. We now expect NYKAA to report a PAT margin of 3.7%/4.7% in FY27/28.
- For the BPC business, we assign a 50x EV/EBITDA multiple, reflecting its category leadership, deep competitive moat, and relatively superior margins versus horizontal platforms, implying a per-share value of INR293. We value the Fashion business using a DCF approach, implying a per-share value of INR75. Adjusting for net debt, we arrive at our **TP of INR370.**
- **However, valuations remain a key deterrent, and we await a better risk-reward profile to turn constructive**. **We reiterate our Neutral rating on the stock.**

BPC & Fashion NSV growth in line with our estimate; miss on Fashion margins

- NYKAA's consolidated GMV and NSV both grew 30%/31% YoY vs. our estimates of 28.7%/30.5%.
- NYKAA reported 2QFY27 net revenue of INR30b (up 28.1% YoY vs our estimate of 28.3%).
- BPC vertical's NSV/revenue grew 28%/26.6% YoY to INR27b vs our estimate of 27%/27% YoY growth in 2QFY27.
- Fashion vertical's NSV/revenue grew 47%/42.9% YoY to INR2.9b vs our estimate of 49.6%/42.7% YoY growth in 2QFY27.
- Average unique transacting customers (AUTC) for BPC vertical grew 26% YoY to 22.1m.
- BPC vertical's EBITDA margin came in at 10.5% in 2QFY27 vs our estimate of 10.3%. Fashion vertical reported contribution margin of 11.3% vs our estimate of 12.1% in 2QFY27. EBITDA margin for Fashion business stood at 0.2% vs. our estimate of 2.4% in 2QFY27.
- Consol adj. PAT came in at INR1,012m (up 207% YoY) vs our estimate of INR987m.

Key highlights from the management commentary

- **Beauty:** Beauty EBITDA grew ~51% YoY to ~INR 2.7b, with margin crossing 10% for the first time at ~10.5% (+158 bps YoY).
- Retail delivered early-twenties like-for-like growth, the highest in six quarters. The network stands at 338 stores (+14 QoQ, +73 YoY) across 111 cities, with guidance of ~600 stores over the next few years.
- Management expects Nykaa Now to **scale ahead of its expectations** and sees it as incremental demand. It does not see quick commerce competition as a near-term concern, given low online beauty penetration.
- **Fashion:** NSV grew ~47% YoY to ~INR 5.1b (GMV +42% to ~INR 16.7b), with 1H NSV up ~50% to ~INR 9.6b.
- EBITDA turned marginally positive at ~INR 10m (margin ~0.2% vs -3.5% a year ago), the third consecutive profitable quarter. Marketing and S&D fell ~419bp to ~22.7%, overheads ~197bp to ~11.1%, and fulfillment ~96bp to ~10.3%.
- AOV remained high at ~INR 4,378, with acquisition skewed to premium customers. Growth was led by H&M (including Move and the exclusive COS launch), Nike, footwear and men's, and 250+ brands were added in the quarter.
- **Management reiterated long-term EBITDA margin guidance of high single digits by FY30 and 10%+ in steady state**, and does not expect it to be achieved next year. Marketing efficiency remains the key lever, and management is increasingly confident of being on track.

Consolidated - Quarterly Earning Model (INR Million)

Y/E march	FY26				FY27E				FY26	FY27E	Var. Estimate	
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27	(% / bp)
Revenue	**21,549**	**23,460**	**28,733**	**26,482**	**27,820**	**30,060**	**37,256**	**35,872**	**1,00,224**	**1,31,009**	**30,097**	**-0.1**
YoY Change (%)	23.4	25.1	26.7	28.4	29.1	28.1	29.7	35.5	26.1	30.7	28.3	-20bp
Inventory of traded goods	11,934	12,924	15,759	14,449	15,064	16,243	20,118	19,729	55,065	71,155	16,704	-2.8
Gross Profit	**9,615**	**10,535**	**12,974**	**12,033**	**12,756**	**13,817**	**17,138**	**16,142**	**45,157**	**59,853**	**13,393**	**3.2**
Margins (%)	44.6	44.9	45.2	45.4	45.9	46.0	46.0	45.0	45.1	45.7	45	150bp
Employee Benefit expenses	1,820	1,828	2,030	2,038	2,249	2,201	3,130	3,013	7,715	10,592	2,528	-13.0
Others	6,388	7,120	8,650	7,765	8,147	8,987	10,673	9,754	29,923	37,561	8,246	9.0
EBITDA	**1,407**	**1,588**	**2,294**	**2,230**	**2,360**	**2,630**	**3,335**	**3,375**	**7,519**	**11,700**	**2,619**	**0.4**
Margins (%)	6.5	6.8	8.0	8.4	8.5	8.7	9.0	9.4	7.5	8.9	8.7	0bp
Depreciation	761	790	809	842	895	931	800	1,261	3,203	3,886	900	3.4
Interest	302	315	292	263	267	305	300	308	1,171	1,180	300	1.7
Other Income	93	80	63	92	93	95	150	200	328	538	100	-4.8
PBT before EO expense	**437**	**563**	**1,256**	**1,216**	**1,291**	**1,489**	**2,385**	**2,006**	**3,472**	**7,171**	**1,519**	**-2.0**
Tax	192	220	480	428	494	473	763	642	1,320	2,372	532	-11.0
Rate (%)	44.0	39.1	38.2	35.2	38.3	31.8	32.0	32.0	38.0	33.1	35.0	-320bp
Adj PAT	**245**	**343**	**776**	**788**	**797**	**1,016**	**1,622**	**1,364**	**2,152**	**4,799**	**987**	**2.9**
Extra-Ord expense	0	0	101	0	0	0	0	0	101	0	0	
Minority Interest & Profit/Loss of Asso. Cos.	0	15	0	0	0	4	0	0	15	4	0	
Reported PAT	**245**	**329**	**675**	**788**	**797**	**1,012**	**1,622**	**1,364**	**2,037**	**4,795**	**987**	**2.5**
YoY Change (%)	73%	154%	188%	315%	226%	196%	109%	73%	192%	123%	2.0	
Margins (%)	1.1	1.4	2.4	3.0	2.9	3.4	4.4	3.8	2.0	3.7	3.3	10bp

Lupin

Estimate change	
TP change	
Rating change	

Bloomberg	LPC IN
Equity Shares (m)	457
M.Cap.(INRb)/(USDb)	918.5 / 9.7
52-Week Range (INR)	2530 / 1893
1, 6, 12 Rel. Per (%)	-8/-14/7
12M Avg Val (INR M)	2249

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	279.6	314.8	344.8
EBITDA	81.6	82.0	82.4
Adj. PAT	53.3	47.0	49.9
EBIT Margin (%)	24.6	20.2	18.4
Cons. Adj. EPS (INR)	116.5	102.9	109.2
EPS Gr. (%)	62.9	-11.7	6.1
BV/Sh. (INR)	491.0	611.2	719.3
Ratios			
Net D:E	0.0	-0.1	-0.2
RoE (%)	26.9	18.7	16.4
RoCE (%)	21.7	16.0	14.7
Payout (%)	2.5	2.8	2.7
Valuations			
P/E (x)	17.3	19.6	18.5
EV/EBITDA (x)	13.6	13.1	12.4
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	4.1	2.7	5.2
EV/Sales (x)	4.0	3.4	3.0

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	46.8	46.9	46.9
DII	23.8	24.7	26.6
FII	23.3	22.4	20.5
Others	6.1	6.1	6.1

FII includes depository receipts

CMP: INR2,009 **TP: INR2,150 (+7%)** **Neutral**

In-line quarter; earnings dip after a strong run

Building a differentiated pipeline in focus markets

- Lupin (LPC) delivered an in-line financial performance in 2QFY27, despite higher depreciation and tax rate for the quarter.
- US business growth remained subdued due to pricing pressure in Tolvaptan and Mirabegron, offset by higher volume in base business.
- Emerging market revenue declined YoY due to increased competition in Dapagliflozin in Brazil and Latin America, partly offset by double-digit growth in South Africa, Philippines and Mexico.
- Notably, superior show in diabetes, cardiology and dermatology was offset to some extent by slower growth in respiratory therapy in domestic formulation (DF) segment.
- We increase our earnings estimates by 5%/1% for FY27/FY28, factoring in improved profitability. We value LPC at 20x 12-month forward earnings to arrive at a TP of INR2,150.
- LPC is strengthening its complex product pipeline in key markets to improve its growth outlook, complemented by targeted marketing initiatives in select geographies to drive overall growth.
- Earnings are expected to remain stable over FY26-28, as heightened competition in select products in the near term and the time required for new launches to offset the impact are likely to limit growth. The valuation provides limited upside from the current levels. Maintain Neutral.

Operating deleverage impacts margins on YoY basis

- Lupin's (LPC) 2QFY27 revenue grew 11.1% YoY to INR78.3b. (in line).
- Gross margin (GM) expanded 25bp YoY to 74.3%.
- EBITDA margin contracted 530bp YoY to 25% (est. 24.5%) since employee expenses/other expense/R&D cost rose 250bp/240bp/70bp as % of sales.
- As a result, EBITDA decreased 8.4% YoY to INR19.6b (in line).
- Adj. PAT decreased 17.7% YoY to INR10.9b (in line).
- For 1HFY27, revenue/EBITDA/PAT grew 21%/17%/2% YoY to INR161b/ INR44.2b/INR25.2b.

Slower growth in US/EM weighs on overall YoY revenue growth in 2Q

- Other developed market sales grew 45.7% YoY to INR11.8b (15% of sales).
- DF sales grew 14.7% YoY to INR23.8b (30% of sales).
- US sales grew 9.3% YoY to INR30.2b (flat YoY in CC to USD317m; 39% of sales).
- API sales increased 20.2% YoY to INR3.1b (4% of sales).
- Emerging market sales decreased 3.5% YoY to INR 8.9b (11% of sales).

Highlights from the management commentary

- LPC reiterated EBITDA margin guidance of ~24-25% for FY27.
- US revenue guidance for FY27 is maintained at USD1.1-1.2b, with a baseline commitment to hold USD1b+ in annual revenue in FY28.

- LPC guided for DF segment growth of ~1.2-1.3x of IPM YoY growth for FY27.
- Apixaban oral suspension secured tentative 505(b)(2) approval with launch planned for 1QFY28, targeting specialty and institutional channels out of a USD10+ Bn brand market.
- For US segment, the growth in base business, new injectable launches and contribution from Pegfilgrastim are expected to help offset the impact from increasing competition in key products.
- Respiratory pipeline on track for 7 to 8 filings in FY27 or early FY28, with Spiriva Respimat exhibit batches completed and Ellipta Brio targeted for late FY27 or 1QFY28.
- Long-term target in India is for proprietary and novel products to contribute one-third of formulation revenue within 10 years, aided by recent approval of India's first green propellant MDI.

Consolidated - Quarterly Earnings Model **(INRm)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	% Var
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	
Net Sales	**62,684**	**70,475**	**71,675**	**74,747**	**82,769**	**78,273**	**76,933**	**76,825**	**279,580**	**314,799**	**77,248**	1.3
YoY Change (%)	11.9	27.1	25.9	31.9	32.0	11.1	7.3	2.8	24.2	12.6	9.6	
Total Expenditure	46,269	49,099	49,580	53,036	58,134	58,699	58,161	57,849	197,984	232,843	58,322	
EBITDA	**16,415**	**21,376**	**22,095**	**21,711**	**24,635**	**19,574**	**18,772**	**18,976**	**81,597**	**81,956**	**18,926**	3.4
YoY Change (%)	20.6	72.8	60.5	68.0	50.1	-8.4	-15.0	-12.6	54.9	0.4	-11.5	
Margins (%)	26.2	30.3	30.8	29.0	29.8	25.0	24.4	24.7	29.2	26.0	24.5	
Depreciation	2,990	3,168	3,130	3,589	4,529	4,859	4,448	4,442	12,876	18,277	4,459	
EBIT	**13,425**	**18,208**	**18,965**	**18,122**	**20,106**	**14,715**	**14,324**	**14,534**	**68,721**	**63,679**	**14,467**	
YoY Change (%)	20.5	85.8	71.6	101.6	49.8	-19.2	-24.5	-19.8	67.7	-7.3	-20.5	
Margins (%)	21.4	25.8	26.5	24.2	24.3	18.8	18.6	18.9	24.6	20.2	18.7	
Interest	918	1,076	1,150	1,202	1,096	1,057	981	932	3,851	4,067	1,001	
Other Income	790	900	1,147	1,407	1,303	1,268	1,282	1,280	3,450	5,134	1,285	
EO Exp/(Inc)	-859	-2,037	3,742	-953	139	-870	0	0	-106	-731	0	
PBT	**14,156**	**20,070**	**15,220**	**19,280**	**20,174**	**15,796**	**14,625**	**14,882**	**68,427**	**65,477**	**14,751**	
Tax	1,941	5,221	3,415	4,593	6,004	4,243	3,876	3,646	15,171	17,769	3,776	
Rate (%)	13.7	26.0	22.4	23.8	29.8	26.9	26.5	24.5	22.2	27.1	25.6	
Minority Interest	-24	-69	-50	-83	-20	0	-55	-55	-226	-130	-55	
Reported PAT	**12,191**	**14,779**	**11,756**	**14,604**	**14,150**	**11,553**	**10,694**	**11,182**	**53,329**	**47,578**	**10,920**	
Adj PAT	**11,450**	**13,272**	**14,658**	**13,879**	**14,248**	**10,916**	**10,694**	**11,182**	**53,258**	**47,039**	**10,920**	0.0
YoY Change (%)	27.4	72.8	71.4	85.7	24.4	-17.7	-27.0	-19.4	62.9	-11.7	-17.7	
Margins (%)	18.3	18.8	20.5	18.6	17.2	13.9	13.9	14.6	19.0	14.9	14.1	
EPS	**25**	**29**	**32**	**30**	**31**	**24**	**23**	**24**	**117**	**103**	**24**	

E: MOFSL estimates

MCX

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	MCX IN
Equity Shares (m)	255
M.Cap.(INRb)/(USDb)	845.3 / 8.9
52-Week Range (INR)	3538 / 1761
1, 6, 12 Rel. Per (%)	-3/14/84
12M Avg Val (INR M)	8669
Free float (%)	100.0

Financials & Valuations (INR b)

Y/E Mar	2026	2027E	2028E
Sales	23.0	32.5	38.0
EBIT Margin (%)	68.1	72.8	72.9
PAT	13.3	19.3	22.8
EPS (INR)	52.2	75.6	89.2
EPS Gr. (%)	137.8	44.8	18.0
BV/Sh. (INR)	111.7	172.2	243.6
Ratios			
RoE (%)	56.3	53.3	42.9
Valuations			
P/E (x)	63.5	43.8	37.2
P/BV (x)	29.7	19.3	13.6
Div Yield (%)	0.2	0.2	0.2

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	0.0	0.0	0.0
DII	55.1	50.8	60.5
FII	27.3	30.0	19.2
Others	17.6	19.1	20.3

FII includes depository receipts

CMP: INR3,315 **TP: INR3,600 (+9%)** **Neutral**

Revenue doubles YoY with a surge in activity

- MCX's operating revenue stood at INR8b (in line), up 114% YoY and 14%QoQ. For H1FY27, revenue doubled YoY.
- Opex grew 44% YoY to INR1.9b, driven by staff costs (+25% YoY/-2% QoQ to INR562m; in line), while other expenses rose 54% YoY but declined 12% QoQ to INR1.3b (33% above our est., largely due to the SGF contribution of INR248m vs. our est. of nil). EBITDA grew 151% YoY and 24% QoQ to ~INR6.1b, with margins at 76.4% (vs. 65.1% in 2QFY26/70.4% in 1QFY27).
- PAT stood at ~INR4.5b (14% miss due to higher opex and tax rate), growing 130% YoY and 10% QoQ. For 1HFY27, PAT grew 117% YoY.
- Following the SEBI's Aug'26 circular rationalizing SGF calculations, existing contributions are expected to be sufficient for the next 2–3 quarters. Investments will continue across technology, security, and innovation, although management does not expect these to materially affect margins.
- We cut our EPS estimates for FY27/FY28 by 8%/1%, largely to factor in a higher effective tax rate. We expect revenue/EBITDA/PAT to clock a 29%/32%/31% CAGR over FY26-28. **We reiterate our Neutral rating on the stock with a revised TP of INR3,600 (premised on 40x FY28E EPS).**

Strong volume growth supported by options contract

- The transaction fee for 2QFY27 stood at ~INR7.4b, up 120% YoY/15% QoQ, comprising options and futures in the ratio of 77:23 (vs. 2QFY26 at INR3.4b in the ratio of 66:34).
- Overall ADT surged 212% YoY/24% QoQ to INR12.6t, driven by 2.7x/1.3x/6.9x jump in bullion/energy/base metals contracts.
- Options notional ADT grew 225% YoY/21% QoQ to INR12t, due to a 299% YoY growth in bullion contracts; meanwhile, options premium ADT surged 151% YoY/ 13%QoQ to ~INR103b, led by strong volume growth across segments.
- Futures ADT rose 50% YoY to INR628b, driven by 32%/104%/144%/29% growth in bullion/energy/base metals/agri, while index fell ~100% YoY.
- MCX retained more than 98% market share in commodity futures and options turnover in 2QFY27, with gold and silver contributing ~66% of futures turnover.
- Client participation rose 10% YoY to 613 members as of Sep'26, while traded clients reached 1.5m (+90% YoY, reflecting broader retail and institutional participation), with a futures-to-options participation mix of 53%:42%.
- The number of UCCs at the end of 2QFY27 stood at 53.7m compared to 36.7m in 2QFY26 and 40.5m in 1QFY27.
- MCX added 16 new members and 40 new FPIs during the quarter, taking the FPI base to ~260. FPI participation is currently concentrated in permitted cash-settled energy contracts, particularly crude oil.
- Following a series of launches over the past year, MCX is prioritising product adoption and market understanding over an aggressive launch pipeline.

- Total expenses jumped 44% YoY but dipped 9% QoQ to INR1.9b, with CIR at 23.6% vs. 34.9% in 2QFY26 and 29.6% in 1QFY27.
- Staff costs grew 25% YoY/declined 2% QoQ to INR562m. The sharp increase in product licensing costs is linked to crude oil turnover and licence fees payable to CME for the crude oil contract.
- Other expenses grew 54% YoY/declined 12% QoQ to INR1.3b, including computer technology costs/contributions to SGF/other expenses/software charges, which stood at +137%/-7%/+65%/+50% YoY to INR444m/INR248m/INR284m/INR346m.
- The effective tax rate was impacted by lower SGF contribution and a tax provision at MCXCCL in this quarter. Going forward, the tax rate should be stable at 25%.
- Technology investments will continue without a material impact on margins. The recent increase in tech costs reflects expenses associated with significantly enhanced capacity.
- Other income at INR516m grew 94% YoY/4% QoQ (vs. MOFSLe of INR513m).

Key takeaways from the management commentary

- Headroom remains in metals, with copper offering opportunities to scale, albeit precious metals are likely to continue driving a larger share of activity.
- Distinct delivery locations for metal contracts, effective Nov'26, should address operational bottlenecks and facilitate smoother delivery execution.
- FPIs are currently permitted in crude oil, natural gas, and electricity contracts and activity can increase following the recent consultation paper.

Valuation and view

- MCX continues to witness healthy improvement in baseline participation across segments and products, providing confidence in sustained momentum, supported by underlying commodity volatility. A rise in FPI participation can provide a further boost to volumes, and in turn, to earnings. Investments in technology, security, and innovation are expected to continue.
- We cut our EPS estimates for FY27/FY28 by 8%/1%, largely to factor in a higher effective tax rate. We expect revenue/EBITDA/PAT to clock a 29%/32%/31% CAGR over FY26-28. **We reiterate our Neutral rating on the stock with a revised TP of INR3,600 (premised on 40x FY28E EPS).**

Quarterly Performance

INRm

	FY26				FY27				FY26	FY27E	Est.	Var.		
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27E	(%/bp)	YoY (%)	QoQ (%)
Sales	**3,732**	**3,742**	**6,656**	**8,889**	**7,020**	**7,997**	**8,500**	**8,959**	**23,020**	**32,475**	**8,059**	**(0.8)**	**113.7**	**13.9**
Yo-Y Gr. (%)	59.2	31.0	120.9	205.1	88.1	113.7	27.7	0.8	106.9	41.1	115.4			
Staff Costs	448	448	444	461	575	562	564	587	1,801	2,287	582	(3.5)	25.4	(2.2)
Other expenses	867	858	1,260	1,768	1,506	1,323	1,388	1,430	4,753	5,647	995	32.9	54.1	(12.2)
EBITDA	**2,417**	**2,436**	**4,952**	**6,661**	**4,940**	**6,112**	**6,547**	**6,942**	**16,466**	**24,541**	**6,482**	**(5.7)**	**150.9**	**23.7**
Margins (%)	64.8	65.1	74.4	74.9	70.4	76.4	77.0	77.5	71.5	75.6	80.4			
Depreciation	173	198	219	191	207	225	228	233	780	893	213	5.7	14.1	8.8
EBIT	**2,244**	**2,239**	**4,733**	**6,471**	**4,733**	**5,887**	**6,319**	**6,709**	**15,685**	**23,648**	**6,269**	**(6.1)**	**163.0**	**24.4**
Interest Costs	1	1	0	2	2	4	4	4	4	14	1	310.0	583.3	156.3
Other Income	326	266	315	364	498	516	527	533	1,271	2,073	513	0.7	94.4	3.7
PBT bef. Exceptional items	**2,569**	**2,504**	**5,047**	**6,832**	**5,229**	**6,399**	**6,842**	**7,238**	**16,952**	**25,708**	**6,781**	**(5.6)**	**155.6**	**22.4**
Tax	532	514	1,021	1,520	1,097	1,847	1,710	1,773	3,588	6,427	1,492	23.8	259.2	68.4
Rate (%)	20.7	20.5	20.2	22.3	21.0	28.9	25.0	24.5	21.2	25.0	22.0			
Profit from associate	-5	-15	-15	-14	2	-7	0	0	49	0	0.0			
PAT	**2,032**	**1,975**	**4,011**	**5,298**	**4,134**	**4,546**	**5,131**	**5,465**	**13,316**	**19,281**	**5,289**	**(14.1)**	**130.2**	**9.9**
YoY Gr. (%)	83.2	28.5	150.6	291.1	103.5	130.2	27.9	3.2	137.8	44.8	168			
EPS (INR)	**8.0**	**7.7**	**15.7**	**20.8**	**16.2**	**17.8**	**20.1**	**21.4**	**52.2**	**75.6**	**20.7**	**(14.1)**	**130.2**	**9.9**
Total volumes (INR t)	**198.9**	**267.3**	**480.1**	**426.0**	**671.6**	**833.5**	**1,104.1**	**1,064.0**	**1,372.3**	**3,673.2**	**833.5**	**-**	**211.8**	**24.1**
Q-o-Q Gr. (%)	24.1	34.4	79.6	-11.3	57.7	24.1	32.5	-3.6			24.1			
YoY Gr. (%)	77.1	86.7	223.6	165.9	237.6	211.8	130.0	149.8	143.3	167.7	211.8			

E: MOFSL Estimates

Change in Estimates

INRm	New estimates		Old estimates		Change in est.	
	2027E	2028E	2027E	2028E	2027E	2028E
Sales	32.5	38.0	32.6	38.5	0%	-1%
EBIT margin (%)	72.8	73.7	76.0	70.1	-318bp	368bp
PAT	19.3	23.0	20.9	23.1	-8%	0%
EPS (INR)	75.6	90.1	82.1	90.5	-7.9%	-0.4%
EPS Gr. (%)	44.8	19.2	57.3	10.2		
BV/Sh. (INR)	172.2	244.3	177.4	249.8	-3%	-2%
Ratio						
RoE (%)	53.3	43.3	56.8	42.4	-354bp	90bp

Torrent Power

Estimate change	⟷
TP change	⟷
Rating change	⟷

CMP: INR1,238 **TP: INR1,273 (+3%)** **Neutral**

Strong Nabha contribution, merchant sales drive beat

- Torrent Power (TPL) reported 2QFY27 consolidated revenue of INR98b, 24% above our estimate, mainly driven by higher contribution from Nabha plant. EBITDA stood at INR17.4b, 15% above our estimate, with an EBITDA margin of 17.7%. APAT came in at INR8.2b, 13% above our estimate, driven by higher other income (~123b net one-off), partly offset by higher finance costs due to RE capitalization and Nabha acquisition-related debt.
- **Key things we liked:** 1) Distribution and transmission EBITDA increased by INR990m YoY, driven by INR760m growth in licensed distribution on higher regulated returns from asset additions and INR220m contribution from a newly commissioned transmission line, 2) Merchant operations sold 530MUs, generating a spread of INR4.7–5/unit, 3) RE execution pipeline stood at 4.4GW, with 1–1.2GW/1.4-1.6GW targeted for commissioning in FY27/FY28 and the balance by FY29, and 4) Secured LOAs for 500MW of wind projects under 25-year PPAs (100MW at INR3.89/unit, 150MW at INR3.85/unit and 250MW at INR4.16/unit).
- **Key monitorables:** 1) TPL terminated its 300MW SECI XII wind PPA (incurring INR440m in liquidated damages) mainly due to grid evacuation constraints and is now available for merchant sales/higher-tariff bilateral PPAs, 2) Capex of INR3.4b incurred in 1HFY27 (vs. RE capex target of INR10b in FY27), 3) Preliminary work is progressing on the 3GW Maharashtra pumped storage project, with SPV-level debt tied up, although forestry-related concerns are being addressed through engagement with local stakeholders.
- **Valuation and view:** TPL's valuation is segmented across various business units: Licensed distribution business is valued at 2x Sep'28E regulated equity; franchisee distribution business is valued at 12x Sep'28E EBITDA; transmission business is valued at 2x invested equity; conventional generation business (regulated - thermal + gas) is valued at 2.5x Sep'28E regulated equity; DGEN plant (merchant) is valued at 12x Sep'28E EBITDA; Nabha is valued at 10x Sep'28E EBITDA; RE generation is valued at 12x Sep'28E EBITDA, and cash and investments add INR68/share. The sum of these contributions, adjusted for debt, results in a TP of INR1,273.

Revenue and EBITDA beat estimates; higher other income boosts PAT

Financial Performance

- Consolidated revenue stood at INR98.0b (+24% YoY, +21% QoQ), 24% above our estimate.
- EBITDA came in at INR17.4b (+15% YoY, +13% QoQ), 15% above our estimate with an EBITDA margin of 17.7%.
- Adjusted PAT stood at INR8.2b (+13% YoY, +28% QoQ), 13% above our estimate, driven by:
  - higher other income of INR2.5b (+209% QoQ), including INR1.23b of net one-off credits (Nabha indemnity and IOCL hedge unwind, partly offset by INR440m of SECI XII-related charges).

Bloomberg	TPW IN
Equity Shares (m)	504
M.Cap.(INRb)/(USDb)	623.8 / 6.6
52-Week Range (INR)	1824 / 1147
1, 6, 12 Rel. Per (%)	-8/-28/1
12M Avg Val (INR M)	731

Financial snapshot (INRb)

Y/E March	FY27E	FY28E	FY29E
Sales	345.7	383.6	407.0
EBITDA	62.7	76.6	89.7
EBITDA margin %	18.1	20.0	22.1
Adj. PAT	24.5	29.4	30.5
EPS (INR)	48.7	58.4	60.6
BV/Sh. (INR)	407.8	442.8	479.2
Ratios			
ND/Equity	1.1	1.5	1.6
ND/EBITDA	3.8	4.3	4.4
RoE (%)	11.9%	13.2%	12.6%
RoIC (%)	8.9%	8.7%	8.0%
Valuations			
P/E (x)	25.3	21.1	20.4
EV/EBITDA (x)	13.7	12.4	11.3

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	51.1	51.1	51.1
DII	31.1	31.0	30.5
FII	8.4	8.5	8.8
Others	9.4	9.4	9.6

FII includes depository receipts

- higher finance costs of INR4.39b (+50% QoQ), reflecting renewable asset capitalization and acquisition-related debt for Nabha (quarterly standalone interest cost ~INR0.7b, with an additional INR0.7b on debt raised for the acquisition).
- Nabha plant contribution in 2Q – Revenue: INR11b; EBITDA: INR1.42b under lease accounting, INR1.96b under PPE accounting.

Operational Performance

- Installed generation capacity increased by 240MWp to 6,804MWp at 2Q end, with an under-construction pipeline of 4.4 GW.
- Merchant power operations generated 530MUs at a spread of INR4.7-5.0 per unit.
- Wind PLF improved significantly to 39.2% vs. 30.1% in 2QFY26.
- SCOD for the 2,000MW/16,000MWh pumped storage hydro project, with a 40-year tenure, has been deferred from Oct'28 to Mar'30.

Highlights of TPL's 2QFY27 performance

- Reported PBT grew 15% YoY to INR11.3b, while adjusted PBT rose 6% YoY to INR10b, after adjusting for INR1.23b net non-recurring credits in 2QFY27 and INR0.3b in 2QFY26.
- Consolidation of Nabha Power contributed INR1.42b of EBITDA under lease accounting, with annual steady-state EBITDA targeted at INR10b.
- Financial closure achieved on an SPV basis using 20-to-25-year debt facilities for both the 1.6 GW Anuppur thermal project and 3 GW Maharashtra PSP.
- The effective consolidated tax rate increased from 24% in 2QFY26 to 26% in 2QFY27 due to transitioning to the new tax regime and certain subsidiaries turning profitable.
- Renewable assets delivered higher generation, driven by favorable wind speeds within turbine operational bands and improved solar PLFs.

Valuation and view

- The valuation of TPL is segmented across various business units:
- While we value the regulated business of Tata Power at 2.5x FY28E regulated equity, we value TPL's licensed distribution business at 2x Sep'28E regulated equity.
- Franchisee distribution business is valued at 12x Sep'28E EBITDA.
- The transmission business is valued at 2x invested equity.
- Conventional generation business (regulated - thermal + gas) is valued at 2.5x Sep'28E regulated equity, while DGEN plant (merchant) is valued at 12x Sep'28E EBITDA.
- Nabha plant is valued at 10x Sep'28E EBITDA.
- the RE generation business of TPL is valued at 12x Sep'28E EBITDA.
- Cash and investments add INR68/share.
- The sum of these contributions, adjusted for debt results in a TP of INR1,273

Consolidated performance

INRm

Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	Var. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Revenue from operations	**79,064**	**78,760**	**67,779**	**64,061**	**81,242**	**98,016**	**87,373**	**79,112**	**2,89,663**	**3,45,743**	**78,760**	**24**	**24**	**21**
YoY Change (%)	*-12.5*	*9.8*	*4.3*	*-0.8*	*2.8*	*24.4*	*28.9*	*23.5*	*-0.7*	*19.4*	*9.8*			
Total expense	64,233	63,702	53,747	52,567	65,862	80,632	71,286	65,289	2,34,249	2,83,069	63,702	**27**	**27**	**22**
EBITDA	**14,831**	**15,058**	**14,031**	**11,493**	**15,379**	**17,384**	**16,087**	**13,824**	**55,414**	**62,673**	**15,058**	**15**	**15**	**13**
YoY Change (%)	*-20.2*	*24.7*	*26.2*	*1.7*	*3.7*	*15.4*	*14.6*	*20.3*						
Margin	*18.8%*	*19.1%*	*20.7%*	*17.9%*	*18.9%*	*17.7%*	*18.4%*	*17.5%*	*0.2*	*0.2*	*19.1%*			
Depreciation and amortisation	3,903	3,888	4,127	4,210	4,004	4,177	5,020	5,664	16,128	18,865	3,888	7	7	4
Finance costs	2,121	2,158	2,547	2,519	2,930	4,392	4,333	4,243	9,345	15,897	2,158	103	103	50
Other income	1,047	779	692	709	807	2,492	1,008	919	3,226	5,226	779	220	220	209
PBT before extraordinary items	**9,853**	**9,791**	**8,050**	**5,474**	**9,252**	**11,307**	**7,742**	**4,836**	**33,168**	**33,137**	**9,791**			
Exceptional Items	0	0	0	0	0	0	0	0	0	0	0			
PBT	**9,853**	**9,791**	**8,050**	**5,474**	**9,252**	**11,307**	**7,742**	**4,836**	**33,168**	**33,137**	**9,791**	**15**	**15**	**22**
Tax	2,438	2,376	1,502	2,159	2,633	2,928	1,529	749	8,474	7,838	2,376			
Rate (%)	*24.7*	*24.3*	*18.7*	*39.4*	*28.5*	*25.9*	*19.7*	*15.5*	*25.5*	*23.7*	*24.3*			
Share of JV & associates									0	0				
Reported PAT	**7,416**	**7,416**	**6,547**	**3,315**	**6,619**	**8,380**	**6,214**	**4,087**	**24,694**	**25,299**	**7,416**	**13**	**13**	**27**
Minority Interest	101	178	117	133	230	178	167	184	529	759	*178.4*			
Adj PAT	**7,314**	**7,237**	**6,431**	**3,182**	**6,389**	**8,202**	**6,047**	**3,903**	**24,164**	**24,540**	**7,237**	**13**	**13**	**28**
YoY Change (%)	-24.8	50.5	35.2	-70.0	-12.7	13.3	-6.0	22.7						
Margin	*9.3%*	*9.2%*	*9.5%*	*5.0%*	*7.9%*	*8.4%*	*6.9%*	*4.9%*	*8.3*	*7.1*	*9.2%*			

TPL's SoTP valuation

Segment	Metric type (Sep'28E)	Value (INRm)	Multiple (x)	Value/share (INR)
Licensed Distribution business	Regulated equity	58,230	2.0	231
Franchisee Distribution business	EBITDA	14,786	12.0	352
Transmission business	Invested equity	2,750	2.0	11
Conventional generation	Regulated equity	19,093	2.5	95
Nabha plant	EBITDA	8,764	10.0	174
DGEN plant	EBITDA	4,431	12.0	106
Renewable generation	EBITDA	27,721	12.0	660
Investments				30
Cash and Bank				38
Less: Debt		2,13,120		423
Target price				**1,273**
CMP				1,238
Upside / (Downside)				3.15%

Biocon

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	BIOS IN
Equity Shares (m)	1630
M.Cap.(INRb)/(USDb)	561.3 / 5.9
52-Week Range (INR)	447 / 318
1, 6, 12 Rel. Per (%)	-14/-4/-3
12M Avg Val (INR M)	1731

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	169	185	213
EBITDA	35	38	45
Adjusted PAT	4	7	12
EBIT Margin (%)	8.8	8.3	9.6
Cons. Adj EPS (INR)	2.6	4.0	7.1
EPS Gro. (%)	72.9	55.2	77.0
BV/Sh. (INR)	283.6	288.8	297.9
Ratios			
Net D-E	0.3	0.3	0.3
RoE (%)	1.5	1.9	3.3
RoCE (%)	2.9	2.7	3.2
Payout (%)	5.1	5.5	5.6
Valuations			
P/E (x)	132.6	85.4	48.3
EV/EBITDA (x)	15.8	14.3	12.0
Div. Yield (%)	0.0	0.1	0.1
FCF Yield (%)	0.1	4.1	4.7
EV/Sales (x)	3.2	2.9	2.6

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	44.7	44.7	54.5
DII	29.3	23.4	22.1
FII	8.8	8.2	6.8
Others	17.2	23.8	16.7

FII includes depository receipts

CMP: INR344 **TP: INR420 (+22%)** **Buy**

Deferrals, higher D&A and interest drive earnings miss

Growing biologics capacity/generics revival point to a better FY28

- Biocon (BIOS) delivered largely in-line revenue in 2QFY27, though EBITDA/PAT came in below our estimate by 8%/69%. Deferral of revenue and product mix impacted operational performance. Higher-than-expected depreciation and interest cost further led to lower-than-expected earnings for the quarter.
- BIOS has been enhancing its biologics outlook through product launches as well as supporting manufacturing capacity. Further, BIOS is strengthening business visibility through contracts like 10-year Brazil Pertuzumab partnership worth USD400m TCV.
- Generics segment has witnessed gradual pick-up in sales, driving better operating leverage through better capacity utilization and productivity enhancement initiatives.
- The research services segment has seen improvement in revenue traction on QoQ basis, backed by corrective actions and cost optimization.
- We cut our earnings estimates by 22%/15% for FY27/FY28, factoring in a) gradual scale-up of manufacturing capacity in biologics segment, b) higher interest outgo, and c) higher depreciation. We value BIOS on SOTP basis (20x EV/EBITDA for biologics business, 10x EV/EBITDA for generics business on 12-month forward basis and 15% company holding discount for research services segment) to arrive at a TP of INR420.
- While 2QFY27 was a miss, BIOS is implementing efforts for commercial acceleration in biologics segment. With meaningful investment in generics segment, product launches and higher off-take of existing products should drive better growth going forward. The company is also working on adding customers as well as gaining higher contracts from existing customers in research services segment. Considering earnings growth and valuation, we maintain **BUY** on the stock.

Profitability impacted by higher depreciation/lower other income

- BIOS 2QFY27 revenue grew 2.2% YoY to INR43.9b (in line).
- Gross margin (GM) expanded 90bp YoY to 62.5%.
- EBITDA margin contracted 50bp to 18.9% (est: 20.1%). Higher other expenses (up 200bpYoY as % of sales) were partially offset by lower R&D costs (down 50bp YoY as % of sales).
- EBITDA was flat YoY at INR8.3b (8% miss).
- BIOS had an exceptional expense of INR70m related to termination benefits extended to employees.
- Adj. for the same, PAT came in at INR440m (69% miss), down 51.6% YoY due to higher depreciation and lower other income.
- For 1HFY27, revenue/EBITDA/PAT grew 6%/5%/57% YoY to INR87.2b/ INR16.8b/INR1.9b.

Subdued CRDMO momentum drag down YoY growth

- Biosimilars (64% of sales), up 3.2% YoY to INR28.1b.
- Generics (18% of sales), up 10.4% YoY to INR7.7b.
- However, Research services (19% of sales), down 8.6% YoY to INR8.3b.

Highlights from the management commentary

- Biosimilars' 2Q reported revenue and margins were impacted by a one-off deferral of revenue recognition of ~5% of quarterly revenue (~USD20m or ~INR1.4b) due to logistics and geopolitical shipment delays, with the revenue subsequently booked in Oct'26 (3QFY27).
- Management expects 2HFY27 operating trajectory, revenue, and profitability across biosimilars, generics, and Syngene to be stronger than 1HFY27, delivering double-digit revenue growth in USD terms.
- BIOS was awarded a 10-year productive development partnership (PDP) contract by the Brazilian government in consortium with Bahia Pharma and Bionovis, receiving 100% allocation with a total contract value of USD400m, with shipments starting in 4QFY27 and full annual run-rate visible in FY28.
- The second insulin fill-finish line in Malaysia was commissioned and secured approvals from the EMA and the UK MHRA, with commercial supplies to Europe commencing in 2QFY27.
- Biosimilars EBITDA margins are guided to remain within the mid-20s range for the full year and expand as commercial scale and operating leverage improve.
- European pertuzumab launch opens across 27 markets starting in 4QFY27, followed by the US commercial launch in 3QCY28.

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	vs Est
Net Sales	**39,420**	**42,960**	**41,730**	**45,170**	**43,360**	**43,890**	**47,286**	**50,466**	**169,280**	**185,002**	**44,741**	**-1.9%**
YoY Change (%)	14.8	19.7	9.2	2.3	10.0	2.2	13.3	11.7	10.9	9.3	4.1	
Total Expenditure	**31,770**	**34,610**	**33,390**	**34,970**	**34,890**	**35,580**	**37,072**	**39,414**	**134,740**	**146,956**	35,748	
EBITDA	**7,650**	**8,350**	**8,340**	**10,200**	**8,470**	**8,310**	**10,214**	**11,052**	**34,540**	**38,046**	**8,993**	**-7.6%**
YoY Change (%)	23.2	21.6	6.1	-5.4	10.7	-0.5	22.5	8.4	8.9	10.2	7.7	
Margins (%)	19.4	19.4	20.0	22.6	19.5	18.9	21.6	21.9	20.4	20.6	20.1	
Depreciation	4,550	4,730	5,150	5,130	5,480	5,630	5,635	5,893	19,560	22,638	5,584	
EBIT	**3,100**	**3,620**	**3,190**	**5,070**	**2,990**	**2,680**	**4,579**	**5,159**	**14,980**	**15,408**	**3,409**	
YoY Change (%)	43.6	35.9	-11.6	-21.0	-3.5	-26.0	43.5	1.8	0.9	2.9	-5.8	
Interest	2,770	2,720	2,100	2,320	2,130	2,400	2,320	2,358	9,910	9,208	2,215	
Other Income	800	930	1,170	530	550	340	414	429	3,430	1,733	540	
Extraordinary Income	-170	-120	-2,930	-800	-130	-70	0	0	-4,020	-200	0	
Share of Profit/Loss from Associates	0	0	0	0	0	0	0	0	0	0	0	
PBT	**960**	**1,710**	**-670**	**2,480**	**1,280**	**550**	**2,673**	**3,230**	**4,480**	**7,733**	**1,733**	
Tax	80	390	-160	490	-90	-20	607	746	800	1,243	381	
Rate (%)	8.3	22.8	23.9	19.8	-7.0	-3.6	22.7	23.1	17.9	16.1	22.0	
Minority Interest	580	480	-1,960	730	-40	160	-60	-70	-170	-10	-50	
PAT	**300**	**840**	**1,450**	**1,260**	**1,410**	**410**	**2,126**	**2,554**	**3,850**	**6,500**	**1,402**	
Adj PAT	**300**	**910**	**1,240**	**1,790**	**1,460**	**440**	**2,126**	**2,554**	**4,240**	**6,580**	**1,402**	**-68.6%**
YoY Change (%)	-118.7	149.2	182.3	-45.0	386.7	-51.6	71.5	42.7	72.9	55.2	54.1	
Margins (%)	0.8	2.0	3.5	2.8	3.3	0.9	4.5	5.1	2.3	3.5	3.1	

GSK Pharma

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	GLXO IN
Equity Shares (m)	169
M.Cap.(INRb)/(USDb)	426.9 / 4.5
52-Week Range (INR)	3121 / 2088
1, 6, 12 Rel. Per (%)	-16/9/1
12M Avg Val (INR M)	257

Financials & Valuations (INRb)

Y/E MARCH	FY26	FY27E	FY28E
Sales	38.2	44.4	51.1
EBITDA	13.2	15.0	17.5
Adj. PAT	10.3	11.7	13.6
EBIT Margin (%)	32.8	32.2	32.7
Cons. Adj. EPS (INR)	60.6	69.2	80.2
EPS Gr. (%)	12.4	14.2	15.9
BV/Sh. (INR)	133.8	174.6	227.2
Ratios			
Net D:E	-0.6	-0.4	-0.6
RoE (%)	45.3	39.7	35.3
RoCE (%)	48.8	44.4	40.0
Payout (%)	47.6	41.7	36.0
Valuations			
P/E (x)	41.8	36.6	31.6
EV/EBITDA (x)	33.9	29.9	25.2
Div. Yield (%)	0.9	0.9	0.9
FCF Yield (%)	2.0	0.6	2.9
EV/Sales (x)	11.7	10.1	8.6

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	75.0	75.0	75.0
DII	8.4	7.8	7.8
FII	4.8	4.8	4.8
Others	11.8	12.4	12.5

FII Includes depository receipts

CMP: INR2,520 TP: INR2,760 (+10%) Neutral

In-line show; niche products/marketing efforts drive earnings

Innovation portfolio share on a rise; base brands gain market share

- GLXO delivered revenue growth of 20.8% YoY in 2QFY27 (5% beat), driven by broad-based traction across General Medicines, Vaccines, and Specialty Medicines. EBITDA/PAT were in-line, while EBITDA margin missed estimates by 150bp.
- The innovation portfolio continues to increase its share in revenue on a QoQ basis, led by increasing traction in Oncology (Jemperli and Zejula), Adult Vaccines (Shingrix), and New Respiratory (Nucala and Trelegy).
- General Medicines sustained competitive performance, with key promoted brands such as Augmentin, Calpol, Ceftum, and T-Bact outperforming their respective markets. Established Vaccines maintained leadership in the private paediatric market, while Shingrix sales doubled YoY, supported by deeper HCP engagement.
- Respiratory portfolio continued to gain traction through expanding access pathways, with Nucala reaching over 4,000 patients with severe asthma. GLXO is also expanding into haemato-oncology with the launch of BLENREP, broadening its innovative portfolio.
- We reduce our FY27/FY28 earnings estimates by (0.8%/4.2%), respectively, factoring in the evolving investment requirements and profitability outlook. We expect GLXO to deliver a 15% earnings CAGR over FY26-28, supported by sustained growth across established brands and increasing contribution from innovative therapies.
- We value GLXO at 34x 12-month forward earnings to arrive at a TP of INR2,760. Given the limited upside from current levels, we reiterate a Neutral stance on the stock.

Operating leverage drives margins for the quarter

- Revenue increased 20.8% YoY to INR11.8b (beat by 5%).
- Gross margin (GM) contracted 130bp YoY to 62.4%.
- EBITDA margin contracted 30bp YoY to 34% (miss by 150bp).
- EBITDA grew 19.8% YoY to INR4b (in line).
- Other income for the quarter included income from income tax refund of INR421m.
- Adjusted for above, PAT grew 21% YoY to INR3.4b for the quarter (in line).
- For 1HFY27, Revenue/EBITDA/PAT grew 19%/19%/19% to INR21.2b/INR7b/INR5.5b.

Key highlights from the management commentary

- The company maintained its guidance of sustained double-digit topline growth.
- EBITDA margin is expected to remain at current levels going forward.
- The company aims to increase the contribution of its innovation portfolio to 15% over the long term, from 7% in 2QFY27.

- Innovation portfolio contributed 7% to total sales in the quarter, comprising oncology (Jemperli and Zejula), new respiratory (Nucala and Trelegy), and adult vaccines (Shingrix).
- Hibsago received USFDA, Canada, and Japan approvals, with an India launch planned in the near term.
- Gross margin was impacted by currency depreciation and higher input costs, partly offset by price increases.
- Strengthened the oncology and haematology field force through specialized key account managers, including a dedicated team of ~50 personnel focused on solid tumors and specialized haematology.

Quarterly Perf. (Consol.) **(INRm)**

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Chg.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**8,052**	**9,799**	**10,413**	**9,953**	**9,384**	**11,836**	**11,749**	**11,479**	**38,217**	**44,449**	**11,275**	**5%**
YoY Change (%)	-1.2	-3.0	9.7	2.2	16.5	20.8	12.8	15.3	1.9	16.3	15.1	
Total Expenditure	5,541	6,442	6,581	6,444	6,429	7,815	7,543	7,622	25,008	29,410	7,273	
EBITDA	**2,511**	**3,357**	**3,832**	**3,509**	**2,955**	**4,021**	**4,206**	**3,857**	**13,209**	**15,039**	**4,003**	**0%**
YoY Change (%)	8.9	4.4	35.4	5.3	17.7	19.8	9.8	9.9	13.1	13.9	19.2	
Margins (%)	31.2	34.3	36.8	35.3	31.5	34.0	35.8	33.6	34.6	33.8	35.5	
Depreciation	155	174	203	132	158	150	204	199	664	712	199	
EBIT	**2,356**	**3,183**	**3,628**	**3,378**	**2,797**	**3,871**	**4,002**	**3,658**	**12,545**	**14,327**	**3,804**	
YoY Change (%)	10.0	4.4	37.4	6.1	18.7	21.6	10.3	8.3	13.9	14.2	19.5	
Margins (%)	29.3	32.5	34.8	33.9	29.8	32.7	34.1	31.9	32.8	32.2	33.7	
Interest	4	5	12	6	10	5	3	3	27	20	3	
Other Income	437	336	321	360	438	307	380	380	1,453	1,505	380	
PBT before EO Expense	**2,789**	**3,514**	**3,938**	**3,731**	**3,225**	**4,173**	**4,380**	**4,035**	**13,971**	**15,811**	**4,181**	
Tax	740	965	1,043	952	853	1,235	1,117	1,029	3,700	4,233	1,066	
Rate (%)	26.5	27.5	26.5	25.5	26.4	29.6	25.5	25.5	26.5	26.8	25.5	
Adjusted PAT	**2,049**	**2,549**	**2,895**	**2,779**	**2,372**	**3,088**	**3,263**	**3,006**	**10,271**	**11,728**	**3,115**	**-1%**
YoY Change (%)	12.4	2.9	31.1	5.7	15.7	21.2	12.7	8.2	12.4	14.2	22.2	
Margins (%)	25.5	26.0	27.8	27.9	25.3	26.1	27.8	26.2	26.9	26.4	27.6	
One-off Expense/(Income)	0	-26	-62	0	0	-421	0	0	-88	-421	0	
Reported PAT	**2,049**	**2,575**	**2,956**	**2,779**	**2,372**	**3,359**	**3,263**	**3,006**	**10,359**	**11,999**	**3,115**	

E: MOFSL Estimates:

Global Health

Estimate change	↑
TP change	↔
Rating change	↔

Bloomberg	MEDANTA IN
Equity Shares (m)	269
M.Cap.(INRb)/(USDb)	379.1 / 4
52-Week Range (INR)	1544 / 955
1, 6, 12 Rel. Per (%)	-3/21/19
12M Avg Val (INR M)	337

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	44.1	57.3	64.7
EBITDA	9.2	13.7	16.0
Adj. PAT	5.6	8.0	9.7
EBIT Margin (%)	15.8	19.0	19.8
Cons. Adj. EPS (INR)	20.8	29.8	36.2
EPS Gr. (%)	7.4	43.5	21.4
BV/Sh. (INR)	147.5	172.1	201.9
Ratios			
Net D:E	0.3	0.1	0.1
RoE (%)	15.2	18.7	19.4
RoCE (%)	13.3	16.3	17.3
Payout (%)	17.6	17.6	17.6
Valuations			
P/E (x)	67.9	47.3	38.9
EV/EBITDA (x)	42.4	28.0	23.9
EV/Sales (x)	8.8	6.7	5.9
Div. Yield (%)	0.2	0.3	0.4
FCF Yield (%)	(0.7)	1.4	1.4

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	33.0	33.0	33.0
DII	17.0	16.9	13.0
FII	10.0	9.6	11.5
Others	40.0	40.6	42.6

FII includes depository receipts

CMP: INR1,410 TP: INR1,710 (+21%) Buy

Strong beat on estimates; superior execution across clusters

On track to expand bed capacity at existing and new greenfield sites

- Global Health (Medanta) delivered a strong 2QFY27 performance, with revenue/EBITDA/PAT growing 33.6%/60.3%/50.3% YoY, exceeding our estimates by 14%/23%/20%.
- Both Cluster 1 (Mature) and Cluster 2 (developing) hospitals continued to deliver resilient growth, led by volume growth and an improving case mix.
- Noida achieved an early EBITDA breakeven in 2QFY27, within a short period of commencing operations, with revenue reaching INR1.1b and EBITDA at INR86m. The faster-than-anticipated ramp-up reinforces confidence in the scalability of Medanta's greenfield expansion model.
- Medanta plans to incur capex of INR6b in 2HFY27, taking total planned investment to INR62.4b over the next 4-5 years. The company added 146 beds in 1HFY27, with a further ~340-bed addition expected in 2HFY27.
- We raise our FY27 earnings estimate by ~5%, factoring in strong operating performance, sustained volume growth across clusters, and faster-than-expected ramp-up of Noida. We expect Medanta to deliver a revenue/EBITDA/PAT CAGR of 21%/32%/32% over FY26-28.
- Our constructive view on Medanta is premised on three key factors: 1) resilient growth across mature and developing hospitals, with improving operating leverage; 2) faster-than-expected Noida ramp-up and additional capacity planned across Delhi-NCR, including the new Ghaziabad project; and 3) an aggressive expansion pipeline supported largely by internal accruals and existing cash surplus (~INR7.8b), limiting balance sheet stress despite significant planned capex. We value Medanta at 26x 12-month forward EV/EBITDA to arrive at our TP of INR1,710. **Reiterate BUY.**

Volume-driven growth

- In 2QFY27, Medanta's sales grew 33.6% YoY to INR14.7b (beat by 14%).
- EBITDA margin improved 420bp YoY to 25.2% YoY (beat by 190bp).
- The company's EBITDA grew 60.3% YoY to INR3.7b (beat by 23%).
- Adjusted PAT grew 50.3% YoY to INR2.2b (beat by 20%).
- Overall, in-patient volumes grew 29.5% YoY to 66k in 2Q, while ARPP rose 2.7% to INR206k, reflecting healthy patient throughput and a favorable case mix.
- Revenue from Cluster 1 hospitals (61% of total revenue) grew 17.8% YoY to INR8.2b. EBITDA stood at INR1.8b for the quarter, and margin was 22% (+190bp YoY). In-patient volumes grew 15.2% YoY in 2QFY27, while ARPP increased 2.2% to INR224k.
- Revenue from Cluster 2 hospitals (39% of total revenue) grew 63.2% YoY to INR5.8b. EBITDA came in at INR1.8b, and margin was 31.7% (+700bp YoY). In-patient volumes increased 51.6% YoY, while ARPP grew 7.6% to INR188k.
- Ex-Noida, Cluster 2 hospitals revenue/EBITDA stood at INR4.7b/INR1.8b, with an EBITDA margin of 37%.

- Noida hospital had revenue of INR1.1b with EBITDA of INR86m in 2QFY27 (vs. a loss of INR49m/INR236m in 1QFY27/4QFY26).
- For 1HFY27, Medanta's revenue/EBITDA/PAT grew 30%/43%/30% YoY to INR27.7b/INR6.6b/INR3.8b.

Highlights from the management commentary

- Medanta acquired a 2.61-acre freehold land parcel in Siddharth Vihar Yojana, Ghaziabad, via an e-auction for INR1.7b, with the Board approving a 500-bed hospital project at an estimated capital expenditure of INR10b. The facility will cater to patients from Eastern Delhi, Meerut, Saharanpur, Hapur, Bulandshahr, and other parts of Western Uttar Pradesh.
- Civil construction and project execution across South Delhi (GK), Mumbai, and Guwahati remain on track for operational launches around FY30, while drawings for Varanasi have been submitted for regulatory approvals and Pitampura is undergoing revisions.
- Clinical talent onboarding remained strong with the addition of over 100 doctors, including more than 65 specialized clinicians, across the network in 2Q.
- Established regional facilities in Lucknow and Patna maintained high utilization, with Cluster 2 inpatient volumes growing approximately 26% YoY even after excluding Noida.

Consolidated - Quarterly Earnings Model

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	vs Est
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Gross Sales	**10,308**	**10,992**	**11,210**	**11,590**	**13,041**	**14,690**	**14,565**	**14,972**	**44,101**	**57,268**	**12,915**	14%
YoY Change (%)	19.7	14.9	18.8	24.5	26.5	33.6	29.9	29.2	19.4	29.9	17.5	
EBITDA	**2,270**	**2,309**	**2,173**	**2,438**	**2,868**	**3,701**	**3,510**	**3,668**	**9,190**	**13,747**	**3,009**	23%
YoY Change (%)	18.7	-1.5	-9.9	8.5	26.3	60.3	61.5	50.5	3.1	49.6	30.3	
Margins (%)	22.0	21.0	19.4	21.0	22.0	25.2	24.1	24.5	20.8	24.0	23.3	
Depreciation	451	497	612	665	690	708	711	731	2,225	2,840	693	
Interest	138	171	215	267	267	281	291	270	791	1,109	250	
Other Income	205	197	218	367	222	236	218	209	987	885	387	
PBT before EO expense	**1,886**	**1,838**	**1,564**	**1,873**	**2,133**	**2,948**	**2,726**	**2,875**	**7,160**	**10,682**	**2,454**	
Extra-Ord expense/(Income)	196	160	-366	0	0	0	0	0	-10	0	0	
PBT	**2,081**	**1,998**	**1,198**	**1,873**	**2,133**	**2,948**	**2,726**	**2,875**	**7,150**	**10,682**	**2,454**	
Tax	492	414	248	456	560	757	668	690	1,609	2,675	626	
Rate (%)	23.6	20.7	20.7	24.4	26.3	25.7	24.5	24.0	22.5	25.0	25.5	
Reported PAT	**1,590**	**1,584**	**950**	**1,440**	**1,573**	**2,191**	**2,058**	**2,185**	**5,565**	**8,007**	**1,828**	
Adj PAT	**1,440**	**1,458**	**1,241**	**1,440**	**1,573**	**2,191**	**2,058**	**2,185**	**5,579**	**8,007**	**1,828**	20%
YoY Change (%)	35.6	11.4	-13.2	3.4	9.2	50.3	65.9	51.8	7.4	43.5	25.4	
Margins (%)	14.0	13.3	11.1	12.4	12.1	14.9	14.1	14.6	12.6	14.0	14.2	

Physicswallah

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	PWL IN
Equity Shares (m)	2901
M.Cap.(INRb)/(USDb)	370.6 / 3.9
52-Week Range (INR)	162 / 78
1, 6, 12 Rel. Per (%)	-1/17/-
12M Avg Val (INR M)	2259

Financials & Valuations (INR b)

INR b	FY26	FY27E	FY28E
Unique transacting users (In Mn)	4.9	5.7	6.8
Online Revenue (INR)	20.1	25.2	32.3
Net Sales (INR)	39.0	47.6	58.8
Change (%)	35.1	22.0	23.5
EBITDA	5.5	10.3	15.0
EBITDA margin (%)	14.1	21.7	25.5
Adj. PAT	0.3	3.0	4.5
PAT margin (%)	0.6	6.4	7.6
EPS	-0.1	0.9	1.9
RoE (%)	0.8	6.5	8.8
RoCE (%)	-6.9	5.5	10.0
EV/ Sales	9.3	7.6	6.0
Price/ Earnings	NA	140.8	66.2
Price/ Book	8.0	7.5	6.8

Shareholding pattern (%)

As On	Sep-26	Jun-26
Promoter	71.2	71.3
DII	14.9	13.1
FII	10.7	12.0
Others	3.3	3.6

FII includes depository receipts

CMP: IN127 **TP: INR200 (+57%)** **Buy**

Growth beyond short-term niggles

Slower collections and enrolment growth in FY27 from NEET hit largely priced in

- Physicswallah (PWL) reported a 2QFY27 consolidated revenue of INR12.4b, up 18.2% YoY vs. our estimate of 22.6% YoY growth.
- Online channel revenue grew 26.4% YoY to INR6.9b vs. our estimate of 23.2% YoY growth in 2QFY27. Online channel pre-IND AS EBITDA stood at INR2,390m and margin was 34.4% in 2QFY27.
- The offline channel revenue grew 9% YoY to INR5.4b vs. our estimate of 20.8% YoY growth in 2QFY27. The vertical reported pre-IND AS EBITDA loss of INR80m, and margin was -1.5% in 2QFY27.
- Consolidated adj. PAT came in at INR1,500m (up 114% YoY) vs. our estimate of INR1,242m. For 1HFY27, PWL's revenue/EBITDA grew 21%/94% YoY. For 2HFY27, we expect its revenue/EBITDA to grow 23%/82% YoY.
- We value PWL on an SoTP basis to arrive at our TP of INR200. **Reiterate Buy.**

Our view: Building growth momentum beyond core JEE/NEET

- The impact of NEET is visible in the numbers, **although growth in other categories partly offset this weakness.** That said, 1H collections growth of **15% YoY was weaker than expected**, and we believe this could lead to some moderation in FY27E growth. We expect consolidated **organic revenue growth for the online business at 25.3%** in FY27.
- While **FY27 growth is likely to be relatively subdued** due to the disruption in the NEET cycle, we see encouraging signs of diversification across both ends of the JEE/NEET funnel, with **expansion into K-12 and foundation courses at the entry-end, and skills-based** and postgraduate test preparation at the other end. These newer categories, which **generally command higher ASP**s, should support growth and reduce dependence on core JEE/NEET preparation.
- We expect these initiatives to drive **~30% revenue CAGR** over the next three years, with further upside potential from a successful **expansion into Southern India.** Additionally, premiumization within JEE/NEET is progressing faster than expected, with collections from Infinity Plus Pro growing 32% YoY and its share **of total collections increasing to 35% from 31%** in 1H. This reflects improving traction for higher-priced offerings and should support realizations over time.
- **Online EBITDA margin ahead of expectations, providing scope for reinvestment in growth:** We are positively surprised by online EBITDA margin, with the **2QFY27** margin of **35%** ahead of our estimate. This is driven by a faster-than-expected uptake of premium courses, along with operating leverage. In our view, the strong margin performance provides an opportunity to reinvest in growth.

- **Offline business bearing the brunt of NEET disruption:** While the online business has been able to manage the impact, the **high dependence of Xylem and VidyaPeeth** on NEET is resulting in slower-than-expected growth in the offline business. That said, we expect the **offline business to be near breakeven this year**, with the company turning **PAT-positive in FY27**. This should progressively reduce the offline business's drag on overall growth.

Valuations and changes to our estimates

- Short-term fluctuations aside, we expect PWL to generate INR21.6b of pre-Ind AS EBITDA by FY30, driven by a 25-30% revenue CAGR and expanding margins. Its mature categories are already delivering EBITDA margins of ~50%, while the asset-light business model offers significant operating leverage as the business scales. Excluding cash, the stock trades at EV/EBITDA multiples of 29x/20x/16x for FY28E/FY29E/FY30E, respectively. We see significant upside potential from sustained earnings delivery.
- We value PW on an SoTP basis. For the online business, we assign a multiple of 50x FY28E EV/EBITDA, reflecting its market leadership, structurally superior unit economics, and scalable technology platform. We value the offline business at 15x FY28E EV/EBITDA, reflecting its execution intensity, lower-margin profile, regional competition, and capital requirements.
- We have largely retained our estimates, with the exception of PAT, which has been revised to factor in higher tax expenses. Our SoTP-based TP of INR200 implies a 57% upside from current levels. We reiterate our BUY rating.

Online revenue beats estimates; offline grows slower than expected; consolidated EBITDA margin beats estimates

- PWL's consolidated revenue grew 18.2% YoY vs our estimates of 22.6%.
- Consolidated adjusted EBITDA margin was 32.1% vs our estimate of 25.9%.
- Total paid users were at 3.86m and rose 6.6% on a YoY basis.
- Online revenue grew 26.4% YoY, above our estimate of ~23.2%.
- Online pre-IND AS EBITDA was 2,390m and margin was 34.4% (vs. 29.5% in 2QFY26).
- Offline revenue grew 9% YoY, below our estimate of 20.8%.
- Offline pre-IND AS EBITDA loss was 80m and margin was -1.5% (vs. -1.4% in 2QFY26).
- Consolidated adjusted PAT was INR1,500m vs our estimate of INR1,242m.

Key highlights from the management commentary

- Full-cycle online NEET collections are **~7%** and enrollments **~13%** below last year, while offline enrollments are **~8%** lower.
- Categories beyond JEE/NEET rose to **~74% of 1H enrollments** from ~65%, reducing NEET dependence (NEET is ~15% of online).
- Management retained the **~30% FY27 consolidated revenue growth guidance**, implying a sharp 2H acceleration from ~21% in 1H.
- Guidance includes M&A, which is expected to **contribute <5% of growth**.
- Management targets **PAT-positive FY27 and ~100% group EBITDA growth**, mostly from online.

- **Online:** 2Q unique enrollments rose ~13% to ~1.5m, while 1H ACPU rose **~9% to INR 4,280** on a richer premium mix.
- **Offline:** Subsidiary enrollments fell to ~66k from ~98k, as **Xylem** (~80% NEET dependent) and **Utkarsh Classes** (government exams) were hit.
- Boards and CUET enrollments **grew ~130%,** while foundation enrollments **rose ~15% and collections ~40%.**
- M&A pipeline is focused on online and AI-first education assets, **with a few deals expected to close in 3Q and to be margin accretive.**
- Management indicated **outlay of <USD 20m** for the assets under discussion, against ~INR 3.0b earmarked for unidentified M&A.

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

Y/E march	FY26				FY27E				FY26	FY27E	Estimate	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QFY27	(% / bp)
Revenue	**8,471**	**10,512**	**10,824**	**9,190**	**10,540**	**12,423**	**14,069**	**10,545**	**38,995**	**47,577**	**12,886**	**-3.6**
YoY Change (%)	33.4%	26.3%	33.7%	50.8%	24.4%	18.2%	30.0%	14.7%	35.1	22.0	0.2	0bp
Direct expenses & Inventory movement	2,077	1,834	1,689	2,046	2,359	2,160	2,096	2,151	7,645	8,766	2,152	0.4
Gross Profit	**6,394**	**8,678**	**9,135**	**7,144**	**8,180**	**10,263**	**11,973**	**8,394**	**31,352**	**38,810**	**10,734**	**-4.4**
Margins (%)	75.5	82.6	84.4	77.7	77.6	82.6	85.1	79.6	80.4	81.6	83	-70bp
Employee Benefit expenses	4,149	4,323	4,468	4,410	4,890	4,820	5,768	4,798	17,350	20,277	5,734	-15.9
Others	3,008	2,544	2,539	2,739	3,853	2,877	2,347	2,580	10,831	11,656	2,691	6.9
EBITDA	**-213**	**2,283**	**2,775**	**643**	**527**	**3,490**	**4,632**	**1,596**	**5,487**	**10,322**	**2,952**	**18.2**
Margins (%)	-2.5	21.7	25.6	7.0	5.0	28.1	32.9	15.1	14.1	21.7	22.9	520bp
Depreciation	976	1,047	1,132	1,219	1,110	1,130	1,307	1,605	4,374	5,152	1,252	-9.7
Interest	332	248	207	233	255	260	352	264	1,019	1,131	335	-22.3
Other Income	550	472	645	648	1,090	924	774	580	2,315	3,368	644	43.4
PBT before EO expense	**-1,521**	**989**	**1,436**	**-808**	**-838**	**2,100**	**2,973**	**-272**	**94**	**4,039**	**1,365**	**53.8**
Tax	-250	291	414	-114	40	669	743	0	341	1,452	123	444.2
Rate (%)	16.5	29.5	28.8	14.1	-4.7	31.8	25.0	0.0	362.7	35.9	9.0	2280bp
Adj PAT	**-1,219**	**701**	**1,241**	**-471**	**-417**	**1,500**	**2,230**	**-272**	**253**	**3,041**	**1,242**	**20.7**
Extra-Ord expense	62	6	308	260	440	101	0	0	636	541	0	
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	**-1,271**	**697**	**1,022**	**-694**	**-878**	**1,431**	**2,230**	**-272**	**-247**	**2,588**	**1,242**	**15.2**
YoY Change (%)	NA	70%	62%	-84%	NA	114%	80%	NA	NA	NA	0.8	40bp
Margins (%)	-15.0	6.6	9.4	-7.6	-8.3	11.5	15.8	-2.6	-0.6	5.4	9.6	19.5

E: MOFSL Estimates

Endurance Technologies

Estimate changes	⇄
TP change	⇄
Rating change	⇄

CMP: INR2,503 TP: INR3,100 (+24%) Buy

Bloomberg	ENDU IN
Equity Shares (m)	141
M.Cap.(INRb)/(USDb)	352 / 3.7
52-Week Range (INR)	3075 / 2143
1, 6, 12 Rel. Per (%)	-11/6/-7
12M Avg Val (INR M)	319

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	146.0	192.6	217.8
EBITDA	19.7	23.2	29.1
Adj. PAT	9.7	10.6	14.7
EPS (INR)	68.8	75.1	104.6
EPS Growth (%)	17.0	9.2	39.4
BV/Share (INR)	486.3	548.4	637.5
Ratios			
Net Debt/Equity	-0.1	0.0	-0.1
RoE (%)	15.4	14.5	17.6
RoCE (%)	13.6	13.0	15.9
Payout (%)	17.0	17.3	14.8
Valuations			
P/E (x)	36.3	33.2	23.8
P/BV (x)	5.1	4.5	3.9
EV / EBITDA (x)	0.5	0.5	0.6
Div. Yield (%)	1.7	-0.1	3.0

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	75.0	75.0	75.0
DII	10.5	10.1	9.1
FII	12.1	12.7	13.8
Others	2.5	2.2	2.1

FII includes depository receipts

Order book execution to drive growth

Commodities and greenfield expenses weigh on margins

- Endurance Technologies' (ENDU) 2QFY27 Adj. PAT stood at INR2.5b (+9% YoY) and came in line with our expectations. Standalone margin at 10.3% came in below our estimate of 10.9%, while the European business posted 17.8% margins, (in line). Lower margins due to commodity headwinds and greenfield expenses, along with accelerated depreciation in EU operations, weighed on earnings during the quarter.
- On the back of its healthy order backlog, we expect ENDU to outperform core industry growth, both in India and Europe. As a result, we estimate a CAGR of ~22%/22%/23% in consolidated Revenue/EBITDA/PAT over FY26-28. The stock trades at 33x/24x FY27E/FY28E consolidated EPS. **We reiterate our BUY rating with a TP of INR3,100 (based on 30x FY28E consolidated EPS).**

Revenues beat expectations, while earnings come in line

- Consolidated revenue grew 34% YoY to INR47.9b (beating estimate of INR44.1b), led by 40% YoY growth in the Indian business.
- European revenue (in INR terms) grew 13% YoY to INR10.3b. In EUR terms, revenue posted a ~6% YoY growth.
- Consolidated EBITDA witnessed a healthy 17.2% YoY growth to INR5.6b, coming in line with our expectations. However, EBITDA margin contracted ~170bp YoY to 11.7% and was below our estimate of 12.3%, primarily due to higher commodity and energy prices.
- Standalone margin contracted 170bp YoY to 10.3% (est. of 10.9%), impacted by higher input costs. Europe margins were stable YoY at 17.8%.
- New plant ramp-up led to higher depreciation expenses, rising 33% YoY to INR2.4b.
- As a result, consolidated PAT grew 9% YoY to INR2.5b, coming in line with our estimate.
- Consolidated CFO stood at INR8b, while FCF came in positive at INR3.1b.

Key highlights from the management commentary

- 1HFY27 business wins were INR7.5b (excluding Bajaj Auto), led by Honda, Tata Motors, Hero MotoCorp, TVS, Ather, and US EV OEMs. Cumulative wins since FY22 stand at INR63.7b, with about INR38b yet to be executed.
- The AURIC Shendra casting plant started on 25 Sept'26. SOPs have begun for alloy wheels (Ather and Royal Enfield, with Suzuki expected in 3QFY27), dual-channel ABS for Bajaj Auto and KTM brakes. ABS capacity will reach 1.54m units p.a. by 4QFY27, with about 70% already booked. India capex is guided at about INR11b for FY27 (consolidated INR12.5b). The four greenfield facilities dragged EBIT margin by about 0.5% in 2Q, but all four are expected to turn profitable in FY28.

- Cumulative SOP value from four-wheeler proprietary products (suspension, braking, driveshafts) should rise from INR1b in FY28 to INR8b by FY31. Management sees these products exceeding INR15b by FY31, including battery packs. Non-auto (solar, railways, industrial) SOP value is expected at INR2.5b in FY28 and INR6.5b by FY31, with solar asset turnover above 8x.
- The EU business grew in line with the market, along with steady margins, though market growth has come almost entirely from Chinese OEMs. Endurance has outgrown the market on EV-related order wins and supply chain consolidation, and the Fondalpress acquisition (alongside 100% ownership of Stoferle) adds casting capacity, insourcing, and truck-segment opportunities. Management is optimistic that proposed curbs on Chinese imports and the Accelerator Act will drive localization and bring more business to European suppliers.

Valuation and view

On the back of its healthy order backlog, we expect ENDU to outperform core industry growth, both in India and Europe. As a result, we estimate a CAGR of ~22%/22%/23% in consolidated Revenue/EBITDA/PAT over FY26-28. The stock trades at 33x/24x FY27E/FY28E consolidated EPS. **We reiterate our BUY rating with a TP of INR3,100 (based on 30x FY28E consolidated EPS).**

Consolidated - Quarterly (INR m)

Y/E March	FY26				FY27E				FY26	FY27E		Var
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**33,189**	**35,828**	**36,082**	**40,860**	**43,149**	**47,862**	**50,162**	**51,433**	**1,45,959**	**1,92,605**	**44,134**	**8.4**
YoY Change (%)	17.5	23.0	26.2	37.9	30.0	33.6	39.0	25.9	26.3	32.0	23.2	
EBITDA	**4,439**	**4,768**	**4,771**	**5,678**	**5,358**	**5,590**	**5,972**	**6,294**	**19,656**	**23,215**	**5,450**	**2.6**
Margins (%)	13.4	13.3	13.2	13.9	12.4	11.7	11.9	12.2	13.5	12.1	12.3	
YoY Change (%)	18.7	24.8	28.1	34.4	20.7	17.2	25.2	10.9	26.7	18.1	14.3	
Depreciation	1,644	1,800	1,779	2,119	2,219	2,385	2,430	2,391	7,342	9,424	2,260	
Interest	135	137	150	152	172	249	240	180	574	842	155	
Other Income	356	210	374	300	334	249	300	309	1,240	1,191	250	
PBT before EO expense	**3,016**	**3,041**	**3,216**	**3,707**	**3,301**	**3,206**	**3,602**	**4,032**	**12,980**	**14,141**	**3,285**	
Exceptional Item	0	0	210	0	0	-356	0	0	210	-356	0	
PBT after EO	**3,016**	**3,041**	**3,007**	**3,707**	**3,301**	**3,562**	**3,602**	**4,032**	**12,771**	**14,497**	**3,285**	
Eff. Tax Rate (%)	24.9	25.3	26.3	25.4	25.9	23.0	25.2	24.8	25.5	24.7	25.3	
Adj. PAT	**2,264**	**2,273**	**2,373**	**2,765**	**2,445**	**2,477**	**2,696**	**3,031**	**9,673**	**10,647**	**2,454**	**1.0**
YoY Change (%)	11.0	12.0	28.7	17.2	8.0	9.0	13.6	9.7	17.0	10.1	8.0	

Standalone Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E		Var
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**23,346**	**26,782**	**26,694**	**29,580**	**31,827**	**37,527**	**38,706**	**38,998**	**1,06,402**	**1,47,058**	**33,478**	**12.1**
YoY Change (%)	10.1	16.5	22.6	31.5	36.3	40.1	45.0	31.8	20.3	38.2	25.0	
RM Cost (% of sales)	65.2	66.0	65.5	67.3	68.6	70.3	69.8	69.2	66.1	69.5	67.9	
Staff Cost (% of sales)	5.2	4.9	4.9	4.1	4.6	4.0	4.1	4.1	4.7	4.2	4.4	
Other Expenses (% of sales)	17.1	17.2	17.2	16.6	15.9	15.4	15.6	15.9	17.0	15.7	16.8	
EBITDA	**2,895**	**3,219**	**3,302**	**3,538**	**3,463**	**3,862**	**4,068**	**4,212**	**12,953**	**15,606**	**3,660**	**5.5**
Margins (%)	12.4	12.0	12.4	12.0	10.9	10.3	10.5	10.8	12.2	10.6	10.9	
Depreciation	814	819	860	901	929	994	1,000	958	3,394	3,880	950	
Interest	15	23	31	31	46	75	100	81	101	302	25	
Other Income	161	140	90	167	114	85	100	105	558	404	150	
PBT before EO expense	**2,227**	**2,518**	**2,499**	**2,773**	**2,604**	**2,878**	**3,068**	**3,278**	**10,017**	**11,828**	**2,835**	
Extra-Ord expense	0	0	206	0	0	0	0	0	0	0	0	
Tax Rate (%)	25.5	25.5	25.6	24.4	25.2	25.8	25.2	24.6	24.7	25.2	25.2	
Adj. PAT	**1,658**	**1,876**	**1,862**	**2,098**	**1,946**	**2,135**	**2,295**	**2,471**	**7,545**	**8,848**	**2,121**	**0.7**
YoY Change (%)	1.8	1.5	18.7	12.1	17.4	13.8	23.2	17.8	8.4	17.3	13.1	

EU Subs

Y/E March	FY26				FY27E				FY26	FY27E		Var
EUR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**103**	**89**	**93**	**107**	**104**	**94**	**103**	**110**	**392**	**411**	**91**	**3.6**
YoY Change (%)	28.5	32.6	21.0	33.8	1.1	5.9	10.4	3.3	28.9	5.0	2.2	
EBITDA	**18.1**	**15.8**	**16.8**	**21.9**	**18.9**	**16.7**	**18.2**	**19.9**	**72.4**	**73.6**	**17**	**0.9**
Margins (%)	17.5	17.8	18.1	20.5	18.1	17.8	17.7	18.0	18.5	17.9	18.3	

Maxwell

Y/E March	FY26				FY27E				FY26	FY27E		Var
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**310**	**440**	**400**	**470**	**570**	**850**	**780**	**800**	**1,610**	**3,000**	**419**	**103.1**
YoY Change (%)	811.8	131.6	53.3	123.8	83.9	93.2	95.0	70.2	131.7	86.3	35.0	
EBITDA	**10.0**	**19.0**	**23.0**	**-40.0**	**40.0**	**59.0**	**54.6**	**56.4**	**10.0**	**210.0**	**21**	**182.0**
Margins (%)	3.2	4.3	5.8	-8.5	7.0	6.9	7.0	7.1	0.6	7.0	5.0	

Alembic Pharma

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	ALPM IN
Equity Shares (m)	197
M.Cap.(INRb)/(USDb)	178.2 / 1.9
52-Week Range (INR)	998 / 635
1, 6, 12 Rel. Per (%)	4/19/1
12M Avg Val (INR M)	128

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	73.4	93.2	99.6
EBITDA	11.2	16.7	18.1
Adj. PAT	6.2	9.3	10.4
EBIT Margin (%)	10.9	13.7	13.8
Cons. Adj. EPS (INR)	31.7	47.5	52.7
EPS Gr. (%)	8.8	49.9	10.9
BV/Sh. (INR)	288.7	330.2	376.9
Ratios			
Net D:E	0.2	0.2	0.1
RoE (%)	11.5	15.3	14.9
RoCE (%)	12.2	13.7	13.3
Payout (%)	17.5	12.7	11.4
Valuations			
P/E (x)	28.6	19.1	17.2
EV/EBITDA (x)	18.1	12.1	10.8
Div. Yield (%)	0.6	0.6	0.6
FCF Yield (%)	3.2	4.0	4.7
EV/Sales (x)	2.7	2.2	2.0

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	69.9	69.9	69.7
DII	15.5	15.9	16.3
FII	4.5	4.2	4.1
Others	10.2	10.0	9.9

FII includes depository receipts

CMP: INR907 **TP: INR990 (+9%)** **Neutral**

Beat on estimates; US drives earnings upgrades

Record quarterly US sales; early green shoots in DF

- Alembic Pharma (ALPM) delivered a strong earnings outperformance, with revenue/EBITDA/PAT exceeding our estimates by 10%/35%/41% in 2QFY27, fueled by robust growth in the US formulations and API.
- US sales surpassed the USD100m quarterly mark for the first time, supported by select niche product launches and healthy growth in the underlying base portfolio.
- The US branded business is gaining initial traction, contributing ~3% of US revenue in 2QFY27. The company is strengthening its commercial platform through physician engagement and broadening market access.
- Domestic formulation (DF) performance remained mixed, with chronic and specialty therapies driving growth while acute therapies remained subdued. The specialty portfolio grew ~17%, supported by improving execution and field-force productivity, while Animal Health sustained strong momentum with 23% YoY growth.
- We upgrade our FY27/FY28 earnings estimates by 13.9%/5.8%, factoring in the stronger US performance and improved growth prospects in chronic therapies within DF segment. We value ALPM at 17x 12M forward earnings to arrive at our TP of INR990.
- We expect ALPM to deliver a healthy 29% earnings CAGR over FY26-28, driven by niche product launches and the scale-up of existing products across the US and India businesses. However, since the current valuations offer limited upside, **we reiterate our Neutral rating on the stock**.

Broad-based growth drives strong operating performance

- Alembic Pharma (ALPM) sales grew 36.3% YoY to INR26b (beat by 10%).
- Gross margin expanded 70bp YoY to 73.7%.
- EBITDA margin expanded 510bp YoY to 21.6% due to better operating leverage (employee and other expenses declined 360bp and 90bp, respectively, as a percentage of sales).
- R&D spending was INR2.2b (8.5% of sales).
- EBITDA grew 78.4% YoY to INR5.6b (beat by 35%).
- Adj. PAT grew 81.4% YoY to INR3.4b. (our est: INR2.4b).
- For 1HFY26, Revenue/EBITDA/PAT grew by 31.3%/49.9%/49.9% to INR47.5b/INR9b/INR5.1b

US generics lead growth across business segments

- US generics sales grew 77% YoY to INR10b (39% of sales)
- Ex-US generic export sales grew 12% YoY to INR4.4b (17% of sales).
- Domestic formulation (DF) sales grew 14% YoY to INR7.3b (28% of sales)
- API sales grew 39% YoY at INR4.4b (16% of sales).

Key highlights from the management commentary

- ALPM raised its full-year FY27 consolidated revenue growth guidance to 20-25% YoY (from mid-teens previously), driven by US and API outperformance.

- Full-year FY27 US revenue guidance was raised to as much as 40% YoY growth, driven by base volume expansion and new exclusivity launches including Bosutinib.
- Full-year API revenue guidance was raised to at least high teens growth, supported by volume traction and customer CMO deliveries.
- Ex-US formulations revenue is guided to grow in the mid-teens for FY27, while India branded formulations are guided to track double-digit market growth over the next 2-3 quarters.
- Gross margins are guided to remain within the long-term sustainable corridor of 70% to 75% for FY27 and the medium term.
- EBITDA margin is projected to sustain within the high-teens band for full-year FY27 and expand toward 20% in FY28 and FY29 as operating leverage scales and US branded dilution ceases.
- The US branded business generated 3% of the US revenue in 2QFY27 and is guided to achieve break-even by 1HFY28, which will eliminate a 150-200bp full-year EBITDA margin drag.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	vs Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	
Net Sales	**17,107**	**19,102**	**18,763**	**18,477**	**21,498**	**26,035**	**23,214**	**22,475**	**73,449**	**93,221**	**23,622**	**10%**
YoY Change (%)	9.5	15.9	10.8	4.4	25.7	36.3	23.7	21.6	10.1	26.9	23.7	
Total Expenditure	14,294	15,945	15,828	16,198	18,179	20,402	19,129	18,811	62,265	76,521	19,465	
EBITDA	**2,813**	**3,157**	**2,935**	**2,279**	**3,319**	**5,633**	**4,086**	**3,663**	**11,184**	**16,700**	**4,158**	**35%**
YoY Change (%)	18.8	31.9	12.8	-16.2	18.0	78.4	39.2	60.7	10.9	49.3	31.7	
Margins (%)	16.4	16.5	15.6	12.3	15.4	21.6	17.6	16.3	15.2	17.9	17.6	
Depreciation	738	761	801	886	977	1,008	967	936	3,186	3,888	997	
EBIT	**2,075**	**2,396**	**2,134**	**1,393**	**2,342**	**4,625**	**3,119**	**2,728**	**7,999**	**12,813**	**3,161**	
YoY Change (%)	23.7	42.0	12.2	-31.3	12.8	93.0	46.2	95.8	9.6	60.2	31.9	
Interest	235	242	233	226	276	383	298	284	936	1,241	282	
Other Income	65	69	155	255	149	151	182	186	544	669	172	
PBT before EO expense	**1,905**	**2,223**	**2,056**	**1,423**	**2,215**	**4,393**	**3,004**	**2,629**	**7,607**	**12,241**	**3,051**	
Extra-Ord expense	0	0	422	248	0	0	0	0	-670	0	0	
PBT	**1,905**	**2,223**	**1,633**	**1,175**	**2,215**	**4,393**	**3,004**	**2,629**	**6,937**	**12,241**	**3,051**	
Tax	365	400	295	-829	495	1,041	736	652	231	2,923	671	
Rate (%)	19.1	18.0	18.1	-70.6	22.4	23.7	24.5	24.8	3.3	23.9	22.0	
MI & P/L of Asso. Cos.	-3	-24	8	-23	-11	1	0	0	-42	-10	0	
Reported PAT	**1,544**	**1,847**	**1,330**	**2,027**	**1,731**	**3,352**	**2,268**	**1,977**	**6,748**	**9,327**	**2,380**	
Adj PAT	**1,544**	**1,847**	**1,676**	**1,161**	**1,731**	**3,352**	**2,268**	**1,977**	**6,227**	**9,327**	**2,380**	**41%**
YoY Change (%)	14.6	29.7	21.1	-26.0	12.1	81.4	35.3	70.3	8.8	49.9	28.8	
Margins (%)	9.0	9.7	8.9	6.3	8.1	12.9	9.8	8.8	8.5	10.0	10.1	
EPS	**7.9**	**9.4**	**8.5**	**5.9**	**8.8**	**17.1**	**11.5**	**10.1**	**31.7**	**47.5**	**12.1**	

Anant Raj

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	ARCP IN
Equity Shares (m)	360
M.Cap.(INRb)/(USDb)	165.9 / 1.8
52-Week Range (INR)	657 / 403
1, 6, 12 Rel. Per (%)	-27/-9/-22
12M Avg Val (INR M)	1700

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	25.1	29.9	35.2
EBITDA	6.6	9.3	12.4
EBITDA (%)	26.1	31.2	35.3
Adj PAT	5.5	7.2	9.3
Cons. EPS (INR)	15.4	20.1	25.8
EPS Growth (%)	30.4	30.4	28.3
BV/Share (INR)	160.8	180.2	205.2
Ratios			
Net D/E	-0.1	0.0	0.0
RoE (%)	9.6	11.2	12.6
RoCE (%)	9.5	11.7	13.5
Payout (%)	6.5	3.7	2.9
Valuations			
P/E (x)	29.9	22.9	17.8
P/BV (x)	2.9	2.6	2.2
EV/EBITDA (x)	24.5	17.3	13.2
Div Yield (%)	0.2	0.2	0.2

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	57.4	57.4	60.1
DII	4.5	4.6	5.8
FII	11.0	10.7	10.7
Others	27.1	27.2	23.3

CMP:INR460 **TP:INR680 (+48%)** **Buy**

Profitability on an improving trajectory

Real estate business to grow at a steady pace

Anant Raj (ARCP) has received RERA clearance for Group Housing 2 (The Estate One), offering ~1.22msf of saleable area, and is expected to formally launch the project in 3QFY27. The Estate one is currently in the EOI stage and witnessing realizations of ~INR23,000/sqft, which is 28% higher than Group Housing 1. Further, it is likely to launch Group Housing 3 in Sector 63A, Gurugram, with a saleable area of 1.2msf. The company expects to gradually launch the inventory in Sector 63A over the next 8-10 years. We expect INR29b/INR34b pre-sales and INR18b/INR25b collections in FY27/28, respectively. Accordingly, we expect cumulative free cash worth INR22b from the real estate business over the next two years, which would fund the capex for data centers.

Data centers scaling up well; capacity to increase to 63MW in FY27

The company clocked INR1.2b revenue in the data centers (DC) segment, with ~71% EBITDA margin and ~45% PAT margin. The current IT load capacity of 28MW (21 MW at Manesar + 7 MW at Panchkula) is planned to increase to 63MW by FY27-end. Further, it has maintained its target to scale this to 357MW IT load by FY32. Anant Raj Cloud Singapore signed an MoU with Orange Business and the Haryana government to market Haryana-based cloud, data center, and AI services globally and facilitate hosting of overseas data in the state. We bake in a 134% CAGR in data center revenue over FY26-28E, reaching INR9.6b, supported by capacity ramp-up and improvement in utilization.

Demerger process progressing well

The Board of ARCP has approved a composite scheme of arrangement to demerge its DC and cloud businesses into Ashok Cloud Pvt Ltd (ACPL). ARCP shareholders will receive one ACPL share for every ARCP share held. ACPL would offer a pure play on the DC business, which is a key value generator, while ARCP would continue to reap the economic benefits due to its holding in the resulting company (ACPL would remain a subsidiary of ARCP). In the initial years post the demerger, we anticipate capex in ACPL to be met through the fund transfer from ARCP and rental income generated by the operational capacity. The company has filed its Composite Scheme of Arrangement involving Anant Raj Cloud and Ashok Cloud with the stock exchanges and is awaiting the requisite regulatory approvals.

Financial performance

In 2QFY27, revenue grew 5% YoY to INR6.6b . Revenue from data center, infrastructure, and allied services increased 28% QoQ to INR1.15b. EBITDA grew strongly by 18% YoY to INR2b, while EBITDA margin expanded 90bp QoQ to 29.9%. On the back of better operating margin, Adj. PAT grew 14% YoY to INR1.6b (8% below expectations). PAT margin stood at 23.7%. **We maintain our revenue CAGR of 18% over FY26-28, reaching INR35b, whereas EBITDA margin is expected to expand 915bp to 35.3% during this period.**

Valuation and view

- We have discounted the residential business cash flow at a 12.4% WACC, while assigning a 25% premium to capture the growth potential from the company's ongoing land aggregation in Sector 63A as well as expansion to a new sector.
- The commercial business cash flow is discounted at a capitalization rate of 8.0%, while delivering a 4% terminal growth rate.
- The data center business is valued on a DCF basis.
- **We reiterate our BUY rating on the stock with a TP of INR680, based on our SoTP valuation**. The TP has slightly lowered as we have tweaked the timelines of capex to be incurred toward the DC business.

Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27	FY27 2QE Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2Q Est. (%/bp)
Net Sales	**5,924**	**6,308**	**6,416**	**6,468**	**6,314**	**6,615**	**7,783**	**9,162**	**25,116**	**29,874**	**6,987** -5%
YoY Change (%)	25.6	23.0	20.0	19.6	6.6	4.9	21.3	41.6	21.9	18.9	10.8
Total Expenditure	4,418	4,630	4,718	4,794	4,480	4,636	5,344	6,106	18,559	20,565	4,829
EBITDA	**1,507**	**1,678**	**1,698**	**1,674**	**1,834**	**1,980**	**2,439**	**3,056**	**6,557**	**9,309**	**2,158** -8%
Margins (%)	25.4	26.6	26.5	25.9	29.0	29.9	31.3	33.4	26.1	31.2	30.9 -96bp
Depreciation	79	106	135	169	162	265	278	299	489	1,005	164
Interest	24	29	33	38	12	11	32	68	124	124	29
Other Income	100	101	188	286	194	174	170	171	675	709	166
PBT before EO expense	**1,504**	**1,644**	**1,718**	**1,754**	**1,853**	**1,878**	**2,299**	**2,859**	**6,619**	**8,889**	**2,131**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0	0
PBT	**1,504**	**1,644**	**1,718**	**1,754**	**1,853**	**1,878**	**2,299**	**2,859**	**6,619**	**8,889**	**2,131** -12%
Tax	257	275	296	255	392	331	411	513	1,083	1,689	426
Rate (%)	17.1	16.7	17.2	14.5	21.2	17.6	17.9	18.0	16.4	19.0	20.0
MI & P/L of Asso. Cos.	12	12	20	-33	35	22	9	-31	12	35	8
Reported PAT	**1,259**	**1,381**	**1,443**	**1,466**	**1,496**	**1,569**	**1,897**	**2,315**	**5,548**	**7,235**	**1,713**
Adj PAT	**1,259**	**1,381**	**1,443**	**1,466**	**1,496**	**1,569**	**1,897**	**2,315**	**5,548**	**7,235**	**1,713** -8%
YoY Change (%)	38.3	30.8	30.8	23.6	18.9	13.6	31.5	57.9	30.4	30.4	24.0
Margins (%)	21.2	21.9	22.5	22.7	23.7	23.7	24.4	25.3	22.1	24.2	24.5 -80bp

Source: Company, MOFSL

Fine Organic Industries

Estimate changes	↑
TP change	↑
Rating change	↔

CMP: INR5,126 **TP: INR4,400 (-14%)** **Sell**

Healthy earnings growth amid elevated input & logistic costs

Earnings above our estimate

- Fine Organic Industries (FINEORG) posted a strong operating performance, with an EBITDA growth of 37% YoY, primarily due to gross margin expansion of 170bp YoY to 43.3%.
- While the company continues to expand its global footprint through geographic diversification and strategic partnerships, the near-term performance is expected to remain influenced by uncertain demand trends, macroeconomic uncertainties, supply chain dynamics, raw material prices, and high freight costs.
- Backed by a strong 1HFY27, we raise our earnings estimates for FY27/FY28 by 12%/9%. FINEORG currently trades at ~29.3x FY28E EPS and ~21.9x FY28E EV/EBITDA. We value the stock at 25x FY28E EPS to arrive at our TP of INR4,400. **Reiterate Sell.**

Stable demand supports growth, while input cost pressures remain elevated

- FINEORG reported revenue of INR7.3b in 2QFY27, rising 22% YoY. Overall demand remained stable during 1HFY27, with export and domestic markets showing improved performance.
- Export revenue grew 24% YoY to INR4b, while domestic revenue grew 19% YoY to INR3.2b.
- FINEORG's gross margin stood at 43.3% (up 170bp YoY), while EBITDA margin expanded 270bp YoY to 25.4% in 2QFY27.
- Raw Material prices surged in 1HFY27 vs. 1HFY26, with a marginal increase in 2QFY27 compared to 1Q.
- FINEORG's EBITDA stood at INR1.8b, up 37% YoY for the quarter.
- Utility costs surged in 1HFY27 vs. 1HFY26, primarily due to a rise in fuel prices resulting from the ongoing West Asia crisis. However, utility costs stabilized marginally in 2QFY27 compared with the previous quarter
- Additionally, ocean freight costs increased substantially in 1HFY27 vs. 1HFY26 and continued to rise QoQ, resulting in higher overall freight and forwarding costs. The increase is mainly attributable to supply chain disruptions arising from the ongoing geopolitical crisis.
- FINEORG's PAT grew 40% YoY to INR1.5b in 2QFY27 (est. of INR1.1b).
- In 1HFY27, the company's revenue/EBITDA/Adj. PAT grew 20%/39%/32% YoY to INR14.2b/INR3.6b/INR2.9b.
- Gross debt stood at INR1.5b as of Sep'26 vs. INR450m as of Sep'25.
- FINEORG's CFO stood at INR997.5m in Sep'26 vs. INR1.6b in Sep'25.

Bloomberg	FINEORG IN
Equity Shares (m)	31
M.Cap.(INRb)/(USDb)	157.2 / 1.7
52-Week Range (INR)	5666 / 3856
1, 6, 12 Rel. Per (%)	-7/12/23
12M Avg Val (INR M)	103

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	23.7	27.5	30.2
EBITDA	4.9	6.4	6.7
PAT	4.2	5.1	5.4
EPS (INR)	136.1	167.4	175.5
EPS Gr. (%)	1.6	23.1	4.8
BV/Sh.(INR)	869.1	1,023.0	1,184.2
Ratios			
Net D:E	-0.5	-0.5	-0.3
RoE (%)	16.8	17.7	15.9
RoCE (%)	16.9	17.8	16.1
Payout (%)	8.1	8.1	8.1
Valuations			
P/E (x)	37.7	30.7	29.3
P/BV (x)	5.9	5.0	4.3
EV/EBITDA (x)	29.3	22.2	21.9
Div. Yield (%)	0.2	0.3	0.3
FCF Yield (%)	1.8	1.1	2.7

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	75.0	75.0	75.0
DII	10.2	11.7	12.0
FII	4.6	4.3	4.6
Others	10.2	9.0	8.4

FII includes depository receipts

Valuation and view

- The company remains focused on strengthening its global presence through investments in overseas subsidiaries, expanding US capacity for future growth, enhancing manufacturing capabilities, incorporating a wholly owned subsidiary in Dubai to establish a local presence in GCC countries, and expanding its presence in Malaysia with the acquisition of Oleofine Organics.
- We anticipate FINEORG's performance to be affected by the following factors: 1) longer-than-expected delays in the commissioning of new capacities for expansion, 2) existing plants operating at close to optimum utilization, with no potential for debottlenecking, and 3) the macroeconomic environment.
- Backed by a strong 1HFY27, we raise our earnings estimates for FY27/FY28 by 12%/9%. FINEORG currently trades at ~29.3x FY28E EPS and ~21.9x FY28E EV/EBITDA. We value the stock at 25x FY28E EPS to arrive at our TP of INR4,400. **Reiterate Sell.**

Consolidated - Income Statement (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Gross Sales	**5,884**	**5,973**	**5,548**	**6,253**	**6,942**	**7,294**	**6,380**	**6,879**	**23,658**	**27,494**	**6,690**	**9%**
YoY Change (%)	*7.0*	*0.2*	*7.3*	*3.1*	*18.0*	*22.1*	*15.0*	*10.0*	*4.3*	*16.2*	*12.0*	
Total Expenditure	4,648	4,621	4,533	4,955	5,182	5,445	5,040	5,434	18,757	21,101	5,218	
Gross Margin (%)	*40.4%*	*41.6%*	*38.0%*	*40.3%*	*45.4%*	*43.3%*	*41.0%*	*40.0%*	*20.7%*	*23.3%*	*41.0%*	
EBITDA	**1,236**	**1,352**	**1,015**	**1,298**	**1,760**	**1,849**	**1,340**	**1,444**	**4,901**	**6,393**	**1,472**	**26%**
Margin (%)	*21.0*	*22.6*	*18.3*	*20.8*	*25.3*	*25.4*	*21.0*	*21.0*	*20.7*	*23.3*	*22.0*	
Depreciation	118	128	138	180	138	144	150	170	564	603	140	
Interest	5	4	5	27	9	21	8	7	41	45	7	
Other Income	398	211	211	346	243	306	250	300	1,167	1,099	250	
PBT before EO expense	**1,511**	**1,431**	**1,084**	**1,437**	**1,855**	**1,990**	**1,432**	**1,568**	**5,462**	**6,845**	**1,575**	**26%**
Extra-Ord expense	-70	0	71	0	0	0	0	0	1	0	0	
PBT	**1,581**	**1,431**	**1,013**	**1,437**	**1,855**	**1,990**	**1,432**	**1,568**	**5,461**	**6,845**	**1,575**	
Tax	403	335	268	253	454	445	360	394	1,512	1,652	396	
Rate (%)	*25.5*	*23.4*	*26.5*	*17.6*	*24.5*	*22.3*	*25.1*	*25.1*	*27.7*	*24.1*	*25.1*	
MI & Profit/Loss of Asso. Cos.	7	10	5	9	19	23	8	8	31	58	8	
Reported PAT	**1,171**	**1,086**	**739**	**1,175**	**1,381**	**1,522**	**1,064**	**1,166**	**3,918**	**5,134**	**1,171**	
Adj PAT	**1,119**	**1,086**	**792**	**1,175**	**1,381**	**1,522**	**1,064**	**1,166**	**3,919**	**5,134**	**1,171**	**30%**
YoY Change (%)	*-1.4*	*-7.6*	*-4.3*	*20.7*	*23.4*	*40.2*	*34.4*	*-0.8*	*-4.5*	*31.0*	*7.9*	
Margin (%)	*19.0*	*18.2*	*14.3*	*18.8*	*19.9*	*20.9*	*16.7*	*17.0*	*16.6*	*18.7*	*17.5*	

Particulars	Revised		Previous		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Revenue (INR m)	27,494	30,247	26,189	28,811	5%	5%
EBITDA (INR m)	6,393	6,655	5,686	6,106	12%	9%
PAT (INR m)	5,134	5,380	4,573	4,934	12%	9%
EPS (INR)	167.4	175.5	149.2	160.9	12%	9%

Niva Bupa

Estimate change	↑
TP change	↓
Rating change	↔

Bloomberg	NIVABUPA IN
Equity Shares (m)	1849
M.Cap.(INRb)/(USDb)	142.8 / 1.5
52-Week Range (INR)	91 / 68
1, 6, 12 Rel. Per (%)	-1/-2/7
12M Avg Val (INR M)	163

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Revenue	78.3	97.7	121.1
Service result	2.1	5.0	5.9
PBT	4.6	7.7	9.0
PAT	3.7	5.7	6.8
Ratios (%)			
Claims	64.9	63.1	64.0
CISR	101.5	99.2	99.1
RoE	10.6	14.9	15.1
EPS (Rs)	2.0	3.1	3.7
Valuations			
P/E (x)	39.0	24.8	21.0
P/BV (x)	4.0	3.4	2.9

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	55.3	55.3	55.4
DII	15.8	16.2	15.3
FII	13.0	12.1	10.7
Others	15.9	16.4	18.6

FII includes depository receipts

CMP: INR77 TP: INR92 (+19%) Buy

Underwriting miss but PAT beat driven by investment income

- Niva Bupa's insurance revenue grew 27% YoY in 2QFY27 to INR24.1b (6% miss). For 1HFY27, insurance revenue grew 28% YoY. Gross premium grew 37% YoY to INR24.8b, while retail health GWP grew 47% YoY to INR18.8b.
- Combined insurance service ratio at 98.8% (est. 99%) improved 410bp YoY. Insurance service result was INR1.3b vs. INR455m in 2QFY26 (est. INR1.4b).
- Investment income at INR1.6b was 22% above our estimates. Higher-than-expected investment income led to a 23% beat in PAT, which jumped 125% YoY to INR1.4b. For 1HFY27, PAT grew ~108% YoY.
- Despite the higher base following GST exemption, Oct'26 retail growth remained in the 30% range, and the momentum is expected to continue. Rolling four-quarter post-tax RoE was 13.8%. Management continues to target mid-to high-teen RoE.
- We have increased our PAT estimates by 11%/7% for FY27/FY28, considering the 2QFY27 investment performance. However, the impact of final distribution regulations on growth and distribution economics remains a key monitorable. **We value the stock at 25x FY28E IFRS PAT to arrive at our revised TP of INR92. Reiterate BUY.**

Robust claims management drives claims ratio improvement

- Claims at INR15.2b grew 23% YoY (8% lower than est.), reflecting claims ratio of 63.1% (est. 64.6%), improving by 200bp YoY. Retail claims ratio improved 70bp YoY from 68.1% in 1HFY26 to 67.4% in 1HFY27.
- Operating expenses grew 22% YoY to INR7.2b (in line) in 2Q. For 1HFY27, opex ratio stood at 36.4% vs. 37.2% in 1HFY26. EoM was 34.7% in 1HFY27 vs. 38.4% in 1HFY26, which is below the regulatory threshold.
- Renewal rate for retail health indemnity products improved to 95.6% in 2QFY27 from 92.2% in 2QFY26.
- In terms of product mix, ~76% business was contributed by retail health, while group health contribution declined to 23% owing to a competitive pricing environment in the group health industry.
- Investment assets stood at INR105b as of 2QFY27 end, with investment yield at 7.6%. The solvency ratio was 2.03x.
- The average ticket size per policy (without 1/n) rose to INR30,349 in 1HFY27 from INR25,215 in 1HFY26. GWP contribution from the >INR1m sum insured rose to 93.2% in 1HFY27 from 83.8% in 1HFY26.
- The company's hospital network stood at 10,780 (vs. 10,507 as of 2QFY26 end), while the preferred partner network increased to 1,132 (vs. 855 as of 2QFY26 end).
- The channel mix remained diversified, with 33.5%/20.9%/7.8%/26.4%/ 10.7%/ 0.7% of the business being contributed by agents/banks/other corporate agents/brokers/direct/others in 2QFY27. The company added 17,000 agents in 2QFY27, taking the total agent count to 269,175. It added 3 banca partnerships in 2QFY27, taking the total partnerships to 137.

Key takeaways from the management commentary

- Policybazaar's growth may normalize toward market growth if distribution reforms are introduced, but the partnership will remain meaningful.
- Renewal business has a better combined ratio of ~97-98% vs. ~102-103% for new business, largely due to lower acquisition expenses.
- Higher sum-insured policies and improved ticket sizes, particularly supported by ReAssure 3.0, have strengthened the quality of new business.

Valuation and view

- Niva continued to report industry-leading growth in 2QFY27, supported by strong traction in retail health insurance and multi-channel distribution strategy. The growth in fresh retail business and claims management through wellness initiatives drove down the loss ratios. Operational efficiency has resulted in a gradual improvement in EoM ratios.
- We believe Niva has a strong position to harness the growth opportunity, with a strategic global partner, a growing customer base, a diversified channel mix, and innovative product offerings.
- We have increased our PAT estimates by 11%/7% for FY27/FY28, considering the 2QFY27 investment performance. However, the impact of final distribution regulations on growth and distribution economics remains a key monitorable. **We value the stock at 25x FY28E IFRS PAT to arrive at our revised TP of INR92. Reiterate BUY.**

Quarterly Performance

Y/E March	FY26				FY27				FY26	FY27E	2QFY27E	Act v/s Est. (%)	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Insurance revenue	**17,686**	**18,991**	**20,452**	**21,162**	**22,737**	**24,123**	**25,102**	**25,771**	**78,291**	**97,732**	**25,755**	**-6.3**	**27%**	**6%**
YoY growth (%)	37.7	33.0	35.9	30.5	28.6	27.0	22.7	21.8	34.1	24.8	35.6			
Claims	11,819	12,360	12,713	13,584	14,326	15,220	15,689	16,435	50,816	61,669	16,638	-8.5	23%	6%
Acquisition cost	5,601	5,563	7,147	6,165	6,945	7,262	7,782	7,332	24,136	29,320	7,340	-1.1	21%	5%
Insurance service expenses	**17,420**	**17,923**	**19,860**	**19,749**	**21,271**	**22,482**	**23,470**	**23,766**	**74,952**	**90,989**	**23,978**	**-6.2**	**23%**	**6%**
Net reinsurance expenses	190	186	522	300	458	381	452	465	1,198	1,755	361	5.7	103%	-17%
Insurance servce result	**76**	**882**	**70**	**1,113**	**1,009**	**1,260**	**1,180**	**1,540**	**2,141**	**4,988**	**1,417**	**-11.1**	**177%**	**25%**
Investment income	1,631	1,498	1,648	1,349	1,975	1,596	1,757	1,798	6,126	7,126	1,304	22.4	7%	-19%
Finance cost	91	94	92	91	92	93	92	92	367	369	92	1.0	0%	1%
Other income	2	4	1	9	5	18	-	-0	15	23	-		1113%	271%
Other expenses	639	1,471	608	572	1,060	966	1,029	1,050	3,290	4,105	1,159	-16.7	-7%	-9%
PBT	979	819	1,019	1,807	1,837	1,815	1,815	2,196	4,625	7,664	1,470	23.5	122%	-1%
Tax	265	215	279	214	459	459	454	544	972	1,916	367	24.9	116%	0%
PAT	**714**	**604**	**740**	**1,594**	**1,378**	**1,356**	**1,361**	**1,652**	**3,653**	**5,748**	**1,102**	**23.1**	**124%**	**-2%**
YoY growth (%)	101.2	151.5	23.4	90.8	92.9	124.1	84.7	3.7	79.9	57.4	82.4			
Ratios (%)														
Claims ratio	66.8	65.1	62.2	64.2	63.0	63.1	62.5	63.8	64.9	63.1	64.6	-150.6	-199.0	8.8
CISR	103.2	103.1	102.6	97.4	100.2	98.8	99.4	98.1	101.5	99.2	99.0	-21.8	-431.1	-144.1

Mahanagar Gas

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	MAHGL IN
Equity Shares (m)	99
M.Cap.(INRb)/(USDb)	104.7 / 1.1
52-Week Range (INR)	1284 / 900
1, 6, 12 Rel. Per (%)	-5/-6/-10
12M Avg Val (INR M)	339

Financials & Valuations (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	100.7	108.6	117.1
EBITDA	13.9	17.9	21.4
Adj. PAT	7.8	10.6	13.1
Adj. EPS (INR)	79.4	107.5	133.0
EPS Gr. (%)	-7.4	35.4	23.8
BV/Sh. (INR)	697.9	762.4	842.3
Ratios			
Net D:E	0.0	0.1	0.1
RoE (%)	11.8	14.7	16.6
RoCE (%)	11.5	13.9	15.5
Payout (%)	39.1	40.0	40.0
Valuation			
P/E (x)	13.5	10.0	8.0
P/BV (x)	1.5	1.4	1.3
EV/EBITDA (x)	7.8	6.3	5.3
Div. Yield (%)	2.9	4.0	5.0
FCF Yield (%)	0.0	0.0	0.0

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	32.5	32.5	32.5
DII	32.2	32.5	32.9
FII	23.5	23.2	23.6
Others	11.8	11.8	11.0

FII includes depository receipts

CMP: INR1,059 TP: INR1,400 (+32%) Buy

Volume resilience amid margin headwinds

- Mahanagar Gas (MAHGL)'s 2QFY27 EBITDA/scm came in 9% below our estimate at INR6.8/scm. On a QoQ basis, EBITDA/scm dipped by INR1.1/scm, as an INR1.7/scm increase in realization was more than offset by higher gas cost and opex of INR2.5/scm and INR0.3/scm, respectively. Total volumes were in line with our estimate at 4.9mmscmd (+6% YoY), with CNG/D-PNG volumes growing 9%/10% YoY, while I&C-PNG declined 8% YoY. Reported EBITDA stood 10% below our estimate at INR3b (-10% YoY). PAT, adjusted for impairment loss of INR173m, stood 22% below our estimate at INR1.5b.
- **Things we liked about the result:** 1) priority-segment growth remained healthy, with CNG and D-PNG together growing ~9.5% in 1HFY27 and small commercial growing ~12% YoY; 2) under the new consumption-linked HPHT allocation formula, MAHGL's allocation should rise ~3-3.5x to ~16,000-18,000mmbtu/d at full implementation, from ~5,000-6,000mmbtu/d earlier. Allocation starts at ~7,000mmbtu/d and rises by ~2,500mmbtu/d every 2-3 months; 3) spot LNG exposure remained limited at ~2-3% in 2QFY27, while ~40,000mmbtu of new, largely HH-linked term gas has also started flowing, with MAHGL contracting above its requirement to buffer supply cuts; 4) I&C margins were flat to slightly up QoQ, as a ~25% QoQ rise in commercial realization offset weaker industrial realization; and 5) management guided volume growth of >8-9% for FY27 and FY28, provided I&C supply normalizes.
- **Key monitorables:** 1) recovery in I&C-PNG volumes remains key after an 8% YoY decline, driven by supply curtailment amid the West Asia crisis and pricing weighing on offtake; 2) industrial and large-customer realizations declined QoQ as linked FO/LDO prices fell ~6-15%, so I&C margins remain sensitive to alternate fuel prices; 3) with 1HFY27 capex at INR6.43b, meeting the FY27 guidance of INR15-18b requires a sharp 2H ramp-up, with manpower and material availability remaining constraints; and 4) gas prices may remain volatile in the near term amid continued uncertainty around Hormuz.
- **Valuation and view:** We model MAHGL's volumes to clock a 9% CAGR over FY26-29 and estimate an EBITDA margin of INR7.7/INR9/INR9.8 per scm in FY27/28/29. MAHGL currently trades at 10x FY28E SA P/E. We value MAHGL at 13x Dec'27 P/E, resulting in a TP of INR1,400. **Reiterate BUY.**

Miss due to a higher-than-estimated increase in gas costs

- Total **volumes were in-line with our estimate at 4.9mmscmd** (+6% YoY).
  - CNG/D-PNG volumes clocked 9%/10% YoY growth, whereas I&C PNG declined 8% YoY.
- **EBITDA/scm came in 9% below our estimate at INR6.8/scm**.
  - On a sequential basis, EBITDA/scm decreased by INR1.1/scm as the INR1.7/scm increase in realization was offset by higher gas cost/opex of INR2.5/INR0.3 per scm.
  - Reported EBITDA was 10% below our est. at INR3b (-10% YoY).
- MAHGL's reported PAT also stood 28% below our est. at INR1.4b (-29% YoY). Adjusted PAT stood 22% below estimates at INR1.5b.

- During the quarter, the company recognized an impairment loss of INR173.3m on its INR845m investment in 3EV Industries (EV manufacturing/retrofitment) as an exceptional item, following a fair value assessment.
- Depreciation and interest came in above our estimate, while other income was below our estimate.

Valuation and view

- We expect a 9% CAGR in volume over FY26-29, driven by multiple initiatives implemented by the company, such as collaborating with OEMs and transporters to drive conversions of commercial CNG vehicles and providing guaranteed price discounts to new I/C-PNG customers.
- MAHGL currently trades at 10x FY28E SA P/E. We value MAHGL at 13x Dec'27 P/E, resulting in a TP of INR1,400/sh. **Reiterate BUY.**

Standalone - Quarterly Earnings **(INR m)**

Y/E March	FY26				FY27				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net Sales	**20,814**	**20,493**	**20,583**	**20,512**	**23,717**	**25,371**	**26,318**	**25,335**	**82,402**	**100,742**	**25,275**	**0%**
YoY Change (%)	25.0	14.7	11.5	4.5	13.9	23.8	27.9	23.5	13.5	22.3	23.3	
EBITDA	**5,007**	**3,380**	**3,521**	**2,603**	**3,430**	**3,048**	**3,619**	**3,781**	**14,511**	**13,878**	**3,388**	**-10%**
EBITDA/SCM	12.4	8.0	8.3	6.2	7.9	6.8	7.8	8.2	8.7	7.7	7.5	
Margins (%)	24.1	16.5	17.1	12.7	14.5	12.0	13.8	14.9	17.6	13.8	13.4	
Depreciation	959	1,038	1,034	1,061	1,086	1,163	1,135	1,157	4,092	4,540	1,108	
Interest	45	50	63	48	57	76	77	78	206	288	64	
Other Income	319	289	294	290	304	235	347	485	1,192	1,371	339	
PBT before EO expense	**4,322**	**2,580**	**2,718**	**1,785**	**2,591**	**2,044**	**2,754**	**3,032**	**11,405**	**10,420**	**2,555**	**-20%**
Extra-Ord expense	0	0	0	0	0	-173	0	0	0	-173	0	
PBT	**4,322**	**2,580**	**2,718**	**1,785**	**2,591**	**1,871**	**2,754**	**3,032**	**11,405**	**10,247**	**2,555**	**-27%**
Rate (%)	26.1	25.1	25.7	26.1	25.2	26.7	25.2	24.1	25.8	25.2	25.2	
Reported PAT	**3,196**	**1,934**	**2,020**	**1,319**	**1,937**	**1,370**	**2,061**	**2,300**	**8,468**	**7,668**	**1,912**	**-28%**
Adj PAT	**3,196**	**1,934**	**2,020**	**1,319**	**1,937**	**1,497**	**2,061**	**2,300**	**8,468**	**7,797**	**1,912**	**-22%**
YoY Change (%)	10.5	-32.6	-9.4	-45.6	-39.4	-22.6	2.0	74.3	-18.7	-7.9	-1.1	
Margins (%)	15.4	9.4	9.8	6.4	8.2	5.9	7.8	9.1	10.3	7.7	7.6	
Sales Volumes (mmscmd)												
CNG	3.2	3.3	3.3	3.3	3.5	3.6	3.6	3.6	3.3	3.6	3.5	0%
PNG - Domestic	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.6	0.6	0.6	2%
PNG - Industrial/ Commercial	0.7	0.8	0.7	0.7	0.6	0.7	0.8	0.8	0.7	0.8	0.8	-8%
PNG - Total	1.3	1.3	1.3	1.3	1.3	1.3	1.5	1.5	1.3	1.4	1.4	-3%
Total Volumes	**4.5**	**4.6**	**4.6**	**4.7**	**4.8**	**4.9**	**5.1**	**5.1**	**4.6**	**5.0**	**4.9**	**-1%**

Jain resources

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	JAINREC IN
Equity Shares (m)	345
M.Cap.(INRb)/(USDb)	96.6 / 1
52-Week Range (INR)	594 / 264
1, 6, 12 Rel. Per (%)	-8/-40/-19
12M Avg Val (INR M)	853

Financials & Valuations (INR b)

Y/E Mar	FY26	FY27E	FY28E
Sales	95.4	146.9	173.5
Adj. EBITDA	5.6	6.8	8.8
Adj. EBITDA Margin (%)	3.5	4.8	6.3
Adj. PAT	5.9	4.7	5.1
Cons. Adj. EPS (INR)	10.2	13.8	18.2
EPS Gr. (%)	58.8	35.3	31.9
BV/Sh. (INR)	45.2	59.1	77.3
Ratios			
Net D:E	0.6	0.5	0.3
RoE (%)	30.8	26.5	26.7
RoCE (%)	18.9	18.3	20.0
Valuations			
P/E (x)	27.4	20.3	15.4
EV/EBITDA (x)	19.1	15.9	12.2

Shareholding pattern (%)

As on	Sep-26	Jun-26	Sep-25
Promoter	73.6	73.6	73.6
DII	9.6	9.7	6.4
FII	0.8	1.2	6.4
Others	16.0	15.5	13.6

Note: FII includes depository receipts

CMP: INR280 **TP: INR390 (+39%)** **Buy**

West Asia crisis hurts lead scrap availability

Operating performance in line

- Jain Resource Recycling (JAINREC) reported a 13% YoY decline in EBITDA, as constrained scrap availability and elevated logistics costs weighed on the lead segment, with volumes declining 32% YoY. However, copper and aluminum volumes grew 74% and 78% YoY, respectively, partially cushioning the weakness in lead.
- For the second consecutive quarter, copper's EBITDA margin came in within its normalized range and stood at INR35/kg in 1HFY27. Profitability in the copper segment is likely to improve further as the cathode, wire rod, and busbar facilities are commercialized. In lead, the company has strengthened its domestic sourcing network and diversified overseas procurement to improve scrap availability, with about four months of raw material visibility. An easing of shipping disruptions through the Strait of Hormuz will be a big positive for its lead segment.
- We largely maintain our FY27/FY28 estimates and **reiterate our BUY rating on the stock with a TP of INR390 (premised on 21x FY28E EPS).**

Robust copper and aluminum volume growth; lead remains under pressure

- Consolidated revenue grew 58% YoY to INR33.3b (est. INR30.1b) in 2Q.
- JAINREC's EBITDA declined 13% YoY to INR1.4b (est. INR1.4b). EBITDA margins contracted ~340bp YoY to 4% (est. 4.7%) due to a gross margin contraction of ~470bp YoY to 6.4%. Blended EBITDA/MT declined 15% YoY to INR24,622 in 2QFY27.
- JAINREC's adj. PAT declined 6.5% YoY to INR928m (est. INR1b).
- The lead business revenue fell 20% YoY to INR8.1b in 2Q. Volumes stood at 34.8KMT (down 22% YoY), and EBITDA/MT was INR19,310 (-13% YoY).
- The copper business revenue grew 2x YoY to INR20.2b, volumes stood at 16.4KMT (up 74% YoY), and EBITDA/MT stood at INR37,237 (-40% YoY).
- The aluminum business revenue grew 26% YoY to INR827m. Volumes stood at 2.5KMT, up 78% YoY. EBITDA/MT stood flat at INR21,204.
- The copper value-added product revenue stood at INR3.4b,while volumes stood at 2.6KMT and EBITDA/MT stood at INR14,434
- In 1HFY26, JAINREC's revenue/adj .PAT grew 65%/4% YoY to INR60.6b/ INR2.5b, while EBITDA declined 1% YoY to INR2.5b
- JAINREC's NWC reduced to 49 days in 1HFY27 from 66 days as of FY26, led by reduction in inventory days as domestic scrap sourcing rose to 39%.

Highlights from the management commentary

- **Guidance and outlook:** JAINREC expects FY27 revenue growth of over ~30%, supported by new capacity commissioning, higher volumes, and increasing downstream value addition. Copper profitability per tonne should improve as downstream facilities stabilize. Raw material sourcing visibility extends to about four months, and the working-capital cycle is expected to remain broadly within 50-70 days (vs 49 days as of Sep'26).
- **Ahmedabad and Kuwait projects:** The Ahmedabad JV has commenced commercial operations, with scrap-processing capacity of 71kMT annually and potential copper output of 25kMT, strengthening sourcing and processing capabilities in western India. The Kuwait project remains focused on raw-material security; machinery is ready, and improved availability of specialized containers should enable shipment within 30 days, followed by installation at the prepared site.
- **Copper value-added segment:** Both anode phases have been commissioned, taking capacity to 1,600MT/month. Cathode Phase I (750MT/month) was expected to start production from 4th Nov'26, with Phase II (750MT/month) targeted for 4QFY27. Wire rod (600MT/month) and busbar/profile (1,500MT/month) facilities are targeted for 3QFY27 commissioning. About 70% of cathode output is intended for captive downstream consumption, with value addition expected to provide an average profitability uplift of ~2-3%, depending on the product mix, alongside better cost absorption as utilization improves.

Valuation and view

- As a leading player in India's rapidly growing recycling industry, JAINREC is on a growth trajectory, aided by rising demand for recycled/green metals and a regulatory shift favoring organized players, along with demand growth for lead and copper in India outpacing global growth.
- Further, to move up the value chain and capitalize on the strong long-term demand outlook for copper, driven by renewable energy, data centers, and EVs, JAINREC is focusing on higher-value copper products, which are expected to expand margins and improve earnings visibility.
- We expect a CAGR of 35%/25%/34% in revenue/EBITDA/PAT over FY26-28. **We value the stock at 21x FY28 EPS to arrive at our TP of INR390; reiterate BUY.**

Consolidated - Quarterly Earnings Model (INR m)

	FY26				FY27				FY26	FY27E	FY27 2QE	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Gross Sales	**15,493**	**21,137**	**27,752**	**31,050**	**27,245**	**33,370**	**44,814**	**41,496**	**95,431**	**1,46,925**	**30,167**	**11%**
YoY Change (%)	3.5	51.8	55.8	76.4	75.9	57.9	61.5	33.6	48.4	54.0	42.7	
Gross Profit	1,560.9	2,344.5	2,822.4	1,461.9	1,697.2	2,124.8	4,481.4	4,078.1	8,189.7	12,381.6	2,715.1	
Total Expenditure	14,592	19,537	25,763	29,950	26,149	31,982	42,603	39,344	89,842	1,40,078	28,744	
EBITDA	**901**	**1,600**	**1,989**	**1,100**	**1,095**	**1,388**	**2,211**	**2,153**	**5,589**	**6,847**	**1,423**	**-2%**
Margins (%)	5.8	7.6	7.2	3.5	4.0	4.2	4.9	5.2	5.9	4.7	4.7	
Depreciation	30	33	38	44	44	58	60	60	145	222	46	
Interest	162	275	258	262	189	208	280	340	957	1,017	240	
Other Income	72	61	54	97	91	129	175	190	284	585	128	
PBT before EO expense	**780**	**1,353**	**1,747**	**890**	**954**	**1,252**	**2,046**	**1,942**	**4,770**	**6,193**	**1,265**	
Extra-Ord expense	0	0	0	0	0	23	0	0	0	-23	0	
PBT	**780**	**1,353**	**1,747**	**890**	**954**	**1,228**	**2,046**	**1,942**	**4,770**	**6,217**	**1,265**	
Tax	203	359	449	227	245	321	406	385	1,239	1,357	270	
Rate (%)	26.0	26.6	25.7	25.5	25.7	26.1	19.8	19.8	26.0	21.8	21.3	
MI & Profit/Loss of Asso. Cos.	-2	-2	-3	-3	-13	3	-22	-34	-9	-9	20	
Reported PAT	**575**	**992**	**1,295**	**660**	**696**	**911**	**1,618**	**1,523**	**3,522**	**4,748**	**1,015**	
Adj PAT	**575**	**992**	**1,295**	**660**	**696**	**928**	**1,618**	**1,523**	**3,522**	**4,765**	**1,015**	**-9%**
YoY Change (%)	-4.2	77.7	150.2	21.8	21.0	-6.5	25.0	130.6	58.8	35.3	2.3	
Margins (%)	3.7	4.7	4.7	2.1	2.6	2.8	3.6	3.7	3.7	3.2	3.4	

Bata India

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	BATA IN
Equity Shares (m)	129
M.Cap.(INRb)/(USDb)	81.7 / 0.9
52-Week Range (INR)	1081 / 600
1, 6, 12 Rel. Per (%)	-3/-11/-34
12M Avg Val (INR M)	232

Financials & Valuations (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	37.2	39.8	43.1
EBITDA	7.7	8.6	9.6
Adj. PAT	2.1	2.5	3.3
EBITDA Margin (%)	20.7	21.5	22.3
Adj. EPS (INR)	16.5	19.8	25.6
EPS Gr. (%)	3.1	20.1	29.2
BV/Sh. (INR)	129.1	135.0	142.7
Ratios			
Net D:E	0.2	0.1	-0.1
RoE (%)	13.0	15.0	18.4
RoCE (%)	10.5	12.0	14.5
RoIC (%)	12.4	15.4	20.6
Valuations			
P/E (x)	38.4	32.0	24.7
EV/EBITDA (x)	11.4	10.0	8.6
EV/Sales (X)	2.4	2.1	1.9
Div. Yield (%)	1.8	1.8	1.8

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	50.2	50.2	50.2
DII	26.1	27.2	29.4
FII	5.8	6.4	6.9
Others	17.9	16.2	13.6

FII includes depository receipts

CMP: INR633 TP: INR615 (-3%) Neutral

Earnings recovery underway; topline acceleration remains key; reiterate Neutral

- Bata India delivered 8% revenue growth in 2QFY27, driven largely by 5–6% ASP growth from premiumization, while volume growth remained marginal.
- Gross margin expanded ~70–80bp after adjusting for the channel mix, supported by fresher inventory and higher full-price sales (86% vs. 77%).
- Franchise and distribution channels grew double digits, with I&D rising in mid-teens, supporting the shift toward an asset-light model. While the mix dilutes reported gross margin, it is EBIT-accretive and less capital-intensive, supporting improvement in RoCE as contribution increases.
- Festive trading has improved, while new global product lines, particularly sneakers, are expected in 2HFY27. These should support volume growth, but a sustained recovery will depend on stronger LFL growth.
- We, therefore, retain a measured earnings recovery, forecasting FY26–28 revenue/pre-IND AS EBITDA/adj. PAT CAGR of 7%/15%/19% on a low base. **Reiterate Neutral with a TP of INR615 at 25x Dec'28E EPS.**

Revenue accelerates on distribution; inventory gains lift full-price sales, opex caps EBITDA

- Revenue grew 8% YoY to INR8.6b (5% ahead). Growth was led by double-digit growth in the distribution (I&D) channel, while e-commerce grew 5% YoY.
- Gross margin expanded 5bp YoY to 55.5% (45bp ahead), despite a 60bp drag from the channel mix.
  - Full-price sales rose to 86% (vs. 77% in 2QFY26) on fresher inventory. **Gross profit grew 8% YoY to INR4.8b (6% ahead).**
- Employee costs rose 9% YoY, reversing the declines of recent quarters. SG&A grew 13% YoY (10% above estimates) on campaign-led A&P and INR69m of one-offs (forex loss on license fees and a fixed-asset write-off). Excluding the one-offs, SG&A grew ~10% YoY.
- **EBITDA declined 1% YoY** to INR1.4b (2% ahead), with margin contracting 140bp YoY to 16.7% (55bp miss).
  - Adjusted for the one-offs, EBITDA grew ~4% YoY at a ~17.5% margin (down ~60bp YoY).
- Depreciation was flat YoY at INR1.0b and finance costs declined 4% YoY. Other income fell 16% YoY on lower surplus cash.
- Adjusted PAT declined 18% YoY to INR181m (17% ahead). Underlying PBT (ex-one-offs) rose ~4% YoY.
- Reported PAT grew 31% YoY, supported by an INR83m VRS charge in the base quarter.
- 1HFY27 revenue grew 6% YoY to INR18.4b, with gross margin expanding 75bp YoY to 55.1%.
  - EBITDA grew 1% YoY to INR3.5b, with margin contracting 80bp YoY to 18.9%.
  - Pre-IND AS EBITDA stood at INR1b, declining 20%, with margins at 5.7% (down 180bp YoY).
  - Adjusted PAT grew 4% YoY to INR821m.

Working capital and cash flow analysis

- Inventory days held at 73 (vs. 83 in 1HFY26), with absolute inventory down 7% YoY to INR7.2b. Stock turns improved to 2.6x (vs. 2.2x).
- Receivables grew 41% YoY, lifting receivable days to 23 (vs. 17), likely due to faster distribution growth. Payable days fell to 37 (vs. 40).
- Pre-Ind AS operating cash flow was INR248m in 1HFY27, weighed by a INR764m working capital outflow. After INR401m of capex, FCFF was negative at INR153m.

Key takeaways from the management commentary

- Profitability is improving ahead of sales, supported by lower markdowns, better inventory quality, employee-cost efficiencies, and a favorable channel mix. Premium products continued to outperform.
- Redesigned product funnel is now entering stores, with a broader rollout planned over the next few quarters. Greater design authority, comfort, technology, and premiumization should broaden the proposition while supporting higher ASPs and gross margins.
- ZBM has achieved broad penetration across the COCO network, with 775 stores contributing ~80% of retail revenue, d**riving better proposition and merchandising productivity.** ZBM 2.0 is now focused on building further gains through a sharper assortment.
- Franchise is also scaling, with 750 stores and 600 newly identified trade areas.
- Further, manufacturing consolidation and employee-cost initiatives are improving efficiency, while higher marketing spends support the new product cycle.

Valuation and view

- The turnaround is gaining traction, with cleaner inventory, higher full-price sales, improved ZBM store productivity, and franchise expansion strengthening merchandise economics. New leadership's focus on consumer-led assortment, product innovation, and youth relevance addresses Bata's key gap in connecting with younger consumers.
- However, the recovery remains ASP-led, with marginal volume growth and opex outpacing revenue, limiting operating leverage. A sustained re-rating will require evidence of volume-led growth from the new product cycle.
- We, therefore, retain a measured earnings recovery, forecasting FY26–28E revenue/pre-IND AS EBITDA/adj. PAT CAGR of 7%/15%/19% on a low base. **Reiterate Neutral with TP of INR615 at 25x Dec'28E EPS.**

Consolidated quarterly earnings **(INR m)**

Y/E March	FY26				FY27E				FY26	FY27	FY27E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			1QE	Var (%)
Revenue	**9,419**	**8,013**	**9,447**	**8,276**	**9,789**	**8,618**	**9,941**	**8,843**	**35,155**	**37,191**	**8,174**	**5.4**
YoY Change (%)	-0.3	-4.3	2.8	5.1	3.9	7.5	5.2	6.9	0.8	5.8		
Gross Profit	5,038	4,439	5,291	4,670	5,360	4,780	5,517	4,983	19,434	20,641	4,495	6.3
Gross margin%	53.5	55.4	56.0	56.4	54.8	55.5	55.5	56.3	55.3	55.5	55.0	1
Total Expenditure	7,430	6,564	7,326	6,544	7,750	7,179	7,654	6,928	27,868	29,511	6,764	6.1
EBITDA	**1,988**	**1,449**	**2,120**	**1,732**	**2,040**	**1,439**	**2,286**	**1,915**	**7,287**	**7,680**	**1,410**	**2.0**
EBITDA margin	21.1	18.1	22.4	20.9	20.8	16.7	23.0	21.7	20.7	20.7	17.3	-3
Change YoY (%)	7.5	-17.0	6.3	-1.2	2.6	-0.7	7.8	10.6	-0.7	5.4		
Depreciation	1,061	1,050	1,040	1,050	1,034	1,048	1,079	1,064	4,201	4,225	1,082	-3.2
Interest	349	338	323	336	327	324	362	317	1,346	1,354	349	-7.2
Other Income	170	214	210	195	180	181	205	154	786	729	228	-20.8
PBT before EO expense	**748**	**276**	**968**	**541**	**859**	**247**	**1,050**	**688**	**2,526**	**2,831**	**207**	**19.6**
Extra-Ord expense	48	83	79	505	0	0	0	0	714	0		
PBT	**701**	**193**	**889**	**36**	**859**	**247**	**1,050**	**688**	**1,812**	**2,831**	**207**	**19.6**
Tax	181	54	228	15	219	66	265	163	476	712	52	26.4
Rate (%)	25.8	28.0	25.6	42.6	25.5	26.6	25.2	23.7	26.3	25.2	25.2	
Reported PAT	**520**	**139**	**661**	**21**	**640**	**181**	**786**	**525**	**1,336**	**2,118**	**155**	**17.3**
Adj PAT	**568**	**222**	**740**	**525**	**640**	**181**	**786**	**525**	**2,055**	**2,132**	**155**	**17.3**
YoY Change (%)	-10	-57	11	21	13	-18	6	0	-9	4	-73	
Margins (%)	6.0%	2.8%	7.8%	6.3%	6.5%	2.1%	7.9%	5.9%	5.8%	5.7%	1.9%	

E: MOFSL Estimates

EPL

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	EPLL IN
Equity Shares (m)	320
M.Cap.(INRb)/(USDb)	71.9 / 0.8
52-Week Range (INR)	274 / 176
1, 6, 12 Rel. Per (%)	-10/0/17
12M Avg Val (INR M)	415

Financials & Valuations (INR b)

Y/E Mar	2026	2027E	2028E
Sales	47.6	57.4	63.6
EBITDA	9.7	11.3	12.9
PAT	4.1	4.9	6.2
EBITDA (%)	20.3	19.7	20.3
EPS (INR)	12.8	15.2	19.4
EPS Gr. (%)	13.4	18.8	27.7
BV/Sh. (INR)	89.4	99.7	114.2
Ratios			
Net D/E	0.2	0.1	-0.0
RoE (%)	15.7	16.1	18.2
RoCE (%)	15.5	15.4	17.5
Payout (%)	41.2	32.8	25.8
Valuations			
P/E (x)	17.5	14.7	11.5
EV/EBITDA (x)	8.0	6.7	5.4
Div Yield (%)	2.2	2.2	2.2
FCF Yield (%)	3.5	4.4	10.3

Shareholding pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	0.0	26.4	26.4
DII	23.9	13.8	10.0
FII	23.7	14.1	17.4
Others	52.4	45.7	46.2

Note: FII includes depository receipts

CMP: INR224 **TP: INR290 (+29%)** **Buy**

Pricing-led growth and B&C share gains keeps momentum intact

In-line operating performance

- EPL reported revenue growth of ~30% YoY in 2QFY27, supported by broad-based growth across geographies and categories. EAP led with 40% YoY growth, followed by Europe/AMESA/Americas at 30%/28%/25%. B&C/oral care grew 43%/19% YoY, with B&C becoming the largest category in Sep'26.
- EPL is well-positioned to sustain healthy revenue growth, supported by B&C expansion, steady oral care momentum, market-share gains and entry into high-growth markets. Pricing discipline should help EPL sustain underlying EBITDA margins at ~20%, and stabilization of European operations over the next two to three quarters should further support profitability. The proposed INDOVIDA merger, to be completion by 4QFY27, should broaden the addressable market and accelerate geographical expansion, with USD35-50m of synergies expected over three years after merger.
- We largely maintain our earnings estimates for FY27/FY28 and value the stock at 15x FY28E EPS to arrive at our TP of INR290. **Reiterate BUY.**

Strong revenue growth; however margins under pressure

- Consolidated revenue grew 30% YoY to INR15.7b (est. INR14.1b). Gross margin stood at 59.7% (down ~290bp YoY). EBITDA margins contracted ~250bp YoY to 18.4% (est. 19.6%). EBITDA stood at INR2.9b (est. in line), up 15% YoY.
- Adj. PAT grew 6% YoY to INR1.1b (est. INR1.3b).
- Revenue from AMESA/EAP/Americas/Europe grew 28%/40%/25%/30% YoY to INR5b/INR4.1b/INR4.4b/INR3.5b.
- EBIT margins for AMESA/EAP/AMERICA/EUROPE stood at 11.9%/15.7%/ 12.2%/2.6% in 2QFY27 vs. 11.4%/ 17.1%/13.4%/5.9% in 2QFY26.
- EBIT for AMESA/EAP/America grew 34%/29%/14% YoY, while EBIT for Europe declined 42% YoY.
- In 1H, revenue/EBITDA/PAT grew 28%/15%/2% YoY to INR29.6b/INR5.5b/ INR2.1b.
- CFO declined 16% YoY in 1H to INR2.5b. Gross debt stood at INR8.4b as of Sep'26 vs. INR7.1b as of Mar'26.

Highlights from the management commentary

- **Guidance:** EPL retained its near-term revenue growth guidance in the high teens, targeting close to 20% over the next two quarters, while maintaining its underlying EBITDA margin target of greater than 20%. Growth will be driven by B&C expansion, market share gains, new customer additions and entry into high-potential markets.

- **Capex:** EPS expects FY27 capex of INR6.3-7.0b, primarily for growth initiatives in B&C, including capacity expansion and advanced printing capabilities across key markets. Investments are largely brownfield, with capacity additions supporting new and existing customers. The company aims to improve capital efficiency as expanded capacities ramp up, with future capex expected to moderate over time.
- **Indovida synergy:** The proposed merger is expected to be completed in 4QFY27, subject to pending NCLT approval. Identified synergies remain at USD35-50m over three years, largely driven by growth opportunities and geographical expansion. The merged entity is expected to have low leverage of 0.20-0.25x debt/EBITDA, providing headroom for future acquisitions and expansion into broader consumer packaging segments.

Valuation and view

- EPL continues to deliver healthy operating performance across geographies, although Europe's profitability remains affected by operational challenges. Growth is supported by B&C market-share gains, product innovation, capacity expansion and reliable customer service, while sustainable tubes account for ~41% of the product mix. European operations are expected to stabilize over the next two to three quarters. The proposed INDOVIDA merger should further expand EPL's addressable market and accelerate its entry into Southeast Asia and Africa.
- We expect a CAGR of 16%/16%/23% in revenue/EBITDA/adjusted PAT over FY26-28. We value the stock at 15x FY28E EPS to arrive at our TP of INR290. **Reiterate BUY.**

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY26				FY27				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Gross Sales	**11,079**	**12,059**	**11,488**	**13,005**	**13,879**	**15,674**	**13,130**	**14,700**	**47,631**	**57,383**	**14,184**	**11%**
YoY Change (%)	10.0	11.0	13.3	17.6	25.3	30.0	14.3	13.0	13.0	20.5	17.6	
Total Expenditure	8,811	9,543	9,180	10,441	11,267	12,794	10,313	11,730	37,975	46,104	11,403	
EBITDA	**2,268**	**2,516**	**2,308**	**2,564**	**2,612**	**2,880**	**2,816**	**2,970**	**9,656**	**11,279**	**2,781**	**4%**
Margins (%)	20.5	20.9	20.1	19.7	18.8	18.4	21.5	20.2	20.3	19.7	19.6	
Depreciation	896	944	968	1,042	1,094	1,134	1,200	1,200	3,850	4,628	1,095	
Interest	281	285	288	293	291	328	134	134	1,147	888	150	
Other Income	80	119	145	90	36	100	100	165	434	401	90	
PBT before EO expense	**1,171**	**1,406**	**1,197**	**1,319**	**1,263**	**1,518**	**1,582**	**1,801**	**5,093**	**6,164**	**1,626**	
Extra-Ord expense	0	0	120	162	26	0	0	0	282	26	0	
PBT	**1,171**	**1,406**	**1,077**	**1,157**	**1,289**	**1,518**	**1,582**	**1,801**	**4,811**	**6,190**	**1,626**	
Tax	159	348	237	123	283	411	254	290	867	1,238	317	
Rate (%)	13.6	24.8	22.0	10.6	22.0	27.1	16.1	16.1	18.0	20.0	19.5	
MI & Profit/Loss of Asso. Cos.	-12	-15	-23	-5	-20	-6	-17	-17	-55	-60	-15	
Reported PAT	**1,000**	**1,043**	**817**	**1,029**	**986**	**1,101**	**1,311**	**1,494**	**3,889**	**4,892**	**1,294**	
Adj PAT	**1,000**	**1,043**	**907**	**1,151**	**967**	**1,101**	**1,311**	**1,494**	**4,101**	**4,873**	**1,294**	**-15%**
YoY Change (%)	55.8	19.9	-3.0	-1.7	-3.4	5.6	44.5	29.9	13.4	18.8	24.1	
Margins (%)	9.0	8.6	7.9	8.8	7.0	7.0	10.0	10.2	8.6	8.5	9.1	

Jyothy Laboratories

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	JYL IN
Equity Shares (m)	367
M.Cap.(INRb)/(USDb)	69.5 / 0.7
52-Week Range (INR)	319 / 171
1, 6, 12 Rel. Per (%)	-3/-29/-34
12M Avg Val (INR M)	164

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Net Sales	30.6	33.1	35.6
Sales Gr. (%)	4.0	8.1	7.5
EBITDA	2.9	4.7	5.1
EBITDA Margins (%)	9.5	14.1	14.3
Adj PAT	2.2	3.5	3.9
Adj. EPS (INR)	6.0	9.7	10.6
EPS Gr. (%)	-33.4	60.0	9.6
BV/Sh (INR)	42.8	45.9	49.9
Ratios			
RoE (%)	14.0	21.8	22.1
RoCE (%)	13.8	21.3	21.6
Payout (%)	108.2	67.6	61.7
Valuation			
P/E (x)	31.1	19.5	17.7
P/BV (x)	4.4	4.1	3.8
EV/EBITDA	22.4	13.7	12.2
Div. Yield (%)	2.9	2.9	2.9

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	62.9	62.9	62.9
DII	9.9	13.4	16.1
FII	14.5	12.1	12.1
Others	12.8	11.6	8.9

FII includes depository receipts

CMP: INR189 **TP: INR180 (-5%)** **Neutral**

Disappointing quarter; outlook remains muted

- Jyothy Laboratories (JYL) reported 2QFY27 revenue growth of 3.3% YoY to INR7,600m (in line), while volume declined marginally. Excluding Pril/FA, value and volume growth stood at 12% and 8%, respectively. Fabric Care remained the key growth driver, growing 10% in value and 6% in volumes, led by liquid detergents (up >50%) and continued traction in powders and bars. Home Care revenue declined 7%; however, adjusting Pril/FA, growth was 15% in value. Exo delivered 20% growth. Personal Care grew 11% in value, largely supported by pricing.
- Gross margin contracted by a steep 1,300bp YoY to 34.8% (est. 41.5%; 38.5% in 1QFY27), reflecting an unprecedented increase in raw material and packaging costs. Due to limited pricing power in Jyothy's brands, GM is vulnerable in a cost inflation phase. Management indicated that RM/PM inflation had an ~18% impact on gross margin, partly offset by ~4% pricing and mix, leaving a net impact of ~13%. The pressure was further exacerbated by the flow-through of high-cost inventory. RM pressure and operating deleverage compounded the impact, resulting in an 84% YoY decline in EBITDA to INR192m (est. INR610m), with EBITDA margin contracting 1,360bp to 2.5% (est. 8.2%).
- We remain cautious on JYL's near-term outlook and believe its growth is constrained by the surge in input costs. This, coupled with elevated competitive intensity from category leaders, could constrain JYL's growth and margin. Overall, we remain cautious on JYL's margin trajectory and foresee limited earnings growth visibility. **We reiterate our Neutral rating on the stock with a TP of INR180 (premised on 18x Sep'28E EPS).**

Sharp miss in operating performance

- **In-line revenue:** Revenue grew 3% YoY to INR7,600m (est. INR7,398m). Excluding Pril and FA (discontinued effective 31st May'26), underlying value/volume growth stood at 12.4%/8.1%.
- **Fabric Care remains key revenue growth driver:** Fabric Care grew 10.4% in value, led by volume growth of 6.4%, with broad-based traction in liquid detergents, powders and bars. Home Care revenue fell 7% YoY. However, excluding Pril, the segment delivered value/volume growth of 15.3%/13.1%, led by Exo franchise and expanding distribution. Personal Care revenue grew 11.2% YoY, while volumes fell marginally, reflecting pricing actions and a favorable comparative base following last year's GST transition.
- **RM inflation leads to sharp margin contraction:** Gross margin contracted 1,300bp YoY to 34.8% (est. 41.5%; 38.5% in 1Q), with gross profit down 25% YoY. Steep inflation in crude, palm oil, chemicals and packaging materials weighed on profitability. Employee and other expenses rose 6% and 11%, respectively, while advertising spends declined 8%. The sharp gross margin pressure, coupled with operating deleverage, resulted in EBITDA declining 84% YoY to INR192m (est. INR610m), with EBITDA margin contracting 1,360bp to 2.5% (est. 8.2%).

- **Sharp decline in profitability:** PBT declined 86% YoY to INR164m (est. INR612m), while adjusted PAT fell 88% to INR106m (est. INR459m). At the segment level, Fabric Care EBIT declined 67% YoY, while Home Care reported an EBIT loss of INR128m vs. a profit of INR390m in 2QFY26 and INR81m profit in 1QFY27. Personal Care EBIT grew 15% YoY.
- In 1HFY27, revenue grew 3%, whereas EBITDA/APAT fell 65%/68% YoY. Excl. Pril & FA, value growth was 10.2% and volume growth was 6.2%.
- The company has announced a buyback for 1.86% of its total paid-up equity share capital at INR215/share, aggregating to INR1,470m.

Highlights from the management commentary

- Consumer demand was relatively resilient in 2QFY27, with rural markets continuing to outperform urban markets, although urban consumption is showing signs of gradual recovery. The deficient monsoon has, however, raised concerns around agricultural output, food inflation and rural purchasing power.
- General Trade remained subdued, while Modern Trade sustained double-digit growth and e-commerce and quick commerce maintained strong momentum.
- High-cost finished goods held in inventory continued to affect margins during the quarter. Commodity prices softened in July and early August, but renewed inflationary pressure in October has added to near-term uncertainty.
- The medium-term revenue aspiration of INR50b remains intact vs. a current run-rate of ~INR30b. It will be driven by NPDs and acquisitions.

Valuation and view

- We cut our EPS estimates by 18% for FY27 and 6% for FY28 on a margin miss due to an increase in RM prices.
- We remain cautious on JYL's near-term outlook and believe its growth is constrained by the surge in input costs. This, along with elevated competitive intensity from category leaders, could constrain growth and margin. Overall, we remain cautious on JYL's margin trajectory and foresee limited earnings growth visibility.
- **We reiterate our Neutral rating on the stock with a TP of INR180 (premised on 18x Sep'28E P/E).**

Consolidated Quarterly Performance

Y/E March	FY26				FY27E				FY26	FY27E	FY27E 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Volume growth (%)	3.60%	2.80%	7.20%	10.80%	0.00%	-1.00%	-1.00%	-1.00%	8.00%	4.00%	-1.00%	
Net Sales	**7,512**	**7,361**	**7,396**	**7,174**	**7,734**	**7,600**	**7,703**	**7,575**	**29,443**	**30,613**	**7,398**	2.7
YoY change (%)	1.3	0.3	5	7.6	3	3.3	4.1	5.6	3.4	4	0.5	
Gross Profit	**3,608**	**3,537**	**3,440**	**3,240**	**2,981**	**2,643**	**2,735**	**3,122**	**13,824**	**11,480**	**3,070**	-13.9
Margins (%)	48	48.1	46.5	45.2	38.5	34.8	35.5	41.2	47	37.5	41.5	
EBITDA	**1,242**	**1,183**	**1,107**	**968**	**647**	**192**	**753**	**1,330**	**4,499**	**2,922**	**610**	-68.5
EBITDA growth %	-7	-14.6	-4.4	-13.6	-47.9	-83.8	-32	37.5	-10	-35.1	-48.5	
Margins (%)	16.5	16.1	15	13.5	8.4	2.5	9.8	17.6	15.3	9.5	8.2	
Depreciation	147	152	155	158	162	171	164	158	612	655	163	
Interest	13	14	11	12	12	13	12	16	50	52	14	
Other Income	194	170	154	158	177	156	190	220	676	743	180	
PBT	**1,275**	**1,187**	**1,095**	**955**	**650**	**164**	**767**	**1,377**	**4,512**	**2,957**	**612**	-73.2
Tax	307	309	283	280	173	58	192	316	1,180	739	153	
Rate (%)	24.1	26.1	25.9	29.3	26.7	35.3	25	23	26.2	25	25	
Adjusted PAT	**968**	**878**	**811**	**675**	**476**	**106**	**575**	**1,060**	**3,332**	**2,218**	**459**	-76.9
YoY change (%)	-4.8	-16.4	-7.2	-16.2	-50.8	-87.9	-29.1	57	-11.1	-33.4	-47.7	

E: MOFSL Estimates

V2 Retail

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	VREL IN
Equity Shares (m)	365
M.Cap.(INRb)/(USDb)	54.4 / 0.6
52-Week Range (INR)	259 / 145
1, 6, 12 Rel. Per (%)	-33/-26/-33
12M Avg Val (INR M)	318

Financials & Valuations (INR b)

Y/E MARCH	FY27E	FY28E	FY29E
Sales	44.3	60.1	74.8
EBITDA	6.5	8.9	11.2
Adj. PAT	2.0	2.8	4.0
EBITDA Margin (%)	14.6	14.9	15.0
Adj. EPS (INR)	5.4	7.6	11.0
EPS Gr. (%)	31.3	41.8	43.6
Ratios			
Net D:E	1.5	1.2	0.8
RoE (%)	17.9	20.2	22.5
RoCE (%)	23.0	28.9	35.7
Payout (%)	-	-	-
Valuations			
P/E (x)	27.7	19.5	13.6
EV/EBITDA (x)	11.0	7.9	7.8
EV/Sales (X)	1.6	1.2	0.9

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	51.4	51.4	54.2
DII	12.2	10.7	7.1
FII	3.7	3.1	2.1
Others	32.6	34.8	36.6

FII includes depository receipts

CMP: INR149 TP: INR200 (+35%) Buy

Structural growth intact; near-term execution remains key

- V2 Retail's 2QFY27 revenue grew 28% YoY, driven by ~65% YoY growth in retail area and 31% YoY volume growth. Normalized SSSG stood at ~0.5% (reported: -14.9%), as Durga Puja and the wedding season shifted into 3Q, with ~60% of stores Puja-impacted.
- Gross margin expanded ~310bp YoY to 31.1% on lower discounting, driving a ~41% YoY rise in reported EBITDA (~20% beat), with margin up ~120bp YoY to 13.3%. Pre-IND AS margin, however, contracted ~40bp YoY to 5.9% on operating deleverage.
- Durga Puja sales in Oct'26 remained flat period-on-period, indicating soft demand, while early winter trends are encouraging. New-store maturation, a winter-led recovery in 3Q, elevated working capital (NWC: 88 days), and debt (INR5.3b) remain key monitorables.
- Management's FY27 guidance remains unchanged at 50%+ revenue growth and 170–190 store additions with 5-7% SSSG.
- We cut our FY27–29 revenue estimates by 6–11%, while the pre-Ind AS EBITDA remains largely unchanged for FY27E on lower opex but it declines 9–10% for FY28–29E.
- We build in an FY26-29E CAGR of 35%/33%/39% in revenue/pre-Ind AS EBITDA/adjusted PAT, with the pre-IND AS margin at ~8.8% by FY29.
- **We reiterate our BUY rating with a TP of INR200**, premised on 13x Sep'28E EV/EBITDA (implied 20x P/E). Sustained recovery in SSSG and faster new-store maturation remain the key triggers for a re-rating.

Gross margin leads the beat; Pre-Ind AS margin hit by the festive shift

- Revenue grew 28% YoY to INR9.1b (down 9.2% QoQ), driven by store expansion, amid the festive shift.
  - **V2 opened 49 stores and closed three during the quarter, taking the store count to 427 and retail area to 4.6m sqft (+65% YoY).**
  - Festival-normalized SSSG stood at just 0.5% (V-Mart: 11% adjusted), and was sharply lower than ~7–8% in the preceding quarters, significantly affected by the festive shift. Reported SSSG was -14.9% (vs. 7.5% in 1Q).
  - SPSF declined 25% YoY to INR700, as 106 of the 427 stores opened in 1HFY27 and are still ramping up.
  - Volume grew 31% YoY, while ASP fell ~3% to INR307 and full-price sales slipped to 91% (vs. 92%).
- Gross profit grew 42% YoY to INR2.8b (~6% beat), as **gross margin expanded ~310bp YoY (~180bp beat) to 31.1%,** led by lower discounting.
- Employee expenses rose 55% YoY (+11% QoQ) and other expenses 30% YoY (+10% QoQ), both slightly below our estimates.
- Reported EBITDA grew 41% YoY to INR1.2b (~20% beat), with margin up ~120bp YoY to 13.3% (~220bp above our estimate), led by gross margin flow-through.

- **Pre-Ind AS EBITDA** rose only 20% YoY to INR534m, with **margin contracting ~40bp YoY to 5.9%** (vs. 8.0% in 1QFY27), as other expenses including rent rose 46% YoY.
- ***Pre-Ind AS PAT declined 4% YoY to INR242m***
- Depreciation rose by ~82% YoY while finance costs rose 6% YoY (+19% QoQ).
- PAT was flat YoY at INR182m (vs. our estimated loss of INR68m).

Balance sheet and cash flow

- Core working capital days rose to 88 (from 81 in FY26 and 45 in 1HFY26), as inventory days rose to 146 (vs. 136/121 in FY26/1HFY27) on store expansion and the festive shift. Payable days stood at 58 (vs. 55 in FY26 and 80 in 1HFY26).
- **Operating cash flow** before WC grew 48% YoY to INR2.8b, but INR2.6b of WC absorption (vs. INR0.8b) reduced CFO to INR180m (vs. INR1.1b).
- Post-interest and lease **CFO turned negative at INR1.2b (vs. +INR362m),** while higher capex of INR1.4b widened **FCF outflow to INR2.6b (vs. INR0.5b).**
- Gross borrowings more than doubled to INR5.3b (vs. INR2.5b in FY26) with net debt at INR5.2b and net debt/TTM EBITDA of 1.6x.

Key highlights from the management commentary

- Demand slowed in 2Q, with normalized SSSG at ~0.5% (calendar: -14.9%; 1H: -3.7%). October Durga Puja sales were flat on a period-to-period basis, while poor on-time deliveries hurt fill rates in select categories.
- **SSSG** is expected to recover to 5–7% (normalized) in 3Q and 7–9% for mature stores in 2H, led by winter. Festive timing has a greater impact on V2's quarterly SSSG, as ~250–260 of its 427 stores are Puja-impacted.
- **FY27 guidance:** Revenue and profit growth of 50%+, implying ~56–60% revenue growth in 2H. Normalized SSSG is targeted at 5–7% in 3Q and 7–9% for mature stores in 2H. Margin guidance stands at 29–30% for gross margin, 13.5–14.5% for reported EBITDA and over 7.5% for pre-Ind AS EBITDA (2H: 8%+).

Valuation and view

- Scale-led operating leverage has driven a sharp improvement in V2's profitability, with Pre-IND AS margin improving to 9.0% in FY26 from ~2.0% in FY22, as revenue surged ~5x over the period.
- With 427 stores against a long-term target of 2,000+, and a backend capable of supporting 150+ openings a year, V2 has a long runway for growth in under-penetrated Tier 2/3 markets.
- V2 remains a key beneficiary of the unorganized-to-organized shift in value fashion, backed by industry-leading SPSF (~30% above peers) and a loyal customer base. However, the pace of new-store maturation and balance sheet discipline remain key monitorables.
- We build in an FY26-29E CAGR of 35%/33%/39% in revenue/pre-Ind AS EBITDA/adjusted PAT, with the pre-IND AS margin at ~8.8% by FY29.
- **We reiterate our BUY rating with a TP of INR200**, premised on 13x Sep'28E EV/EBITDA (implied 20x P/E). Sustained recovery in SSSG and faster new-store maturation remain the key triggers for a re-rating.

Consol. Quarterly Earnings (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	Est. Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Revenue	**6,297**	**7,049**	**9,273**	**7,981**	**9,972**	**9,056**	**15,691**	**9,596**	**30,600**	**44,314**	**9,050**	**0.1**
YoY Change (%)	51.7	85.5	56.9	60.1	58.4	28.5	69.2	20.2	62.4	44.8	28.4	
Total Expenditure	5,392	6,191	7,504	6,854	8,577	7,853	13,023	8,380	25,941	37,833	8,050	-2.5
EBITDA	**904**	**858**	**1,769**	**1,128**	**1,395**	**1,203**	**2,667**	**1,216**	**4,660**	**6,482**	**1,000**	**20.3**
EBITDA margins (%)	14.4	12.2	19.1	14.1	14.0	13.3	17.0	12.7	15.2	14.6	11.1	20
Depreciation	317	373	455	668	639	683	726	708	1,812	2,756	734	-6.9
Interest	224	279	219	240	250	297	363	341	962	1,251	372	-20.2
Other Income	8	5	40	37	10	25	39	36	89	110	15	62.2
PBT	**371**	**211**	**1,352**	**221**	**516**	**249**	**1,618**	**202**	**2,156**	**2,585**	**-91**	**-374.4**
Tax	94	30	359	39	97	66	407	51	522	621	-23	-388.2
Rate (%)	25.3	14.3	26.5	17.7	18.9	26.4	25.2	25.2	24.2	24.0	25.2	
Reported PAT	**277**	**181**	**993**	**182**	**419**	**183**	**1,211**	**152**	**1,633**	**1,964**	**-68**	**-369.8**
Adj PAT	**277**	**181**	**831**	**208**	**419**	**183**	**1,211**	**152**	**1,496**	**1,964**	**-68**	**-369.8**
YoY Change (%)	74.8	-820.2	63.3	212.7	51.2	1.1	45.7	-27.3	111.0	31.3	-137.5	

E: MOFSL Estimates

V-Mart Retail

Estimate change	⟷
TP change	↑
Rating change	⟷

Bloomberg	VMART IN
Equity Shares (m)	80
M.Cap.(INRb)/(USDb)	57.9 / 0.6
52-Week Range (INR)	882 / 458
1, 6, 12 Rel. Per (%)	-9/15/-7
12M Avg Val (INR M)	402

Financials & Valuations (INR b)

Y/E March	FY27E	FY28E	FY29E
Sales	45.9	54.1	63.2
EBITDA	6.3	7.9	9.5
NP	1.6	2.3	3.1
EBITDA Margin (%)	13.8	14.5	15.1
Adj. EPS (INR)	20.0	29.4	39.4
EPS Gr. (%)	27.0	47.3	33.8
BV/Sh. (INR)	139.8	169.2	208.6
Ratios			
Net D:E	0.8	0.5	0.3
RoE (%)	15.4	19.0	20.8
RoCE (%)	11.2	14.2	16.5
Valuations			
P/E (x)	36.4	24.7	18.5
EV/EBITDA (x)	10.5	8.2	6.5
EV/Sales (x)	1.3	1.0	0.9

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	44.1	44.2	44.2
DII	30.6	30.9	32.1
FII	16.4	16.5	17.5
Others	8.8	8.5	6.3

FII includes depository receipts

CMP: INR727 TP: INR1,010 (+39%) Buy

Resilient 2Q despite the festive shift; Unlimited sustains strong traction

- VMART delivered a resilient quarter, with 2QFY27 revenue rising 18% YoY, driven by ~15% YoY store additions and 3% blended SSSG (11% adjusted for festive shift). Unlimited continued its strong momentum, almost achieving a parity with V-Mart (core) on SPSF in 2Q (vs. ~10% lower SPSF YoY) and delivering higher pre-IND AS EBITDA margin.
- The shift in festive period led to ~15bp YoY gross margin contraction. However, V-Mart delivered a broadly stable pre-Ind AS EBITDA margin, supported by operating leverage and reducing drag from LimeRoad.
- Management indicated that festive demand remains positive but below its expectations. The company is working with vendors (better payment terms) and implementing calibrated price hikes to mitigate the pressure from raw material inflation.
- Management reiterated its guidance of 90-100 gross store additions in FY27 and ~17-20% revenue growth, supported by robust SSSG, improving store productivity, and continued network expansion.
- We build in a CAGR of ~19%/28%/36% in revenue/pre-Ind AS EBITDA/ adjusted PAT over FY26-29E, driven by ~14% CAGR in store additions, mid-single-digit SSSG and continued operating leverage with pre-IND AS margin rising to ~7.8% by FY29.
- We **reiterate BUY with a revised TP of INR1,010,** premised on 17x Dec'28E EV/pre-Ind AS EBITDA (implies ~34x Dec'28 EPS).

Steady 2Q; pre-IND AS EBITDA margin broadly stable YoY

- 2Q revenue grew 18% YoY to INR9.5b, driven by 15% YoY store additions and robust blended SSSG of ~3% (11% adjusted for the festive shift).
- SSSG for V-Mart (core) stood at 2% (vs. 8%/11% in 1QFY27/2QFY26, 10% adjusted for festive shift), while SSSG for Unlimited came in at 11% (vs. 13%/11% in 1QFY27/2QFY26, 12% adjusted for festive shift).
- Unlimited's SPSF improved ~12% YoY to almost achieve parity with V-Mart (core, up ~2% YoY), driven by rising contribution from new stores.
- V-Mart opened 23 new stores (20 in V-Mart and three in Unlimited) and closed one store (in V-Mart) in 2Q, bringing the total store count to 613.
- Gross profit grew ~18% YoY to INR3.2b (in line), as gross margins contracted ~15bp YoY to 33.5% (~85bp beat). The provision for aged inventory moderated ~70bp YoY, cushioning the RM inflation impact.
- Employee expenses grew 15% YoY to INR1.1b, while other expenses rose ~18% YoY to INR1.2b (5% higher than our estimate) as A&P spends rose ~35% YoY to ~2.6% of sales (+30bp YoY).
- Resultantly, reported EBITDA rose ~20% YoY to INR0.86b (our est. INR0.83b), with margins expanding ~15bp YoY to 9% (~35bp beat).
- Pre-IND AS 116 EBITDA came in at INR59m (vs. INR44m YoY), with margins expanding ~5bp YoY to 0.6% (30bp beat).

- Depreciation increased 25% YoY (in line), while interest cost rose ~19% YoY (8% above our estimate).
- V-Mart reported loss stood at INR163m (vs. our estimated loss of INR155m and INR89m loss YoY).

Robust 1HFY27 performance, despite the adverse impact of festive shift

- Revenue **grew ~21% YoY** to INR20.4b, driven mainly by ~15% store additions and 6% blended SSSG.
- Reported EBITDA **grew 25% YoY** to INR2.47b as margin expanded ~40bp YoY to 12.1%, as operating leverage offset ~50bp YoY gross margin contraction.
- **For 1HFY26, we estimate that V-Mart's pre-INDAS EBITDA stood at INR891m (up 36% YoY), with margin expanding ~50bp YoY to 4.4%.**
- Reported PAT **grew ~25% YoY** to INR0.31b.
- Inventory days declined to ~105 (vs. 109 YoY), while payable days declined sharply to 53 (vs. 91 YoY). As a result, core working capital days stood at 52 (vs. 18 YoY). Core WC surged 3.4x YoY to INR5.9b (vs. ~21% YoY revenue growth).
- V-Mart's 1HFY27 OCF outflow (after leases and interest) stood at INR0.3b (vs. FCF generation of INR0.87b YoY) as ~36% YoY growth in pre-IND AS EBITDA was offset by WC build-up (INR0.94b vs. release of INR0.29b YoY).
- Driven by store additions, capex rose ~40% YoY to INR0.8b (vs. ~INR0.6b YoY), which, along with WC build-up, resulted in FCF outflow of INR1.1b (vs. generation of INR0.28b YoY).
- As a result, V-Mart's net debt (excl. leases) rose to ~INR1.7b (vs. INR0.6b YoY).
- For 2HFY27, the ask-rate for revenue/pre-IND AS EBITDA growth is ~21%/26%.

Unlimited continues its strong outperformance

- **V-Mart (core):** 2Q revenue grew 17% YoY to INR7.8b, supported by 19 net store additions (up 16% YoY) and ~2% YoY growth in monthly SPSF. Growth remained largely volume-led (up ~21% YoY), while ASP declined 3% YoY. Reported EBITDA rose ~13% YoY to INR685m, as margins contracted ~30bp YoY to 8.8%.
- **Unlimited**: 2Q revenue grew ~25% YoY to INR1.7b, supported by three net store additions (up 9% YoY) and ~12% YoY growth in monthly SPSF. Growth remained largely volume-led (up 25% YoY), while ASP increased 1% YoY. Reported EBITDA surged ~38% YoY to INR199m, with margins expanding ~115bp YoY to 11.6%, reflecting strong operating leverage.
- **LimeRoad (LR):** Commission income rose ~68% YoY to INR143m, while operating losses narrowed ~32% YoY to INR23m (vs. INR34m loss in 2QFY26).

Operational highlights

- 2QFY27 footfalls grew 36% YoY to 26m. However, conversions moderated to ~39% to 10m (still up ~15% YoY).
- Blended ASP declined ~2% YoY to INR209, driven by a ~3% YoY decline in V-Mart (core) ASP to INR190, while Unlimited ASP increased ~1% YoY to INR388. Blended ATV increased ~1% YoY to INR969.

Key highlights from the management commentary

- **Demand trends**: Consumer sentiments remained mixed amid elevated food inflation, deficient monsoons in certain regions, and overall pressure on household disposable incomes, particularly among value-conscious consumers.

The demand trends during the ongoing festive season remained positive, but below management's expectations.

- **RM inflation:** The company has implemented calibrated price hikes (~5-6%), while it is working closely with vendors (offered better payment terms) to mitigate the effect of RM inflation. Management expects gross margins to remain within a narrow band over the medium term despite RM inflation.
- **Guidance**: Management reiterated its medium-term revenue growth aspiration of ~17-20%, supported by robust SSSG and continued store expansion. The company remains committed to opening at least 90-100 gross stores in FY27, with an ambition to sustain ~100 annual additions going ahead. Management also expects continued improvement in Unlimited's productivity, supported by double-digit LFL growth aspirations and stronger performance at newer stores. However, the pace of growth will remain dependent on consumer demand and the competitive environment.

Valuation and view

- The improved productivity of VMART/Unlimited stores and lower losses in LimeRoad have led to an improvement in VMART's overall profitability (pre-IND AS margin up ~50bp YoY in 1HFY27, despite the festive shift).
- However, VMART still lags value fashion peers on profitability. With rising store productivity and thereby store level margins in Unlimited, we believe there is a room for further margin expansion.
- VMART remains a key beneficiary of the unorganized-to-organized retail shift and the massive growth opportunity in value fashion. However, raw material inflation due to the West Asia conflict and its impact on demand/margins remains a key near-term monitorable.
- We fine-tune our FY27-29 estimates and build in a CAGR of ~19%/28%/36% in revenue/pre-Ind AS EBITDA/adjusted PAT over FY26-29E, driven by ~14% CAGR in store additions, mid-single-digit SSSG and continued operating leverage with pre-IND AS margin rising to ~7.8% by FY29.
- We **reiterate BUY with a revised TP of INR1,010** (earlier INR1,000), premised on 17x Dec'28E EV/pre-Ind AS EBITDA (implies ~34x Dec'28 EPS).

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

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Est.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	Var (%)
Revenue	**8,852**	**8,069**	**11,264**	**9,709**	**10,888**	**9,530**	**13,916**	**11,520**	**37,894**	**45,854**	**9,530**	**0.0**
YoY Change (%)	12.6	22.1	9.7	24.5	23.0	18.1	23.5	18.7	16.5	21.0	18.1	
Total Expenditure	7,591	7,354	9,169	8,646	9,282	8,669	11,304	10,261	32,759	39,516	8,702	-0.4
EBITDA	**1,262**	**715**	**2,095**	**1,063**	**1,606**	**861**	**2,612**	**1,260**	**5,135**	**6,339**	**828**	**3.9**
EBITDA Margin (%)	14.3	8.9	18.6	10.9	14.8	9.0	18.8	10.9	13.6	13.8	8.7	
Depreciation	679	711	779	801	840	888	915	987	2,971	3,629	889	-0.1
Interest	182	175	206	192	198	207	216	170	755	791	192	7.8
Other Income	29	34	40	47	27	27	52	94	150	200	45	-40.8
PBT	**429**	**-136**	**1,150**	**116**	**595**	**-207**	**1,534**	**197**	**1,548**	**2,119**	**-207**	**-0.1**
Tax	93	-47	249	13	123	-44	386	68	308	533	-52	
Rate (%)	21.8	34.8	22.1	10.0	20.7	21.1	25.2	34.3	19.9	25.2	25.2	
Reported PAT	**336**	**-89**	**880**	**113**	**472**	**-163**	**1,148**	**130**	**1,240**	**1,586**	**-155**	**5.3**
Adj PAT	**336**	**-89**	**896**	**106**	**472**	**-163**	**1,148**	**130**	**1,249**	**1,586**	**-155**	**5.3**
YoY Change (%)	176.8	-84.3	25.0	-286.8	40.5	84.2	28.1	22.3	478.5	27.0	74.9	

E: MOFSL Estimates

Prince Pipes & Fittings

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	PRINCPIP IN
Equity Shares (m)	111
M.Cap.(INRb)/(USDb)	32.8 / 0.3
52-Week Range (INR)	327 / 205
1, 6, 12 Rel. Per (%)	13/13/-2
12M Avg Val (INR M)	78
Free float (%)	39.0

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	26.0	33.1	35.7
EBITDA	2.3	4.1	4.3
Adj. PAT	0.8	2.0	2.1
Adj. EPS (INR)	6.8	18.4	18.6
EPS Gr. (%)	74.4	170.6	1.0
BV/Sh. (INR)	149	166	166
Ratios			
RoE (%)	4.6	11.1	11.2
RoCE (%)	6.1	14.9	14.5
Payout (%)	14.3	8.1	10.8
Valuations			
P/E (x)	42.6	15.8	15.6
P/BV (x)	1.9	1.8	1.8
EV/EBITDA (x)	13.3	7.4	6.8
Div. Yield (%)	0.3	0.5	0.7

Shareholding pattern (%)

As of	Sep-26	Jun-26	Sep-25
Promoter	61.0	61.0	60.9
DII	15.1	15.3	16.0
FII	3.2	3.1	3.7
Others	20.7	20.7	19.4

CMP: INR297 **TP: INR344 (+16%)** **Buy**

Strong volume growth leads to a healthy quarter

Pipe volume rises 22% YoY; PAT surges 2.3x on a low base

- Prince Pipes & Fittings (PRINCPIP) reported better-than-estimated results in 2QFY27. Consolidated revenue/EBITDA/PAT grew 38%/83%/226% YoY, beating our estimates by 10-13%.
- Volumes grew by a healthy 22% YoY (up 28% QoQ) to 52,080 mt.
- Strong revenue growth was further supported by better realization due to price hikes taken to combat RM inflation.
- EBITDA margin stood at 12.2% (in line).
- The bathware segment reported INR190m revenue and INR40m loss.

Key highlights from the management commentary

- The 2Q volume growth of 22% YoY was aided by channel restocking after inventory levels were below normal in 1Q.
- Volume growth momentum is expected to continue. Management sticks to double-digit volume growth guidance in FY27.
- The company continues to gain market share from small regional players in the current volatile PVC price scenario.
- CPVC is the fastest growing category; CPVC+PPR mix now stands at 30%+ up from 20-25% earlier.
- High focus on value-added products will reduce volatility in margins.
- Bathware 2Q: revenue of INR190m, operating loss at INR40m; likely to reach breakeven by 4Q at a revenue run rate of INR250m+.
- Accelerated cash realization is supported by keeping tight control over the net working capital cycle.
- Debtor days are targeted to be in the 35-40-day range. Greater domestic sourcing of RMs will help keep inventory days in the 70-80-day range.
- The company is following strict inventory discipline to avoid any loss, while gains will be used to push volume growth.
- FY28 capex stands at INR1b+; the Bihar plant is ramping up well.
- The company remains focused on brand building via sponsorship of some prominent TV programs.

Valuation and view

- Following a healthy set of results in 2Q, we raise our earnings estimates by 8-11%, mainly due to higher-than-previously-expected volume growth. We now expect a volume growth of ~10% in FY27 as well as in FY28.
- On a low base, we now expect a CAGR of 10%/17%/37%/65% in pipe volume/revenue/EBITDA/PAT over FY26-28 (FY19-26: 6%/7%/3%/-1%).
- While we expect return ratios to also improve, they are expected to reach moderate levels of ~11% RoE and ~15% pre-tax RoCE in FY28.
- **Based on a reasonable valuation of ~15x FY28E P/E, we reiterate our BUY rating with a TP of INR344, based on ~18x FY28E P/E.**
- **Healthy recoveries in volume growth and return ratios are the key factors for a valuation re-rating.**

Quarterly performance

(INR m)

	FY26				FY27				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Net Sales	**5,804**	**5,946**	**5,733**	**8,501**	**6,094**	**8,208**	**8,424**	**10,330**	**25,983**	**33,056**	**7,495**	**10**
YoY Change (%)	-4	-4	-1	18	5	38	47	22	2.9	27.2	26.1	
Total Expenditure	5,408	5,397	5,454	7,405	5,323	7,203	7,400	9,033	23,667	28,959	6,584	
EBITDA	**396**	**549**	**279**	**1,096**	**772**	**1,005**	**1,024**	**1,297**	**2,316**	**4,098**	**911**	**10**
Margins (%)	6.8	9.2	4.9	12.9	12.7	12.2	12.2	12.6	8.9	12.4	12.1	
Depreciation	307	325	336	343	350	355	360	365	1,311	1,429	355	
Interest	52	42	-38	43	32	17	25	25	96	99	30	
Other Income	27	16	19	46	40	31	40	40	109	151	40	
PBT before EO expense	**64**	**198**	**0**	**756**	**429**	**665**	**680**	**947**	**1,018**	**2,721**	**565**	
Extra-Ord expense	0	0	-20	0	0	0	0	0	-20	0	0	
PBT	**64**	**198**	**-20**	**756**	**429**	**665**	**680**	**947**	**1,038**	**2,721**	**565**	**18**
Tax	15	51	4	195	91	187	170	237	266	686	141	
Rate (%)	24.2	26.0	-18.2	25.8	21.3	28.2	25.0	25.0	25.6	25.2	25.0	
Reported PAT									0	0		
Adj PAT	0	0	0	0	0	0	0	0	0	0	0	
YoY Change (%)	**48**	**146**	**-24**	**561**	**337**	**478**	**510**	**710**	**773**	**2,035**	**424**	**13**
Margins (%)	**48**	**146**	**-3**	**561**	**337**	**478**	**510**	**710**	**752**	**2,035**	**424**	**13**

E: MOSL Estimates

Laxmi Dental

Estimate change	↓
TP change	↓
Rating change	↔

Bloomberg	LAXMIDEN IN
Equity Shares (m)	55
M.Cap.(INRb)/(USDb)	10.4 / 0.1
52-Week Range (INR)	345 / 156
1, 6, 12 Rel. Per (%)	-9/-10/-34
12M Avg Val (INR M)	60

Financials & Valuations (INRm)

Y/E March	FY26	FY27E	FY28E
Sales	2,779	3,184	3,819
EBITDA	434	626	782
Adjusted PAT	317	434	568
EBITDA Margin (%)	15.6	19.7	20.5
Cons. Adj EPS (INR)	5.8	7.9	10.3
EPS Growth (%)	21.1	37.1	30.7
BV/Share (INR)	44.3	52.9	63.2
Ratios			
Net D-E	-0.1	-0.2	-0.3
RoE (%)	14.0	16.3	17.8
RoCE (%)	14.5	15.6	17.1
Payout (%)	0.0	0.0	0.0
Valuations			
P/E (x)	32.6	23.8	18.2
EV/EBITDA (x)	23.9	15.8	12.4
EV/Sales (x)	3.7	3.1	2.5
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	-2.2	3.9	0.6

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	41.8	41.8	41.7
DII	10.7	10.9	11.9
FII	6.6	30.1	32.4
Others	41.0	17.2	14.1

FII includes depository receipts

CMP: INR188 **TP: INR225 (+20%)** **Buy**

In-line results; International segment drives earnings

Renewed strategy in India; superior execution/currency benefits internationally

- Laxmi Dental (LAXMIDEN) delivered in-line operational performance in 2QFY27. While the revenue YoY growth moderated in 2QFY27, partly due to a high base, EBITDA witnessed strong growth during the quarter. However, earnings growth moderated on a YoY basis due to higher depreciation and tax rate for the quarter.
- International laboratory business continued its growth momentum, led by long-standing relationship with overseas customers and consistent execution of sales.
- Growth in domestic lab segment also improved in 2QFY27 compared to the earlier quarter. Management change in strategy with respect to scanner is expected to strengthen growth outlook in this segment
- Aligner's business also sustained the growth trajectory, led by Bizdent sub-segment.
- We reduce our earnings estimate by 4% for FY27, factoring in: a) lower scanner sales with revised strategy, and b) enhanced marketing effort. We expect 34% earnings CAGR over FY26-28, led by: a) increased dentist base across international as well as domestic market, b) higher off-take of aligners, and c) better operating leverage. We value LAXMIDEN at 20x 12M forward earnings to arrive at a TP of INR225. **Reiterate BUY.**

Segment/geography mix drive profitability

- Revenue for 2QFY27 grew 10% YoY to INR795m (broadly in-line with est.).
- Gross margins stood at 76.9% (up 840bp), driven by a change in the product mix.
- EBITDA margin came in at 19.2% (our est: 20%), up 390bp YoY. This was due to an increase in employee/other expenses (up 350/100bp as % of sales).
- EBITDA grew 38.5% YoY to INR153m (broadly in line with est.).
- Adj. PAT grew 18% YoY at INR101m (4% miss).

International lab and aligner growth outpace domestic lab/scanner segment

- The aligner business revenue grew 22% YoY to INR246m, while the laboratory business grew 8% YoY to INR538m.
- Within the laboratory segment, international/domestic grew 31.9%/14.7% YoY for 2QFY27.
- Within the aligner segment, Bizdent/Vedia's revenue grew 28%/18% YoY for 1QFY27.
- Scanner sales were INR35m vs. INR89m YoY/INR22m QoQ.
- As of Sep'26, shareholders approved the following changes to the utilization of IPO funds: INR481m unutilized proceeds to be redeployed inclusive of INR269m toward land and building for a company-owned, integrated dental laboratory and aligner facility.

Highlights from the management commentary

- 1HFY27 share of profits from the Kidzi Dental joint venture declined 35% YoY despite 33% revenue growth due to the expiration of its three-year startup tax exemption, resulting in normal corporate tax incidence rather than operational margin contraction.
- The company received a tariff refund of approximately INR55m excluding interest, which will be recognized in the 3QFY27 financial results.
- LAXMIDEN launched the 'Pink Revolution' scanner subscription model for dental clinics requiring INR50K as refundable deposit, INR3,000 monthly rental plus GST, and a minimum monthly business commitment of INR25K.
- The company sold approximately 14 scanners outright during the initial two-and-a-half-week launch window of the subscription campaign, demonstrating ongoing demand from clinics preferring full ownership.
- The company is evaluating the setup of semi-automated hybrid dental laboratories in overseas markets, beginning with the US under the leadership of a newly appointed US CEO, while retaining digital design and back-end processing in India.

Consolidated - Quarterly Earning Model (In m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	
INRm	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	vs Est
Net Sales	**656**	**723**	**660**	**740**	**747**	**795**	**788**	**854**	**2,779**	**3,184**	**791**	**0.6%**
YoY Change (%)	9.9	26.5	7.1	21.9	13.9	10.0	19.3	15.4	16.2	14.6	9	
Total Expenditure	537	612	591	605	603	643	633	680	2,345	2,558	636	
EBITDA	**119**	**110**	**70**	**135**	**144**	**153**	**155**	**174**	**434**	**626**	**155**	**-1.5%**
YoY Change (%)	-15.0	26.3	-27.6	41.8	20.6	38.5	122.9	29.0	3.6	44.2	**41**	
Margins (%)	18.2	15.3	10.5	18.3	19.2	19.2	19.7	20.4	15.6	19.7	20	
Depreciation	36	37	42	44	43	53	47	51	159	193	**47**	
EBIT	**83**	**73**	**28**	**91**	**100**	**100**	**109**	**124**	**275**	**432**	**108**	
YoY Change (%)	-21.7	36.6	-50.6	74.5	20.5	37.0	288.6	35.6	2.5	57.1	**49**	
Interest	5	2	3	3	3	4	1	1	14	9	1	
Other Income	17	24	21	24	23	22	24	26	85	94	24	
PBT before EO expense	**96**	**94**	**46**	**111**	**120**	**117**	**131**	**148**	**347**	**517**	**131**	
Extra-Ord expense	0	0	58	0	0	0	-50	0	58	50	0	
PBT	**96**	**94**	**-12**	**111**	**120**	**117**	**181**	**148**	**289**	**467**	**131**	
Tax	23	19	-22	5	25	22	37	30	25	114	26	
Rate (%)	23.8	19.8	175.6	4.5	20.7	19.0	20.2	20.2	8.6	24.3	20	
MI & P/L of Asso. Cos.	10	10	10	-5	8	5	3	5	24	21	0	
Reported PAT	**83**	**85**	**19**	**101**	**103**	**101**	**148**	**123**	**289**	**374**	**105**	
Adj PAT	**84**	**85**	**47**	**101**	**103**	**101**	**108**	**123**	**317**	**434**	**105**	**-4.2%**
YoY Change (%)	-20.1	44.8	-2.3	150.2	22.7	17.8	129.7	21.9	21.1	37.0	22.9	
Margins (%)	12.8	11.8	7.1	13.7	13.8	12.6	13.7	14.4	11.4	13.6	13.3	

E: MOFSL Estimates

Angel One

BSE SENSEX	S&P CNX
77,301	23,961

CMP: INR312

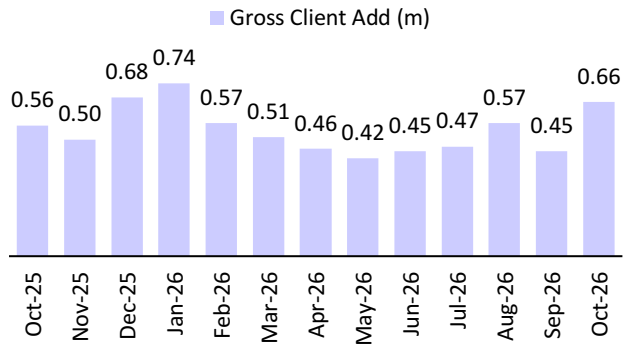
Surge in F&O activity drives a strong recovery in order run-rate

Angel One (ANGELONE) released its key business numbers for Oct'26. Here are the key takeaways:

- Gross client acquisition increased MoM to 0.66m (0.45m in Oct'26), taking the total client base to ~40.6m.
- The avg. MTF book dipped slightly by 1% MoM to a ~INR78.1b, (+35% YoY).
- The number of orders grew 14% MoM to 139.3m for Oct'26 (up 4% YoY) and the order run-rate increased 20% MoM to 7m (flat YoY).
- The overall ADTO grew 25% MoM with 26% MoM growth in F&O ADTO while cash ADTO declined 8% MoM and commodity ADTO grew 16% MoM. The overall premium ADTO grew 17% MoM while F&O premium ADTO grew 34% MoM.
- The overall premium turnover market share rose 90bp MoM to 20.5% with F&O premium market share up 70bp MoM to 23.2%. Market share for the cash segment declined 30bp MoM to 15.9% while the commodity segment market share declined 330bp MoM to 38.4%.
- The number of registered unique MF SIPs declined 16% MoM to ~0.5m (down 40% YoY).

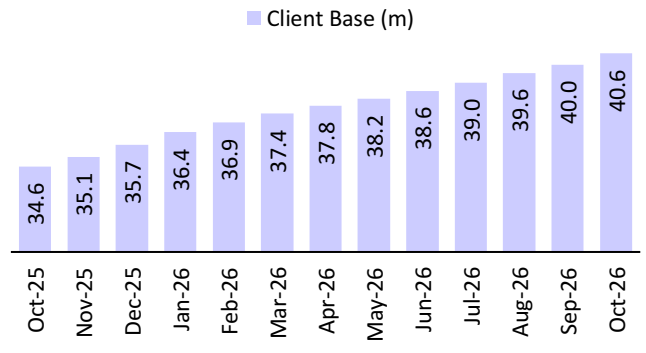
Key Metrics	Oct-25	Dec-25	Feb-26	Apr-26	Jun-26	Aug-26	Sep-26	Oct-26	% YoY	% MoM
No of Days	20	22	21	20	21	21	21	20		
Client Base (m)	34.6	35.7	36.9	37.8	38.6	39.6	40.0	40.6	17.4	1.6
Gross Client Add (m)	0.56	0.68	0.57	0.46	0.45	0.57	0.45	0.66	17.9	46.7
Avg MTF book (INR b)	57.9	58.4	59.3	53.1	67.8	74.2	78.7	78.1	34.8	-0.8
Orders (m)	133.8	129.0	144.0	135.8	140.0	109.5	122.3	139.3	4.1	13.9
Per day orders (m)	6.7	5.9	6.9	6.8	6.7	5.2	5.8	7.0	4.2	19.8
Unique MF SIPs registered (In m)	0.81	0.77	0.67	0.58	0.56	0.72	0.59	0.50	-39.2	-15.7
Angel's ADTO (INR b)										
Overall	59,294	53,374	55,743	52,210	52,943	41,389	44,879	56,244	-5.1	25.3
F&O	57,544	51,542	54,130	49,917	50,086	38,351	42,205	53,149	-7.6	25.9
Cash	79	67	78	94	86	82	74	68	-13.9	-8.1
Commodity	1,671	1,765	1,535	2,199	2,771	2,956	2,600	3,027	81.1	16.4
Angel's Premium T/O (INR b)										
Overall	1,900	1,959	1,777	2,459	3,004	3,151	2,797	3,259	71.5	16.5
F&O	150	128	164	166	147	113	122	164	9.3	34.4
Retail T/o Market Share									**bps YoY**	**bps MoM**
Overall Equity - based on option premium T/O	20.5	20.4	20.8	20.5	19.8	19.5	19.6	20.5	0	90
F&O - based on option premium T/O	21.6	22.0	22.6	22.3	22.1	21.7	22.5	23.2	160	70
Cash	18.7	17.9	17.8	17.9	16.9	17.0	16.2	15.9	-280	-30
Commodity	55.1	51.9	57.0	56.7	52.0	43.7	41.7	38.4	-1,670	-330

Client addition run-rate improved in Oct'26



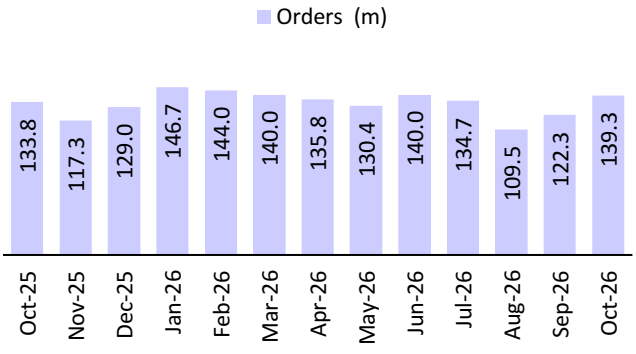
Source: MOFSL, Company

Client base reached 40.6m in Oct'26



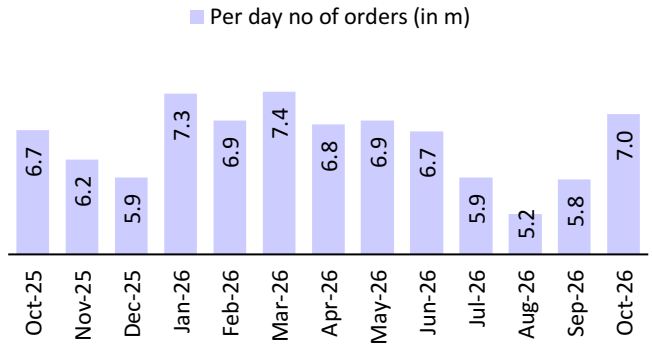
Source: MOFSL, Company

Orders surged sequentially



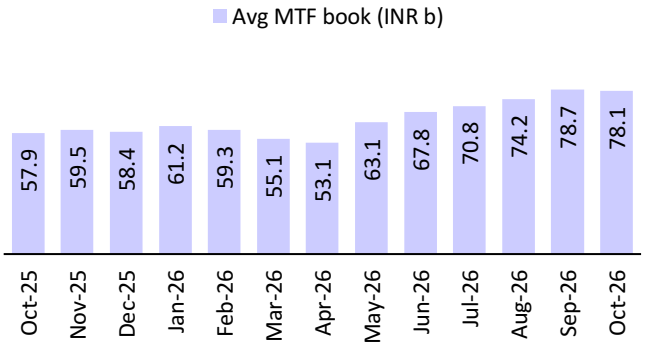
Source: MOFSL, Company

Order run-rate improved MoM



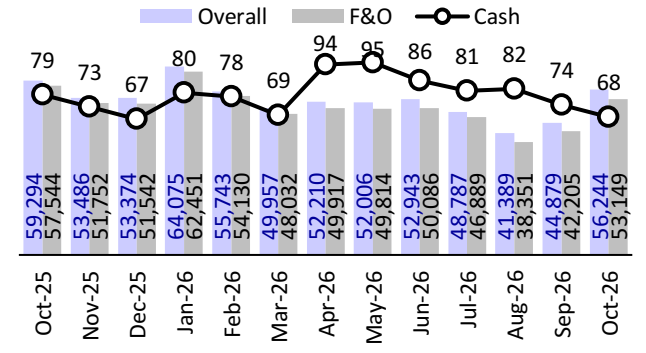
Source: MOFSL, Company

Client funding book declined slightly



Source: MOFSL, Company

ADTO trends (INR b)



Source: MOFSL, Company

Cummins India

BSE SENSEX	S&P CNX
77,301	23,961

CMP: INR4,749 — Buy

In-line revenue, miss on profitability

- Cummins India's 2QFY27 revenue was in-line with our estimates, while lower-than-expect margin led to miss on profitability.
- Revenue increased 4% YoY to INR33b, in-line with our estimates.
- Domestic sales increased 5% YoY to INR27b (in-line with our estimate), while export sales rose 2% YoY to INR5.6b (in-line with our estimates).
- Gross margin contracted 440bp YoY to 32.1% vs. our estimate of 33.5%. Decline in gross margin, as well as increase in employee cost/other expenses as % of sales by 80bp/140bp YoY to 7.1%/9.7% (higher than our expectation of 6.3%/8.2%), led to a decline in EBITDA margin.
- EBITDA margin contracted to 15.3% (vs. our est. of 19.0%), while absolute EBITDA declined 27% YoY to INR5b.
- Adj PAT declined 27% YoY to INR4.7b vs our estimate of INR5.8b. Miss on estimate was mainly due to lower-than-expected margins.
- For 1HFY27, revenue increased 11% YoY, while EBITDA/PAT declined 15%/15% YoY, and EBITDA margin contracted 500bp YoY to 16.7%.
- For 1HFY27, OCF increased 37% YoY to INR10.2b, driven by improved working capital management, including better control over trade receivables and payables, while FCF increased 48% YoY to INR9.3b.

Conference Call Details



Date: 16th November 2026
Time: 10:00am IST
Dial-in details:
Diamond pass

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	143.1	169.8	199.3
EBITDA	28.3	36.2	42.9
Adj. PAT	26.0	32.8	38.7
Adj. EPS (INR)	93.7	118.2	139.7
EPS Gr. (%)	9.1	26.1	18.2
BV/Sh.(INR)	326.5	379.0	441.0
Ratios			
RoE (%)	30.7	33.5	34.1
RoCE (%)	30.8	33.6	34.2
Valuations			
P/E (x)	50.7	40.2	34.0
P/BV (x)	14.5	12.5	10.8
EV/EBITDA (x)	45.6	35.6	29.9
Div. Yield (%)	1.1	1.4	1.6

Standalone - Quarterly Earnings Model (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Net Sales	**29,068**	**31,703**	**30,549**	**30,112**	**34,260**	**33,012**	**37,536**	**38,285**	**1,21,432**	**1,43,093**	**33,538**	**-2**
YoY Change (%)	26.2	27.2	-1.0	22.6	17.9	4.1	22.9	27.1	17.4	17.8	5.8	
Gross profit	10,752	11,579	11,564	10,852	11,470	10,601	12,950	14,061	44,747	49,081	11,235	
Total Expenditure	22,833	24,755	24,205	23,690	28,099	27,949	29,841	28,861	95,483	1,14,750	27,166	
EBITDA	**6,235**	**6,948**	**6,345**	**6,422**	**6,162**	**5,063**	**7,695**	**9,424**	**25,949**	**28,343**	**6,372**	**-21**
YoY Change (%)	33.4	44.4	5.7	23.6	-1.2	-27.1	21.3	46.8	25.5	9.2	-8.3	
Margins (%)	21.4	21.9	20.8	21.3	18.0	15.3	20.5	24.6	21.4	19.8	19.0	
Depreciation	479	492	504	511	526	539	547	547	1,986	2,159	544	-1
Interest	27	26	48	24	39	30	28	28	124	124	28	6
Other Income	1,529	1,964	1,397	2,315	1,611	1,515	2,211	2,653	7,205	7,990	1,822	-17
PBT before EO expense	**7,258**	**8,394**	**7,191**	**8,202**	**7,208**	**6,008**	**9,331**	**11,503**	**31,044**	**34,050**	**7,622**	**-21**
Extra-Ord expense	-442	0	1,265	-323	0	0	0	0	501	0	0	
PBT	**7,700**	**8,394**	**5,925**	**8,525**	**7,208**	**6,008**	**9,331**	**11,503**	**30,544**	**34,050**	**7,622**	**-21**
Tax	1,807	2,017	1,394	2,024	1,778	1,339	2,211	2,742	7,242	8,070	1,806	
Rate (%)	23.5	24.0	23.5	23.7	24.7	22.3	23.7	23.8	23.7	23.7	23.7	
Reported PAT	**5,893**	**6,377**	**4,531**	**6,501**	**5,430**	**4,669**	**7,120**	**8,761**	**23,302**	**25,980**	**5,816**	**-20**
Adj PAT	**5,555**	**6,377**	**5,499**	**6,253**	**5,430**	**4,669**	**7,120**	**8,761**	**23,684**	**25,980**	**5,816**	**-20**
YoY Change (%)	32.3	41.5	7.0	19.9	-2.2	-26.8	29.5	40.1	24.3	9.7	-8.8	
Margins (%)	19.1	20.1	18.0	20.8	15.8	14.1	19.0	22.9	19.5	18.2	17.3	

Apollo Hospitals Enterprise

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 5th Nov 2026
Time: 3:00 pm IST
Dial-in details: Link

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	252.3	295.1	328.2
EBITDA	37.7	45.6	51.6
Adj. PAT	19.6	24.6	28.6
EBITDA Margin (%)	14.9	15.4	15.7
Cons. Adj. EPS (INR)	136.0	170.8	198.9
EPS Gr. (%)	35.3	25.5	16.5
BV/Sh. (INR)	681.4	851.9	1,051.4
Ratios			
Net D:E	0.2	0.0	-0.1
RoE (%)	22.1	23.4	21.8
RoCE (%)	16.1	17.9	17.7
Payout (%)	4.3	3.4	2.9
Valuations			
P/E (x)	63.0	49.3	42.5
EV/EBITDA (x)	34.1	27.2	23.7
Div. Yield (%)	0.1	0.1	0.1
FCF Yield (%)	0.7	1.9	2.3
EV/Sales (x)	5.1	4.2	3.7

CMP: INR8,577

Marginally better-than-estimate

- Apollo Hospitals' (APHS) 2QFY27 revenue grew 23% YoY to INR76.1b (**in line**).
- Healthcare services revenue grew 23% YoY to INR39b.
- Healthco revenue grew 23.5% YoY to INR32.8b.
- AHLL revenue grew 20% YoY to 4.3b.
- EBITDA margin expanded by 70bp YoY to 15.6%.
- EBITDA grew 29% YoY to INR11.9b (**5% beat**).
- Adj. PAT grew 32% YoY to INR6.3b (**5% beat**).
- For 1HFY27, revenue/EBITDA/PAT grew 21%/28%/33% YoY to INR145.5b/INR22.7b/INR12.1b.
- 2Q revenue/EBITDA beat BBG estimates by 2.3%/3%, while PAT was in line with BBG estimate.

Other key highlights:

Hospital

- Hospital EBITDA grew 20% YoY to INR9.4b for 2QFY27.
- IP volume was up 14% YoY; ARPP was up 8% YoY.
- 2Q occupancy was 73% vs. 69% in 2QFY26.

HealthCo

- Healthco achieved EBITDA of INR1.9b vs. INR1.1b YoY. EBITDA margins stood at 6%.
- Platform GMV grew 20% YoY to INR6.1b, while core segment GMV grew 27% YoY to INR5.7b (excluding GST impact).
- 222 new stores were opened in 2QFY27, taking total to 7,440 stores.
- Average run rate increased by 15% YoY to 77k/day order across pharmacy, diagnostics and consultations, including IP/OP referrals, in 2QFY27.

AHLL

- EBITDA grew by 14% YoY in 2QFY27 to INR610m.
- Diagnostic/Spectra revenue stood at INR2.3b/INR840m for the quarter.

Consolidated - Quarterly Earning Model INR (m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	vs Est
(INRm)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			2QE	(%)
Gross Sales	**58,421**	**61,888**	**64,774**	**66,055**	**69,319**	**76,149**	**75,546**	**75,547**	**251,138**	**296,561**	**75,229**	**1.2%**
YoY Change (%)	14.9	10.7	17.2	18.1	18.7	23.0	16.6	14.4	15.2	18.1	19.3	
Total Expenditure	49,902	52,644	55,121	55,945	58,549	64,241	63,686	63,761	213,612	250,237	63,945	
EBITDA	**8,519**	**9,244**	**9,653**	**10,110**	**10,770**	**11,908**	**11,861**	**11,785**	**37,526**	**46,324**	**11,284**	**5.5%**
YoY Change (%)	26.2	13.4	26.8	31.3	26.4	28.8	22.9	16.6	24.2	23.4	19.9	
Margins (%)	14.6	14.9	14.9	15.3	15.5	15.6	15.7	15.6	14.9	15.6	15.0	
Depreciation	2,147	2,053	2,192	2,244	2,224	2,303	2,355	2,355	8,636	9,236	2,358	
Interest	1,083	986	1,126	1,191	1,081	1,140	1,201	1,213	4,386	4,635	1,213	
Other Income	402	545	528	439	479	448	489	454	1,914	1,870	452	
PBT before EO expense	**5,691**	**6,750**	**6,863**	**7,114**	**7,944**	**8,913**	**8,795**	**8,671**	**26,418**	**34,323**	**8,165**	
Extra-Ord expense/(Income)	0	0	192	0	0	0	0	0	192	0	0	
PBT	**5,691**	**6,750**	**6,671**	**7,114**	**7,944**	**8,913**	**8,795**	**8,671**	**26,226**	**34,323**	**8,165**	
Tax	1,417	1,807	1,657	1,702	1,884	2,449	2,155	2,133	6,583	8,621	1,992	
Rate (%)	24.9	26.8	24.8	23.9	23.7	27.5	24.5	24.6	25.1	25.1	24.4	
MI & Profit/Loss of Asso. Cos.	-54	171	-9	119	253	166	140	135	227	694	155	
Reported PAT	**4,328**	**4,772**	**5,023**	**5,293**	**5,807**	**6,298**	**6,500**	**6,403**	**19,416**	**25,008**	**6,018**	
Adj PAT	**4,328**	**4,772**	**5,167**	**5,293**	**5,807**	**6,298**	**6,500**	**6,403**	**19,560**	**25,008**	**6,018**	**4.7%**
YoY Change (%)	41.8	26.0	38.8	35.9	34.2	32.0	25.8	21.0	35.3	27.9	26.1	
Margins (%)	7.4	7.7	8.0	8.0	8.4	8.3	8.6	8.5	7.8	8.4	8.0	

E: MOSL Estimates

Aurobindo Pharma

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 5th Nov 2026
Time: 8:30 AM IST
Dial-in details: Link

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	336.5	394.4	441.5
EBITDA	68.6	82.1	92.3
Adj. PAT	35.6	45.0	52.2
EBIT Margin (%)	15.1	15.7	16.1
Cons. Adj. EPS (INR)	61.3	77.5	89.9
EPS Gr. (%)	0.4	26.5	15.9
BV/Sh. (INR)	652.4	725.5	809.4
Ratios			
Net D:E	-0.1	0.0	-0.1
RoE (%)	10.1	11.3	11.9
RoCE (%)	8.9	10.2	11.1
Payout (%)	6.6	5.2	6.6
Valuations			
P/E (x)	27.8	21.9	18.6
EV/EBITDA (x)	14.0	11.6	9.8
EV/Sales (x)	2.9	2.4	2.1
Div. Yield (%)	0.2	0.2	0.3
FCF Yield (%)	2.9	-0.6	5.0

CMP: INR1,701

Operationally better than expectated; earnings in line

- Aurobindo's (ARBP) 2QFY27 sales grew 24% YoY to INR102.6b (**7% beat**), driven by strong performance across all business areas.
- Overall formulation sales grew 24.2% YoY to INR91b.
- US formulations revenue grew 25.2% YoY to INR45.6b (CC: 14.4% YoY to USD477m; ~44% of sales).
- Europe formulation sales grew ~27% YoY to INR32b (18.5% YoY in CC terms ; ~31% of sales).
- Growth Markets sales grew 16% YoY to INR10.3b (~10% of sales).
- ARV revenue grew 10.2% YoY to INR3.6b (~3% of sales).
- API sales grew ~21% YoY basis to INR11.6b (~11% of sales).
- Gross margin expanded 150bp YoY to 61.2%, due to a better business mix.
- EBITDA margin expanded 75bp YoY to 21%, due to a decrease in R&D cost (down 130bps as % of sales) offset by increase in other cost/staff cost (up 130bp/75bp as % of sales).
- EBITDA grew 28.5% YoY to INR21.6b (**beat 7%**).
- Adj. PAT grew 33% at INR11.2b (**in line**).
- For 1HFY27, revenue/EBITDA/PAT grew 20%/24%/30% YoY to INR194b/ INR40.8b/INR21.8b.
- 2QFY27 revenue/EBITDA beat BBG estimates by 3%/7% YoY, while PAT was broadly in line with BBG estimates.

Other key highlights

- ARBP received final approval for 12 products during 2QFY27.
- As of Sep'26, ARBP has filed 900 ANDAs with USFDA and received 747 final approvals and 35 tentative approvals.
- Net capex of USD89m was primarily for capability enhancements and new business developments.
- Free cashflow was USD146m during the quarter and net cash position (including investments) stood at USD189m as on Sep'26.

Quarterly Performance (Consolidated)

(INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	
INRm	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			2QE	vs Est
Net Sales	**78,681**	**82,857**	**86,459**	**88,533**	**91,504**	**102,633**	**101,408**	**105,344**	**336,531**	**400,888**	**96,195**	**6.7%**
YoY Change (%)	4.0	6.3	8.4	5.6	16.3	23.9	17.3	19.0	6.1	19.1	16.1	
EBITDA	**16,034**	**16,781**	**17,733**	**18,009**	**19,243**	**21,558**	**21,296**	**21,385**	**68,558**	**83,481**	**20,201**	**6.7%**
YoY Change (%)	-5.4	7.1	8.9	-3.3	20.0	28.5	20.1	18.7	1.6	21.8	20.4	
Margins (%)	20.4	20.3	20.5	20.3	21.0	21.0	21.0	20.3	20.4	20.8	21.0	
Depreciation	4,057	4,292	4,647	4,786	4,868	5,312	5,114	5,313	17,782	20,607	4,856	
Interest	978	952	928	982	1,017	1,022	964	935	3,840	3,938	973	
Other Income	1,053	1,156	1,541	1,170	2,116	1,654	1,550	1,450	4,921	6,770	1,650	
PBT before EO expense	**12,053**	**12,693**	**13,700**	**13,412**	**15,475**	**16,878**	**16,768**	**16,586**	**51,857**	**65,706**	**16,022**	
Forex loss/(gain)	4	-50	-335	482	-526	-29	0	0	101	-555	0	
Exceptional (expenses)/income	0	0	(653)	0	(834)	0	0	0	-653	-834	0	
PBT	**12,049**	**12,743**	**13,382**	**12,931**	**15,166**	**16,906**	**16,768**	**16,586**	**51,103**	**65,427**	**16,022**	
Tax	3,826	4,278	4,287	3,698	4,831	5,638	4,947	4,926	16,089	20,342	4,807	
Rate (%)	31.8	33.6	32.0	28.6	31.9	33.4	29.5	29.7	31.5	31.1	30.0	
Minority Interest	-25	-20	-9	20	10	7	30	30	-33	77	30	
Reported PAT	**8,248**	**8,485**	**9,103**	**9,213**	**10,326**	**11,261**	**11,791**	**11,630**	**35,048**	**45,008**	**11,185**	
Adj PAT	**8,250**	**8,451**	**9,319**	**9,557**	**10,536**	**11,242**	**11,791**	**11,630**	**35,577**	**45,199**	**11,185**	**0.5%**
YoY Change (%)	-8.5	3.4	5.8	1.3	27.7	33.0	26.5	21.7	0.4	27.0	32.4	
Margins (%)	10.5	10.2	10.8	10.8	11.5	11.0	11.6	11.0	10.6	11.3	11.6	
EPS	**14.1**	**14.4**	**15.9**	**16.3**	**18.3**	**19.5**	**20.5**	**20.2**	**61.3**	**77.8**	**19.4**	

Dabur

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 5th Nov 2026
Time: 4:00pm IST
Dial-in details:
In-person meet

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	131.9	145.7	156.8
Sales Gr. (%)	5.0	10.5	7.6
EBITDA	24.5	27.1	30.3
EBITDA Margin (%)	18.6	18.6	19.3
Adj. PAT	19.4	21.1	23.6
Adj. EPS (INR)	10.9	11.9	13.3
EPS Gr. (%)	7.6	9.0	11.8
BV/Sh.(INR)	64.4	65.9	67.3
Ratios			
RoE (%)	17.5	18.3	20.0
RoCE (%)	16.1	16.5	17.9
Payout (%)	86.9	92.3	93.8
Valuations			
P/E (x)	36.0	33.0	29.6
P/BV (x)	6.1	6.0	5.9
EV/EBITDA (x)	25.0	22.5	20.0
Div. Yield (%)	2.4	2.8	3.2

CMP: INR394 — Neutral

In-line quarter, volume growth at 5.5%

- Dabur's 2QFY27 consolidated sales grew by 12% (est. 13%; 2QFY26: 5%) to INR35.6b (est. INR36b).
- India business revenue grew by 10.7% YoY. India business volume growth stood at 5.5% (est. 8%).
- Dabur's International Business grew 20% in INR terms during the quarter, supported by strong performances across several key markets like Bangladesh, Egypt, Sub-Saharan Africa and Turkey.
- Home & Personal care grew 10.9% YoY, healthcare grew 6.9%, and Food & beverages grew 17.4% YoY.
- Gross margin contracted 60bp YoY but rose 150bp QoQ to 48.8% (est. 48.5%).
- Employee expenses were up 8%, ad spends were down 3%, and other expenses grew 24% YoY (base 8%).
- EBITDA margin contracted 70bp YoY to 17.7% (est. 18.1%).
- EBITDA grew 8% to INR6.3b (est. INR6.5b). PBT grew 13% YoY to INR6.5b and APAT grew by 12% YoY to INR5.1b (est. INR5b).
- In 1HFY27, revenue/EBITDA/APAT grew 11%/9%/13%.

Other highlights from press release:

- This quarter saw a resurgence in General Trade with the channel growing by mid to high-single digits, supported by their Project Saksham.
- Mr. Mohit Malhotra, Global CEO and Whole-time Director, has resigned from the company, with effect from 13th Nov'26.
- Mr. Herjit Singh Bhalla, CEO-India Business, is appointed as an additional Director and a Whole-time Director of the company, with effect from 14th Nov'26 for a period of five five years.

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E 2QE	Var. (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Domestic FMCG vol. growth (%)	**-1.0**	**2.0**	**3.0**	**6.0**	**5.0**	**5.5**	**5.0**	**8.5**	**2.5**	**6.0**	**8.0**	
Net sales	**34,046**	**31,913**	**35,587**	**30,380**	**37,644**	**35,631**	**39,073**	**33,367**	**1,31,926**	**1,45,714**	**35,973**	-1.0%
YoY change (%)	1.7	5.4	6.1	7.3	10.6	11.6	9.8	9.8	5.0	10.5	12.7	
Gross profit	**16,013**	**15,778**	**17,218**	**14,679**	**17,824**	**17,404**	**18,951**	**15,910**	**63,688**	**70,089**	**17,447**	-0.2%
Margin (%)	47.0	49.4	48.4	48.3	47.3	48.8	48.5	47.7	48.3	48.1	48.5	
EBITDA	**6,678**	**5,881**	**7,341**	**4,618**	**7,414**	**6,324**	**8,149**	**5,216**	**24,518**	**27,103**	**6,512**	-2.9%
Margins (%)	19.6	18.4	20.6	15.2	19.7	17.7	20.9	15.6	18.6	18.6	18.1	
YoY growth (%)	2.0	6.4	7.7	8.2	11.0	7.5	11.0	12.9	5.8	10.5	10.7	
Depreciation	1,141	1,154	1,172	1,222	1,212	1,189	1,278	1,458	4,689	5,137	1,269	
Interest	346	397	311	400	366	396	280	258	1,454	1,300	350	
Other income	1,440	1,401	1,406	1,750	1,726	1,719	1,519	1,635	5,998	6,599	1,513	
PBT	**6,630**	**5,731**	**7,265**	**4,747**	**7,562**	**6,458**	**8,110**	**5,135**	**24,373**	**27,264**	**6,406**	0.8%
Tax	1,543	1,282	1,575	1,117	1,695	1,470	2,027	1,623	5,517	6,815	1,601	
Rate (%)	23.3	22.4	21.7	23.5	22.4	22.8	25.0	31.6	22.6	25.0	25.0	
Adjusted PAT	**5,222**	**4,608**	**5,795**	**3,769**	**5,991**	**5,138**	**6,254**	**3,762**	**19,393**	**21,145**	**4,977**	3.2%
YoY change (%)	2.7	6.4	9.2	14.8	14.7	11.5	7.9	-0.2	7.7	9.0	8.0	

E: MOSL Estimates

Business Segment	Category	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Healthcare	Health Supplements	3	5	3	-5	3	(3)
	Digestives	7.7	2	5	15	10	12
	OTC & Ethical	2	(5)	5	7	5	15
Home and Personal Care	Oral Care	5	14	10	5	8	5
	Hair care	2	5	10	27	19	19
	Home care	10.1	5	2	24	5	10
	Skin & Salon	9.2	8	5	12	9	9
Foods & Beverages (incl Badshah)		23	19	16	25	23	20

Balkrishna Industries

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 5th Nov 2026
Time: 10 AM IST
Dial-in details: {Link}
+91 22 6280 1309/
+91 22 7115 8210

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	106.6	129.5	149.4
EBITDA	24.6	25.9	32.0
Adj. PAT	12.4	14.0	17.4
EPS (Rs)	64.3	72.3	90.0
EPS Growth (%)	-24.9	12.4	24.4
BV/Share (INR)	566.8	619.0	685.0
Ratios			
RoE (%)	11.6	12.2	13.8
RoCE (%)	10.1	9.3	10.8
Payout (%)	24.9	27.7	26.7
Valuations			
P/E (x)	34.9	31.0	24.9
P/BV (x)	4.0	3.6	3.3
Div. yield (%)	0.7	0.9	1.1
FCF yield (%)	-1.7	-0.2	1.0

CMP: INR2,244 — Neutral

Earnings beat due to a strong operating performance

- BKT's 2QFY27 revenue of INR34.5b was above our estimate of INR31.1b, having grown 49% YoY, due to strong volume and realization growth.
- Volumes grew 30% YoY to 91,397 MT (-3% QoQ), ahead of our estimate of 85,707 MT.
- Blended ASPs were also up 14.3% YoY to ~INR377k per ton and broadly in line with our estimate of INR363k per ton.
- EBITDA was up ~26% YoY to INR6.3b (15% above our est). EBITDA margin contracted ~330bp YoY and 233bp QoQ to 18.2% (above our estimate of 17.5%).
- The MTM gain of INR80m in 1QFY27 boosted profitability.
- As a result, Adj. PAT grew 10% YoY to ~INR3b, ahead of our estimate of INR2.7b.
- The Board declared an INR4/share interim dividend.
- CFO for 1H stood at negative INR10m due to adverse working capital impact of INR12.2b, while FCF stood at negative INR19.5b.
- **Valuation view:** The stock currently trades at 31x FY27E and at 25x FY28E EPS.

Quarterly Earning Model (Standalone) (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	VAR (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Volumes (Ton)	**80,664**	**70,252**	**80,620**	**85,820**	**93,770**	**91,397**	**86,263**	**79,661**	**317,356**	**351,091**	**85,707**	**6.6**
YoY Change (%)	-3.5	-4.2	5.6	4.6	16.2	30.1	7.0	-7.2	0.7	10.6	22.0	
Realizations (INR '000/ton)	**342.1**	**330.3**	**332.8**	**337.2**	**363.5**	**377.4**	**366.0**	**367.4**	**335.8**	**368.6**	**363.4**	**3.9**
YoY Change (%)	4.3	-1.8	-1.2	-2.5	6.3	14.3	10.0	8.9	-0.3	9.8	10.0	
Net Revenues	**27,594**	**23,207**	**26,827**	**28,942**	**34,087**	**34,495**	**31,575**	**29,265**	**106,560**	**129,423**	**31,143**	**10.8**
YoY Change (%)	0.7	-5.8	4.3	2.0	23.5	48.6	17.7	1.1	0.4	21.5	34.2	
EBITDA	**6,560**	**4,999**	**6,134**	**6,632**	**7,016**	**6,295**	**6,185**	**6,021**	**24,232**	**25,516**	**5,463**	**15.2**
Margins (%)	23.8	21.5	22.9	22.9	20.6	18.2	19.6	20.6	22.7	19.7	17.5	**70bp**
YoY Change (%)	-8.1	-19.2	-4.0	-5.7	6.9	25.9	0.8	-9.2	-9.6	288.9	9.3	
Depreciation	1,862	1,901	1,921	1,955	2,033	2,164	2,210	2,363	7,640	8,770	2,150	
Interest	290	319	420	440	723	754	415	-207	1,470	1,686	410	
Forex loss/(gain)	1,540	10	-360	250	-570	-80	0	0	1,440	-570	0	
Other Income	1,042	709	768	-36	983	434	650	509	-36	2,480	600	
PBT before EI	**3,910**	**3,478**	**4,920**	**3,950**	**5,813**	**3,891**	**4,210**	**4,374**	**16,162**	**18,207**	**3,503**	**11.1**
Extra-Ord expense	0	0	83	0	0	0	0	0	83	0	0	
PBT	**3,910**	**3,478**	**4,837**	**3,950**	**5,813**	**3,891**	**4,210**	**4,374**	**16,079**	**18,207**	**3,503**	**11.1**
Rate (%)	26.6	23.7	22.4	25.3	25.8	24.8	22.0	19.3	24.4	24.4	23.4	
Adj PAT	**2,869**	**2,652**	**3,817**	**2,951**	**4,314**	**2,926**	**3,284**	**3,529**	**12,412**	**13,973**	**2,683**	**9.1**
YoY Change (%)	-39.9	-24.1	-13.2	-18.5	50.4	10.3	-14.0	19.6	-23.8	12.6	1.2	

E: MOFSL Estimates

Premier Energies

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 5 Nov 2026

Time: 10:00 HRS IST

CMP: INR904 — Buy

In-line 2Q

Financial Performance

- Consolidated revenue came in line with our est. at INR26.3b (+43% YoY, +7% QoQ).
- EBITDA came in at INR7.4b (+31% YoY, +3% QoQ), 2% below our estimate, with an EBITDA margin of 28% (vs. our est. of 28.7%).
- Adjusted PAT was also in line with our est. at INR4.6b (+30% YoY, -1% QoQ).
- Module/cell production stood at 1.2GW/0.92GW in 2QFY27 with CUF of 55%/99%.

Other Highlights

- Module/cell manufacturing capacity stands at 11.1GW/10.6GW.
- The order book stood at 10.7GW, ~INR166b in 2QFY27 (compared with INR150b in 1QFY27), comprising 48% modules, 48% cells, 2% transformers and 1% EPC.
- 2Q revenue breakup: 77% modules sales, 18% cell sales, and 4% from transcon.
- The Board approved INR59.5b for setting up 10GW ingot and wafer facility in Andhra Pradesh. Phase I- 5GW is targeted for completion by Dec'27.
- The Board declared an interim dividend of INR0.50/share.

Consolidated Performance — INR m

Y/E March	FY26				FY27E				FY26	FY27E	FY27 2QE	Var. (%)	YoY (%)	QoQ (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE						
Net Sales	**18,207**	**18,369**	**19,365**	**22,303**	**24,626**	**26,319**	**20,193**	**59,259**	**78,244**	**1,30,396**	**26,071**	**1**	**43**	**7**
YoY Change (%)	*9.9*	*20.3*	*13.0*	*37.6*	*35.3*	*43.3*	*4.3*	*165.7*	*20.0*	*66.7*	*41.9*			
Total Expenditure	12,725	12,760	13,432	15,555	17,482	18,961	11,775	47,151	54,471	95,369	18,599	**2**	**49**	**8**
EBITDA	**5,483**	**5,609**	**5,932**	**6,748**	**7,144**	**7,358**	**8,418**	**12,108**	**23,772**	**35,027**	**7,472**	**-2**	**31**	**3**
YoY Change (%)	*53.0*	*47.4*	*15.5*	*27.7*	*30.3*	*31.2*	*41.9*	*79.4*	*33.5*	*47.3*	**33**			
Margin (%)	*30.1*	*30.5*	*30.6*	*30.3*	*29.0*	*28.0*	*41.7*	*20.4*	*30.4*	*26.9*	*28.7*			
Depreciation	1,575	1,457	702	791	956	1,166	2,424	4,111	4,525	8,657	1,125	4	-20	22
Interest	368	325	474	415	439	422	1,113	2,000	1,582	3,973	636	-34	30	-4
Other Income	488	845	297	386	450	242	186	1,730	2,015	2,608	477	-49	-71	-46
PBT before EO expense	**4,027**	**4,672**	**5,053**	**5,928**	**6,198**	**6,011**	**5,067**	**7,727**	**19,681**	**25,004**	**6,188**			
Extra-Ord income/(exp.)	0	0	0	0	0	0	0	0	0	0	0			
PBT	**4,027**	**4,672**	**5,053**	**5,928**	**6,198**	**6,011**	**5,067**	**7,727**	**19,681**	**25,004**	**6,188**	**-3**	**29**	**-3**
Tax	952	1,138	1,136	1,410	1,485	1,389	1,166	1,713	4,635	5,753	1,423			
Rate (%)	*23.6*	*24.3*	*22.5*	*23.8*	*24.0*	*23.1*	*23.0*	*22.2*	*23.6*	*23.0*	*23.0*			
Minority Interest	0	0	-1	0	89	44	76	97	-1	306	76			
Share of JV & associates	2	0	-1	50	5	1	2	-2	51	7	1			
Reported PAT	**3,078**	**3,534**	**3,917**	**4,568**	**4,631**	**4,580**	**3,827**	**5,915**	**15,098**	**18,953**	**4,689**	**-2**	**30**	**-1**
Adj PAT	**3,078**	**3,534**	**3,917**	**4,568**	**4,631**	**4,580**	**3,827**	**5,915**	**15,098**	**18,953**	**4,689**	**-2**	**30**	**-1**
YoY Change (%)	*39.5*	*47.9*	*38.6*	*45.7*	*34.0*	*22.6*	*-2.0*	*35.2*	*161.1*	*125.5*	*24.9*			
Margin (%)	*16.9*	*19.2*	*20.2*	*20.5*	*18.8*	*17.4*	*19.0*	*10.0*	*19.3*	*14.5*	*18.0*			

PI Industries

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 5th Nov 2026

Time: 12:00pm IST

Dial-in details:

Click Here

CMP: INR2,187 — Buy

Weak operating performance due to adverse operating leverage and lower gross margin

Operating performance below estimates

- Revenue stood at INR17.0b (est. INR18.2b), down 9% YoY, in 2QFY27.
- Agrochemical's business revenue was down 10% YoY at INR16.3b and pharma business revenue was up 20% YoY to INR759m.
- EBITDA stood at INR2.3b (est. INR4.3b), down 57% YoY.
- EBITDA margins contracted by 15pp YoY to 13.7% (est. 23.6%); gross margins: 50% (down 780bp YoY); employee expenses up 330bp YoY to 15.1%; other expenses up 420bp YoY to 20.7% of sales.
- EBIT margins for Agrochemical business stood at 15.2% (down 17.5pp) and Pharma reported operating loss of INR601m vs. operating loss of INR819m in 2QFY26.
- Adj. PAT was down 70% YoY at INR1.2b (est. INR3.0b).
- For 1HFY27, revenue/EBITDA/adj PAT declined 10%/43%/55% to INR34.0b/ INR6.0b/INR3.7b.
- Gross debt stood at INR2.1b vs. INR2.4b as of Mar'26. CFO stood at INR8.9b vs. INR2.5b as of Sep'25.

Quarterly Earning Model (INRm)

Y/E March	FY26				FY27				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	(%)
Net Sales	**19,005**	**18,723**	**13,757**	**15,652**	**17,023**	**17,018**	**16,095**	**17,230**	**67,137**	**67,366**	**18,151**	**-6**
YoY Change (%)	-8.1	-15.7	-27.6	-12.4	-10.4	-9.1	17.0	10.1	-15.8	0.3	-3.1	
Total Expenditure	13,814	13,310	10,734	12,283	13,349	14,691	12,313	13,349	50,141	53,702	13,873	
EBITDA	**5,191**	**5,413**	**3,023**	**3,369**	**3,674**	**2,327**	**3,782**	**3,881**	**16,996**	**13,664**	**4,277**	**-46**
Margins (%)	27.3	28.9	22.0	21.5	21.6	13.7	23.5	22.5	25.3	20.3	23.6	
Depreciation	965	980	1,054	1,067	1,037	1,049	1,090	1,214	4,066	4,390	1,150	
Interest	39	26	62	37	79	84	60	55	164	278	60	
Other Income	859	825	667	756	641	611	700	729	3,107	2,681	807	
PBT before EO expense	**5,046**	**5,232**	**2,574**	**3,021**	**3,199**	**1,805**	**3,332**	**3,340**	**15,873**	**11,677**	**3,875**	
Extra-Ord expense	0	0	-1,051	20	0	0	0	0	-1,031	0	0	
PBT	**5,046**	**5,232**	**3,625**	**3,001**	**3,199**	**1,805**	**3,332**	**3,340**	**16,904**	**11,677**	**3,875**	
Tax	1,074	1,160	516	1,003	776	618	1,141	1,144	3,753	3,679	876	
Rate (%)	21.3	22.2	14.2	33.4	24.3	34.2	34.2	34.2	22.2	31.5	22.6	
MI & Profit/Loss of Asso. Cos.	-28	-21	-4	-4	-19	-35	-35	-35	-57	-124	-14	
Reported PAT	**4,000**	**4,093**	**3,113**	**2,002**	**2,442**	**1,222**	**2,226**	**2,232**	**13,208**	**8,122**	**3,012**	
Adj PAT	**4,000**	**4,093**	**2,325**	**2,017**	**2,442**	**1,222**	**2,226**	**2,232**	**12,435**	**8,122**	**3,012**	**-59**
YoY Change (%)	-10.9	-19.5	-37.6	-39.0	-39.0	-70.1	-4.2	10.6	-25.1	-34.7	-26.4	
Margins (%)	21.0	21.9	16.9	12.9	14.3	7.2	13.8	13.0	18.5	12.1	16.6	

Exide

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 5th Nov 2024
Time: 12pm IST
Dial-in details:
[Diamond pass link]
+91 22 6280 1245/
+91 22 7115 8146

Financials & Valuations (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Net Sales	172.7	196.0	211.5
EBITDA	19.4	22.0	25.2
Adj. PAT	11.2	12.9	15.4
Adj. EPS (INR)	13.2	15.1	18.1
EPS Gr. (%)	3.8	15.0	19.5
BV/Sh. (INR)	172.6	185.6	201.3
Ratio			
RoE (%)	7.6	8.2	9.0
RoCE (%)	7.7	8.4	9.3
Payout (%)	15.2	14.2	13.3
Valuations			
P/E (x)	28.0	24.4	20.4
P/BV (x)	2.1	2.0	1.8
Div Yield (%)	0.5	0.6	0.7
FCF Yield (%)	5.8	3.9	4.7

CMP: INR453

Earnings beat led by strong margin performance

- EXID's 2Q revenue was 5% above our estimates, up 20% YoY to INR50.3b, supported by healthy demand, continued benefits of GST 2.0 reforms, lower base and stronger execution of the 'One Exide' operating model.
- Automotive OEM business delivered over 25% YoY growth for the 4th consecutive quarter, with key new launch wins: MG Hector Tomahawk: 100% SOB (share of business) for the Exide auxiliary battery, on both EV and PHEV, Tata Aeris: 100% SOB in CNG models.
- 2W/4W Replacement business delivered double-digit growth for the 4th consecutive quarter, driven by steady aftermarket demand.
- Home Inverters and Solar delivered 20%+ YoY growth for the second consecutive quarter, with favorable seasonal demand and Government schemes continuing to support Home UPS and Rooftop solar adoption, respectively.
- Exports business grew 20%+ YoY for the 2nd consecutive quarter, on a low base. The company signed a long-term strategic cooperation agreement with ExCom Energy Solutions GmbH, Germany, to grow its industrial battery and energy storage business across the European Economic Area.
- Gross margin improved 100bp QoQ to 30.6%. On a YoY basis, input costs remained elevated due to prolonged geopolitical challenges. On a QoQ basis, the full benefit of softer Lead LME and antimony prices could not be realized due to a weaker Rupee.
- EBITDA margin came in at 12.1% (170bp higher than estimates), supported by cost optimization initiatives, along with calibrated price increases and volume growth. Absolute EBITDA stood at INR6b (up 53.6% YoY) and was 22% higher than our estimates.
- PAT came in 32% above estimates, at INR3.9b, up 75% YoY.

Other key updates:

- The company infused INR5.5b of equity into Exide Energy Solutions Limited (EESL) between Apr'26 and Oct'26, taking the cumulative equity investment to INR53.52b. On 23rd Sep'26, EESL completed the commissioning of its 6GWh of lithium-ion cell Gigafactory in Bengaluru.
- EXIDE won 100% share of business to supply auxiliary batteries for both the EV and PHEV versions of the MG Hector Tomahawk and the CNG model of the Tata Aeris during 2QFY27.
- EXID launched the Exide DARE during the quarter, which is India's first SUV-ready automotive battery series engineered to handle rough roads, heavy electrical loads, and high-temperature conditions.
- **Valuation**: The stock currently trades at 24.4x/20.4x FY27E/FY28E EPS.

S/A Quarterly Performance (INR M)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E 2QE	Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Sales	**45,098**	**41,783**	**40,297**	**45,511**	**53,051**	**50,261**	**46,745**	**45,916**	**172,689**	**195,972**	**47,633**	**5.5**
Growth YoY (%)	4.6	-2.1	4.7	9.4	17.6	20.3	16.0	0.9	4.1	13.5	14.0	
RM cost (%)	69.2	70.2	68.4	69.9	70.5	69.4	70.0	70.9	69.4	70.2	70.5	
Employee cost (%)	6.1	6.4	6.5	6.0	5.7	6.3	6.1	5.8	6.3	6.0	6.1	
Other Exp(%)	12.6	14.0	13.4	12.4	11.5	12.2	13.0	13.8	13.1	12.6	13.0	
EBITDA	**5,482**	**3,947**	**4,696**	**5,304**	**6,552**	**6,063**	**5,095**	**4,321**	**19,429**	**22,032**	**4,954**	**22.4**
EBITDA Margin(%)	12.2	9.4	11.7	11.7	12.4	12.1	10.9	9.4	11.3	11.2	10.4	170bp
Change (%)	10.9	-18.4	4.7	13.7	19.5	53.6	8.5	-18.5	4.3	339.1	26	
Non-Operating Income	182	424	183	142	140	424	185	141	931	891	430	
Interest	91	89	85	84	83	87	90	95	349	356	90	
Depreciation	1,276	1,306	1,270	1,158	1,176	1,177	1,300	1,419	5,010	5,072	1,280	
PBT after EO Exp	**4,297**	**2,976**	**3,434**	**4,204**	**5,433**	**5,223**	**3,890**	**2,949**	**14,911**	**17,495**	**4,014**	**30.1**
Effective Tax Rate (%)	25.4	25.8	25.0	25.7	25.0	26.0	26.5	30.0	25.5	26.5	27.0	
Adj. PAT	**3,205**	**2,207**	**2,644**	**3,124**	**4,073**	**3,865**	**2,859**	**2,063**	**11,181**	**12,859**	**2,930**	**31.9**
Change (%)	14.6	-25.9	7.9	22.7	27.1	75.1	8.1	-34.0	3.8	15.0	32.7	

Kirloskar Oil Engine

BSE SENSEX	S&P CNX
77,301	23,961

CMP: INR1,804 — Buy

Conference Call Details



Date: 5th November, 2026
Time: 01:30pm IST
Dial-in details:
Diamond Pass

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	68.0	89.5	115.9
EBITDA	9.0	13.0	17.4
Adj. PAT	5.9	8.7	11.9
Adj. EPS (INR)	40.4	59.6	82.0
EPS Gr. (%)	26.5	47.8	37.5
BV/Sh.(INR)	263.0	310.6	376.1
Ratios			
RoE (%)	16.3	20.8	23.9
RoCE (%)	16.1	20.5	23.7
Valuations			
P/E (x)	44.7	30.3	22.0
P/BV (x)	6.9	5.8	4.8
EV/EBITDA (x)	28.5	19.7	14.2
Div. Yield (%)	0.5	0.7	0.9

Beat on revenue; margin and PAT miss our estimates

- KOEL's 2QFY27 revenue beat our estimates, while profitability miss our estimates due to lower-than-expected margin.
- Revenue increased 19% YoY to INR17.4b (vs. our est. of INR16.6b). Beat to our estimate was primarily driven by better-than-expected growth in exports and distribution segments.
- Powergen revenue grew 17% YoY to INR8b (in-line with our est.); Industrial revenue rose 2% YoY to INR3.8b (13% below our est.); Distribution revenue increased 29% YoY to INR2.9b (8% above our est.), while Export revenue increased 50% YoY to INR2.6b (88% above our est.).
- Gross margin contracted 150bp YoY to 33.9%, vs. our est. of 34.4%. Employee cost/other expenses as % of sales also increased 50bp/100bp YoY to 6.6%/16.3% (vs. our est. of 6.6%/14.7%).
- These factors led to EBITDA margin contraction of 300bp YoY to 11% (vs. our est. of 13%), while absolute EBITDA declined 6% YoY to INR1.9b.
- Led by lower-than-expected margin, higher-than-expected non-operating expenses as well as lower other income, PAT of INR1.2b (-14% YoY) came in below our est. of INR1.4b.
- For 1HFY27, revenue increased 18% YoY, while EBITDA/PAT declined 5%/12% YoY, and margin contracted 270bp YoY to 11.1%.
- For 1HFY27, OCF declined 83% YoY to INR398m, mainly due to lower profitability and higher working capital requirements, while it reported a free cash outflow of INR1.6b (vs. an inflow of INR966m last year).

Standalone - Quarterly Earning Model (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Est
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	Var (%)
Net Sales	**12,720**	**14,595**	**13,806**	**15,347**	**14,713**	**17,390**	**17,131**	**18,761**	**56,468**	**67,994**	**16,629**	**5**
YoY Change (%)	(5.3)	22.2	18.6	8.7	15.7	19.1	24.1	22.2	24.9	33.0	13.9	
Total Expenditure	11,004	12,555	12,118	13,419	13,058	15,479	14,733	15,682	49,096	58,951	14,468	
EBITDA	**1,716**	**2,040**	**1,688**	**1,928**	**1,655**	**1,911**	**2,398**	**3,079**	**7,373**	**9,043**	**2,162**	**(12)**
YoY Change (%)	(13.2)	23.7	44.3	10.8	(3.6)	(6.3)	42.1	59.7	24.2	38.3	6.0	
Margins (%)	13.5	14.0	12.2	12.6	11.2	11.0	14.0	16.4	13.1	13.3	13.0	
Depreciation	332	348	361	392	404	429	392	344	1,433	1,569	383	12
Interest	31	28	22	31	21	35	19	1	110	76	18	89
Other Income	121	116	80	89	108	98	123	163	407	492	120	(19)
PBT before EO expense	**1,476**	**1,780**	**1,385**	**1,595**	**1,337**	**1,545**	**2,110**	**2,898**	**6,236**	**7,891**	**1,881**	**(18)**
Extra-Ord expense	-	-	201	96	-	-	-	-	297	-	-	
PBT	**1,476**	**1,780**	**1,184**	**1,499**	**1,337**	**1,545**	**2,110**	**2,898**	**5,939**	**7,891**	**1,881**	**(18)**
Tax	380	445	311	388	344	393	542	746	1,524	2,025	483	
Rate (%)	25.8	25.0	26.2	25.9	25.7	25.5	25.7	25.7	25.7	25.7	25.7	
Reported PAT	**1,095**	**1,335**	**874**	**1,111**	**993**	**1,152**	**1,569**	**2,152**	**4,415**	**5,866**	**1,398**	**(18)**
Adj PAT	**1,095**	**1,335**	**1,022**	**1,183**	**993**	**1,152**	**1,569**	**2,152**	**4,636**	**5,866**	**1,398**	**(18)**
YoY Change (%)	(18.7)	20.2	57.1	12.1	(9.3)	(13.7)	53.5	81.9	23.9	40.9	4.7	
Margins (%)	8.6	9.1	7.4	7.7	6.7	6.6	9.2	11.5	8.2	8.6	8.4	

INR m	FY26				FY27E				FY26	FY27E	FY27E 2QE	Est Var (%)
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Segmental revenue												
Powergen	6,090	6,780	6,030	7,080	7,200	7,920	7,839	9,516	25,980	32,475	8,136	(3)
Industrial	3,100	3,730	3,900	3,710	3,680	3,810	4,875	5,974	14,440	18,339	4,401	(13)
Distribution & After Market	2,230	2,270	2,380	2,810	2,680	2,930	2,737	2,785	9,690	11,132	2,724	8
Exports	1,200	1,710	1,400	1,620	1,060	2,570	1,680	739	5,930	6,049	1,368	88
Total revenue (B2B+B2C)	**12,620**	**14,490**	**13,710**	**15,220**	**14,620**	**17,230**	**17,131**	**19,013**	**56,040**	**67,994**	**16,629**	**4**

Apollo Tyres

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 05th November 2026
Time: 11AM IST
Dial-in details:
https://shorturl.at/kKn1E

Financials & Valuations (INR b)

Y/E March	FY26	FY27E	FY28E
Sales	284.7	312.3	333.9
EBITDA	41.4	38.6	46.2
Adj. PAT	17.0	15.3	18.7
EPS (Rs)	26.7	24.1	29.5
EPS Growth (%)	36.6	-10.0	22.5
BV/Share (Rs)	328.4	350.9	378.9
Ratios			
RoE (%)	10.8	8.8	10.1
RoCE (%)	13.8	11.2	12.9
Payout (%)	27.8	24.9	23.8
P/E (x)	15.1	16.8	13.7
P/BV (x)	1.2	1.1	1.1
Div. Yield (%)	1.5	1.5	1.7
FCF Yield (%)	9.0	-1.2	1.2

CMP: INR404 — Buy

Earnings miss due to lower than expected margins

- APTY's consolidated revenue grew ~17% YoY to INR79.7b (in line) in 2QFY27, while standalone revenue rose ~26% YoY to INR59.2b (in line).
- Consolidated EBITDA margin contracted ~420bp YoY to 10.7% (est. 11.8%), as EBITDA declined 16.2% YoY to ~INR8.6b (below our expectation of INR9.2b).
- **Segmental performance:**
- Standalone revenue grew ~26% YoY to INR59.2b. Standalone EBITDA margin contracted 420bp YoY to 11.1% (below our expectation of 11.5%), while PAT declined marginally YoY to INR2.8b (ahead of estimates).
- The EU revenue (in INR terms) fell 1.6% YoY to INR21.6b and EBIT margin contracted significantly (200bp) to 2.4%.
- APTY reported an exceptional expense of INR269m as part of payment made to employees who opted for a re-organization within the company.
- Other income received during the quarter was greater than expected at INR424m (expected INR210m).
- However, adj PAT came in below our expectations, declining 24% YoY to INR3.1b.
- Consolidated CFO for 1HFY27 stood at INR2.6b, with free cash coming in negative at INR11.9b.
- **Valuation:** The stock trades at 16.8x/13.7x FY27E/FY28E consolidated EPS.

Consolidated - Quarterly Earning Model (INR M)

Y/E March	FY26				FY27E				FY26	FY27	2QE	VAR
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				
Net Revenues	**65,608**	**68,311**	**77,431**	**73,357**	**73,978**	**79,682**	**83,104**	**75,582**	**284,706**	**312,345**	**78,125**	**2**
YoY Change (%)	3.6	6.1	11.8	14.2	12.8	16.6	7.3	3.0	12.2	19.6	14.4	
EBITDA	**8,677**	**10,207**	**11,859**	**10,688**	**8,680**	**8,554**	**10,471**	**10,914**	**41,432**	**38,618**	**9,221**	**-7**
Margins (%)	13.2	14.9	15.3	14.6	11.7	10.7	12.6	14.4	14.6	12.4	11.8	
YoY Change (%)	-4.6	16.3	25.2	27.6	0.0	-16.2	-11.7	2.1	16.0	-6.8	-9.7	
Depreciation	3,776	3,834	3,853	3,967	3,907	3,806	4,100	4,336	15,430	16,150	4,010	
Interest	1,006	1,010	1,001	898	915	942	1,100	1,390	3,915	4,348	1,080	
Other Income	189	297	496	352	583	424	225	14	1,334	1,246	210	
PBT before EO expense	**4,085**	**5,660**	**7,501**	**6,175**	**4,441**	**4,229**	**5,496**	**5,201**	**23,421**	**19,366**	**4,341**	**-3**
Extra-Ord expense	3,702	1,800	271	4,561	-235	269	0	0	10,335	0	0	
PBT	**383**	**3,860**	**7,229**	**1,614**	**4,676**	**3,960**	**5,496**	**5,201**	**13,086**	**19,366**	**4,341**	
Tax Rate (%)	66.5	33.2	34.9	-290.8	25.4	26.2	20.6	14.0	-4.8	21.1	20.6	
MI & Profit/Loss of Asso. Cos.	-1	-1	-2	-3	-1	-2	-1	3	0	0	-1	
Reported PAT	**129**	**2,580**	**4,705**	**6,310**	**3,489**	**2,923**	**4,365**	**4,471**	**13,718**	**15,280**	**3,448**	
Adj PAT	**2,961**	**4,103**	**5,437**	**4,476**	**3,318**	**3,118**	**4,365**	**4,471**	**16,978**	**15,280**	**3,448**	**-10**
YoY Change (%)	-10.6	36.2	59.8	65.3	12.1	-24.0	-19.7	-0.1	36.5	-10.0	-16.0	
Margins (%)	4.5	6.0	7.0	6.1	4.5	3.9	5.3	5.9	6.0	4.9	4.4	

E: MOFSL Estimates

Tenneco Clean Air

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: **5th** November 2026
Time: **03PM** IST
Dial-in details:
[Diamond pass]

Financials & Valuations (INR m)

Y/E March	FY26	FY27E	FY28E
Sales	54,040	62,467	71,623
EBITDA	9,255	10,327	12,247
Adj. PAT	6,307	6,535	7,840
EPS (Rs)	15.6	16.2	19.4
EPS Growth (%)	14.3	3.6	20.0
BV/Share (Rs)	29.7	34.0	39.4
Ratios			
RoE (%)	44.8	50.8	53.0
RoCE (%)	46.7	53.6	55.4
Payout (%)	164.3	74.1	72.1
Valuations			
P/E (x)	29.7	28.7	23.9
P/BV (x)	15.6	13.7	11.8
EV / EBITDA (x)	19.7	17.7	14.9
Div. Yield (%)	5.5	2.6	3.0

CMP: INR464 — Buy

Strong order execution drives earnings beat; order book up 33%

- TENNIND reported value-added revenue of INR15.2b, up 32% YoY (*11% above estimates*). Revenue growth was led by strong order execution across both segments, clean air & powertrain (up 27% YoY) and suspension (up 38% YoY).
- EBITDA stood at INR2.6b (up 21% YoY), 6% above our estimates. EBITDA margin stood at 15.2% vs. 16.9% in 2QFY26 due to elevated commodity costs and the incremental cost of operating as a listed entity.
- PAT stood at INR1.7b (up 15% YoY), beating our estimates by 10% due to better-than-expected operational profits.
- The total order book stands at ~INR165b (up 33% vs. FY26 order book), representing ~35% of Clean Air & Powertrain orders and 65% of Suspension orders. Overall booked business included INR 8.7b from export programs, strengthening multi-year revenue visibility. Overall booked business now covers more than 100% of the company's FY30 revenue plan.
- CFO as of 1HFY27 stood at INR4.6b, and net cash stood at INR8.7b.
- The stock currently trades at 28.7x/23.9x FY27E/FY28E P/E.

Consolidated - Quarterly Earnings (INR m)

	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Net operating income	**12,856**	**12,806**	**12,853**	**15,524**	**15,448**	**17,183**	**15,006**	**14,831**	**54,040**	**62,467**	**14,967**	**15**
Change (%)	3.5	2.9	5.4	9.9	9.6	26.6	10.0	-2.5	10.5	15.6	10.0	
Value added Revenue	**11,665**	**11,515**	**11,941**	**14,058**	**13,816**	**15,229**	**13,765**	**14,299**	**49,180**	**57,108**	**13,713**	**11**
Total Revenue (%)	90.7%	89.9%	92.9%	90.6%	89.4%	88.6%	91.7%	96.4%	91.0%	91.4%	91.6%	
RM/Sales (%)	66.97	65.34	66.10	65.21	64.20	66.03	64.56	65.01	65.70	64.91	66.03	0 bps
Staff Cost (%)	7.1	6.5	6.3	7.3	7.0	6.1	7.0	7.9	6.8	7.0	7.0	(90) bps
Other Exp. (%)	12.7	12.4	13.2	13.0	13.5	13.3	13.3	13.1	12.8	13.3	13.4	(10) bps
EBITDA	**2,289**	**2,168**	**2,225**	**2,573**	**2,469**	**2,616**	**2,505**	**2,739**	**9,255**	**10,327**	**2,468**	**6**
EBITDA Margins (%)	17.8	16.9	17.3	16.6	16.0	15.2	16.7	18.5	17.1	16.5	16.5	(130) bps
Change (%)	7.5	5.7	24.8	17.6	7.9	20.7	12.6	6.4	18.8	18.1	13.9	
Non-Operating Income	308	121	47	114	87	92	80	96	590	354	80	14
Interest	71	106	71	88	84	99	120	160	336	463	100	-1
Depreciation	254	258	283	287	278	280	382	542	1082	1482	349	-20
Exceptional Items	0	0	-272	0	0	0	0	0	-272	0	0	
PBT after EI items	**2,272**	**1,924**	**1,646**	**2,313**	**2,194**	**2,328**	**2,083**	**2,132**	**8,155**	**8,736**	**2,100**	**11**
Tax	591	417	458	645	542	594	525	532	2112	2193	529	
Eff. Tax Rate (%)	26.0	21.7	23.9	27.9	24.7	25.5	25.2	25.0	25.1	25.1	25.2	
Rep. PAT	**1,681**	**1,507**	**1,188**	**1,668**	**1,652**	**1,734**	**1,558**	**1,600**	**6,043**	**6,543**	**1,569**	**10**
Change (%)	12.0	10.0	-5.2	18.9	-1.7	15.0	31.2	-4.1	9.3	8.3	4.2	
Adj. PAT	**1,678**	**1,505**	**1,459**	**1,666**	**1,650**	**1,731**	**1,557**	**1,598**	**6,307**	**6,535**	**1,569**	**10**
Change (%)	12.0	10.0	16.5	18.9	-1.7	15.0	6.7	-4.1	14.2	3.6	4.2	

Century Plyboards

BSE Sensex	S&P CNX
77,301	23,961

CMP: INR658 **Buy**

Conference Call Details



Date: 5 November 2026
Time: 14:00 IST
Diamond pass link

Strong plywood results drive a large earnings beat

- Consolidated revenue/EBITDA/PAT grew 28%/32%/46% YoY (in line).
- EBITDA margin stood at 12.9%, up ~30bp YoY and QoQ (in line).
- Plywood segment continues to report strong results, with revenue increasing 29% YoY and EBITDA margin of 15.8%.
- MDF and Particle Board continued to drag down overall margins.

Quarterly performance

(INR m)

	FY26				FY27				FY26	FY27E	FY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Net Sales	**11,694**	**13,855**	**13,501**	**14,922**	**15,614**	**17,800**	**16,791**	**18,667**	**53,972**	**68,592**	**17,229**	**3**
YoY Change (%)	16.3	17.1	18.4	24.5	33.5	28.5	24.4	25.1	19.2	27.1	24.3	
Total Expenditure	10,412	12,109	11,798	13,148	13,636	15,503	14,473	16,023	47,468	59,635	14,993	
EBITDA	**1,282**	**1,746**	**1,702**	**1,774**	**1,978**	**2,297**	**2,318**	**2,645**	**6,504**	**8,957**	**2,236**	**3**
Margins (%)	11.0	12.6	12.6	11.9	12.7	12.9	13.8	14.2	12.1	13.1	13.0	
Depreciation	367	476	483	495	541	567	577	587	1,821	2,272	**551**	
Interest	222	311	313	290	296	339	334	329	1,135	1,299	**291**	
Other Income	19	19	17	47	22	21	23	25	102	91	24	
PBT before EO expense	**712**	**979**	**924**	**1,037**	**1,163**	**1,412**	**1,430**	**1,753**	**3,651**	**5,477**	**1,418**	
Extra-Ord expense	0	0	-76	-1	0	0	0	0	-77	0	0	
PBT	**712**	**979**	**848**	**1,036**	**1,163**	**1,412**	**1,430**	**1,753**	**3,574**	**5,477**	**1,418**	**0**
Tax	182	269	197	242	330	376	379	465	890	1,549	**369**	
Rate (%)	25.6	27.5	23.3	23.3	28.4	26.6	26.5	26.5	24.9	28.3	26.0	
Minority Interest	-11	-20	-12	-13	-30	-29	-30	-30	-56	-119	-12	
Reported PAT	**519**	**689**	**639**	**781**	**803**	**1,008**	**1,021**	**1,259**	**2,627**	**3,809**	**1,037**	**-3**
Adj PAT	**519**	**689**	**715**	**781**	**803**	**1,008**	**1,021**	**1,259**	**2,704**	**3,809**	**1,037**	**-3**
YoY Change (%)	8.6	72.4	22.3	48.9	54.9	46.2	42.8	61.1	36.1	40.9	50.6	
Margins (%)	4.4	5.0	5.3	5.2	5.1	5.7	6.1	6.7	5.0	5.6	6.0	

Operating metrics

Y/E March	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27	% YoY	% QoQ
Segment Volumes								
Plywood (CBM)	1,11,201	1,31,501	1,24,801	1,39,255	1,41,989	1,57,941	20	11
Laminate (m sheets)	1.8	2.0	1.7	1.9	1.7	1.9	(2)	15
MDF Board (CBM)	84,099	1,13,748	1,11,153	1,21,714	1,02,951	1,23,853	9	20
Particle Board (CBM)	16,302	18,858	36,158	36,182	41,680	49,351	162	18
Segment Revenues (INR m)								
Plywood	6,448	7,545	7,064	7,902	8,546	9,716	29	14
Laminate	1,691	1,958	1,766	1,932	1,962	2,231	14	14
MDF	2,558	3,400	3,234	3,526	3,317	3,765	11	14
Particle Board	333	321	642	667	862	1,013	215	18
Avg. Realisation per unit								
Plywood (/ CBM)	57,988	57,378	56,603	56,742	60,187	61,517	7	2
Laminate (/ sheet)	920	1,000	1,058	1,036	1,166	1,158	16	(1)
MDF Board (/ CBM)	30,419	29,887	29,095	28,967	32,222	30,401	2	(6)
Particle Board (/ CBM)	20,396	17,033	17,755	18,429	20,677	20,526	21	(1)
Adj. EBITDA Margin (%)								
Plywood	14.6	15.0	15.1	16.1	16.9	15.7		
Laminate	5.9	9.5	7.7	10.3	10.2	11.6		
MDF Board	14.3	13.6	12.1	11.3	7.0	8.9		
Particle Board	1.5	(10.1)	0.4	7.2	3.7	7.4		
EBITDA per unit								
Plywood (/CBM)	8,548	8,737	8,571	9,128	10,221	9,771	12	(4)
Laminate (/ sheet)	55	92	84	109	121	136	49	13
MDF Board (/CBM)	4,396	4,090	3,535	3,303	2,285	2,720	(33)	19
Particle Board (/CBM)	319	(1,755)	66	1,343	773	1,526	(187)	98

Indo Count

BSE Sensex	S&P CNX
77,301	23,961

CMP: INR525 **Buy**

Conference Call Details



Date: 05 November 2026
Time: 14:00 IST
Diamond pass link

Results ahead of expectations; EBITDA margin expands 420bp

For the quarter

- Consolidated revenue grew at a robust 57% YoY to INR16.7b (~29% above MOFSL estimates).
- Core business grew 33% YoY to INR11.9b, led by bed linen volumes growing 12% YoY to 28.1m mtrs.
- New business grew at a robust 177% YoY to INR5b.
- Bed linen capacity utilization reached 73%, while utilization at all three utility bedding facilities in the US combined stood at 65%.
- Gross margin contracted 260bp YoY to 50.4%.
- EBITDA stood at INR2.3b (~52% ahead of MOFSL estimates) (125% YoY), with EBITDA margin reaching 13.9% (420bp YoY).
- Employee expenses grew 55% YoY, while the other expenses grew 25%.
- APAT grew 238% YoY to INR1.3b, with APAT margin reaching 7.9% (82% ahead of MOFSL estimates).
- Bhilad manufacturing facility was temporarily impacted by heavy rainfall and flooding in 2QFY27. Insurers have prima facie accepted the claim and approved an interim payment of INR150m post quarter-end. The inventory loss of INR450m along with an insurance claim of INR450m have been recognized as exceptional item.
- We will provide further updates after the conference call scheduled for 5th Nov'26.

Consolidated - Qtrly performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Net Sales	**9,587**	**10,621**	**10,628**	**10,577**	**12,070**	**16,727**	**11,160**	**10,988**	**41,413**	**50,944**	12,958	29.1
YoY Change (%)	1.8	2.5	-7.7	3.4	25.9	57.5	5.0	3.9	-0.2	23.0	22.0	
Gross Profit	**5,142**	**5,625**	**5,675**	**6,054**	**6,678**	**8,425**	**6,361**	**6,351**	**22,495**	**27,815**	7,114.0	18.4
Total Expenditure	8,477	9,585	9,718	9,714	10,636	14,396	10,101	9,901	37,494	45,035	11,423.2	26.0
EBITDA	**1,110**	**1,037**	**910**	**863**	**1,434**	**2,330**	**1,059**	**1,087**	**3,920**	**5,910**	1,535	51.8
Margin (%)	11.6	9.8	8.6	8.2	11.9	13.9	9.5	9.9	9.5	11.6	11.8	
Depreciation	380	392	394	426	453	464	465	440	1,592	1,822	460	0.8
Interest	311	318	295	436	316	366	300	211	1,360	1,192	318	15.1
Other Income	86	194	114	300	170	262	200	169	695	802	194	35.0
PBT before EO items	**505**	**521**	**335**	**302**	**835**	**1,763**	**494**	**605**	**1,663**	**3,697**	951	85.4
Extraordinary Inc / (Exp)	0	0	0	0	0	0	0	0	0	0	0	
PBT	**505**	**521**	**335**	**302**	**835**	**1,763**	**494**	**605**	**1,663**	**3,697**	951	85.4
Tax	115	130	91	60	203	444	109	132	396	887	228	94.5
Rate (%)	22.8	25.0	27.1	19.8	24.3	25.2	22.0	21.8	23.8	24.0	24.0	
Reported PAT	**390**	**390**	**244**	**242**	**632**	**1,319**	**385**	**474**	**1,267**	**2,810**	723	82.5
Adj PAT	**390**	**390**	**244**	**242**	**632**	**1,319**	**385**	**474**	**1,267**	**2,810**	723	82.5
YoY Change (%)	-49.8	-51.4	-67.6	116.5	62.0	237.7	57.7	95.7	-49.3	121.8	85.1	
Margin (%)	4.1	3.7	2.3	2.3	5.2	7.9	3.5	4.3	3.1	5.5	5.6	

Galaxy Surfactants

BSE SENSEX	S&P CNX
77,301	23,961

CMP: INR2,267 — Buy

Strong beat on our estimates

- Revenue stood at INR18.1b, up 37% YoY/2% QoQ (est. INR15.8b).
- Gross margin stood at 27.5% (+300bp YoY, -170bp QoQ).
- EBITDA at INR1.9b (est. INR1.5b) was up 72% YoY/down 24% QoQ.
- EBITDA margin was at 10.5% (+210bp YoY, -350bp QoQ).
- Adj. PAT at INR1.2b (est. INR868m) was up 80% YoY/down 28% QoQ.
- In 1HFY27, revenue/EBITDA/Adj. PAT grew 38%/87%/96% YoY to INR35.9b/INR4.4b/INR2.9b.
- Gross debt stood at INR2.3b as of Sep'26 vs. INR1.6b as of Sep'25.

Conference Call Details



Date: 5th Oct 2026
Time: 1200hours IST
Link: Click here

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Gross Sales	**12,779**	**13,262**	**13,295**	**13,147**	**17,819**	**18,104**	**14,789**	**15,193**	**52,483**	**65,905**	**15,755**	**15%**
YoY Change (%)	*31.2*	*24.8*	*27.6*	*14.8*	*39.4*	*36.5*	*11.2*	*15.6*	*24.3*	*25.6*	*18.8*	
Total Expenditure	11,541	12,157	12,101	11,931	15,327	16,209	13,458	13,802	47,730	58,797	14,253	
Gross Margin (%)	*26.2%*	*24.5%*	*24.9%*	*25.8%*	*29.3%*	*27.5%*	*25.7%*	*26.2%*	*25.4%*	*27.3%*	*25.8%*	
EBITDA	**1,239**	**1,105**	**1,194**	**1,216**	**2,492**	**1,895**	**1,331**	**1,390**	**4,753**	**7,108**	**1,502**	**26%**
Margin (%)	*9.7*	*8.3*	*9.0*	*9.3*	*14.0*	*10.5*	*9.0*	*9.2*	*9.1*	*10.8*	*9.5*	
Depreciation	293	298	307	332	360	347	400	450	1,230	1,557	380	
Interest	66	73	85	85	93	100	85	80	309	357	90	
Other Income	112	58	48	3	33	64	75	80	221	251	60	
PBT before EO expense	**992**	**792**	**849**	**802**	**2,072**	**1,512**	**921**	**940**	**3,435**	**5,446**	**1,092**	
Extra-Ord expense	0	0	119	0	0	0	0	0	119	0	0	
PBT	**992**	**792**	**730**	**802**	**2,072**	**1,512**	**921**	**940**	**3,316**	**5,446**	**1,092**	
Tax	197	127	141	178	413	315	189	193	643	1,109	224	
Rate (%)	*19.9*	*16.0*	*19.3*	*22.1*	*19.9*	*20.8*	*20.5*	*20.5*	*19.4*	*20.4*	*20.5*	
Reported PAT	**795**	**665**	**590**	**624**	**1,659**	**1,198**	**732**	**747**	**2,674**	**4,336**	**868**	
Adj PAT	**795**	**665**	**686**	**624**	**1,659**	**1,198**	**732**	**747**	**2,770**	**4,336**	**868**	**38%**
YoY Change (%)	*-0.3*	*-21.5*	*6.1*	*-17.7*	*108.7*	*80.1*	*6.8*	*19.7*	*-9.2*	*56.6*	*30.6*	
Margin (%)	*6.2*	*5.0*	*5.2*	*4.7*	*9.3*	*6.6*	*5.0*	*4.9*	*5.3*	*6.6*	*5.5*	

G R Infraproject

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 05 Nov 2026
Time: 03:00 pm IST
Conference call details: Link

Financials & Valuations (INR b)

Y/E MARCH	2026	2027E	2028E
Sales	76.2	84.5	106.7
EBITDA	8.3	9.7	13.9
Adj. PAT	8.1	7.9	11.6
EBITDA Margin (%)	10.9	11.5	13.0
Adj. EPS (INR)	83.3	81.4	119.5
EPS Gr. (%)	11.6	-2.3	46.9
BV/Sh. (INR)	916.6	998.0	1117.5
Ratios			
Net D:E	0.0	-0.1	-0.1
RoE (%)	9.6	8.5	11.3
RoCE (%)	9.5	8.7	11.5
Payout (%)	4.0	0.0	0.0
Valuations			
P/E (x)	9.2	9.5	6.4
P/BV (x)	0.8	0.8	0.7
EV/EBITDA(x)	8.4	6.2	4.5
Div. Yield (%)	0.0	0.0	0.0
FCF Yield (%)	-1.4	21.5	3.1

CMP: INR766 — Buy

Strong execution leads to earnings beat

- Revenue rose ~64% YoY to ~INR20.1b in 2QFY27 (33% above our estimate).
- EBITDA grew 59% YoY to INR1.91b (26% above our estimate).
- EBITDA margin stood at 9.5% in 2QFY27 (-30bp YoY).
- APAT rose ~23% YoY to INR1.61b (25% above our estimates).
- Current order book stands at ~INR246b as of Sep'26.
- During 1HFY27, revenue/EBITDA/APAT grew by 45%/31%/5%.

Quarterly Performance (Standalone) (INR m)

Y/E March (INR m)	FY26				FY27		FY26	FY27E	FY27	
	1Q	2Q	3Q	4Q	1Q	2Q			2QE	Variance
Net Sales	**18,261**	**12,337**	**20,395**	**25,209**	**24,234**	**20,191**	**76,202**	**84,480**	**15,206**	**33%**
YoY Change (%)	(3.7)	9.4	39.4	29.7	32.7	63.7	18.5	10.9	23.3	
EBITDA	**2,311**	**1,204**	**2,054**	**2,734**	**2,671**	**1,916**	**8,303**	**9,715**	**1,521**	**26%**
Margins (%)	12.7	9.8	10.1	10.8	11.0	9.5	10.9	11.5	10.0	
Depreciation	524	510	491	457	440	427	1,984	1,961	475	
Interest	119	113	101	100	133	56	432	483	130	
Other Income	1,163	1,184	1,276	988	641	728	4,610	3,270	800	
PBT before EO expense	**2,830**	**1,764**	**2,738**	**3,165**	**2,740**	**2,160**	**10,498**	**10,541**	**1,716**	
Extra-Ord expense	-	-	411	2,121	-	-	2,532	-	-	
PBT	**2,830**	**1,764**	**3,149**	**5,286**	**2,740**	**2,160**	**13,029**	**10,541**	**1,716**	
Tax	672	456	828	1,113	703	550	3,069	2,667	432	
Rate (%)	23.7	25.8	26.3	21.1	25.7	25.4	23.6	25.3	25.2	
Reported PAT	**2,158**	**1,308**	**2,322**	**4,173**	**2,036**	**1,610**	**9,961**	**7,874**	**1,284**	
Adj PAT	**2,158**	**1,308**	**2,013**	**2,582**	**2,036**	**1,610**	**8,062**	**7,874**	**1,284**	**25%**
YoY Change (%)	14.2	12.7	53.8	(9.8)	(5.6)	23.1	11.6	(2.3)	(1.9)	
Margins (%)	11.8	10.6	9.9	10.2	8.4	8.0	10.6	9.3	8.4	

Mrs Bectors Food

BSE Sensex	S&P CNX
77,301	23,961

CMP: INR208 BUY

In-line performance, gross margin expands 210bp

- Consolidated revenue grew 14.3% YoY to INR6.3b (~0.7% above MOFSL estimate).
- Gross margin expanded 210bp YoY to 46.2%.
- EBITDA stood at INR825m (~2.2% above MOFSL estimates) (19.1% YoY), with EBITDA margin reaching 13.1% (+50bp YoY).
- APAT grew 25.2% to INR457m (1.2% ahead of MOFSL estimates), with APAT margin at 7.3%.
- We will provide further updates after the conference call scheduled for 6th Nov'26.

Conference Call Details



Date: 06 November 2026
Time: 12:30 IST
Diamond pass link

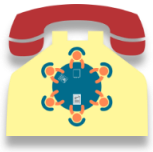
Consolidated Qtrly performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	2QFY27E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE				%
Net Sales	**4,730**	**5,514**	**5,333**	**4,859**	**5,487**	**6,305**	**6,080**	**5,558**	**20,436**	**23,388**	6,262	0.7
YoY Change (%)	7.6	11.1	8.4	8.9	16.0	14.3	14.0	14.4	9.1	14.4	13.6	
Gross Profit	**2,158**	**2,436**	**2,401**	**2,242**	**2,589**	**2,916**	**2,797**	**2,557**	**9,237**	**10,827**	2,881	1.2
Total Expenditure	4,147	4,821	4,649	4,241	4,766	5,480	5,259	4,780	17,859	20,258	5,455	
EBITDA	**582**	**693**	**684**	**617**	**721**	**825**	**821**	**778**	**2,577**	**3,130**	808	2.2
Margin (%)	12.3	12.6	12.8	12.7	13.1	13.1	13.5	14.0	12.6	13.4	12.9	
Depreciation	213	237	226	221	259	272	270	282	897	1,069	265	2.7
Interest	31	33	23	30	28	33	19	19	117	91	30	10.6
Other Income	74	66	69	102	86	92	95	100	311	351	90	2.6
PBT before EO items	**413**	**489**	**505**	**468**	**520**	**612**	**627**	**577**	**1,874**	**2,321**	603	
Extraordinary Inc / (Exp)	0	0	0	0	0	0	0	0	0	0	0	
PBT	**413**	**489**	**505**	**468**	**520**	**612**	**627**	**577**	**1,874**	**2,321**	603	1.6
Tax	105	123	124	113	132	155	157	144	465	580	151	2.7
Rate (%)	25.3	25.2	24.6	24.3	25.4	25.3	25.0	25.0	24.8	25.0	25.0	
JV and Associates	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	**309**	**365**	**381**	**354**	**388**	**457**	**470**	**433**	**1,409**	**1,741**	452	1.2
Adj PAT	**309**	**365**	**381**	**354**	**388**	**457**	**470**	**433**	**1,409**	**1,741**	452	1.2
YoY Change (%)	-12.9	-6.1	10.1	3.4	25.7	25.2	23.5	22.2	-1.6	23.6	23.7	
Margin (%)	6.5	6.6	7.1	7.3	7.1	7.3	7.7	7.8	6.9	7.4	7.2	

Cera Sanitaryware

BSE Sensex	S&P CNX
77,301	23,961

Conference Call Details



Date: 05 Nov 2026
Time: 10:30 IST
Diamond pass link

CMP: INR4,728 **BUY**

A mixed quarter

- Revenue grew 27% YoY and was a 7% beat on our estimates.
- Revenue was driven by strong growth in Sanitaryware (up 24% YoY, 45% mix) and Faucetware (up 38% YoY, 43% mix) segments and was volume-driven.
- Gross margin, at 44%, contracted 528bp YoY and 189bp QoQ.
- EBITDA grew 9% YoY (in line). EBITDA margin, at 12.2%, contracted 203bp YoY and expanded 202bp QoQ.
- Consequently, PAT declined 1% YoY and missed our estimates by 6%.

Management commentary

- Retail demand continued to recover and was complemented by a steady performance in the projects business.
- The company undertook calibrated price revisions, including a price revision in Faucetware in Sep'26.
- The company is taking measures to strengthen pricing discipline and protect profitability in the projects business.
- CERA continued to gain market share.
- Management expects performance to improve progressively during 2HFY27, supported by pricing actions and cost-efficiency initiatives.
- Management maintains its full-year EBITDA margin outlook of 13-14%.

Quarterly performance (INR m)

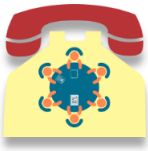
	FY26				FY27E				FY26	FY27E	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Net Sales	**4,339**	**4,734**	**4,990**	**6,438**	**4,860**	**6,030**	**6,231**	**7,404**	**20,501**	**24,525**	**5,654**	**7**
YoY Change (%)	8.3	-3.9	11.1	11.4	12.0	27.4	24.9	15.0	7.0	19.6	15.9	
Total Expenditure	3,808	4,063	4,479	5,459	4,368	5,297	5,409	6,275	17,809	21,348	4,903	
EBITDA	**531**	**671**	**511**	**979**	**492**	**733**	**822**	**1,129**	**2,692**	**3,177**	**751**	**-2**
Margins (%)	12.2	14.2	10.2	15.2	10.1	12.2	13.2	15.3	13.1	13.0	13.3	
Depreciation	91	98	98	99	94	98	101	104	387	396	97	
Interest	14	16	20	14	13	14	15	15	65	56	15	
Other Income	186	166	114	63	213	109	120	120	529	562	150	
PBT before EO expense	**612**	**722**	**507**	**929**	**598**	**730**	**827**	**1,130**	**2,769**	**3,286**	**789**	
Extra-Ord expense	0	0	-185	107	0	0	0	0	-78	0	0	
PBT	**612**	**722**	**322**	**1,035**	**598**	**730**	**827**	**1,130**	**2,691**	**3,286**	**789**	**-7**
Tax	146	156	86	262	145	169	203	277	649	793	193	
Rate (%)	23.9	21.6	26.6	25.3	24.2	23.1	24.5	24.5	24.1	24.1	24.5	
Minority Interest	0	0	0	0	0	0	0	0	0	0	0	
Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0	0	
Reported PAT	**466**	**566**	**237**	**773**	**453**	**561**	**624**	**853**	**2,042**	**2,492**	**595**	**-6**
Adj PAT	**466**	**566**	**421**	**667**	**453**	**561**	**624**	**853**	**2,120**	**2,492**	**595**	**-6**
YoY Change (%)	-1.0	-16.7	-8.1	-23.4	-2.7	-0.9	48.2	28.0	-14.5	17.6	5.1	
Margins (%)	10.7	12.0	8.4	10.4	9.3	9.3	10.0	11.5	10.3	10.2	10.5	

E: MOSL Estimates

JK Lakshmi Cement

BSE Sensex	S&P CNX
77,301	23,961

Conference Call Details



Date: 04th Nov 2026
Time: 16:00 IST
Dial-in details:
+ 91 22 6280 1143
+ 91 22 7115 8044
Link for the call

Consol. Financials Snapshot (INR b)

Y/E MARCH	FY26	FY27E	FY28E
Sales	67.6	74.6	82.9
EBITDA	10.1	9.3	11.6
Adj. PAT	4.3	3.5	4.4
EBITDA Margin (%)	14.9	12.4	14.0
Adj. EPS (INR)	34.3	28.5	35.3
EPS Gr. (%)	34.4	-16.9	23.5
BV/Sh. (INR)	313	334	363
Ratios			
Net D:E	0.3	0.5	0.7
RoE (%)	11.5	8.8	10.1
RoCE (%)	9.7	7.8	8.5
Payout (%)	19.1	24.2	19.6
Valuations			
P/E (x)	13.9	16.7	13.5
P/BV (x)	1.5	1.4	1.3
EV/EBITDA(x)	7.3	8.2	7.6
EV/ton (USD)	43	41	40
Div. Yield (%)	1.4	1.5	1.5
FCF Yield (%)	6.9	-7.1	-9.9

CMP: INR480 — Buy

Operationally in-line 2Q; EBITDA/t at INR517 (est. INR490)

- JK Lakshmi Cement (JKLC)'s EBITDA stood at INR1.5b (-26% YoY; in line) and OPM was 9.5% (-4.1pp YoY; in line). Sales volume grew 5% YoY (in line) and Revenue was at INR16.2b (+6% YoY; in line). EBITDA/t declined ~29% YoY to INR517 (est. of INR490). Adj. Profit (after MI) was down 75% YoY to INR205m (-24% vs. our estimate).
- The company commissioned the first phase of the railway siding at its Durg plant at an investment of INR3.25b. Meanwhile, the Durg expansion project, involving 2.3mtpa of clinker capacity, 1.2mtpa of integrated cement capacity and three split grinding units with a combined capacity of 3.4mtpa, is underway at a capex of INR30b, with phased commissioning targeted by Mar'28. Net debt stood at INR20.3b in Sep'26 vs. INR12.7 in Mar'26.
- We have a **BUY rating** on the stock. We will review our assumptions following the conference call with the management.

Sales volume rises 5% YoY; realization/t increases 1% YoY

- Consolidated revenue/EBITDA/adj. PAT stood at INR16.2b/INR1.5b/INR205m (+6/-26%/-75% YoY and in line/in line /-24% vs. estimates). Sales volume increased 5% YoY to 3.0mt (in line). Realization/t increased 1% YoY (up ~2% QoQ) at INR5,420/t (~5% above estimates).
- Opex/t was up ~5% YoY led by increase in variable cost/other expenses per ton by ~13%/10% YoY. Employee cost/Freight cost/t declined ~10%/7% YoY. OPM contracted 4.1pp YoY to ~9.5%, and EBITDA/t declined ~29% YoY to INR517in 2QFY27. Depreciation/interest cost rose ~9%/1% YoY. Other income declined ~56% YoY.
- In 1HFY27, revenue/EBITDA/PAT stood at INR35.2b/ INR4.1b/INR1.3b (+8%/-21%/-44% YoY). OPM contracted 4.2pp YoY to ~12%. EBITDA/t declined 26% YoY to INR627. Operating cash outflow stood at INR1.0b vs. operating cash inflow at INR3.5b in 1HFY26. Capex stood at INR5.1b vs. INR2.5b in 1HFY26. Net cash outflow stood at INR6.2b vs. FCF at INR991.4m in 1HFY26.

Highlights from the management commentary

- The share of green power stood at ~48% in 1QFY27 vs. 49% in 1QFY26. A phased enhancement program is underway at the Sirohi plant to improve TSR substitution levels from 4% to 16%.
- Cement demand is expected to improve in 2HFY27, supported by the peak construction season and infrastructure activity. However, elevated petcoke prices and geopolitical uncertainties are likely to keep input costs under pressure. Competitive intensity may also limit price hikes and cost pass-through, keeping margins subdued. Recovery will depend on improved realizations and moderation in input costs.

Valuation and view

- The company's performance was in line with our estimate. We will further seek management's clarity over the call. We have a **BUY** rating on the stock. However, we will review our assumptions after the conference call on 04th Nov'26 (Concall Link).

Quarterly performance (consolidated)

(INR b)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Sales Volumes (mt)	3.33	2.84	3.28	3.90	3.60	2.98	3.46	4.24	13.35	14.28	3.02	(1)
YoY Change (%)	10.0	14.8	8.3	8.3	8.2	4.9	5.5	8.8	10.0	7.0	6.3	
Net Sales	**17.4**	**15.3**	**15.9**	**19.0**	**19.0**	**16.2**	**18.9**	**20.5**	**67.6**	**74.6**	**15.6**	4
YoY Change (%)	11.3	24.1	6.1	0.2	9.4	5.6	19.3	7.7	9.2	10.4	1.9	
EBITDA	**3.1**	**2.1**	**2.1**	**2.9**	**2.6**	**1.5**	**2.5**	**2.7**	**10.1**	**9.3**	**1.5**	4
YoY Change (%)	39.9	133.3	1.7	(18.5)	(16.9)	(26.0)	21.0	(6.7)	16.9	(8.2)	(26.0)	
Margin (%)	17.9	13.6	12.9	15.0	13.6	9.5	13.1	13.0	14.9	12.4	9.5	4
Depreciation	0.8	0.8	0.9	0.8	0.8	0.8	0.9	0.9	3.2	3.4	0.9	(1)
Interest	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	2.1	2.2	0.5	(2)
Other Income	0.2	0.2	0.3	0.4	0.2	0.1	0.3	0.6	1.1	1.2	0.2	(57)
PBT before EO expense	**2.0**	**1.0**	**0.9**	**1.9**	**1.4**	**0.3**	**1.4**	**1.8**	**5.9**	**4.8**	**0.3**	(17)
Extra-Ord. expense	-	-	0.2	-	-	-	-	-	0.2	-	-	
PBT	**2.0**	**1.0**	**0.8**	**1.9**	**1.4**	**0.3**	**1.4**	**1.8**	**5.7**	**4.8**	**0.3**	(17)
Tax	0.5	0.2	0.2	0.5	0.3	0.1	0.4	0.4	1.5	1.2	0.1	
Prior period tax adj.	-	-	-	-	-	-	-	-	-	-	-	
Rate (%)	26.5	21.5	24.2	27.6	23.6	28.6	28.6	24.4	25.7	25.6	26.0	
Reported PAT	**1.5**	**0.8**	**0.6**	**1.4**	**1.1**	**0.2**	**1.0**	**1.3**	**4.2**	**3.6**	**0.3**	(20)
Minority Interest	(0.0)	(0.0)	0.0	0.1	(0.0)	(0.0)	0.0	(0.0)	0.1	(0.0)	(0.0)	
Adj. PAT	**1.5**	**0.8**	**0.7**	**1.2**	**1.1**	**0.2**	**1.0**	**1.4**	**4.3**	**3.6**	**0.3**	(24)
YoY Change (%)	62.6	NM	(4.7)	(29.4)	(28.1)	(74.6)	36.1	11.9	36.6	(14.5)	(66.5)	
Per ton analysis (INR)												
Net realization	**5,234**	**5,388**	**4,841**	**4,881**	**5,294**	**5,420**	**5,475**	**4,832**	**5,067**	**5,227**	**5,167**	5
RM Cost	922	942	952	1,000	1,111	1,095	1,030	925	956	1,033	1,050	4
Employee Expenses	374	457	352	286	355	410	357	334	361	361	424	(3)
Power, Oil, and Fuel	1,137	1,295	1,131	1,077	1,190	1,444	1,494	1,216	1,152	1,324	1,290	12
Freight and Handling Outward	1,194	1,235	1,119	1,122	1,151	1,154	1,158	1,145	1,163	1,152	1,130	2
Other Expenses	672	725	662	661	769	800	719	582	678	708	783	2
Total Expenses	**4,299**	**4,655**	**4,216**	**4,146**	**4,575**	**4,904**	**4,757**	**4,202**	**4,310**	**4,577**	**4,676**	5
EBITDA	**936**	**733**	**625**	**734**	**719**	**517**	**718**	**630**	**757**	**650**	**490**	5

Ellenbarrie Industrial Gases

BSE SENSEX	S&P CNX
77,301	23,961

Conference Call Details



Date: 5th Oct 2026
Time: 4 pm IST
Dial-in details:
CLICK HERE

CMP: INR347 — Buy

EBITDA below estimate due to higher transport costs; Adj. PAT in line

- Consol. revenue grew 28% YoY to INR1.1b (est. in line).
- EBITDA margin stood at 35.2% (est. 39.3%), compared to 37.5% in 2QFY26, on account of higher transport costs and salary hike arrears.
- EBITDA grew 20% YoY to INR402m (est. INR434m).
- Adj. PAT declined 3% YoY to INR356m (est. in line).
- In 1HFY27, Revenue/EBITDA/Adj. PAT grew 23%/21%/27% YoY to INR2.1b/INR779m/INR706m.
- Gross debt stood at INR1.4b as of Sep'26, compared to INR1.8b in Sep'26.
- CFO stood at INR436m in Sep'26 vs INR659m in Sep'25.

Segmental performance

- Revenue from gases, related products, and services grew 27% YoY to INR1.1b, while EBIT stood at INR433m, rising 20% YoY. EBIT margin stood at 39% (vs 41% in 2QFY26).
- Revenue for Project Engineering grew 80% YoY to INR14m, while operating loss stood at INR10m (vs EBIT of INR3.4m in 2QFY26).

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY26				FY27				FY26	FY27E	FY27	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	%
Gross Sales	**836**	**892**	**813**	**874**	**987**	**1,143**	**1,196**	**1,263**	**3,416**	**4,551**	**1,104**	**4%**
YoY Change (%)	24.3	-5.8	19.6	6.0	18.0	28.2	47.0	44.4	9.3	33.2	23.8	
Total Expenditure	529	557	565	577	611	741	724	771	2,228	2,791	670	
Gross Margin (%)	88.8%	90.6%	87.4%	86.7%	89.3%	88.3%	89.0%	89.5%	88.4%	89.2%	89.0%	
EBITDA	**307**	**335**	**249**	**298**	**376**	**402**	**472**	**492**	**1,188**	**1,759**	**434**	**-7%**
Margin (%)	36.7	37.5	30.6	34.1	38.1	35.2	39.5	39.0	34.8	38.7	39.3	
Depreciation	51	51	52	61	63	69	95	95	215	328	75	
Interest	46	11	15	23	20	25	40	45	95	147	37	
Other Income	68	126	161	165	171	171	145	130	520	596	150	
PBT before EO expense	**278**	**400**	**342**	**379**	**465**	**479**	**482**	**482**	**1,399**	**1,880**	**472**	
Extra-Ord. expense	0	0	0	-46	0	0	0	0	-46	0	0	
PBT	**278**	**400**	**342**	**333**	**465**	**479**	**482**	**482**	**1,353**	**1,880**	**472**	
Tax	91	32	81	104	115	123	121	121	309	471	119	
Rate (%)	32.8	8.1	23.8	31.2	24.7	25.6	25.2	25.2	22.8	25.1	25.2	
Reported PAT	**187**	**367**	**261**	**229**	**350**	**356**	**361**	**361**	**1,044**	**1,409**	**353**	**1%**
Adj. PAT	**187**	**367**	**261**	**260**	**350**	**356**	**361**	**361**	**1,079**	**1,409**	**353**	**1%**
YoY Change (%)	15.6	23.8	35.9	42.7	86.8	-2.9	38.3	38.5	29.6	30.5	-3.8	
Margin (%)	22.4	41.2	32.1	29.8	35.4	31.2	30.2	28.6	31.6	31.0	32.0	



Emcure Pharmaceuticals: Zuventus, Our Arm, Expected To Ramp Up
Samit Mehta, COO & Whole-Time Director

- FY27 growth guidance was upgraded to 20%, with EBITDA margin expansion tracking the upper end (+100 bps).
- Domestic business targets matching industry growth rates as key brands rebound and subsidiary Zuventus ramps up.
- International momentum is supported by fresh regulatory approvals across Europe, Canada, and emerging markets.
- Core pipeline drivers include specialized liposomal formulations and pegylated biologics via Gennova.

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NSE: Awaiting RBI Approvals To Launch Corporate Bond Index Futures
Sriram Krishnan, Chief Business Development Officer

- New SEBI rules effective December 3 will resolve index expiry settlement concerns.
- Commodity options turnover expanded nearly 10x year-to-date to ₹8,300 crore in October.
- Corporate bond index futures await final RBI clearance and market-making permissions.
- Non-trading revenue (data, index licensing) forms 15–20% of topline, growing in mid-to-high teens.

Read More

Solar Industries: Debt-EBITDA To Remain Below 2x
Shalinee Mandhana, Joint CFO

- Strong H1 performance positions to surpass its ₹14,000 crore revenue guidance while sustaining ~28% EBITDA margins.
- Final negotiations for Pinaka guided missiles are closing by fiscal year-end, targeting ₹2,600+ crore order inflow.
- Bhargavastra counter-drone trials conclude this year, with commercial orders anticipated in FY28 alongside Nagastra deliveries.
- Omnia Holdings acquisition funding is fully tied up, keeping consolidated Debt/EBITDA comfortably below 2x.

Read More

Indus Towers: Entering Uganda, Nigeria & Zambia
Prachur Shah, Managing Director & CEO

- Reached 50,000 solar-powered sites (300 MW capacity), cutting diesel usage by 11% and targeting 100,000 sites by FY29.
- Solar investments generate returns via service rental revenues, directly enhancing company margins.
- Tower demand remains robust despite post-peak 5G, supported by high data usage and rollouts from a second funded operator.
- Secured licenses and initiated tower deployments in Uganda, Zambia, and Nigeria as a long-term growth driver.

Read More

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NOTES

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Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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