motilal oswal
Financial Services

July 2025

India Strategy



The Crossover Quarter

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

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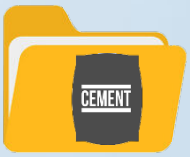
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Sector & Companies Preview



AUTOMOBILES – Pg46
Margins likely to be under pressure



CAPITAL GOODS – Pg63
Comfortably placed



CEMENT – Pg75
Robust performance supported by a low base



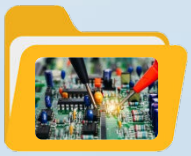
Chemicals – Pg86
Volume-driven growth anticipated; pricing pressure persists



CONSUMER – Pg99
Steady overall demand with Jewelry outlier; soft margins



CON. DURABLE – Pg132
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NBFC – Pg164
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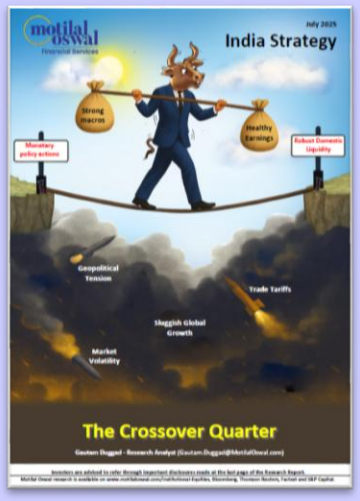
TELECOM - Pg287
Likely a steady quarter; next tariff hike key monitorable



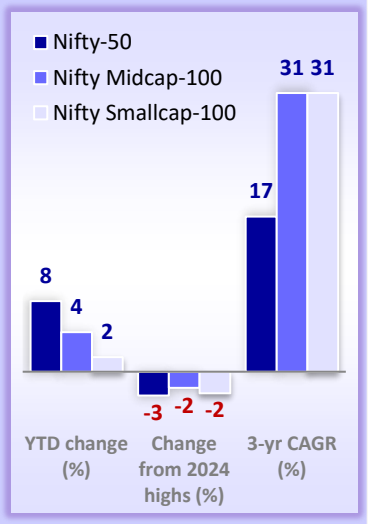
UTILITIES - Pg298
Soft quarter as power demand slows

India Strategy

BSE Sensex: 83,433 **Nifty 50: 25,461**



Markets near an all-time high; largecaps outperform in CY25YTD



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The CROSSOVER quarter!

As we step into the 1QFY26 earnings season, the first six months of 2025 have proven to be one of the most eventful periods, characterized by heightened geopolitical tensions and international economic hostilities, culminating into both kinetic and non-kinetic wars. This spawned not just heightened market volatility (S&P 500 VIX touching 50%+ and India VIX touching 20%+) but also a high level of economic uncertainty and ambivalent signals for monetary policymakers, adversely affecting corporate earnings visibility. Despite such an adverse backdrop for equities, the global equity markets, including India, have shown impressive resilience in 2025, with Korea (+25% in 6M), China (+20%), Germany (+19%), and Brazil (+19%) leading the way, while India has also recouped 6% since Jan'25.

Markets seeing beyond the haze; India stays an oasis of relative stability

Investors have chosen to look beyond the near-term geopolitical haze and focus more on long-term market cycles. While the Indian equity market has underperformed EM in CYTD25, it has still risen by 6% during the year, despite facing its own geopolitical challenges and a full-scale kinetic war. Amidst the pall of geopolitical gloom, the Indian economy is standing out for its relative economic stability, with several macro parameters turning favorable and corporate earnings expected to be on a progressively improving cycle going forward. We expect MOFSL/Nifty to post full-year PAT growth of 14%/11% in FY26 compared to 4%/5% in FY25.

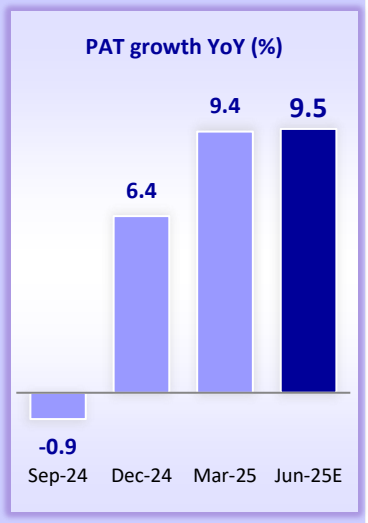
Government and policymakers doing 'whatever it takes'

A key standout feature in 1HCY25 has been the policymakers' and government's swift response to address economic challenges. The Reserve Bank of India (RBI) has adopted a highly accommodative stance, implementing an unexpected 100bp cut in the repo rate during CY25TD and a cumulative staggered reduction of 150bp in the Cash Reserve Ratio (CRR). This has been complemented by injecting liquidity into both the money and foreign exchange markets through multiple rounds of Open Market Operations (OMOs) and foreign exchange swaps, along with regulatory support by rolling back restrictions on various lenders. The government had also foregone INR1tn of personal income tax in the FY26 Union budget and has undertaken few confidence-building measures. The government has also received a record INR2.7tn in RBI dividend, which will find its way through the course of the year. Moreover, after a prolonged uncharacteristic slack in capex in 9MFY25, the government has again embarked on big capital spends (INR 2.4t in Mar'25 was a record), with the past five months' (Jan-May'25) capital spending growing at 41% YoY vs. 2% YoY in 9MFY25.

Macros improving; contained inflation, bountiful monsoon hold promise

Various macro parameters have started to exhibit signs of improvement. Most strikingly, inflationary impulses have been effectively managed, with the latest CPI print reading at 2.8% and WPI print at 0.4%, despite potentially inflation-stoking developments such as the tariff war, ongoing conflict in the Middle East, and the Russia-Ukraine war. The real GDP growth for 4QFY25 surprised materially on the upside (7.4% YoY), while FY26 real GDP growth expectations stand at 6.4% and nominal

MOFSL Universe to clock ~10% earnings growth in 1QFY26E



GDP growth at 10.5% YoY. Monsoon rainfall to date has been bountiful (10% above LPA) and reasonably well distributed both temporally and geographically. This holds promise for a strong Kharif output and is likely to further bolster rural sentiment, where rural spending has already grown impressively at an 11-quarter high of 6.6% in 4QFY25. Conversely, urban consumption should witness a boost, as the effects of personal income tax forbearance begin to materialize, with households anticipated to adjust their spending budgets to account for tax savings over the next few quarters. Domestic systemic liquidity, which experienced a deficit in 2024, has returned to surplus, prompting the RBI to intervene and absorb some excess short-term liquidity through the Variable Rate Reverse Repo (VRRR) window.

Domestic equity flows remain a key pillar of strength; FIIs return

The flows into Indian equity mutual funds have continued unabated despite all the worries of the past five months, serving as a cornerstone of the Indian equity markets. For 1HCY25, DII inflows have reached USD42b, as retail investors have maintained their confidence in Indian equities. In addition, the FII flows, which had turned sharply negative in the first few months of CY25 due to the then strength of USD and expectations of US economic resilience, have also reversed course. This shift comes amid an altered perception over the sustainability of US dollar as reserve currency and the weakness of US economy, following the announcement of reciprocal tariffs. While FII flows for the year still stand at a negative USD8.2b, the past three months (Apr-Jun'25) have witnessed successive inflows of ~USD5.4b – indicating foreign investors' renewed faith in Indian equities.

First quarter likely to be 'The Crossover' quarter for earnings

We perceive 1QFY26 as the "Crossover quarter," which should mark the *crossing-over* from a subdued low-single-digit earnings growth of FY25 towards a more sustainable double-digit earnings growth over the four subsequent quarters. Bottom-up aggregates of our analyst estimates suggest a 10%/5% YoY growth in 1QFY26 MOFSL/Nifty earnings. For the remainder of FY26, the bottom-up aggregate of our analyst estimates suggests a 12%/15%/14% YoY growth in 2Q/3Q/4Q FY26 PAT of MOFSL universe and 6%/13%/16% YoY growth in NIFTY PAT. Even excluding commodities, MOFSL/Nifty earnings are expected to grow at a much better cadence of 9%/15%/18% and 5%/11%/16%.

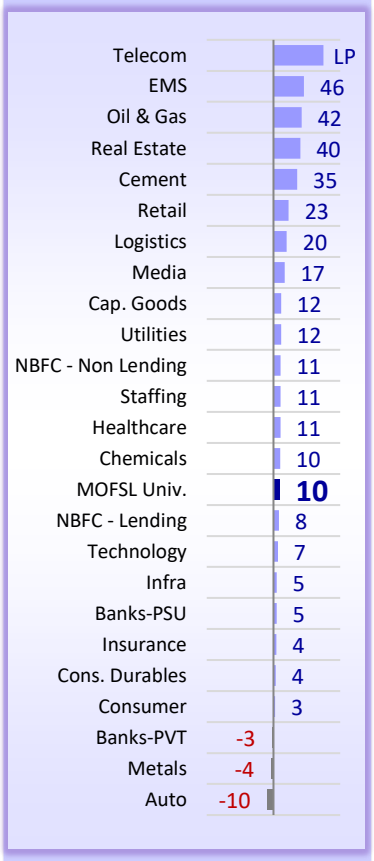
Sectoral breadth for earnings in 1QFY26 looks promising

The expectation of a 10% YoY growth in MOFSL 1QFY26 earnings is skewed by a sharp 42% YoY growth in the O&G sector, and excluding global commodities, the growth rate will still be a modest 6%. However, the key highlight of the quarter is anticipated to be the better sectoral breadth of earnings growth. Multiple sectors are expected to post double digit PAT growth in 1QFY26 viz. Cap Goods (+12%), Cement (+35%), Chemicals (+10%), EMS (+46%), Logistics(+20%), Healthcare (+11%), Real Estate (+40%), Retail (+23%), Staffing (+11%), Telecom (Loss to Profit), Utilities (+12%). Lesser sectors are likely to experience muted earnings growth or even a decline in earnings. These sectors include: Technology (+7%), Consumer (+3%), BFSI (+3%), Metals (-4%), Autos (-10%). Number of Sectors likely to post negative growth is expected to be lower at 2 (Autos and Metals) in 1QFY26 vs. 6 sectors in FY25 – indicating improving dispersion of growth. Interestingly, for full year FY26 we currently do not factor in any sector to post negative PAT growth.

Stage set for a healthy economy and market performance in 2HFY26

- We believe that all the previously mentioned stimulative monetary, fiscal, and regulatory accommodations should begin to yield significant results starting 2HFY26. This is anticipated to result in improved economic expansion and corporate earnings growth, benefiting from a benign base of 4%/5% FY25 PAT growth for MOFSL/Nifty. While Indian equity market has risen over the past few months based on these expectations, it has still experienced both time and price corrections from the highs reached in Sep'24. Hence, we remain constructive about Indian equities and view India as one of the unique markets that offers an uncommon trifecta of size, growth, and diversification – a theme we have been highlighting . While valuations have crept above long-term averages, with Nifty currently trading at 21.7x 12-month forward – at a 5% premium to LPA, we do not consider it to be in the overheated zone. We see potential for further market up-move, especially in an environment of improving corporate earnings growth, low interest rates, ample liquidity, and macroeconomic recovery. Our model portfolio is tilted towards domestic names, driven by expectations of a domestic recovery. While SMIDs trade at expensive valuations, we have picked select small- and mid-cap high-conviction names in our portfolio.

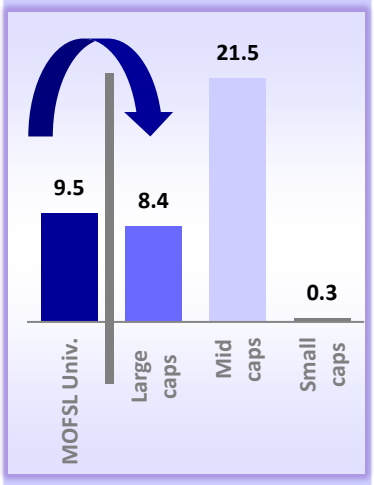
Sectoral PAT growth for the quarter-ended Jun'25 (YoY %)



Earnings highlights – 1QFY26E | O&G to drive modest earnings growth

- We expect the **MOFSL earnings to grow 10% YoY, while those of Nifty would also grow by a modest 5% YoY in 1QFY26**. Excluding financials, the earnings are expected to grow 14% YoY and 6% YoY, whereas, excluding global commodities (i.e., Metals and O&G), the MOFSL Universe and Nifty are likely to report 6% and 4% YoY earnings growth, respectively, for the quarter.
- The overall modest earnings growth is expected to be anchored by O&G (+42% YoY), Telecom (loss-to-profit), Technology (+7%), NBFC-Lending (+8%), PSU Banks (+5%), and Healthcare (+11%), which are likely to contribute 89% of the incremental YoY accretion in earnings. Conversely, Automobiles (-10%), Metals (-4%), and Private Banks (-3%) are likely to contribute adversely to earnings.
- Sales and EBITDA of the MOFSL Universe are likely to grow 4% and 10% YoY, while for the Nifty, we expect sales and EBITDA to improve 7% YoY and 6% YoY, respectively. Ex-Commodities, EBITDA of the MOFSL Universe/Nifty is likely to grow 7%/6% YoY.
- The MOFSL **Financial** Universe is expected to post a muted 3% YoY earnings growth, primarily due to weak performance by Private Banks and subdued growth from PSU Banks. The **Pvt. Banks** sector is projected to report a second quarter of earnings decline (of 3% YoY) since Mar'20, while the **PSU Banks** Universe is likely to clock moderate earnings growth of 5%, the lowest in 20 quarters. The earnings of **Insurance** Universe are expected to moderate to 4% YoY. **NBFC-lending** is likely to post modest 8% YoY growth (sequentially higher), and **NBFC non-lending** is set to record modest earnings growth of 11% YoY, the lowest in 10 quarters.
- The **O&G** Universe earnings are expected to grow 42% YoY, fueled by OMCs.
- The **Telecom** universe is likely to post the third quarter of profit of INR10b in 1QFY26 (vs. a loss of INR17b in 1QFY25 and a profit of INR5b in 4QFY25), mainly led by continued improvement in margins in Bharti Airtel.
- The **Capital Goods** sector is projected to report a healthy earnings growth of 12% YoY, moderating from a high base of 28% YoY growth in 1QFY25, marking the

MOFSL large-mid-small-cap PAT growth in 1QFY26 (YoY %)



second consecutive quarter of posting less than 15%+ earnings growth after seven consecutive quarters.

- The **Healthcare** universe is likely to report 11% YoY earnings growth, moderating after posting eight quarters of 15%+ earnings growth.
- The **Cement** universe is expected to report strong earnings growth of 35% YoY in 1QFY26. The sector is likely to clock the first quarter of earnings growth after four consecutive quarters of significant earnings decline.
- After a modest performance in 4QFY25, the **Real Estate** universe is likely to deliver a strong quarter with earnings surging 40% YoY.
- The **Chemicals** sector is likely to report a 10% YoY earnings growth, the second quarter of earnings growth after declining for seven consecutive quarters.
- The **Technology** sector is likely to deliver modest earnings growth of 7% YoY in 1Q, the lowest in five quarters, and marking the eighth quarter of single-digit growth.
- The **Consumer** sector is expected to post weak earnings growth of 3% YoY, following three consecutive quarters of earnings decline.
- The **Auto** sector is likely to report a weak quarter with a 10% YoY earnings dip.
- The **Metals** universe is projected to report a 4% YoY decline in profits after reporting four quarters of earnings growth.
- We expect the EBITDA margin (ex-Financials) to expand 140bp for the MOFSL Universe to 18.2%. Conversely, for the Nifty-50, the margin is likely to remain flat at 21.1% (ex-Financials) during the quarter.
- In 1QFY26, the MOFSL large-cap/mid-cap universe is likely to register a PAT growth of 8%/21%, while the small-cap universe earnings during the quarter are projected to remain flat YoY. Moreover, sales for large-/mid-/small-caps are likely to grow 4%/3%/3% YoY, and their EBITDA would clock 9%/19%/6% YoY growth for the quarter.
- **Sales/EBITDA/PAT of the MOFSL Universe** are likely to report a two-year CAGR of 6%/7%/6% over Jun'23-Jun'25.
- **FY26E earnings highlights:** The MOFSL Universe is likely to deliver sales/EBITDA/PAT growth of 5%/12%/14% YoY. The Financials, O&G, and Metals sectors are anticipated to be the key earnings drivers with 8%, 18%, and 19% YoY growth in FY26E, respectively. These three sectors are projected to contribute 52% of the incremental earnings for the MOFSL Universe in FY26.
- **Nifty EPS cut for FY26E/27E:** We reduce our FY26E/FY27E Nifty EPS by 1.2%/0.4% and expect it to grow 11%/17% YoY to INR1,122/INR1,308. The BFSI, Auto, Consumer, Healthcare, Metals, and Retail sectors have led to the majority of the earnings cut.
- **MOFSL TOP IDEAS: Large-caps – ICICI Bank, Bharti Airtel, L&T, Kotak Mahindra Bank, M&M, Titan, BEL, Ultratech, Macrotech Indian Hotels, and Tech Mahindra; Mid-caps and Small-caps – Dixon Tech, UTI AMC, Suzlon Energy, SRF, Jindal Stainless, Coforge, Page Industries, Kaynes Tech, Niva Bupa, and Supreme Industries.**



Model portfolio: Key changes

Our model portfolio broadly reflects our preference for growth visibility and domestically focused plays in a challenging global environment. As we anticipate a gradual recovery in earnings by FY26, we marginally raise our weights in mid- and small-cap stocks. We discuss the key changes in our model portfolio below:

- We are OW on BFSI, Industrials, & Healthcare, while we are UW on Oil & Gas, Cement, and Metals. We upgrade Automobiles from UW to Neutral. We have also made several additions from a bottom-up standpoint across sectors.
- **FINANCIALS:** We retain our OW stance on BFSI and have raised allocation to ICICI Bank further by trimming 100bp from Kotak Mahindra Bank. After a very strong outperformance since our upgrade in Dec'24, we have recently downgraded BSE from BUY to Neutral and replaced BSE with UTI AMC in the model portfolio. **We expect UTI AMC to report AUM/revenue/core PAT CAGR of 17%/13%/20% over FY25-27. Sustained strong performance has been a key re-rating driver for AMC stocks. UTI AMC's discount to other players has widened over the past few months.** We are also incorporating Niva Bupa into the model portfolio. **We prefer Niva Bupa due to its strong growth, diversified distribution and product mix, and strong management team.**
- **TECHNOLOGY**: We maintain our Neutral stance on IT. We add further weights to Mid-Cap IT by replacing TCS with Hexaware. We are adding Hexaware to the model portfolio as its focus on high-value, scalable clients, as well as its execution through its "Land, Ramp, and Expand" client mining strategy, has driven steady revenue growth. With ~21% EPS CAGR over CY24–26, HEXT sits in the top growth quadrant among mid-cap peers – its strength in client mining and improving margin profile offer compelling risk-reward.
- **CONSUMPTION:** We continue to remain OW on Discretionary and UW on Staples. We are further reducing our weights in Staples by replacing HUL with Radico Khaitan. **We believe that Radico will deliver strong earnings growth over the next 3-5 years, considering the opportunity it has to scale up its P&A portfolio in the industry.** Over FY25-28, we expect Radico to deliver a 16% revenue CAGR, fueled by strong growth in the P&A segment. Overall volume growth is projected at 9%, driven by a robust 15% CAGR in the P&A portfolio. Additionally, the EBITDA margin is expected to improve from 13.9% in FY25 to 16.2% in FY28E (similar to FY19), supported by premiumization. We model an EBITDA and APAT CAGR of 22% and 30% over FY25-28E, respectively. We are also replacing Trent with Jubilant Foodworks. JUBI's focus on customer acquisition and driving order frequency has led to strong delivery growth. Value offerings and product innovation will continue to drive order growth in FY26. We model a recovery in operating margin for the India business to 13.5% in FY27 from 11.9% in FY25, after witnessing a 300bp dip in EBITDA margin (pre-IND AS) during the last two years.
- **AUTOMOBILES:** We upgrade Automobiles from UW to Neutral by adding 100bp each to our existing positions in M&M and TVS Motors.
- **INDUSTRIALS:** This sector remains our favorite theme, and we maintain our OW stance and weights in the sector with allocation towards L&T, Dixon Technologies, and Kaynes. We replace ABB with Bharat Electronics. We are adding BEL to our model portfolio, as we anticipate it will continue to benefit from the increase in defense spending in India, along with the emergency procurement pipeline being developed by the Ministry of Defence (MoD). We expect valuations to remain expensive due to the opening up of export markets for larger platforms and increased TAM for the domestic market.
- **HEALTHCARE:** We retain our OW stance on Healthcare and maintain our weights in Sun Pharma, Global Health, and Dr. Agarwal's Health.

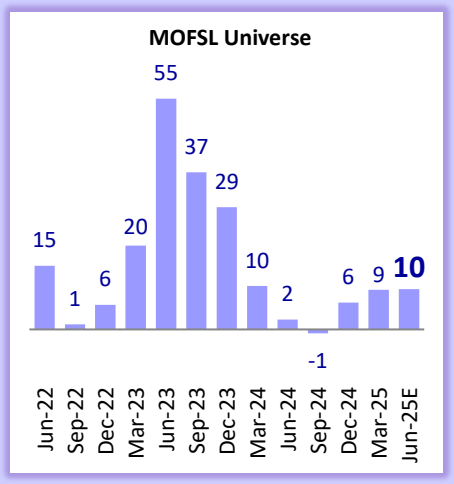
- **METALS:** We are replacing Tata Steel with Jindal Stainless. We are adding Jindal Stainless to the model portfolio because of capacity additions through organic and inorganic routes, market leadership position, increasing share of high-margin value-added products, and cost-saving initiatives (JV for supply of Nickel, captive power, etc.).
- **REAL ESTATE: We are adding Macrotech back to the model portfolio**. LODHA has delivered steady performance across its key parameters, and as it prepares to capitalize on strong growth and consolidation opportunities, we expect this consistency in operational performance to continue.
- **PIPES**: We are also introducing Supreme Industries to our model portfolio. Higher government spending, SI's capacity expansion, and market share gains from unorganized players are expected to drive growth for Supreme. EBITDA margin is likely to expand due to rising EBIT/kg and increasing share of value-added products, leading to a 14%/20%/23% CAGR in revenue/ EBITDA/Adj. PAT over FY25-28.

Note: Exhibit data is sourced from Bloomberg, Companies, and MOFSL research database

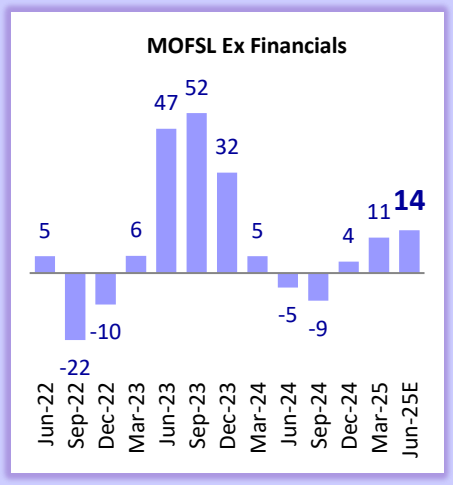
Corporate earnings at a glance: Defensives poised to aid earnings growth

O&G would lead the charge; excluding Financials, profits would grow 14% YoY and 6% YoY for the MOFSL Universe and Nifty, respectively.

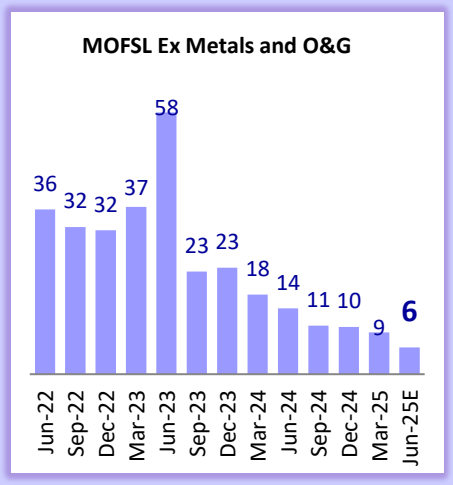
PAT expected to grow 10% YoY for the MOFSL Universe



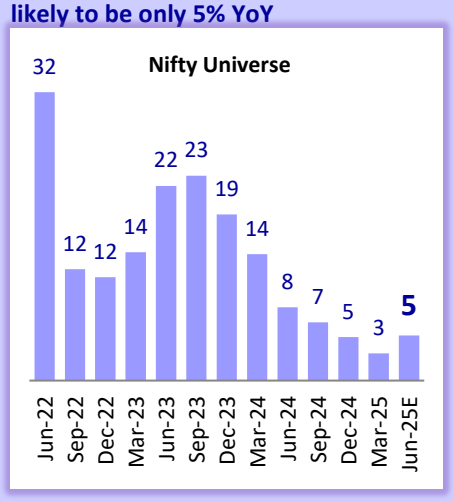
PAT likely to rise 14% YoY for the MOFSL Universe, excluding Financials



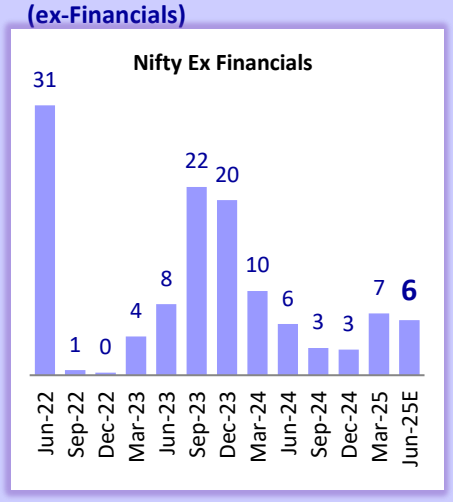
PAT to grow 6% YoY for the MOFSL Universe, sans Metals and O&G



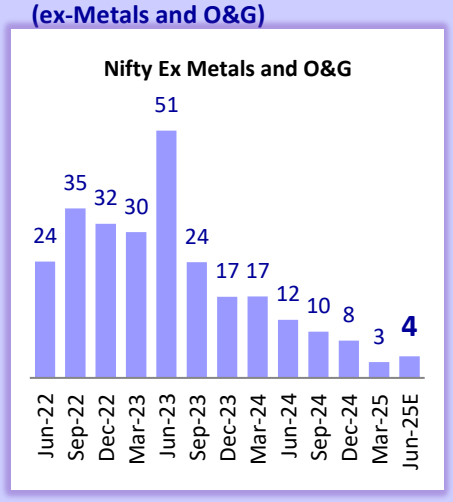
PAT growth for the Nifty Universe likely to be only 5% YoY



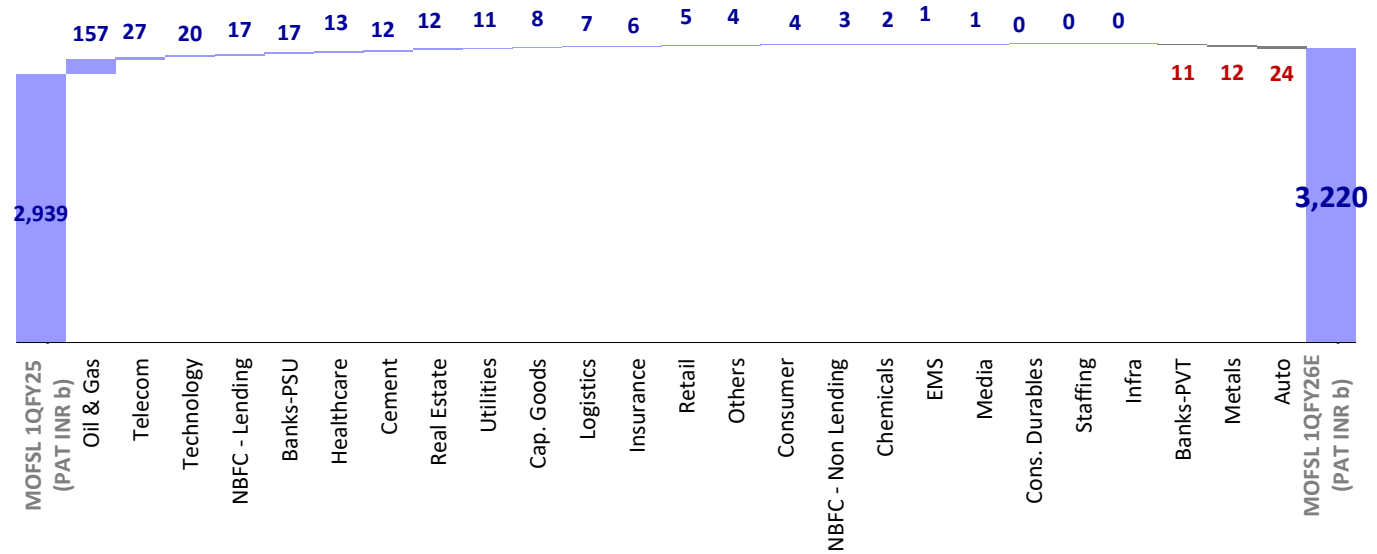
PAT to grow 6% YoY for the Nifty (ex-Financials)



PAT to grow 4% YoY for the Nifty (ex-Metals and O&G)

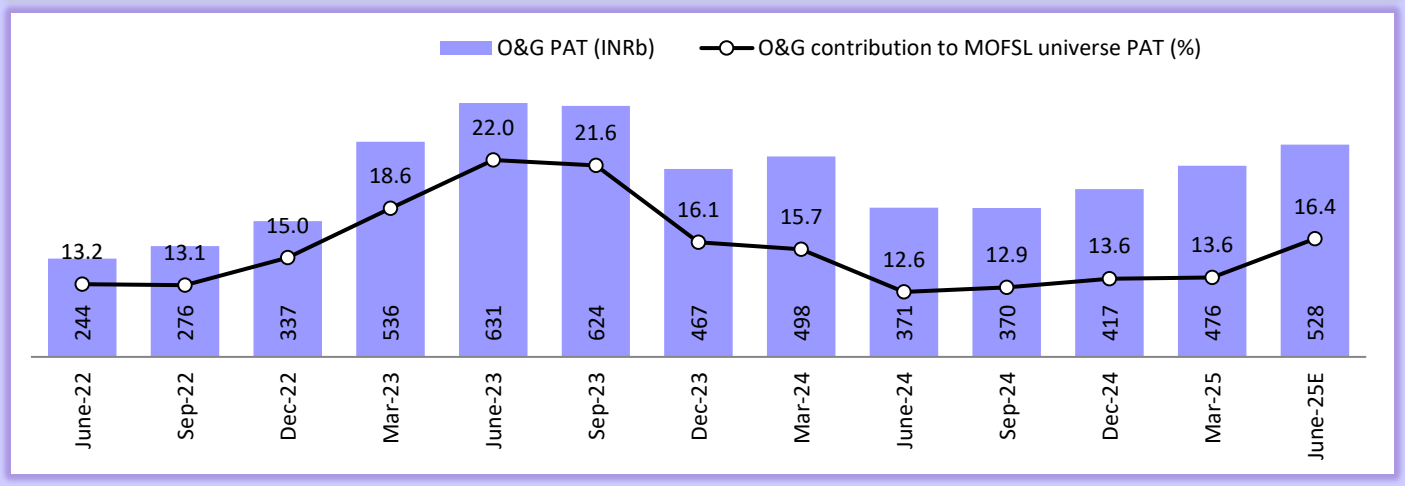


Performance of the MOFSL Universe to be driven by O&G and Telecom and weighed down by Automobiles, Metals, and Private Banks in 1QFY26

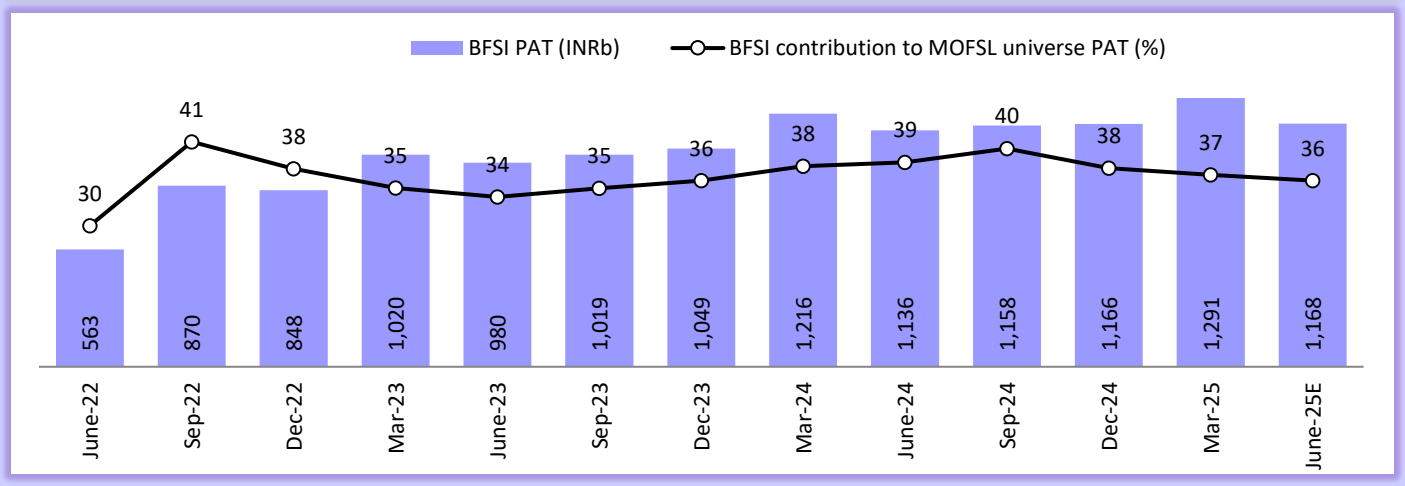


Corporate earnings at a glance: O&G's PAT contribution to rise sequentially

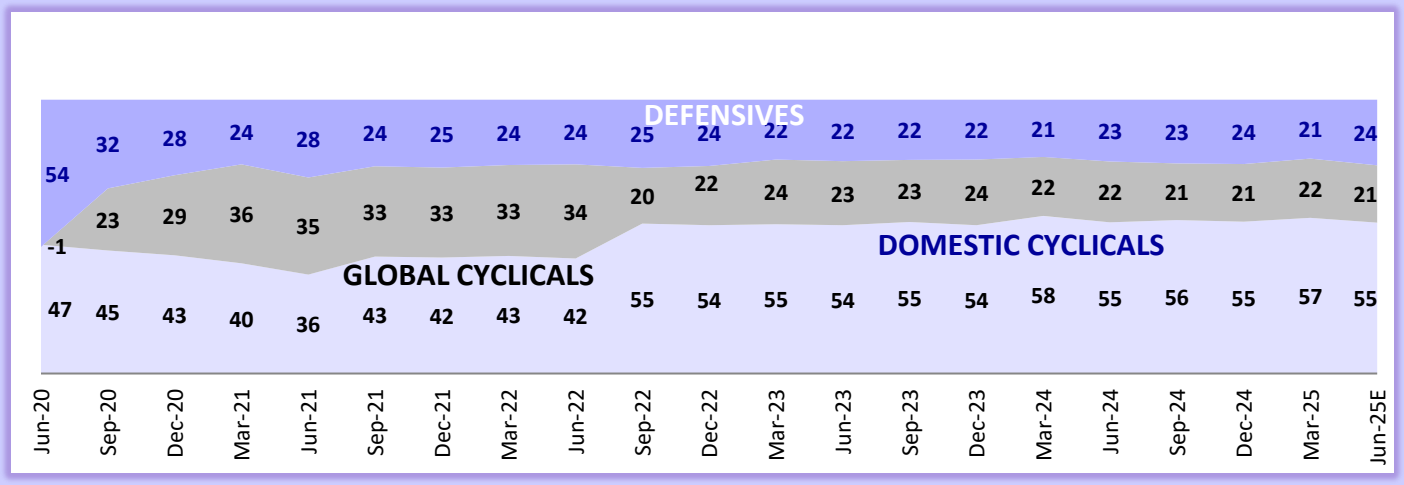
O&G's PAT contribution to the MOFSL Universe shows some signs of sequential increase in 1QFY26



While continuing to decline from the highs of 40% in Sep'24, Financials to maintain over one-third share of total profits



MOFSL (ex-OMC)'s PAT share (%): Defensives to drive the 1QFY26 earnings



MOFSL: MODEL PORTFOLIO

SECTOR WEIGHT / PORTFOLIO PICKS	BSE 100	MOFSL WEIGHT	WEIGHT RELATIVE TO BSE100	EFFECTIVE SECTOR STANCE	PAT YoY / CAGR (%)			
					FY25	FY26E	FY27E	FY25-FY27
Financials	**34.1**	**35.0**	**0.9**	**Neutral**				
Private Banks	**23.7**	**23.0**	**-0.7**	**Neutral**				
ICICI Bank	7.2	10.0	2.8	Buy	16	7	20	13
HDFC Bank	10.6	9.0	-1.6	Buy	11	8	17	13
Kotak Mahindra Bank	2.2	4.0	1.8	Buy	20	-1	19	9
PSU Bank	**3.0**	**4.0**	**1.0**	**Neutral**				
SBI	2.2	4.0	1.8	Buy	16	2	15	8
Diversified Financials	**7.4**	**8.0**	0.6	**Neutral**				
Angel One	0.0	3.0	3.0	Buy	4	-26	61	9
Shriram Finance	0.7	3.0	2.3	Buy	15	16	19	18
UTI AMC	0.0	2.0	2.0	Buy	1	7	18	12
Cap Goods, Infra & Cement	**9.1**	**12.0**	**2.9**	**Overweight**				
Larsen & Toubro	2.9	4.0	1.1	Buy	13	21	19	20
Bharat Electronics	1.1	2.0	0.9	Buy	32	14	21	17
Dixon Tech.	0.4	2.0	1.6	Buy	92	44	43	44
UltraTech Cement	1.0	2.0	1.0	Buy	-13	47	25	36
Kaynes Technology	0.0	2.0	2.0	Buy	60	84	57	70
Consumption / Retail	**12.4**	**11.0**	**-1.4**	**Underweight**				
Titan Company	1.1	3.0	1.9	Buy	8	27	18	22
Radico Khaitan	0.0	2.0	2.0	Buy	35	42	29	35
Jubilant Foodworks	0.0	2.0	2.0	Neutral	-10	72	50	61
Indian Hotels	0.5	2.0	1.5	Buy	33	16	23	19
Page Industries	0.0	2.0	2.0	Buy	28	15	17	16
Technology	**10.7**	**10.0**	**-0.7**	**Neutral**				
Hexaware Tech.	0.0	2.0	2.0	Buy	18	27	18	23
HCL Tech	1.3	3.0	1.7	Buy	11	9	9	9
Tech Mahindra	0.7	3.0	2.3	Buy	17	28	27	28
Coforge	0.5	2.0	1.5	Buy	17	65	23	43
Energy/Telecom	**13.2**	**9.0**	**-4.2**	**Underweight**				
Reliance Industries	7.2	5.0	-2.2	Buy	0	16	11	14
Bharti Airtel	3.7	4.0	0.3	Buy	55	59	39	49
Auto	**6.7**	**7.0**	**0.3**	**Neutral**				
Mahindra & Mahindra	2.0	4.0	2.0	Buy	11	20	12	16
TVS Motor	0.5	3.0	2.5	Neutral	30	17	18	18
Metals / Utilities	**7.1**	**6.0**	**-1.1**	**Underweight**				
Power Grid Corp.	0.9	2.0	1.1	Buy	0	14	5	9
Jindal Stainless	0.0	2.0	2.0	Buy	-4	19	23	21
Suzlon Energy	0.5	2.0	1.5	Buy	106	55	40	47
Healthcare	**4.6**	**6.0**	**1.4**	**Overweight**				
Sun Pharma	1.2	2.0	0.8	Buy	13	14	17	16
Global Health	0.0	2.0	2.0	Buy	11	13	39	26
Dr Agarwals Health.	0.0	2.0	2.0	Buy	0	44	34	39
Others	**2.0**	**4.0**	**2.0**	**Overweight**				
SRF	0.3	1.0	0.7	Buy	-3	48	40	44
Supreme Inds.	0.0	1.0	1.0	Buy	-13	9	13	10
Macrotech Developers	0.0	1.0	1.0	Buy	70	32	6	18
Niva Bupa Health	0.0	1.0	1.0	Buy	161	-44	120	11
TOTAL	**100**	**100**			**12**	**13**	**17**	**15**

LP: Loss to Profit

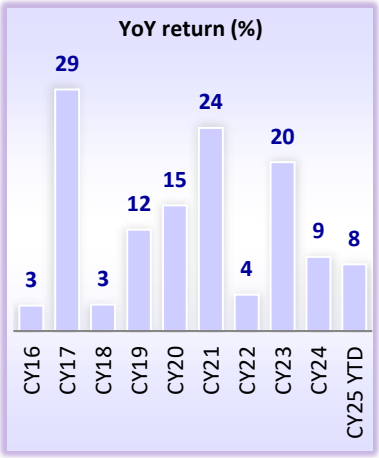
MARKETS

Markets bounce back from the 1HCY25 lows…

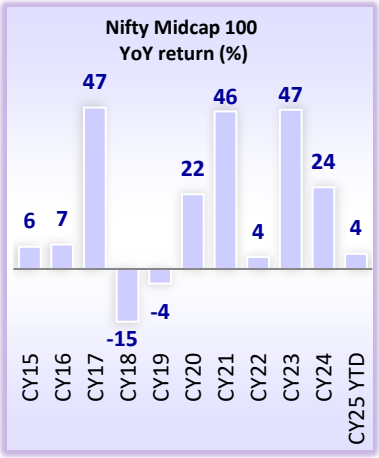
…fueled by robust DII inflows and improving FII sentiments amid easing geopolitical turbulence

- **Sustain uptrend after a volatile period…:** The Indian market bounced back sharply after a period of heightened geopolitical tension in 2QCY25 and lingering uncertainties around US trade tariffs. Despite the uncertainties around geopolitical conflicts, volatile FII flows, and news flow around US trade tariff announcements, Indian equities saw a steady recovery. The Nifty-50 gained 16% from its Mar'25 lows, rising 8% in CY25YTD. By Jun'25, the market recovered to Sep'24 levels, reaching just 3% below its all-time high. It has clocked a CAGR of 6%/17%/20%/12% over the 1-yr/3-yr/5-yr/10-yr periods.
- **…but underperform global peers:** Despite this strong rebound, India underperformed several major global markets in CY25YTD, many of which saw sharper recoveries from a low CY24 base. South Korea (+69%), Germany (+36%), Russia (+32%), Brazil (+31%), France (+18%), the UK (+17%), MSCI EM (+14%), Japan (+11%), and Taiwan (+8%) all outpaced India's (+8%) gain during the period. In contrast, the US and China lagged, each posting 5% growth in CY25YTD.
- **Mid- and small-cap outperformance narrows:** After a strong rally between Apr'23 and Sep'24, mid- and small-cap outperformance has continued to narrow over the past nine months. The Nifty Midcap-100 and Smallcap-100 indices fell 21% and 25% from their all-time highs, while the Nifty-50 declined 16% by Mar'25. However, they later recovered 25% and 30%, respectively, with the Nifty-50 rising 16% from their respective lows, resulting in marginal negative returns of 2–3% for all three indices over the past one year. Moderating earnings and valuation concerns triggered a sharp sell-off, especially in small-cap stocks. In contrast, mid-caps posted relatively better earnings performance, leading to some cooling off in their valuations. However, valuations remain stretched in small-caps, rich in mid-caps, and above average in large-caps.
- **DII flows hit record highs; FII flows remain positive in 2QCY25:** DII inflows continue to remain strong, driven by resilient monthly SIP flows of ~USD3b and increasing retail participation. DII inflows of USD 41.5 billion in the first six months of CY25 have already reached 66% of the total inflows recorded in the entire CY24. Meanwhile, easing geopolitical concerns, progress on resolving Trump's aggressive reciprocal tariffs, and expectations of interest rate cuts in the latter half of CY25 have helped stabilize FII flows, resulting in three consecutive months of net inflows for the first time since Oct'24. While retail participation and DII flow momentum are likely to remain strong, geopolitical developments and a recovery in domestic earnings will be the key factors influencing FII flows into Indian markets. The limited impact of tariffs and ongoing resolutions around them could further strengthen FII flows going forward.

Nifty-50: Indian markets continued to record gains



Nifty Midcap-100 turned green and posted modest gains



Nifty Smallcap-100 also posted marginal gains in CY25YTD

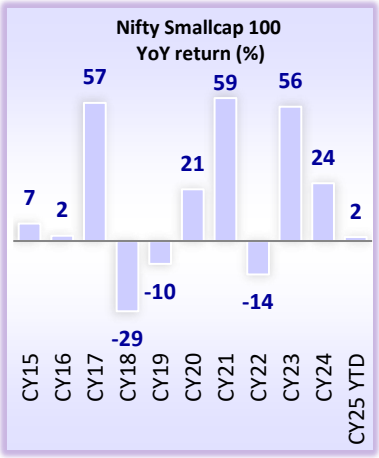


Exhibit 1: Indices rebounded from the Mar'25 lows with the Nifty-50/Nifty Midcap-100/Nifty Smallcap-100 gaining 6%/7%/4% YoY

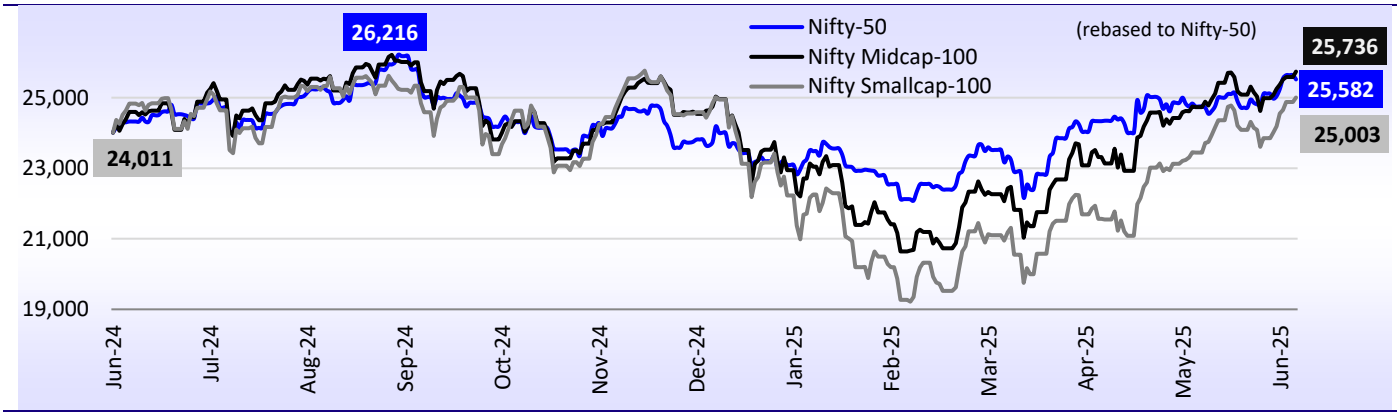


Exhibit 2: Performance of global equity indices in USD terms (%): India underperformed global peers in CY25YTD

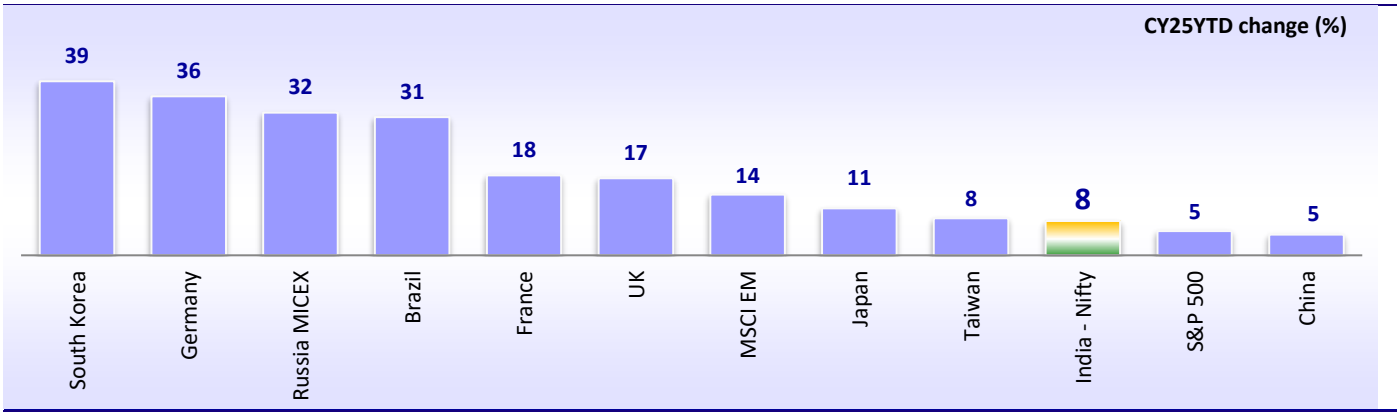


Exhibit 3: Over the last 12 months, while the global market cap has jumped 13.4% (USD15.9t), India's market cap has risen only 8% to USD5.4t

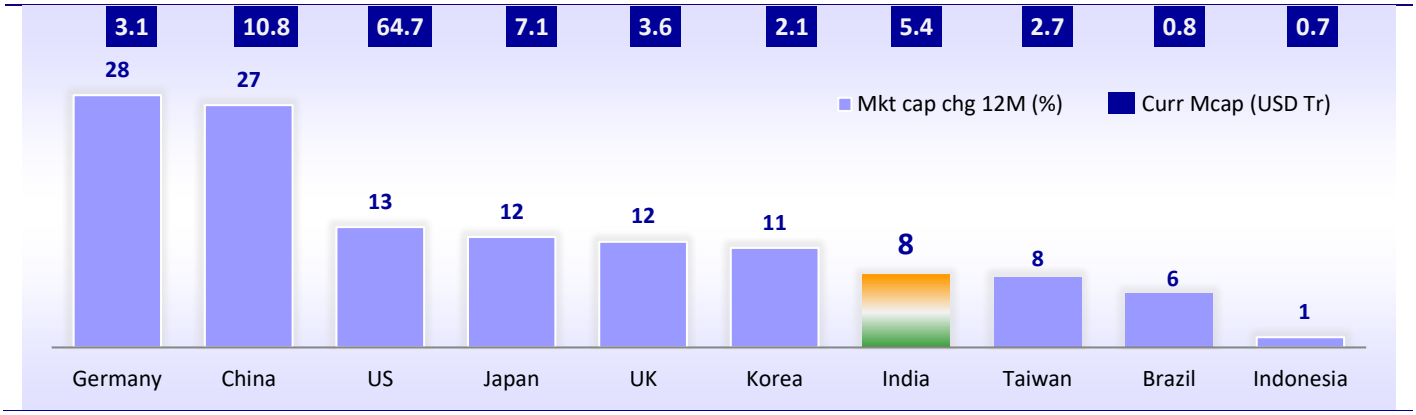


Exhibit 4: Trend in India's contribution to the global market cap (%) – moderates from a Sep'24 high but recovers from the Feb'25 low

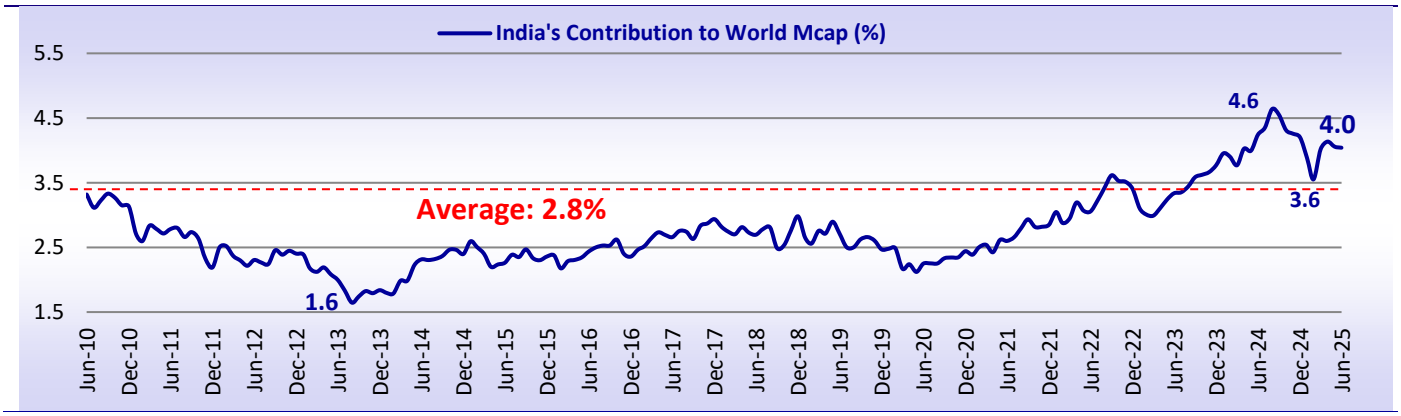


Exhibit 5: FII flows continue to remain volatile…

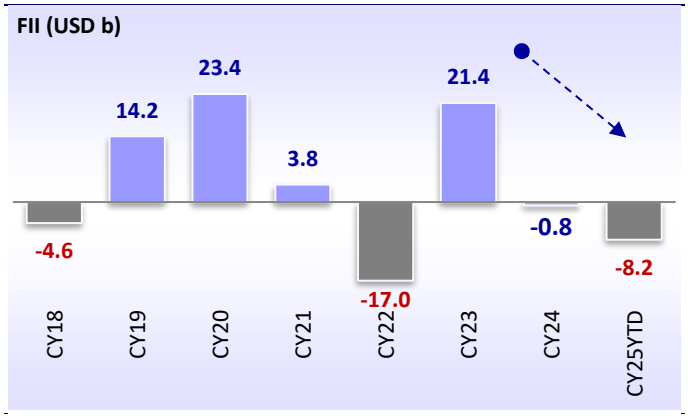


Exhibit 6: …while DII inflows continue to hit record highs

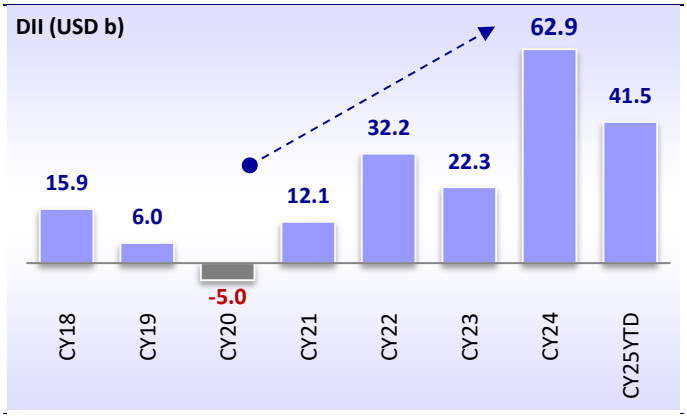


Exhibit 7: FII flows have increased in the past three months

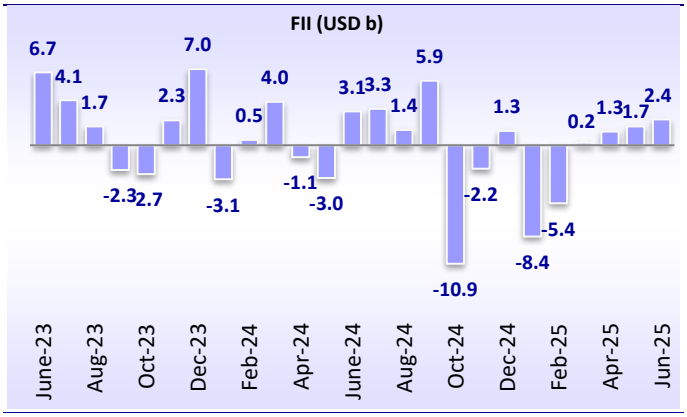
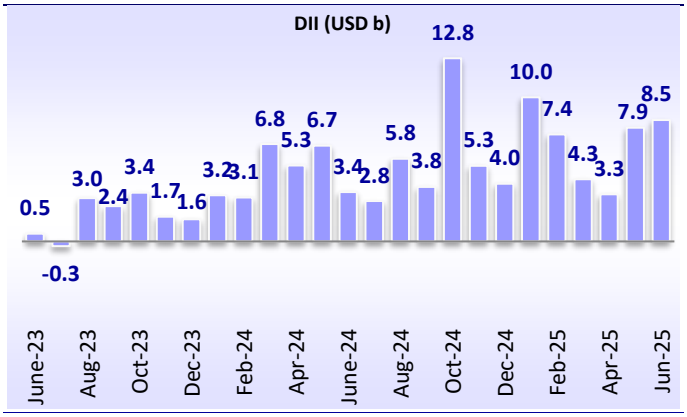


Exhibit 8: DII flows have been robust for the last 23 months



Valuations of Nifty-50 above LPA, while those of broader markets remain elevated

- Nifty is trading at a 12-month forward P/E of 21.7x, 5% above its own LPA. We expect FY26/FY27 EPS to grow 11%/17% to INR1,122/INR1,308.
- India's market cap-to-GDP ratio has been volatile, dropping to 57% (of FY20 GDP) in Mar'20 from 80% in FY19. Since then, it has remained above the long-term average of 85%, reaching a multi-year high of 146% in Sep'24. Following the market correction and subsequent recovery, the ratio now stands at 127%. We expect nominal GDP to grow 10.5% YoY in FY26 vs. 9.8% growth in FY25.

Exhibit 9: Nifty-50 near the Sep'24 high, up 8% in CY25YTD; it is trading 5% above its LPA

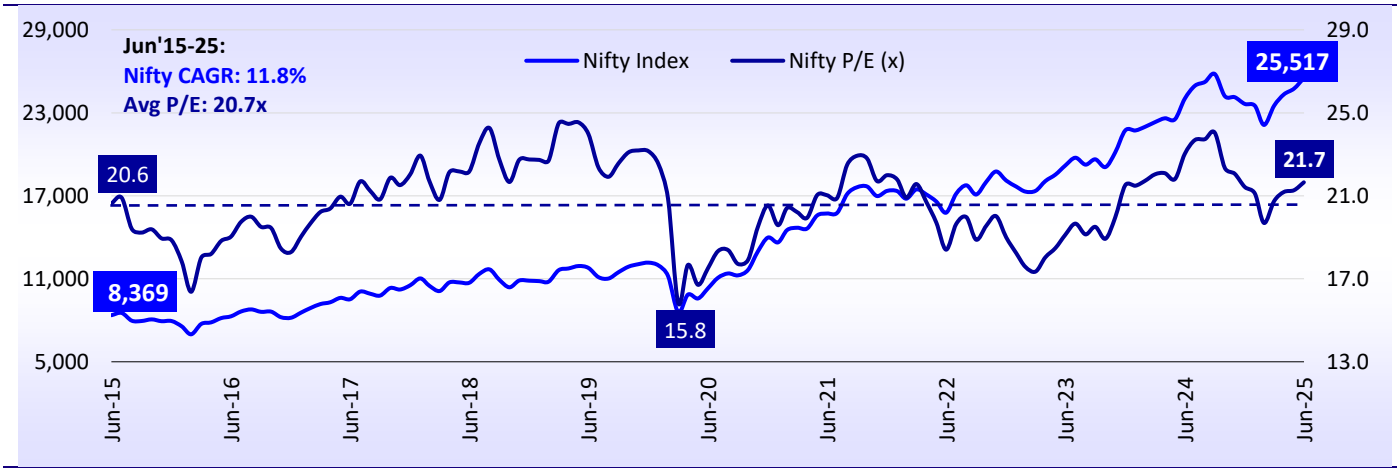


Exhibit 10: 12-month forward Nifty P/B (x)

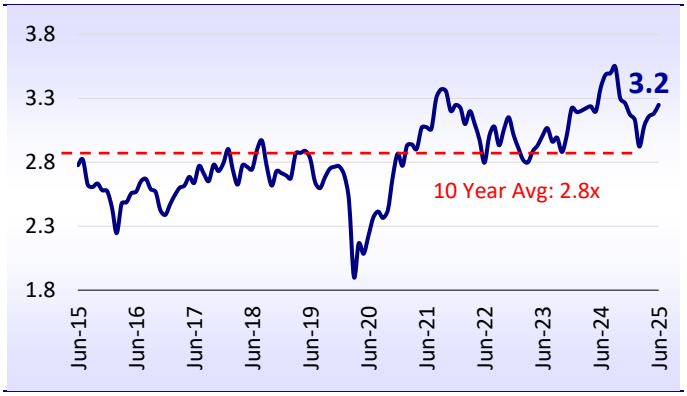


Exhibit 11: 12-month forward Nifty RoE (%)

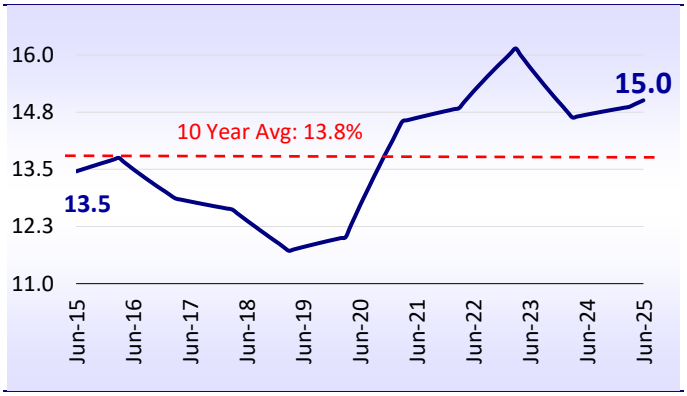


Exhibit 12: The valuation gap between Nifty-50 and broader markets remains elevated

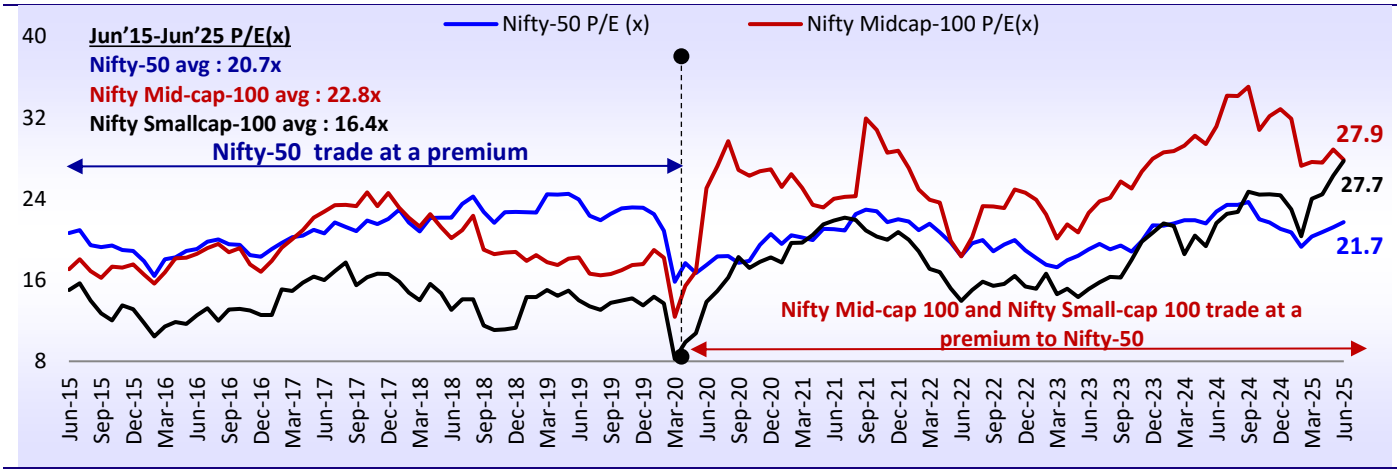
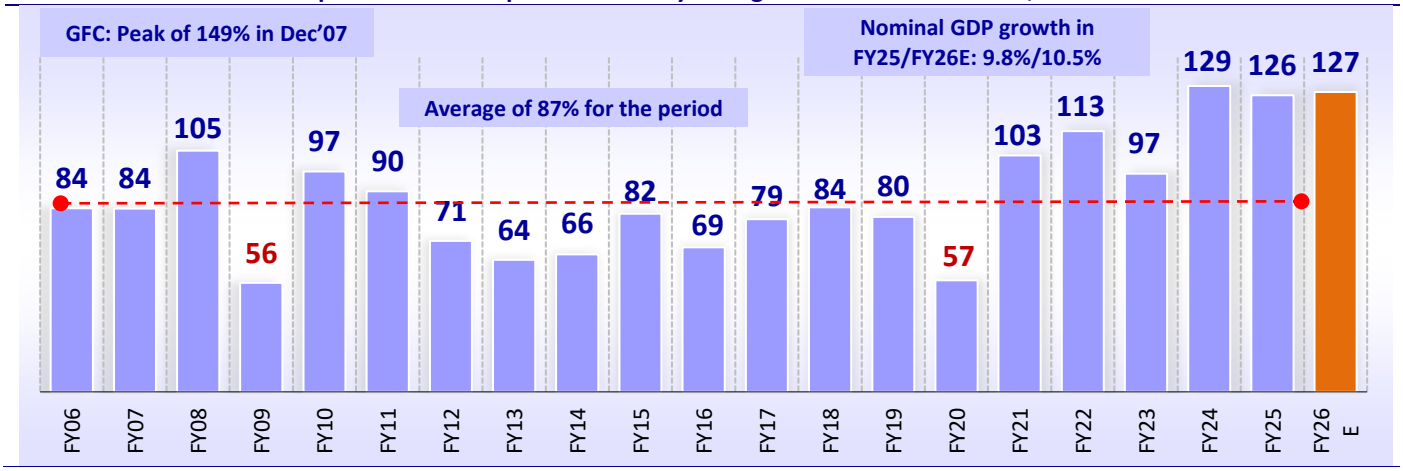


Exhibit 13: India's market cap-to-GDP ratio dips from the 17-year high levels of 146% in FY25, and stands at 127% in FY26YTD



1QFY26 PREVIEW

O&G to drive earnings; Auto and Pvt. Banks to drag

Expect O&G, Telecom, and PSBs to lead the incremental profit growth in 1QFY26

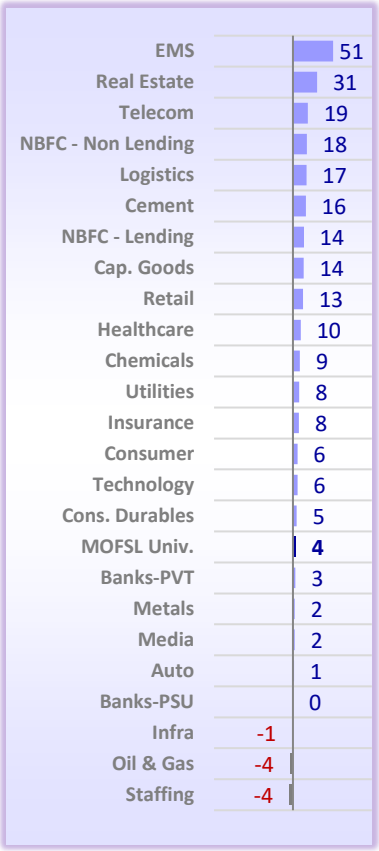
MOFSL (ex-Commodities) earnings anticipated to grow 6% YoY

- The **Auto** OEMs within our coverage universe are expected to deliver just 2% YoY volume growth in 1QFY26. Within the listed peers, while 2Ws/PV OEMs have posted 1% growth each, CVs are down 2% YoY for 1QFY26. For our OEM coverage universe, while revenue is likely to be flat YoY, we expect EBITDA/PAT to decline 14%/12% YoY in 1QFY26. The bulk of this decline is largely on account of an expected sharp margin pressure at Tata Motors, especially at JLR, given the ongoing global headwinds. Ex-TTMT, we expect EBITDA/PAT for our coverage universe to decline 1%/3% YoY. Our Auto Ancillaries universe would post ~6% growth in revenue, flat EBITDA, and a dip of 3% YoY in PAT in 1QFY26.
- **BFSI:** We expect a 3% YoY adj. earnings growth for our BFSI universe, which will be driven by modest growth of PSBs (+5%) and NBFC lending (+8%). Insurance (+4%) and NBFC Non-lending (+10%) are also likely to post moderate growth. Private Banks (-3%) would drag the quarter's earnings. NII for our banking coverage universe to report a muted growth at 1.7% YoY (down 0.6% QoQ). For the private banks under our coverage, we estimate PPoP to grow 4.2% YoY/ 3.8% QoQ. PSU banks to report a modest PAT growth of 4.8% YoY amid a decline in NIMs, normalized opex, and higher provisions QoQ.
- **NBFCs:** We estimate ~14%/13%/8% YoY growth in NII/PPoP/PAT in 1QFY26 for our NBFC coverage universe. Excluding NBFC-MFI, we estimate ~12% YoY growth in PAT for our coverage universe. We expect ~10% YoY growth in AUM for our coverage HFCs, including both affordable and large HFCs. Vehicle financers are projected to report ~18% YoY AUM growth. Gold lenders (despite the weakness in MFI growth) are likely to record ~29% YoY growth (primarily driven by ~43% YoY growth in MUTH).

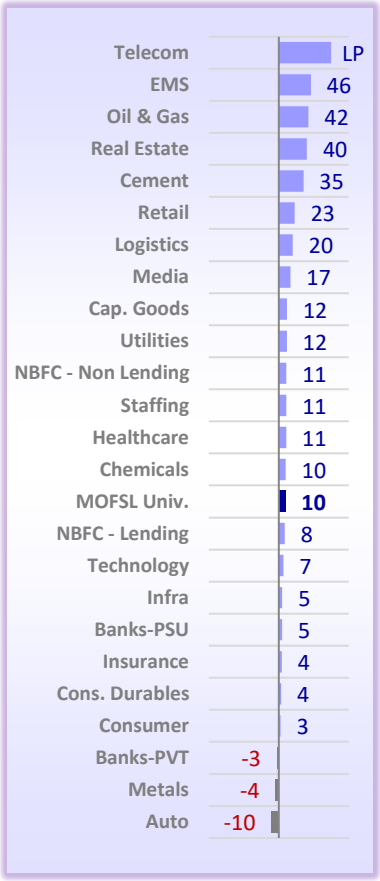
Of the 18 major sectors under MOFSL Coverage, only 11 sectors are likely to witness an expansion in EBITDA margin YoY

- **NBFC Non-lending:** The non-lending financial industry witnessed a strong recovery across segments in 1QFY26. Positive market sentiment boosted activity in the cash segment and AUM growth for AMCs/wealth managers/distributors. Wealth managers are expected to deliver steady inflows and recurring revenue. For life insurers, premium growth was subdued, though we expect an improvement in profitability. General insurers witnessed a marginal recovery in underlying demand, but they are expected to face elevated claims.
- The **Technology** sector (IT services companies) is expected to report a modest quarter, primarily due to a host of geopolitical events as well as tariff uncertainty that would affect notable deal signings. Sequential revenue and deal TCV across large-caps could be unexciting (expect QoQ CC growth range of -2.5% to +1.5% for large-caps. Midcaps are expected to outperform once again with a growth range of -2.0% to +7.0%). A weak dollar against a basket of currencies will lead to 100-200bp of QoQ cross-currency tailwinds.
- The **Capital Goods** sector's earnings are projected to rise 12% YoY (improving sequentially vs. 7% growth in 4QFY25). Ordering momentum remained strong during the quarter, supported by healthy traction across the defense, power T&D, renewables, and B&F segments. The DAC has approved emergency procurement worth INR400b for the Indian Defense Forces. We expect EPC companies to report sequential recovery in margins. Export performance is gradually improving for companies, with expectations of further gains. We will wait to see a broad-based revival in domestic and private capex, along with sustained momentum in order inflows, which would drive a re-rating of the

Sectoral sales growth for the quarter-ended Jun'25 (YoY %)



Sectoral PAT growth for the quarter-ended Jun'25 (YoY %)



sector from current levels. For 1QFY26, we estimate our coverage companies to report revenue growth of 14% YoY, EBITDA growth of 14% YoY, and PAT growth of 12% YoY.

- For the MOFSL **Consumer** coverage universe, demand trends across various categories continued to mirror recent historical quarters. Earnings growth for our coverage universe is expected to record muted 3% YoY growth. Staple companies are likely to experience sluggish urban demand and high-cost inventory. We expect a marginal pickup in volume growth, with price hikes supporting 1Q revenue growth. All segments are expected to deliver revenue/EBITDA growth YoY in 1QFY26—staples +6%/+1%, paints & adhesives +3%/+2%, liquor +11%/+6%, innerwear +12%/+21%, QSR +11%/+10%, and jewelry +20%/+27%. **QSR** companies remained muted in 1QFY26.
- **Healthcare**: The Healthcare companies under our coverage are expected to report a modest sales/EBITDA/PAT growth of 10%/7%/11% YoY in 1QFY26. Moderation in the domestic formulation (DF) segment, led by weakness in the acute segment and higher competition in select US generics products, is expected to affect performance in 1QFY26. PAT is expected to grow at a higher rate of 10% YoY. In the hospital space, we expect strong execution, supported by bed additions, leading to 17% YoY revenue growth in 1QFY26.
- The **Metal** companies within our coverage universe are likely to report a weak quarter with a 4% YoY earnings decline. Sales/EBITDA for our coverage universe is likely to grow 2%/6% YoY. We expect **ferrous** companies to report a volume decline of 11% QoQ (+6% YoY). Muted coking coal costs (USD10-15/t) and healthy NSR are likely to improve EBITDA/t by INR1,500/t during the quarter. **Non-ferrous** companies under our coverage are expected to post an aggregate revenue and EBITDA decline of 8% and 18% QoQ, respectively, led by muted volumes and sequential price corrections.
- We estimate our **Cement** coverage universe to post 16%/38%/35% YoY growth in revenue/EBITDA/PAT, led by higher cement prices and strong volume growth. Aggregate cement volume is estimated to grow ~10% YoY to 92mt, aided by inorganic growth. However, on a like-for-like basis, volume growth stood at ~4% YoY in 1QFY26. Blended realization is expected to grow ~4% YoY/QoQ (each) to INR5,565/t. We estimate EBITDA/t to rise ~29% YoY (~4% QoQ) to INR1,104.
- We expect the **O&G** sector to report flat sales YoY (+7% YoY excluding OMCs), a 25% YoY rise in EBITDA (+5% YoY excluding OMCs), and a 42% YoY increase in PAT (+9% YoY excluding OMCs) in 1QFY26. **OMCs**: Standalone EBITDA for HPCL/BPCL/IOCL is expected to grow QoQ, driven by an improvement in marketing margins on a sequential basis. SG GRM averaged USD5.7/bbl in 1Q (vs. USD3.2/bbl in 4Q). **CGDs**: We estimate a 9%/6% YoY volume growth for MAHGL/IGL and a 13% YoY volume decline for GUJGA. **Upstream**: For ONGC and OINL, we expect oil & gas sales volumes to remain largely flat both QoQ and YoY, while oil realizations are likely to see a sharp sequential decline for both companies. We remain bearish on crude and maintain our Brent price forecast of USD65/bbl for CY25/26.
- The **Power Utility** companies under our coverage universe are anticipated to report a revenue/EBITDA/adj. PAT growth of 8%/5%/12% YoY in 1QFY26. In Apr-May'25, the country added 6.7GW of renewable capacity (largely solar) and 0.6GW of nuclear capacity, whereas thermal capacity fell by 6.9GW. While

current demand remains soft, peak demand months have shown great variability historically, and demand could bounce back in the coming months.

- **Telecom**: We expect the Telecom sector to report a profit of INR10b in 1QFY26 (vs. a loss of INR17b in 1QFY25). We further project ~2-3% sequential growth in combined wireless revenue/EBITDA for the three private telcos in 1QFY26. We build in a 1.5% sequential uptick in the blended ARPU for the three private telcos and the residual benefit of tariff hikes.
- The **Real Estate** coverage universe is expected to report strong presales of INR501b, up 59% YoY/51% QoQ, in 1QFY26. Volumes are expected to be 32msf, up 26% YoY/35% QoQ. Collections for our coverage companies are likely to increase 58% YoY to INR293b, implying a collection efficiency of ~58%. Revenue recognition for our coverage is expected to stand at INR167b (up 31% YoY), with EBITDA of INR50b (up 44% YoY) and a margin of 30%.
- The **Chemicals** sector is projected to report a second consecutive quarter of earnings growth of 10% YoY in 1QFY26 after seven consecutive quarters of decline. The Brent crude price has remained benign at USD 68/bbl in 1QFY26. We estimate our coverage universe to report a sales/EBITDA growth of 10%/5% YoY during the quarter. Aggregate gross margin is likely to contract 40bp YoY, and aggregate EBITDAM may expand 20bp YoY/30bp QoQ.
- **The 1QFY26 snapshot:** We expect EBITDA/PBT/PAT to rise 10%/5%/10% YoY in 1QFY26 for the MOFSL Universe. Excluding Metals and O&G, EBITDA/PBT/PAT for the MOFSL Universe would grow 7%/flat/6% YoY.
- The **EBITDA margins** for the Capital Goods, Cement, Consumer Durables, Infrastructure, Logistics, Media, Metals, Oil & Gas, Real Estate, Technology and Telecom sectors are likely to expand, while margins for Automobiles, Chemicals, Consumer, EMS, Healthcare, Retail and Utilities are anticipated to contract on a YoY basis.
- **Nifty earnings to grow 5% YoY in 1QFY26:** Ex-Commodities, the Nifty earnings are anticipated to rise ~4% YoY. Reliance Inds. Bharti Airtel, JSW Steel, HDFC Bank, and ICICI Bank are likely to drive Nifty earnings, while Coal India, Tata Motors, IndusInd Bank, ONGC, and Maruti Suzuki are projected to drag the same.
- **The FY26E snapshot:** The MOFSL Universe and Nifty are likely to record 14% YoY and 11% YoY earnings growth in FY26E, respectively. Excluding Metals and O&G, the MOFSL Universe and Nifty should post a 12% and 10% YoY earnings growth, respectively.

Exhibit 14: MOFSL and Nifty Universe to post 10% and 5% YoY earnings growth, respectively, in 1QFY26 (INR b)

	Sales	Growth (%)		EBITDA	Growth (%)		PAT	Growth (%)		PAT Delta	PAT	Delta
Sector	Jun-25	YoY	QoQ	Jun-25	YoY	QoQ	Jun-25	YoY	QoQ	INRb	Share (%)	Share (%)
PAT growth sectors	**10,065**	**1**	**-5**	**1,769**	**26**	**5**	**703**	**46**	**9**	**222**	**22**	**79**
Telecom (5)	761	19	2	385	27	1	10	LP	98	27	0	10
EMS (7)	169	51	-1	9	47	-28	5	46	-29	1	0	1
Oil & Gas (15)	7,480	-4	-7	1,069	25	7	528	42	11	157	16	56
Real Estate (13)	164	31	-8	50	44	3	41	40	3	12	1	4
Cement (11)	658	16	-5	112	38	-4	45	35	-9	12	1	4
Retail (22)	612	13	9	65	12	11	28	23	23	5	1	2
Logistics (8)	174	17	1	68	22	3	40	20	-1	7	1	2
Media (3)	47	2	8	10	8	45	7	17	31	1	0	0
Med/Low growth sectors	**10,189**	**8**	**-8**	**2,559**	**7**	**-6**	**1,626**	**7**	**-12**	**105**	**51**	**38**
Capital Goods (13)	982	14	-23	117	14	-41	77	12	-44	8	2	3
Utilities (8)	841	8	4	285	5	8	105	12	-9	11	3	4
Others (23)	738	16	-7	127	14	-17	45	11	-31	4	1	2
NBFC - Non Lending (14)	75	18	8	39	17	8	33	11	11	3	1	1
Staffing (4)	109	-4	2	3	-19	0	2	11	0	0	0	0
Healthcare (26)	927	10	1	220	7	1	139	11	1	13	4	5
Chemicals (12)	178	9	3	32	5	1	18	10	3	2	1	1
NBFC - Lending (22)	465	14	-1	377	13	-2	221	8	-1	17	7	6
Technology (13)	2,019	6	0	450	7	1	312	7	-1	20	10	7
Infrastructure (3)	45	-1	-8	13	1	-12	4	5	-25	0	0	0
Banks-PSU (6)	883	0	-2	615	2	-9	364	5	-12	17	11	6
Insurance (8)	1,774	8	-24	42	14	-46	133	4	-38	6	4	2
Consumer Durables (5)	202	5	-14	20	5	-24	14	4	-24	0	0	0
Consumer (21)	953	6	6	222	1	9	158	3	11	4	5	1
PAT de-growth sectors	**7,017**	**2**	**-6**	**1,660**	**1**	**-5**	**890**	**-5**	**-11**	**-47**	**28**	**-17**
Banks-Private (12)	928	3	0	697	4	3	417	-3	2	-11	13	-4
Metals (11)	2,969	2	-7	577	6	-6	261	-4	-16	-12	8	-4
Automobiles (26)	3,120	1	-7	386	-11	-16	213	-10	-24	-24	7	-9
MOFSL Universe (311)	**27,271**	**4**	**-6**	**5,989**	**10**	**-3**	**3,220**	**10**	**-8**	**280**	**100**	**100**
MOFSL Ex OMCs (308)	**23,586**	**7**	**-6**	**5,645**	**7**	**-4**	**3,031**	**5**	**-9**	152		
MO Ex Metals and O&G (285)	**16,822**	**8**	**-6**	**4,342**	**7**	**-5**	**2,431**	**6**	**-10**	135		
MOFSL Ex. Financials	**23,147**	**3**	**-5**	**4,220**	**12**	**-2**	**2,052**	**14**	**-7**	249		
Nifty (48)	**13,815**	**7**	**-4**	**3,624**	**6**	**-3**	**1,927**	**5**	**-5**	92		
Sensex (30)	**10,787**	**8**	**-3**	**2,956**	**9**	**-3**	**1,562**	**9**	**-7**	131		

Exhibit 15: Expect a two-year PBT/PAT CAGR of 5%/6% for the MOFSL Universe (INR b)

Sector	PBT (INR b)				Growth (%)			PAT (INR b)				Growth (%)		
	Jun-23	Jun-24	Mar-25	Jun-25	YoY	Two-year CAGR	QoQ	Jun-23	Jun-24	Mar-25	Jun-25	YoY	Two-year CAGR	QoQ
Automobiles (26)	254	324	369	285	-12	6	-23	187	237	281	213	-10	7	-24
Capital Goods (13)	82	98	191	113	14	17	-41	54	69	138	77	12	20	-44
Cement (11)	61	46	71	63	38	2	-11	44	33	50	45	35	2	-9
Chemicals (12)	26	22	23	23	7	-6	2	20	16	17	18	10	-5	3
Consumer (21)	201	207	192	211	2	2	9	149	154	143	158	3	3	11
Consumer Durables (5)	14	19	25	19	4	17	-23	10	14	18	14	4	18	-24
EMS (7)	3	4	12	7	58	57	-45	2	3	7	5	46	50	-29
Financials (62)	1,264	1,501	1,657	1,395	-7	5	-16	980	1,136	1,291	1,168	3	9	-10
Banks-Private (12)	484	567	541	554	-2	7	2	363	427	410	417	-3	7	2
Banks-PSU (6)	431	480	547	494	3	7	-10	307	347	412	364	5	9	-12
Insurance (8)	93	150	248	17	-88	-57	-93	113	127	214	133	4	9	-38
NBFC - Lending (22)	230	266	284	286	8	12	1	177	204	224	221	8	12	-1
NBFC - Non Lending (14)	25	39	37	43	10	31	15	20	30	30	33	11	28	11
Healthcare (26)	129	181	178	183	1	19	3	99	126	138	139	11	19	1
Infrastructure (3)	7	7	8	6	-9	-7	-25	5	4	6	4	5	-2	-25
Logistics (8)	34	40	46	48	21	20	4	27	34	41	40	20	21	-1
Media (3)	8	8	7	9	18	4	37	6	6	5	7	17	6	31
Metals (11)	330	389	433	378	-3	7	-13	234	273	311	261	-4	6	-16
Oil & Gas (15)	870	526	657	737	40	-8	12	631	371	476	528	42	-9	11
Oil Ex OMCs (12)	466	446	466	486	9	2	4	326	311	324	339	9	2	5
Real Estate (13)	21	37	47	47	28	52	2	18	29	40	41	40	51	3
Retail (22)	29	30	31	37	22	12	20	22	22	22	28	23	12	23
Staffing (4)	2	2	2	2	7	12	-4	2	2	2	2	11	9	0
Technology (13)	366	397	421	421	6	7	0	271	293	314	312	7	7	-1
Telecom (5)	1	21	58	62	201	LP	8	-29	-17	5	10	LP	Loss	98
Utilities (8)	114	126	160	138	9	10	-14	87	94	116	105	12	10	-9
Others (23)	57	48	80	56	17	-1	-31	52	40	65	45	11	-8	-31
MOFSL Universe (311)	**3,873**	**4,032**	**4,669**	**4,242**	**5**	**5**	**-9**	**2,871**	**2,939**	**3,485**	**3,220**	**10**	**6**	**-8**
MOFSL Ex Metals and O&G (285)	**2,674**	**3,118**	**3,579**	**3,127**	**0**	**8**	**-13**	**2,005**	**2,296**	**2,699**	**2,431**	**6**	**10**	**-10**
MOFSL Ex OMCs (308)	**3,469**	**3,953**	**4,478**	**3,991**	**1**	**7**	**-11**	**2,566**	**2,879**	**3,334**	**3,031**	**5**	**9**	**-9**
Nifty (48)	**2,357**	**2,555**	**2,784**	**2,664**	**4**	**6**	**-4**	**1,695**	**1,834**	**2,034**	**1,927**	**5**	**7**	**-5**
Sensex (30)	**1,825**	**2,016**	**2,316**	**2,186**	**8**	**9**	**-6**	**1,293**	**1,431**	**1,672**	**1,562**	**9**	**10**	**-7**

Sales/PAT for the MOFSL Universe to grow 4%/10% YoY in 1QFY26

Exhibit 16: Expect sales for the MOFSL Universe to grow 4% YoY in 1QFY26

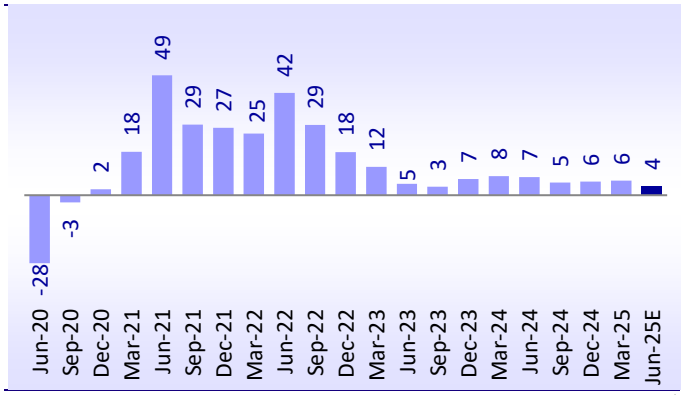


Exhibit 17: Expect MOFSL Universe earnings to grow 10% YoY in 1QFY26

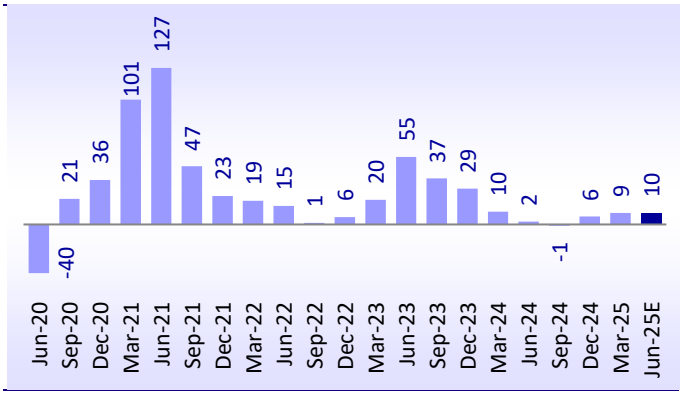
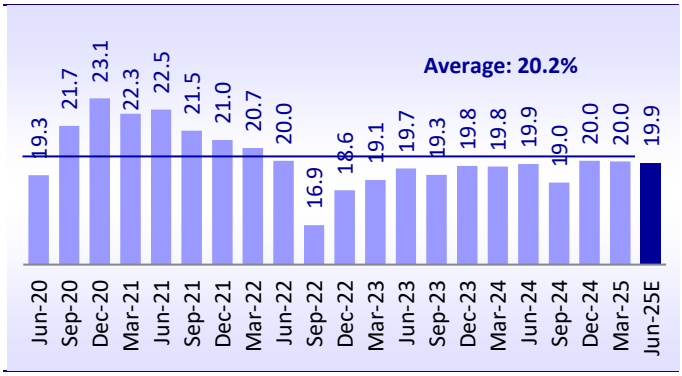
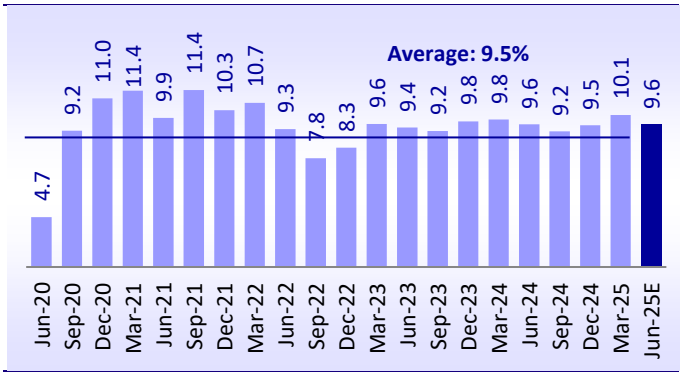


Exhibit 18: Expect EBITDA margin (ex-Financials and OMCs) to remain flat YoY at 19.9% in 1QFY26



Source: MOFSL, excluding Financials and OMCs

Exhibit 19: Expect PAT margin (ex-Financials and OMCs) to contract and remain flat YoY at 9.6% during the quarter



Source: MOFSL, excluding Financials and OMCs

Exhibit 20: O&G, Telecom, Tech, and NBFC-Lending to lead; while Auto, Metals, and Pvt. Banks to drag earnings for 1QFY26

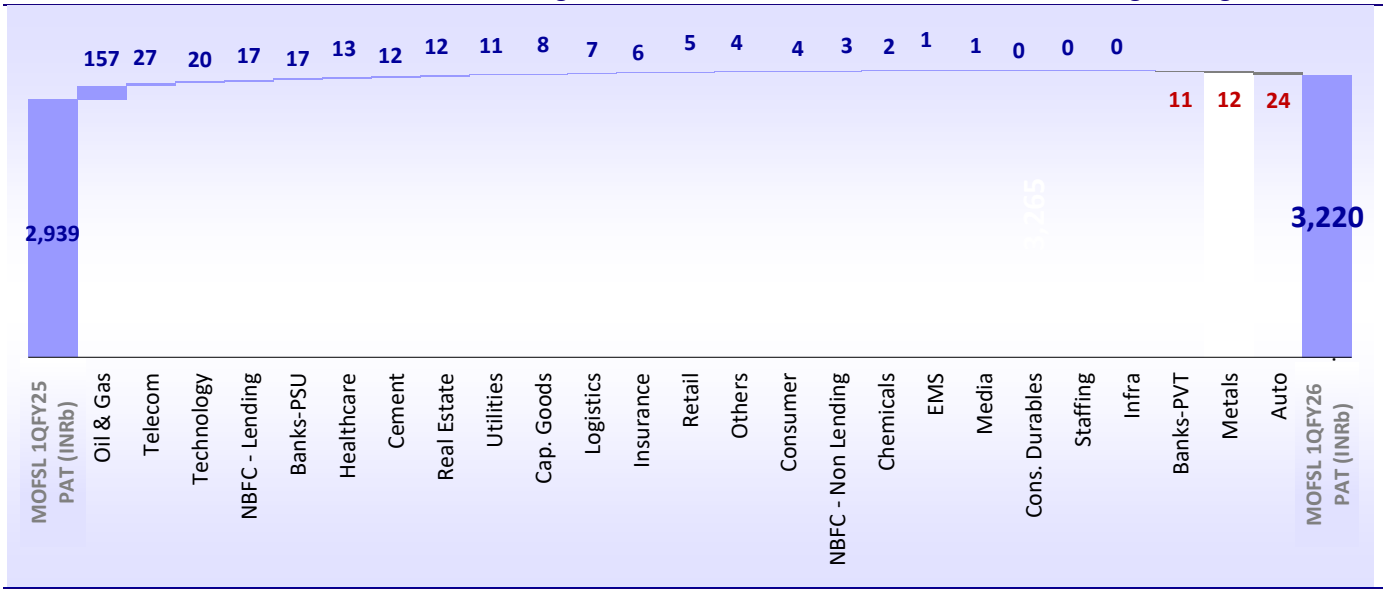


Exhibit 21: Quarterly sectoral PAT trend (INR b) – MOFSL Universe to report a 10% YoY growth in PAT in 1QFY26E

Sector	June-22	Sep-22	Dec-22	Mar-23	June-23	Sep-23	Dec-23	Mar-24	June-24	Sep-24	Dec-24	Mar-25	June-25E
Automobiles	13	97	142	186	187	221	240	261	237	222	236	281	213
Banks-Private	266	301	338	369	363	409	414	436	427	433	420	410	417
Banks-PSU	133	226	252	300	307	294	306	379	347	393	378	412	364
Insurance	23	178	83	158	113	98	112	159	127	98	134	214	133
NBFC - Lending	128	147	160	175	177	197	194	215	204	201	205	224	221
NBFC - Non Lending	13	18	16	17	20	21	23	26	30	34	30	30	33
Capital Goods	38	53	57	98	54	70	69	129	69	81	82	138	77
Cement	43	20	24	38	44	42	50	51	33	22	21	50	45
Chemicals	25	24	22	25	20	18	15	15	16	18	14	17	18
Consumer	124	128	132	135	149	145	149	144	154	145	141	143	158
Consumer Durables	7	7	9	11	10	9	9	13	14	10	11	18	14
EMS	1	2	2	4	2	2	2	4	3	4	4	7	5
Healthcare	78	98	89	81	99	110	106	118	126	129	130	138	139
Infrastructure	8	4	4	5	5	3	4	5	4	4	4	6	4
Logistics	29	26	23	29	27	30	32	32	34	33	37	41	40
Media	8	5	6	3	6	8	6	4	6	6	7	5	7
Metals	338	143	137	250	234	198	245	216	273	204	252	311	261
Oil & Gas	244	276	337	536	631	624	467	498	371	370	417	476	528
Real Estate	15	15	20	32	18	19	22	38	29	34	35	40	41
Retail	25	22	27	16	22	23	30	20	22	24	34	22	28
Staffing	2	2	2	2	2	2	2	1	2	2	2	2	2
Technology	242	264	284	287	271	277	286	294	293	303	312	314	312
Telecom	-47	-41	-58	-19	-29	-40	-32	-25	-17	-15	12	5	10
Utilities	83	83	89	101	87	84	98	107	94	101	105	116	105
Others	14	9	46	48	52	24	44	42	40	7	54	65	45
MOFSL Universe	**1,854**	**2,105**	**2,242**	**2,887**	**2,871**	**2,890**	**2,893**	**3,185**	**2,939**	**2,863**	**3,078**	**3,485**	**3,220**

Expect Nifty constituents' earnings to rise 5% YoY in 1QFY26

- We expect sales/EBITDA/PBT/PAT for Nifty constituents to improve 7%/6%/4%/5% YoY.
- Reliance, Bharti Airtel, JSW Steel, HDFC Bank, ICICI Bank, Bajaj Finance, and Bajaj Finserv are likely to drive Nifty earnings, while Coal India, TATA Motors, ONGC, Maruti Suzuki, and IndusInd Bank are projected to drag the same.
- Ten Nifty companies are likely to report a PAT growth of above 20% YoY. Whereas 15 Nifty companies are expected to report a YoY decline in PAT.

Telecom, Retail, and NBFC are likely to lead Nifty earnings in 1QFY26

Exhibit 22: Sector-wise PAT breakdown for the Nifty constituents in 1QFY26E (YoY %)

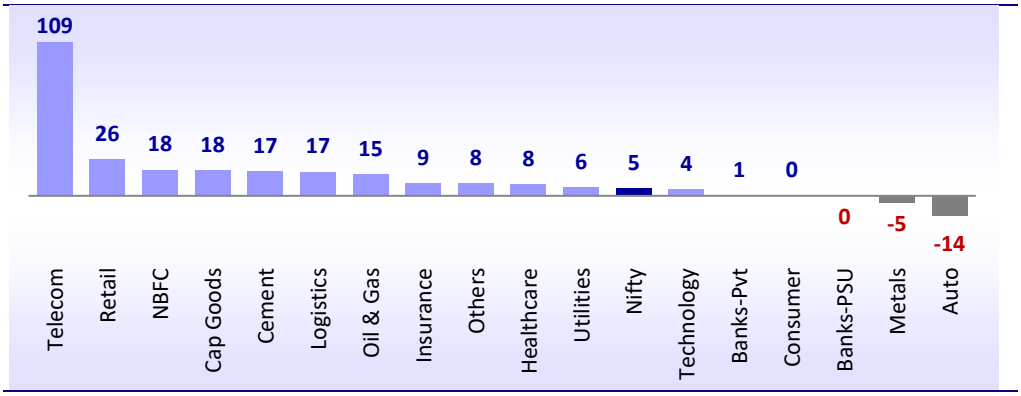


Exhibit 23: Expect Nifty's revenue to grow 7% YoY in 1QFY26

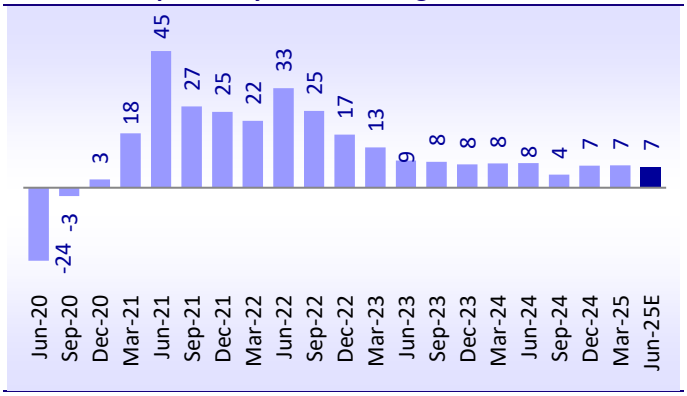


Exhibit 24: Expect Nifty's EBITDA to grow 6% YoY in 1QFY26

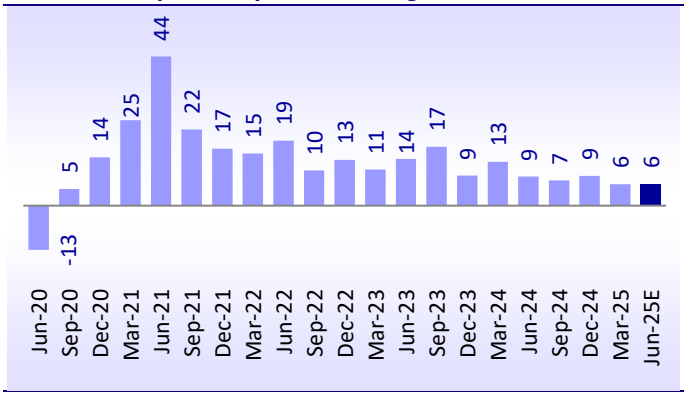


Exhibit 25: Expect Nifty's PAT to rise 5% YoY in 1QFY26

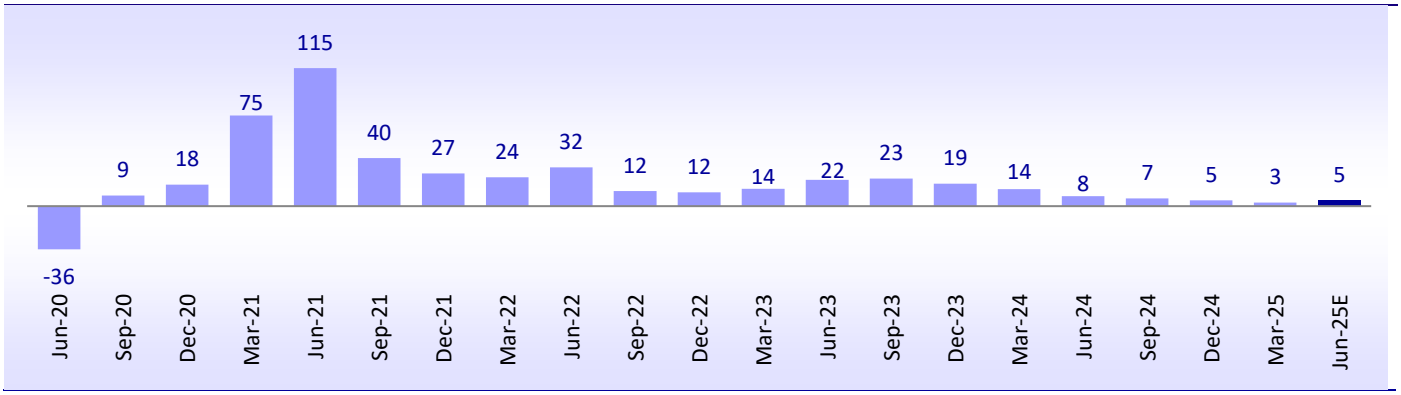


Exhibit 26: Nifty's earnings snapshot for 1QFY26E (INR b)

		Sales	Growth (%)		EBITDA	Growth (%)		PAT	Growth (%)		Contribution to PAT	
Company	Sector	Jun-25	YoY	QoQ	Jun-25	YoY	QoQ	Jun-25	YoY	QoQ	(%)	growth (%)
Bajaj Auto	Automobiles	123	2.8	1.0	24	0.0	-1.4	20	-0.2	-3.2	1.0	0.0
Eicher Motors	Automobiles	50	13.0	-5.3	12	0.2	-7.1	11	-3.4	-21.9	0.6	-0.4
Hero MotoCorp	Automobiles	97	-4.7	-2.7	13	-8.6	-5.8	10	-6.9	-3.3	0.5	-0.8
M&M	Automobiles	331	22.3	5.4	47	17.7	1.1	31	17.6	26.1	1.6	5.0
Maruti Suzuki	Automobiles	359	1.1	-11.6	38	-15.9	-11.2	30	-19.1	-20.5	1.5	-7.6
Tata Motors	Automobiles	997	-7.7	-16.6	109	-29.7	-34.4	36	-34.4	-59.1	1.9	-20.6
Axis Bank	Banks-Private	136	1.5	-1.2	106	5.3	-1.1	60	-1.0	-16.1	3.1	-0.7
HDFC Bank	Banks-Private	319	6.9	-0.5	261	9.3	-1.6	171	5.9	-2.8	8.9	10.3
ICICI Bank	Banks-Private	209	7.0	-1.3	177	10.6	0.4	120	8.5	-5.0	6.2	10.2
IndusInd Bank	Banks-Private	42	-23.1	36.4	23	-42.5	LP	6	-73.7	LP	0.3	-17.3
Kotak Mah. Bank	Banks-Private	72	5.6	-0.8	54	2.2	-1.8	35	-1.1	-2.0	1.8	-0.4
State Bank	Banks-PSU	420	2.2	-1.7	272	2.9	-13.0	170	0	-8.8	8.8	-0.3
HDFC Life Insur.	Insurance	154	19.9	-36.1	8	18.4	-38.2	5	3.4	3.6	0.3	0.2
SBI Life Ins.	Insurance	176	13.1	-26.6	11	15.2	-32.7	6	14.2	-27.1	0.3	0.8
Bajaj Finance	NBFC - Lending	103	22.6	4.5	84	21.3	5.8	46	18.3	1.8	2.4	7.8
Bajaj Finserv	NBFC - Lending	310	19.7	2.5	92	19.5	10.0	28	31.0	15.8	1.5	7.2
Shriram Fin	NBFC - Lending	58	11.3	4.6	43	12.6	0.1	21	4.4	-3.3	1.1	0.9
Bharat Electronics	Capital Goods	48	15.3	-46.9	11	15.3	-61.3	8	8.1	-60.1	0.4	0.7
Larsen & Toubro	Capital Goods	618	12.2	-16.9	61	9.2	-25.2	34	20.6	-34.6	1.7	6.2
Grasim Ind.	Cement	88	28.1	-1.1	2	-32.1	0.1	-3	Loss	Loss	-0.2	-2.8
Ultratech Cement	Cement	218	20.8	-5.3	44	44.0	-5.3	22	32.3	-11.2	1.1	5.8
Asian Paints	Consumer	91	1.0	8.4	17	-1.1	16.7	11	-4.7	28.0	0.6	-0.6
Hind. Unilever	Consumer	164	4.5	4.8	37	-1.6	1.8	26	-1.7	1.3	1.3	-0.5
ITC	Consumer	194	5.1	3.4	68	0.5	4.0	52	2.5	2.8	2.7	1.4
Nestle	Consumer	51	5.7	-7.5	12	5.4	-16.1	7	-0.2	-14.6	0.4	0.0
Tata Consumer	Consumer	47	8.3	2.2	6	-8.4	-1.5	3	9.0	6.3	0.2	0.3
Apollo Hospitals	Healthcare	57	12.8	2.6	8	15.6	1.4	4	25.7	-1.5	0.2	0.8
Cipla	Healthcare	69	3.6	3.0	16	-5.0	6.0	12	2.6	-1.1	0.6	0.3
Dr Reddy' s Labs	Healthcare	84	10.0	-0.7	19	-10.3	-6.9	13	-6.2	-15.0	0.7	-0.9
Sun Pharma	Healthcare	134	7.2	4.7	37	4.5	12.4	32	15.6	10.0	1.7	4.7
Adani Ports	Logistics	86	23.4	1.1	52	21.5	3.1	31	16.9	0.4	1.6	4.8
Coal India	Metals	372	2.1	-1.5	115	-0.6	2.1	87	-20.8	-9.6	4.5	-24.7
Hindalco	Metals	608	6.6	-6.4	72	-3.4	-17.9	34	3.7	-35.1	1.8	1.3
JSW Steel	Metals	427	-0.5	-4.7	71	29.3	11.7	20	132.3	28.3	1.0	12.1
Tata Steel	Metals	501	-8.6	-11.0	70	4.0	6.1	16	20.1	-6.4	0.8	2.9
ONGC	Oil & Gas	304	-13.9	-13.2	166	-10.9	-12.7	77	-14.1	19.1	4.0	-13.6
Reliance Inds.	Oil & Gas	2,661	14.8	1.8	453	16.8	3.3	200	32.1	3.0	10.4	52.6
Titan Company	Retail	157	18.2	5.2	16	27.9	3.8	10	36.3	11.9	0.5	2.8
Trent	Retail	48	20.0	16.7	7	17.7	9.5	4	4.1	1.8	0.2	0.2
HCL Tech.	Technology	301	7.2	-0.5	63	9.7	-2.5	43	0.4	-0.7	2.2	0.2
Infosys	Technology	417	5.9	1.8	99	4.8	1.2	66	4.3	-2.4	3.4	3.0
TCS	Technology	646	3.2	0.2	170	1.9	0.7	125	2.9	1.3	6.5	3.8
Tech Mahindra	Technology	133	2.4	-0.5	19	20.9	1.3	12	36.5	-0.3	0.6	3.4
Wipro	Technology	220	0.4	-2.0	46	5.9	-1.4	32	6.9	-10.1	1.7	2.2
Bharti Airtel	Telecom	486	26.2	1.5	273	38.8	1.3	61	108.6	16.8	3.2	34.4
NTPC	Utilities	453	2.1	3.3	123	-0.9	9.6	44	5.0	-11.9	2.3	2.3
Power Grid Corp.	Utilities	106	5.1	-3.6	93	5.9	0.4	37	6.6	-14.1	1.9	2.5
Eternal	Others	68	61.9	16.7	3	51.5	272.3	3	8.5	603.7	0.1	0.2
Nifty Universe		**13,815**	**6.7**	**-4.2**	**3,624**	**6.4**	**-2.8**	**1,927**	**5.0**	**-5.3**	**100**	**100**

Note: For Banks: Sales = Net Interest Income, EBITDA = Operating Profits; For Life Insurance: Sales = Net Premium, EBITDA = VNB.

Exhibit 27: Expect a 15% PAT CAGR for the MOFSL Universe over FY25-27

Sector	Sales CAGR (%)	EBITDA CAGR (%)	EBITDA Margin (%)			PAT (INR b)			PAT Grw / CAGR (%)				PAT Delta Share (%)
	(FY25-27)	(FY25-27)	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	(FY25-27)	(FY25-27)
High PAT CAGR (>25%)	**16**	**19**	**22.8**	**23.8**	**23.8**	**642**	**1,016**	**1,411**	**19**	**58**	**39**	**48**	**19**
Telecom (5)	12	13	50.5	50.9	51.2	-29	66	203	Loss	LP	210	LP	6
EMS (7)	30	35	6.0	6.0	6.4	18	27	39	67	50	47	48	1
Others (23)	18	23	17.0	18.4	18.5	174	262	359	7	50	37	44	4
Cement (11)	14	31	13.8	16.9	18.2	170	245	309	-27	44	26	35	3
Infrastructure (3)	16	21	28.6	29.5	31.2	18	23	31	3	26	37	32	0
Chemicals (12)	12	22	17.9	19.5	20.9	65	85	108	-5	32	26	29	1
Retail (23)	17	18	10.9	11.0	11.1	102	135	169	9	32	25	29	2
Real Estate (13)	22	26	27.4	30.6	29.3	139	193	218	43	39	13	25	2
Medium PAT CAGR (15-25%)	**11**	**16**	**20.0**	**21.2**	**21.6**	**2,086**	**2,505**	**3,003**	**16**	**20**	**20**	**20**	**22**
Staffing (4)	12	19	2.8	3.1	3.1	8	10	12	48	29	19	24	0
Metals (11)	9	16	18.4	20.0	20.8	1,039	1,239	1,539	16	19	24	22	12
Logistics (8)	16	18	38.0	39.1	39.4	145	180	212	19	24	18	21	2
Consumer Durables (5)	13	19	10.0	10.4	11.1	53	62	75	28	16	22	19	1
Capital Goods (14)	16	17	13.4	13.6	13.7	382	451	538	26	18	19	19	4
Utilities (8)	12	14	35.7	36.4	36.7	436	536	596	8	23	11	17	4
Media (3)	8	12	20.4	21.9	22.1	23	28	31	-3	19	12	15	0
Low PAT CAGR (<15%)	**5**	**11**	**20.4**	**21.9**	**22.9**	**9,888**	**10,819**	**12,316**	**1**	**9**	**14**	**12**	**59**
Healthcare (26)	11	12	24.0	24.0	24.6	524	591	681	21	13	15	14	4
Financials (65)	11	13	44.6	44.4	46.2	4,934	5,342	6,353	14	8	19	13	34
Banks-PVT (12)	13	14	74.6	75.3	76.5	1,774	1,902	2,319	6	7	22	14	13
Banks-PSU (6)	9	8	70.8	68.3	69.3	1,597	1,611	1,859	23	1	15	8	6
Insurance (8)	10	17	9.6	10.1	10.8	573	629	719	19	10	14	12	4
NBFC - Lending (25)	18	18	80.7	81.0	81.1	866	1,056	1,285	7	22	22	22	10
NBFC - Non Lending (14)	15	18	54.3	55.2	56.8	124	143	171	31	16	19	17	1
Consumer (21)	9	10	23.3	23.3	23.6	583	640	719	-2	10	12	11	3
Oil & Gas (15)	-1	8	10.6	12.7	12.6	1,647	1,943	1,982	-32	18	2	10	8
Ex OMCs (12)	3	8	15.3	16.8	17.0	1,337	1,478	1,617	-15	11	9	10	7
Technology (13)	6	9	22.3	22.9	23.3	1,225	1,322	1,446	9	8	9	9	5
Auto (26)	8	8	13.2	12.7	13.1	975	981	1,134	7	1	16	8	4
MOFSL (316)	**7**	**13**	**20.6**	**22.0**	**22.8**	**12,616**	**14,340**	**16,730**	**4**	**14**	**17**	**15**	**100**
MOFSL Ex OMCs (313)	**9**	**13**	**23.3**	**24.0**	**24.8**	**12,306**	**13,875**	**16,366**	**9**	**13**	**18**	**15**	**NA**
Nifty (50)	**8**	**12**	**25.3**	**26.4**	**27.2**	**7,945**	**8,829**	**10,225**	**5**	**11**	**16**	**13**	**NA**
Sensex (30)	**10**	**13**	**27.7**	**28.1**	**28.9**	**6,273**	**7,027**	**8,178**	**9**	**12**	**16**	**14**	**NA**

Note: For Banks, sales represent net interest income, and EBITDA represents operating profit; Sensex and Nifty Numbers are free float

Exhibit 28: Upgrades/downgrades for the Nifty-50 in 1QFY26E – Preview vs. 4QFY25 review

(INR)	Current EPS (INR)			EPS UPGRADE / DOWNGRADE (%)			EPS GROWTH (%)		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Eternal	0.6	1.8	5.3	0.0	75.0	67.7	44.2	211.9	188.8
Cipla	62.8	64.1	65.3	0.0	8.3	-0.3	19.6	2.1	1.9
NTPC	20.3	25.8	28.0	0.0	3.2	5.1	6.2	26.7	8.8
Ultratech Cement	207.6	305.2	382.7	0.0	3.2	2.9	-15.1	47.0	25.4
Wipro	12.5	12.4	12.9	0.0	2.7	2.8	22.8	-1.1	4.3
Infosys	63.8	68.0	73.2	0.0	1.7	1.9	0.8	6.6	7.7
Larsen & Toubro	106.8	129.4	153.6	0.8	1.6	-2.0	13.0	21.2	18.7
HCL Technologies	63.9	69.5	76.4	0.0	1.1	1.8	10.3	8.9	9.9
Bharti Airtel	30.3	48.1	63.7	0.0	1.0	1.2	54.2	58.7	32.4
Tech Mahindra	47.9	61.4	78.1	0.0	0.9	1.5	17.1	28.2	27.2
Reliance Inds.	51.5	59.9	66.4	0.0	0.6	-0.1	0.0	16.3	10.9
Kotak Mahindra Bank	110.4	109.4	130.2	0.0	0.5	0.8	20.5	-0.9	19.0
Hindalco	74.8	69.6	73.7	0.0	0.1	0.0	63.9	-6.9	5.9
Adani Ports	50.2	63.2	73.4	0.0	0.0	0.0	21.6	26.0	16.1
Titan Company	42.3	53.5	63.3	0.0	0.0	0.0	7.6	26.7	18.2
Maruti Suzuki	443.9	483.5	538.5	0.0	0.0	0.0	5.6	8.9	11.4
Power Grid Corp.	16.7	19.0	19.9	0.0	-0.3	-0.1	-0.3	13.7	5.1
Apollo Hospitals	100.6	120.5	153.8	0.0	-0.4	0.4	61.1	19.8	27.7
TCS	134.2	141.8	152.8	0.0	-0.5	-0.2	6.3	5.6	7.8
HDFC Bank	88.7	96.1	112.8	0.0	-0.7	0.2	10.7	8.4	17.4
ITC	16.0	17.0	18.4	0.0	-0.9	-1.1	-2.5	6.7	7.9
Bajaj Finance	27.0	33.4	42.4	0.0	-1.5	-0.3	15.5	23.7	26.9
Eicher Motors	172.7	172.4	195.9	0.0	-1.5	-1.4	18.0	-0.1	13.6
JSW Steel	15.6	48.6	74.1	0.0	-1.6	-5.0	-57.7	212.5	52.5
Bharat Electronics	7.2	8.2	9.9	0.0	-1.7	-2.5	31.5	13.6	20.8
State Bank	86.9	88.6	101.5	0.0	-1.7	-2.2	15.6	2.0	14.5
HDFC Life Insur.	8.4	10.0	11.8	0.0	-1.7	2.5	14.9	19.2	18.1
Mahindra & Mahindra	98.7	118.9	133.0	0.0	-2.1	-3.5	11.3	20.5	11.8
Hind. Unilever	44.3	46.6	51.5	0.0	-2.4	-1.6	1.4	5.2	10.5
ICICI Bank	66.8	71.2	85.1	0.0	-2.4	-0.5	14.4	6.6	19.5
Hero MotoCorp	230.3	239.1	263.2	0.0	-2.4	-0.8	12.6	3.8	10.1
ONGC	30.6	31.4	33.5	0.0	-2.9	-7.1	-31.9	2.8	6.6
SBI Life Insurance	24.1	27.6	32.1	0.0	-3.0	-5.1	27.4	14.5	16.2
Axis Bank	85.3	88.1	109.1	-0.2	-3.0	1.9	5.7	3.3	23.8
Shriram Finance	44.0	51.2	61.0	0.0	-3.1	-2.8	14.9	16.5	19.0
Bajaj Auto	299.5	319.4	361.1	0.0	-3.3	-2.5	11.8	6.6	13.1
Dr Reddy' s Labs	67.3	67.5	65.3	0.0	-3.9	-0.4	6.1	0.3	-3.2
Trent	43.2	53.2	64.8	0.0	-4.1	-5.1	47.7	23.2	21.9
Coal India	57.4	57.8	66.4	0.0	-4.3	-3.9	-5.5	0.8	14.8
Asian Paints	42.5	45.6	54.5	0.0	-4.3	-3.8	-26.7	7.5	19.5
Nestle	32.0	35.1	39.4	0.0	-4.7	-4.0	-22.1	9.8	12.2
Grasim Industries	74.1	85.4	106.6	0.0	-5.0	-3.7	-22.5	15.2	24.9
Sun Pharma	47.1	54.0	63.3	0.0	-5.0	-1.9	13.4	14.5	17.4
Tata Motors	63.2	46.0	51.9	0.0	-9.6	-0.1	7.7	-27.3	12.9
Tata Consumer	14.0	15.3	19.2	0.0	-9.9	-4.1	-2.4	9.6	24.9
IndusInd Bank	33.1	39.5	55.8	0.0	-10.6	-2.1	-71.4	19.6	41.2
Tata Steel	3.4	8.7	13.0	0.0	-11.6	-6.9	41.5	159.5	48.6
Nifty (50)	**1,013**	**1,122**	**1,308**	**0.0**	**-1.2**	**-0.4**	**1.3**	**10.7**	**16.6**

Exhibit 29: Absolute change in FY26E PAT for Nifty constituents (INR b)

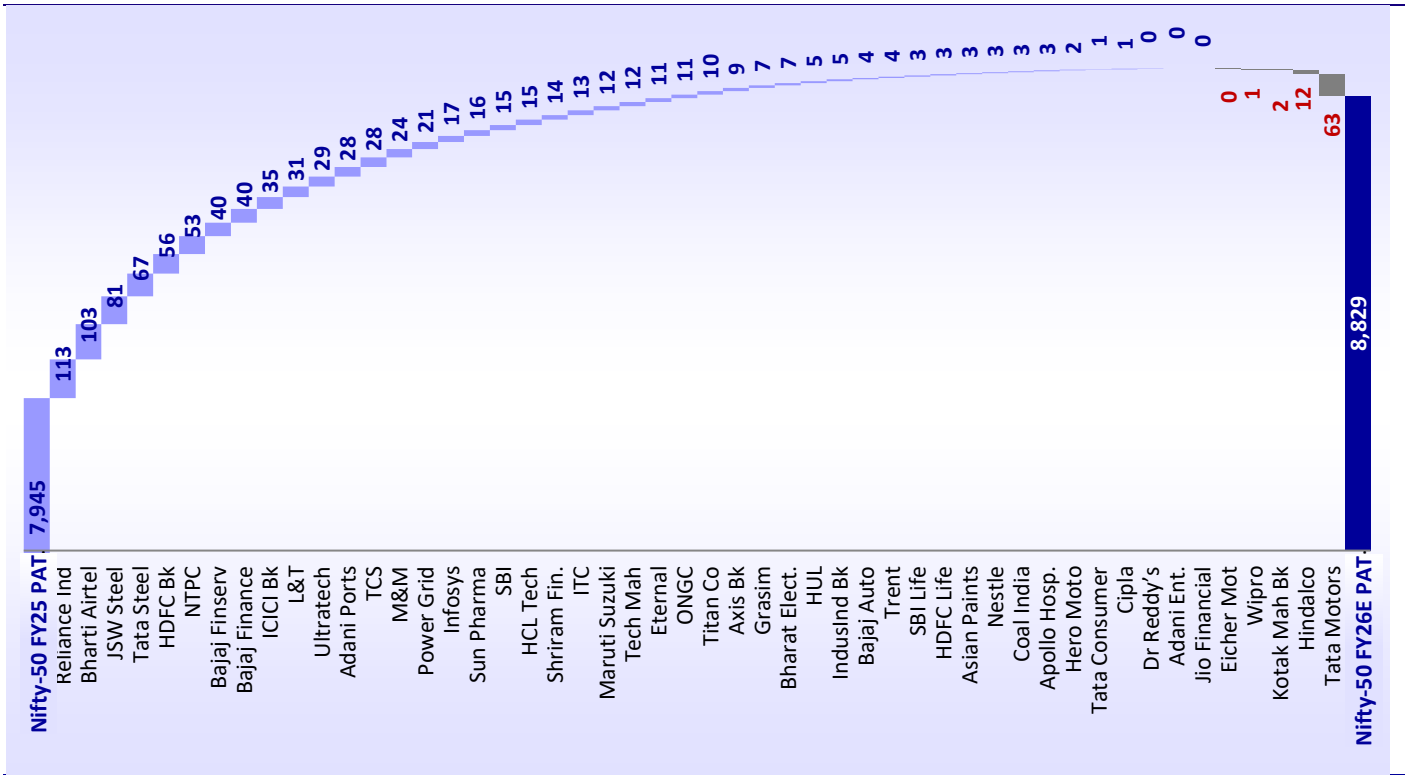


Exhibit 30: Absolute change in FY27E PAT for Nifty constituents (INR b)

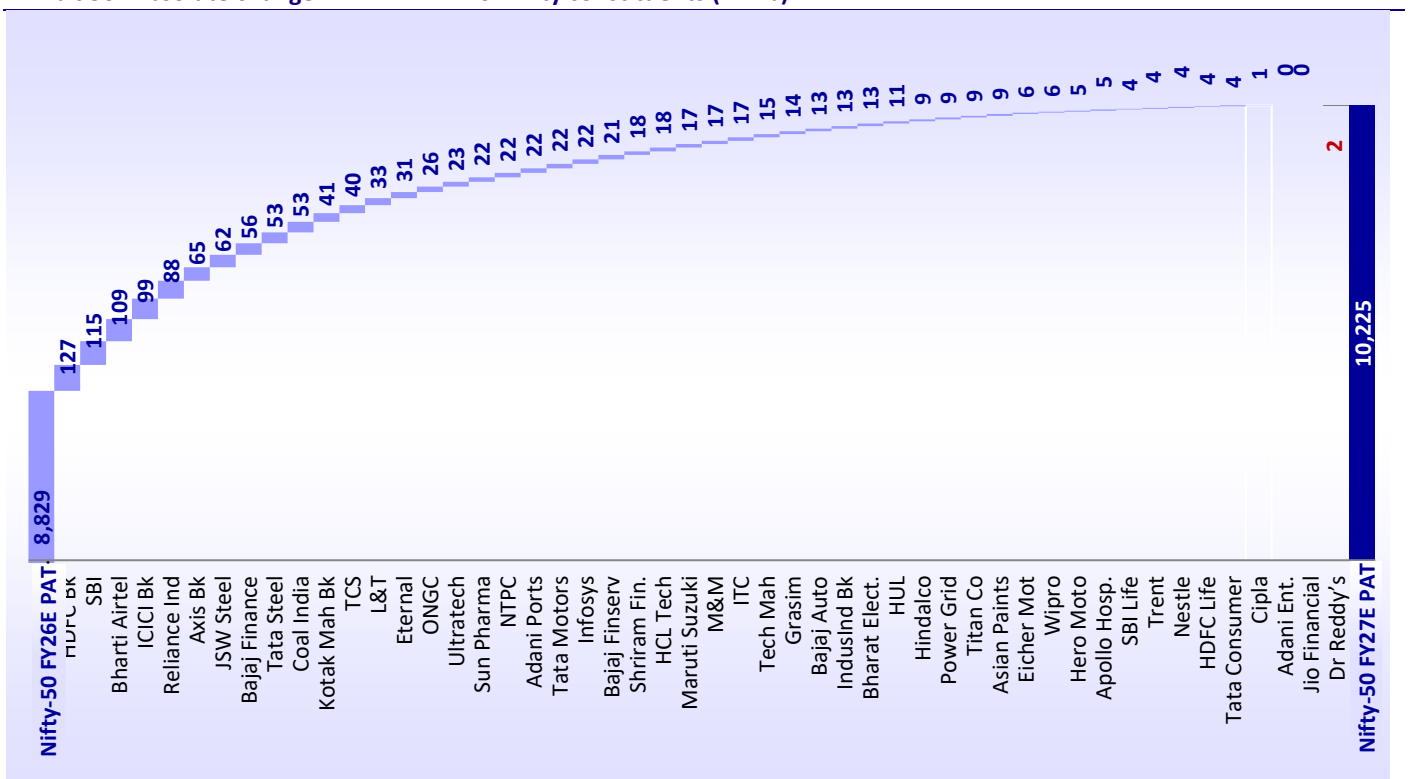


Exhibit 31: Nifty performance – Expect FF PAT CAGR (FY25-27E) at 14%

Company	Sales CAGR % 25-27	EBITDA Margin (%)			EBITDA CAGR % 25-27	PAT (INR b)			PAT CAGR % 25-27	Contbn to Delta %
		FY25	FY26E	FY27E		FY25	FY26E	FY27E		
High PAT Growth (20%+)	**15**	**24**	**26**	**27**	**22**	**1,018**	**1,488**	**1,958**	**39**	**41**
Eternal	64	3	5	9	173	5	16	48	200	2
JSW Steel	13	14	18	20	36	38	119	181	118	6
Tata Steel	8	12	15	16	24	42	109	162	96	5
Bharti Airtel	15	54	56	57	18	176	279	388	49	9
Ultratech Cement	15	17	20	21	30	61	90	113	36	2
Bajaj Finserv	31	73	68	64	23	89	128	150	30	3
IndusInd Bank	5	56	54	55	3	26	31	43	30	1
Tech Mahindra	6	13	15	18	23	43	55	69	28	1
Bajaj Finance	25	83	82	81	24	168	207	263	25	4
Apollo Hospitals	15	14	14	14	18	14	17	22	24	0
Trent	22	16	16	16	21	15	19	23	23	0
Titan Company	16	10	11	11	18	38	48	56	22	1
Adani Ports	16	60	60	61	16	108	137	159	21	2
Grasim Industries	15	4	4	6	48	49	56	70	20	1
Larsen & Toubro	15	10	11	11	16	147	178	211	20	3
Medium PAT Growth (0-20%)	**7**	**28**	**29**	**30**	**10**	**6,472**	**6,961**	**7,858**	**10**	**61**
HDFC Life Insur.	16	80	80	81	17	18	21	25	19	0
Shriram Finance	17	74	75	75	18	83	96	115	18	1
NTPC	7	29	31	32	12	197	250	272	17	3
Bharat Electronics	17	29	28	28	16	53	60	73	17	1
Tata Consumer	8	14	14	15	11	14	15	19	17	0
Mahindra & Mahindra	14	15	15	14	13	119	143	160	16	2
Sun Pharma	9	27	27	29	12	113	129	152	16	2
SBI Life Insurance	16	7	7	7	19	24	28	32	15	0
Reliance Inds.	11	17	17	18	13	696	810	898	14	9
Asian Paints	9	18	18	19	12	41	44	52	13	1
ICICI Bank	13	83	84	86	15	472	507	606	13	6
Axis Bank	12	77	79	80	14	264	273	338	13	3
HDFC Bank	13	82	82	83	14	673	730	857	13	8
Nestle	8	24	24	25	10	31	34	38	11	0
Maruti Suzuki	12	12	11	11	10	140	152	169	10	1
Bajaj Auto	11	20	20	20	11	82	87	100	10	1
Power Grid Corp.	7	85	85	84	6	155	177	185	9	1
HCL Technologies	8	22	22	22	9	174	189	207	9	1
Kotak Mahindra Bank	14	74	74	74	14	219	218	259	9	2
State Bank	9	66	63	64	7	776	791	906	8	6
Hind. Unilever	7	24	23	24	7	104	110	121	8	1
Coal India	10	33	33	35	13	354	356	409	8	2
ITC	7	34	34	34	7	200	213	230	7	1
Infosys	6	24	25	25	8	265	282	304	7	2
Hero MotoCorp	8	14	14	14	6	46	48	53	7	0
TCS	4	26	27	28	7	488	516	556	7	3
Eicher Motors	12	25	24	24	9	47	47	54	7	0
ONGC	-9	15	19	18	1	384	395	421	5	2
Cipla	7	26	24	24	3	51	52	53	2	0
Wipro	2	20	21	21	3	131	130	136	2	0
Jio Financial	0	189	189	189	0	16	16	16	0	0
Adani Enterprises	0	15	15	15	0	42	42	42	0	0
PAT de-growth (<0%)	**4**	**13**	**12**	**13**	**1**	**455**	**380**	**409**	**-5**	**-2**
Hindalco	5	13	13	13	2	166	155	164	-1	0
Dr Reddy' s Labs	4	26	24	25	0	56	56	54	-1	0
Tata Motors	4	13	11	12	1	233	169	191	-9	-2
Nifty (PAT free float)	**8**	**25**	**26**	**27**	**12**	**4,590**	**5,078**	**5,922**	**14**	**100**

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Sectors & Companies

BSE Sensex: 83,433 **Nifty 50: 25,461** **July 2025**

MOFSL Universe:
1QFY26 Highlights & Ready Reckoner

Note: In our quarterly performance tables, our four-quarter numbers may not always add up to the full-year numbers. This is because of differences in classification of account heads in the company's quarterly and annual results or because of differences in the way we classify account heads as opposed to the company. **All stock prices and indices as on 1 July 2025, unless otherwise stated.**

MOFSL Universe: 1QFY26 aggregate performance highlights

Exhibit 32: Quarterly Performance - MOFSL Universe (INR b)

Sector	Sales			EBITDA			PAT		
(Nos of Cos)	Jun-25	Var. % YoY	Var. % QoQ	Jun-25	Var. % YoY	Var. % QoQ	Jun-25	Var. % YoY	Var. % QoQ
Automobiles (26)	3,120	1.3	-7.2	386	-11.0	-16.1	213	-10.2	-24.2
Capital Goods (13)	982	13.7	-22.9	117	14.3	-41.3	77	11.7	-44.2
Cement (11)	658	16.4	-4.8	112	37.5	-3.9	45	35.4	-9.1
Chemicals (12)	178	8.9	2.9	32	5.2	0.7	18	10.0	3.4
Consumer (21)	953	5.8	6.4	222	1.3	8.8	158	2.6	10.7
Consumer Durables (5)	202	4.9	-13.6	20	5.2	-23.9	14	3.5	-23.9
EMS (7)	169	51.0	-1.2	9	47.0	-28.1	5	45.9	-29.0
Financials (62)	4,124	5.7	-12.4	1,769	5.8	-4.1	1,168	2.8	-9.5
Banks-Private (12)	928	3.1	0.3	697	4.2	3.2	417	-2.5	1.6
Banks-PSU (6)	883	0.3	-1.8	615	2.3	-8.5	364	4.8	-11.7
Insurance (8)	1,774	7.6	-24.5	42	13.9	-45.9	133	4.3	-38.1
NBFC - Lending (22)	465	13.9	-0.7	377	13.3	-1.7	221	8.4	-1.3
NBFC - Non Lending (14)	75	17.6	7.6	39	17.1	7.8	33	10.8	11.0
Healthcare (26)	927	9.9	1.1	220	7.4	1.0	139	10.6	0.7
Infrastructure (3)	45	-0.5	-8.0	13	0.9	-11.7	4	5.0	-25.4
Logistics (8)	174	17.2	0.6	68	21.9	3.1	40	20.0	-1.0
Media (3)	47	2.2	8.2	10	8.4	45.3	7	16.7	31.2
Metals (11)	2,969	2.2	-6.7	577	5.6	-5.6	261	-4.4	-16.2
Oil & Gas (15)	7,480	-3.6	-6.9	1,069	25.3	7.0	528	42.4	11.0
Oil Ex OMCs (12)	3,796	6.6	-2.1	726	5.3	-0.4	339	9.1	4.6
Real Estate (13)	164	30.5	-8.3	50	44.3	3.4	41	40.2	3.1
Retail (22)	612	12.8	9.1	65	11.6	11.1	28	22.8	23.2
Staffing (4)	109	-4.5	1.9	3	-18.9	0.0	2	10.7	-0.1
Technology (13)	2,019	5.7	0.4	450	7.4	0.6	312	6.7	-0.5
Telecom (5)	761	19.0	1.5	385	26.7	0.7	10	LP	97.6
Utilities (8)	841	8.1	4.0	285	5.2	7.8	105	11.5	-9.2
Others (23)	738	15.8	-7.0	127	14.3	-17.1	45	11.0	-31.0
MOFSL Universe (311)	**27,271**	**3.8**	**-6.3**	**5,989**	**9.9**	**-2.9**	**3,220**	**9.5**	**-7.6**
Nifty (48)	**13,815**	**6.7**	**-4.2**	**3,624**	**6.4**	**-2.8**	**1,927**	**5.0**	**-5.3**
Sensex (30)	**10,787**	**7.9**	**-3.1**	**2,956**	**8.7**	**-2.9**	**1,562**	**9.1**	**-6.6**

For Banks: Sales = Net Interest Income, EBITDA = Operating Profits; For Life Insurance: Sales = Net Premium, EBITDA = VNB

Exhibit 33: Quarter-wise sales growth (% YoY)

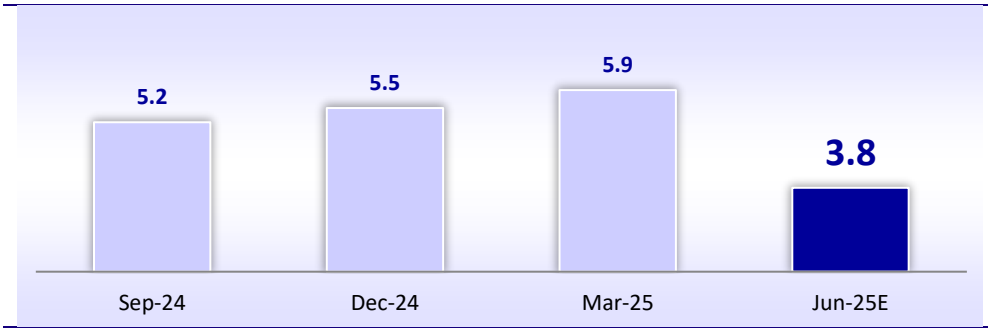
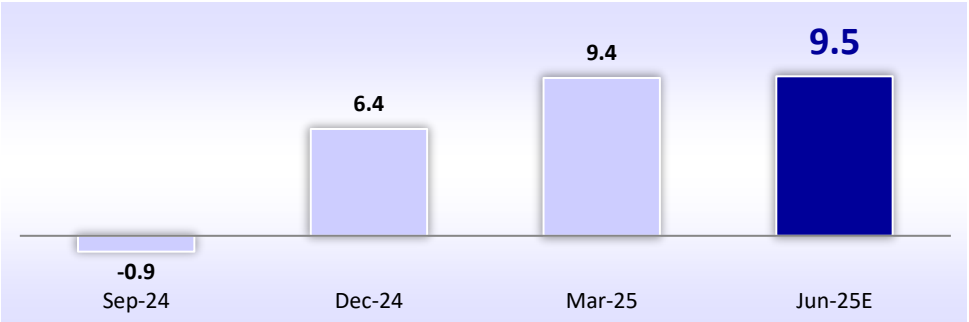


Exhibit 34: Quarter-wise net profit growth (% YoY)



Annual performance - MOFSL universe (INR b)

	Sales (INR b)			Chg. YoY (%)			EBIDTA (INR b)			Chg. YoY (%)			PAT (INR b)			Chg. YoY (%)		
Sector	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**
Auto (26)	12,742	13,628	14,955	6.1	7.0	9.7	1,682	1,726	1,962	3.3	2.6	13.7	975	981	1,134	6.9	0.7	15.6
Capital Goods (14)	4,207	4,856	5,651	14.2	15.4	16.4	563	659	775	19.3	17.2	17.5	382	451	538	25.7	18.0	19.4
Cement (11)	2,345	2,715	3,036	3.6	15.8	11.8	323	458	553	-14.9	41.8	20.7	170	245	309	-27.2	44.4	25.9
Chemicals (12)	664	744	839	7.0	12.0	12.9	119	145	176	0.0	22.2	21.1	65	85	108	-5.2	31.9	25.9
Consumer (21)	3,578	3,878	4,249	4.5	8.4	9.6	833	902	1,004	0.5	8.3	11.3	583	640	719	-1.6	9.8	12.4
Consumer Durables (5)	770	858	989	20.6	11.5	15.2	77	90	109	25.8	16.7	21.9	53	62	75	27.9	16.0	21.6
EMS (7)	587	777	991	83.6	32.4	27.5	35	47	64	72.5	33.7	35.4	18	27	39	66.8	49.9	46.7
Financials (65)	17,099	18,630	21,200	7.8	9.0	13.8	7,620	8,273	9,789	13.9	8.6	18.3	4,934	5,342	6,353	13.5	8.3	18.9
Banks-PVT (12)	3,656	3,956	4,665	10.6	8.2	17.9	2,727	2,978	3,567	8.7	9.2	19.8	1,774	1,902	2,319	6.4	7.2	21.9
Banks-PSU (6)	3,549	3,715	4,217	4.0	4.7	13.5	2,513	2,536	2,924	15.8	0.9	15.3	1,597	1,611	1,859	23.4	0.9	15.4
Insurance (8)	7,774	8,518	9,389	5.3	9.6	10.2	744	864	1,012	13.2	16.2	17.2	573	629	719	19.3	9.7	14.3
NBFC-Lending (25)	1,839	2,122	2,558	18.2	15.4	20.5	1,484	1,718	2,075	18.3	15.8	20.7	866	1,056	1,285	6.9	21.9	21.7
NBFC-Non Lending (14)	280	318	371	37.5	13.5	16.5	152	176	211	49.1	15.4	19.9	124	143	171	31.3	15.9	19.1
Healthcare (26)	3,523	3,896	4,315	11.6	10.6	10.8	847	935	1,060	18.6	10.5	13.3	524	591	681	21.1	12.8	15.2
Infrastructure (3)	173	196	231	-9.3	13.4	17.7	49	58	72	-2.4	17.0	24.7	18	23	31	3.1	26.2	37.0
Logistics (8)	645	750	861	11.1	16.3	14.7	245	293	339	14.1	19.5	15.6	145	180	212	19.2	24.1	17.8
Media (3)	180	194	209	-5.0	8.3	7.4	37	43	46	-12.8	16.2	8.1	23	28	31	-3.3	19.2	11.7
Metals (11)	11,869	12,655	14,073	2.5	6.6	11.2	2,180	2,527	2,924	12.9	15.9	15.7	1,039	1,239	1,539	16.4	19.2	24.3
Oil & Gas (15)	36,169	33,881	35,161	1.6	-6.3	3.8	3,819	4,302	4,441	-17.3	12.6	3.2	1,647	1,943	1,982	-31.6	18.0	2.0
Ex OMCs (12)	19,844	19,732	20,929	4.4	-0.6	6.1	3,040	3,316	3,568	-3.8	9.1	7.6	1,337	1,478	1,617	-14.9	10.6	9.4
Real Estate (13)	598	758	888	22.0	26.8	17.3	164	232	261	21.2	41.5	12.3	139	193	218	42.8	39.3	12.8
Retail (23)	2,399	2,822	3,283	18.7	17.6	16.3	260	310	364	14.7	18.9	17.6	102	135	169	9.0	32.0	25.5
Staffing (4)	420	465	531	11.5	10.5	14.4	12	14	17	15.0	21.3	16.7	8	10	12	47.8	29.4	19.0
Technology (13)	7,890	8,363	8,925	5.8	6.0	6.7	1,761	1,916	2,082	6.4	8.8	8.7	1,225	1,322	1,446	8.7	7.9	9.4
Telecom (5)	2,782	3,168	3,518	11.6	13.9	11.0	1,406	1,612	1,802	19.6	14.6	11.8	-29	66	203	Loss	LP	209.8
Utilities (8)	3,278	3,759	4,135	6.9	14.7	10.0	1,169	1,370	1,516	8.3	17.2	10.7	436	536	596	8.1	22.8	11.2
Others (23)	2,847	3,346	3,969	13.8	17.5	18.6	484	617	733	19.6	27.4	18.9	174	262	359	7.2	50.2	37.3
MOFSL (316)	**114,764**	**120,341**	**132,008**	**5.8**	**4.9**	**9.7**	**23,667**	**26,505**	**30,059**	**5.5**	**12.0**	**13.4**	**12,616**	**14,340**	**16,730**	**3.8**	**13.7**	**16.7**
MOFSL Ex OMCs (313)	**98,439**	**106,192**	**117,776**	**7.1**	**7.9**	**10.9**	**22,888**	**25,520**	**29,186**	**9.1**	**11.5**	**14.4**	**12,306**	**13,875**	**16,366**	**8.8**	**12.8**	**17.9**

For Banks: Sales = Net Interest Income, EBIDTA = Operating Profits.

Valuations - MOFSL universe

	PE (x)			PB (x)			EV/EBIDTA (x)			ROE (%)			EARN. CAGR
Sector	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**(FY25-FY27)**
Auto (26)	23.8	26.5	23.0	4.2	4.2	3.7	12.6	13.8	11.9	17.7	15.9	16.3	7.9
Capital Goods (14)	40.6	40.0	33.5	7.3	7.4	6.4	27.2	26.6	22.3	18.0	18.4	18.9	18.7
Cement (11)	53.9	40.4	32.1	3.4	3.5	3.2	29.2	22.3	18.3	6.4	8.6	10.1	34.8
Chemicals (12)	44.2	38.7	30.7	4.1	4.3	3.8	24.2	22.7	18.6	9.2	11.1	12.5	28.9
Consumer (21)	46.7	43.4	38.6	10.9	10.5	9.8	32.0	30.1	26.9	23.4	24.2	25.4	11.1
Consumer Durables (5)	48.7	47.3	38.9	8.0	7.9	6.8	32.5	31.5	25.7	16.4	16.6	17.5	18.8
EMS (7)	90.3	70.6	48.1	12.4	12.1	9.7	45.6	39.8	29.0	13.7	17.1	20.2	48.3
Financials (65)	15.2	15.8	13.3	2.4	2.4	2.1	N.M	N.M	N.M	15.7	15.1	15.8	13.5
Banks-PVT (12)	18.9	19.2	15.8	2.6	2.6	2.3	N.M	N.M	N.M	13.7	13.4	14.3	14.3
Banks-PSU (6)	7.3	8.1	7.0	1.2	1.2	1.1	N.M	N.M	N.M	16.2	14.7	15.2	7.9
Insurance (8)	18.4	20.2	17.7	5.2	5.0	4.0	N.M	N.M	N.M	28.4	24.6	22.8	12.0
NBFC - Lending (25)	17.3	15.4	12.7	2.5	2.3	2.0	N.M	N.M	N.M	14.4	15.1	16.0	21.8
NBFC - Non Lending (14)	34.2	39.8	33.4	8.6	10.3	9.2	N.M	N.M	N.M	25.1	26.0	27.5	17.5
Healthcare (26)	36.3	33.7	29.3	5.3	4.8	4.2	22.5	21.0	18.1	14.5	14.3	14.5	14.0
Infrastructure (3)	24.4	21.6	15.8	1.4	1.5	1.3	8.1	7.2	5.3	5.7	6.7	8.5	31.5
Logistics (8)	27.4	25.6	21.7	4.4	4.4	3.7	17.4	16.7	14.3	16.0	17.0	17.2	20.9
Media (3)	18.8	16.6	14.9	1.5	1.5	1.4	11.2	9.8	8.5	7.8	8.8	9.2	15.4
Metals (11)	14.5	12.3	9.9	2.4	2.2	1.9	8.0	6.8	5.7	16.8	17.8	19.3	21.7
Oil & Gas (15)	17.0	16.6	16.3	1.7	1.7	1.6	9.0	8.9	8.4	9.7	10.5	9.9	9.7
Ex OMCs (12)	18.1	18.8	17.2	1.8	1.9	1.7	9.3	9.4	8.5	9.7	9.9	10.0	10.0
Real Estate (13)	43.5	36.7	32.5	4.2	4.4	3.9	38.2	30.5	26.7	9.7	12.1	12.1	25.3
Retail (23)	98.2	84.7	67.5	12.4	12.6	11.0	40.1	38.0	32.4	12.7	14.9	16.3	28.7
Staffing (4)	24.9	15.1	12.7	3.6	2.5	2.2	16.4	10.6	8.6	14.4	16.7	17.6	24.1
Technology (13)	26.5	25.1	22.9	7.4	7.4	7.1	17.6	16.5	15.1	28.1	29.4	31.1	8.7
Telecom (5)	-451.7	239.4	77.3	15.3	13.4	12.7	11.7	11.6	10.0	-3.4	5.6	16.5	LP
Utilities (8)	21.9	18.1	16.2	2.7	2.5	2.3	12.1	10.6	9.9	12.5	14.0	14.2	16.9
Others (23)	65.3	48.2	35.1	5.9	5.9	5.2	23.2	19.9	16.6	9.1	12.3	14.7	43.6
MOFSL (316)	**24.3**	**23.5**	**20.1**	**3.5**	**3.5**	**3.1**	**15.3**	**14.4**	**12.8**	**14.6**	**14.9**	**15.6**	**15.2**
MOFSL Ex OMCs (313)	**24.6**	**23.9**	**20.3**	**3.6**	**3.6**	**3.2**	**15.7**	**14.9**	**13.0**	**14.8**	**15.0**	**15.8**	**15.3**

N.M.: Not Meaningful

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Amara Raja Energy	962	Neutral	32,564	4.0	9.5	3,908	-9.2	14.2	2,087	-14.7	25.1
Apollo Tyres	448	Buy	67,102	5.9	4.5	8,710	-4.2	4.0	3,197	-3.5	18.1
Ashok Leyland	252	Buy	87,961	2.3	-26.1	9,500	4.3	-47.0	5,751	9.4	-54.2
Bajaj Auto	8397	Neutral	1,22,679	2.8	1.0	24,164	0.0	-1.4	19,843	-0.2	-3.2
Balkrishna Inds	2478	Neutral	28,082	2.4	-1.0	7,049	-1.2	0.2	4,286	-10.2	18.3
Bharat Forge	1284	Neutral	22,632	-3.2	4.6	6,360	-2.4	3.1	3,961	4.6	9.8
Bosch	32333	Neutral	46,190	7.0	-5.9	5,681	9.3	-12.2	4,909	5.5	-11.3
CEAT	3658	Buy	35,440	11.0	3.6	4,076	6.4	5.0	1,569	5.6	23.8
CIE Automotive	445	Buy	21,911	-4.4	-3.6	3,184	-11.5	-5.1	1,904	-12.0	-7.6
Craftsman Auto	5704	Neutral	17,026	47.9	-2.7	2,469	25.1	1.3	659	23.9	-12.1
Eicher Motors	5716	Sell	49,657	13.0	-5.3	11,681	0.2	-7.1	10,638	-3.4	-21.9
Endurance Tech.	2885	Buy	32,216	14.0	8.7	4,350	16.3	3	2,280	11.8	-3.3
Escorts Kubota	3319	Neutral	26,100	2.1	7.4	3,210	1.3	9.6	3,101	16.5	14.4
Exide Inds.	386	Neutral	44,421	3.0	6.8	5,064	2.4	8.5	2,849	1.9	11.9
Happy Forgings	953	Buy	3,585	5.0	1.9	1,033	5.8	1.0	668	4.6	-1.5
Hero Motocorp	4229	Buy	96,654	-4.7	-2.7	13,341	-8.6	-5.8	10,450	-6.9	-3.3
Hyundai Motor	2240	Buy	1,66,174	-4.2	-7.4	19,953	-14.7	-21.2	12,124	-18.6	-24.9
Mahindra & Mahindra	3176	Buy	3,30,571	22.3	5.4	47,336	17.7	1.1	30,737	17.6	26.1
Maruti Suzuki	12443	Buy	3,59,394	1.1	-11.6	37,866	-15.9	-11.2	29,519	-19.1	-20.5
Samvardhana Motherson	152	Buy	3,05,911	6.0	4.3	27,767	0.1	5.1	9,690	-2.5	-3.4
Motherson Wiring	60	Buy	24,033	10.0	-4.2	2,625	10.0	-3.2	1,597	7.3	-3.2
MRF	142408	Sell	73,610	4.0	6.0	11,041	-3.0	5.9	5,075	-9.8	1.9
Sona BLW Precis.	476	Neutral	8,045	-9.9	-5.3	1,931	-23.1	-10.6	988	-30.3	-32.9
Tata Motors	684	Neutral	9,97,102	-7.7	-16.6	1,09,085	-29.7	-34.4	36,326	-34.4	-59.1
Tube Investments	3088	Buy	20,604	5.1	5.3	2,466	2.8	8.2	1,606	4.0	-38.3
TVS Motor	2892	Neutral	1,00,361	19.8	6.9	12,043	25.4	2.9	7,412	28.4	7.4
Automobiles			**31,20,026**	**1.3**	**-7.2**	**3,85,893**	**-11.0**	**-16.1**	**2,13,226**	**-10.2**	**-24.2**
ABB India	5951	Buy	32,160	13.6	1.8	5,916	9.0	1.6	4,844	9.4	2.2
Bharat Electronics	432	Buy	48,429	15.3	-46.9	10,801	15.3	-61.3	8,388	8.1	-60.1
Cummins India	3348	Buy	26,579	15.4	8.2	5,342	14.3	2.8	4,911	17.0	-5.8
Hind.Aeronautics	4911	Buy	52,497	20.8	-61.7	12,599	27.2	-76.2	12,597	-12.3	-68.3
Hitachi Energy	19315	Sell	18,931	42.6	0.5	2,177	354.5	-19.7	1,295	1,142.7	-34.4
KEC International	910	Neutral	50,935	12.9	-25.9	3,565	31.9	-33.8	1,170	33.6	-56.4
Kalpataru Proj.	1198	Buy	45,898	23.3	-26.0	3,901	24.5	-25.4	1,545	32.4	-41.9
Kirloskar Oil	857	Buy	14,021	4.4	-0.7	1,753	-11.3	0.7	1,116	-17.2	5.7
Larsen & Toubro	3667	Buy	6,18,304	12.2	-16.9	61,335	9.2	-25.2	33,590	20.6	-34.6
Siemens	3323	Neutral	42,133	12.0	-1.1	5,310	9.4	13.6	4,819	10.3	18.1
Thermax	3353	Sell	24,437	11.9	-20.8	2,017	42.9	-32.7	1,271	16.1	-38.2
Triveni Turbine	606	Buy	4,933	6.5	-8.3	1,001	4.8	-16.8	827	2.9	-12.6
Zen Technologies	1978	Neutral	2,589	2.0	-11.8	932	-9.7	-1.2	814	9.7	-4.2
Capital Goods			**9,81,846**	**13.7**	**-22.9**	**1,16,651**	**14.3**	**-41.3**	**77,187**	**11.7**	**-44.2**
ACC	1921	Buy	58,103	12.7	-3.3	8,583	26.7	7.2	5,072	38.5	-1.2
Ambuja Cements	580	Buy	98,509	18.5	-0.4	18,144	41.8	-2.8	7,171	11.0	60.4
Birla Corporation	1343	Buy	24,299	10.9	-13.7	3,789	46.7	-29.0	1,337	309.9	-53.3
Dalmia Bharat	2191	Buy	37,388	3.3	-8.6	8,131	21.5	2.5	3,247	44.3	-8.8
Grasim Industries	2852	Buy	88,284	28.1	-1.1	2,207	-32.1	0.1	-3,085	Loss	Loss
India Cements	346	Sell	11,775	21.2	-1.6	679	LP	13,766.0	-276	Loss	Loss
J K Cements	6131	Buy	32,333	15.2	-9.7	6,631	36.4	-13.3	2,728	47.2	-24.5
JK Lakshmi Cem.	955	Buy	16,572	6.0	-12.7	2,967	33.4	-15.5	1,264	79.8	-34.7
Ramco Cements	1078	Neutral	22,805	9.2	-4.7	4,473	40.0	39.4	1,180	232.4	317.8
Shree Cement	31186	Neutral	49,467	2.3	-5.6	12,889	40.7	-8.7	4,462	40.4	-22.9
Ultratech Cement	12205	Buy	2,18,355	20.8	-5.3	43,754	44.0	-5.3	22,099	32.3	-11.2
Cement			**6,57,889**	**16.4**	**-4.8**	**1,12,249**	**37.5**	**-3.9**	**45,200**	**35.4**	**-9.1**
Alkyl Amines	2303	Neutral	4,219	5.6	9.3	784	-0.8	15.6	528	8.0	14.7
Atul	7405	Buy	14,909	12.8	2.7	2,397	7.4	7.5	1,405	25.4	8.0
Clean Science	1449	Neutral	2,597	16.0	-1.5	995	5.1	-5.0	755	14.5	1.9
Deepak Nitrite	1961	Sell	19,306	-10.9	-11.4	2,001	-35.3	-36.8	1,187	-41.4	-41.4
Fine Organic	5081	Sell	5,566	9.5	-3.4	982	-19.4	-9.3	820	-17.2	-7.4
Galaxy Surfactants	2603	Buy	11,950	22.7	4.4	1,244	0.3	-2.0	756	-5.2	-0.4
Navin Fluorine	4887	Neutral	7,788	48.7	11.1	2,026	101.9	13.4	1,122	119.2	18.1
NOCIL	195	Neutral	3,499	-6.0	3.0	400	0.6	19.4	252	-7.5	23.6

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
P I Industries	4154	Buy	21,057	1.8	17.8	5,265	-9.7	15.6	3,890	-13.3	17.7
SRF	3199	Buy	41,618	20.1	-3.5	8,319	34.0	-17.0	4,401	63.3	-22.9
Tata Chemicals	930	Neutral	39,856	5.2	13.6	5,713	-0.5	74.7	1,827	35.4	LP
Vinati Organics	1957	Buy	5,616	7.0	-13.4	1,378	10.2	-24.9	940	9.3	-26.3
Chemicals			**1,77,981**	**8.9**	**2.9**	**31,505**	**5.2**	**0.7**	**17,882**	**10.0**	**3.4**
Asian Paints	2369	Neutral	90,594	1.0	8.4	16,759	-1.1	16.7	11,309	-4.7	28.0
Britannia	5745	Neutral	44,810	8.5	2.4	7,929	5.2	-1.5	5,532	4.5	-1.1
Colgate	2409	Neutral	15,190	1.5	3.9	4,952	-2.6	-0.6	3,530	-3.0	-0.6
Dabur	482	Buy	34,302	2.4	21.2	6,552	0.0	53.5	4,983	-2.0	51.7
Emami	565	Buy	8,752	-3.4	-9.1	1,965	-9.3	-10.5	1,560	-8.4	-13.9
Godrej Consumer	1168	Buy	36,759	10.3	2.2	7,538	3.8	-0.7	5,104	9.8	18.1
Hind. Unilever	2296	Buy	1,64,173	4.5	4.8	36,853	-1.6	1.8	26,000	-1.7	1.3
Indigo Paints	1181	Buy	3,234	4.0	-16.6	499	5.3	-42.9	288	9.8	-49.5
ITC	415	Buy	1,93,993	5.1	3.4	67,792	0.5	4.0	52,188	2.5	2.8
Jyothy Labs	347	Neutral	7,674	3.4	15.1	1,352	1.3	20.7	1,010	-0.7	25.3
L T Foods	476	Buy	23,505	13.5	5.5	2,798	16.2	8.3	1,716	12.1	6.9
Marico	717	Buy	32,033	21.2	17.3	6,789	8.4	48.2	5,080	9.5	48.1
Nestle	2410	Neutral	50,890	5.7	-7.5	11,849	5.4	-16.1	7,456	-0.2	-14.6
P&G Hygiene	13322	Neutral	9,857	5.8	-0.6	1,797	36.9	-14.3	1,477	62.6	-5.4
Page Industries	48226	Buy	14,343	12.3	30.6	2,940	20.8	25.0	2,020	22.3	23.2
Pidilite Inds.	3045	Neutral	37,364	10.0	19.0	8,793	8.2	39.0	6,223	9.8	39.1
Radico Khaitan	2570	Buy	13,830	21.7	6.0	1,978	32.7	11.3	1,096	43.5	20.8
Tata Consumer	1095	Buy	47,115	8.3	2.2	6,115	-8.4	-1.5	3,303	9.0	6.3
United Breweries	1950	Neutral	27,202	10.0	17.2	3,291	15.6	76.7	2,096	20.9	115.2
United Spirits	1401	Neutral	24,986	6.2	-15.2	4,185	-8.6	-17.1	2,862	-4.3	-24.6
Varun Beverages	452	Buy	71,969	0.0	29.3	19,633	-1.4	55.3	13,067	4.3	79.7
Consumer			**9,52,576**	**5.8**	**6.4**	**2,22,358**	**1.3**	**8.8**	**1,57,897**	**2.6**	**10.7**
Havells India	1548	Neutral	58,395	0.6	-10.8	5,629	-1.6	-25.6	3,916	-3.9	-24.3
KEI Industries	3811	Neutral	23,685	14.9	-18.7	2,311	7.7	-23.3	1,743	16.0	-23.1
Polycab India	6665	Buy	56,364	20.0	-19.3	7,372	26.4	-28.1	5,043	27.4	-30.6
R R Kabel	1386	Neutral	20,334	12.5	-8.3	1,401	47.5	-27.9	874	35.8	-32.3
Voltas	1326	Neutral	43,553	-11.5	-8.6	3,152	-25.6	-5.3	2,422	-27.5	0.5
Consumer Durables			**2,02,331**	**4.9**	**-13.6**	**19,865**	**5.2**	**-23.9**	**13,998**	**3.5**	**-23.9**
Amber Enterp.	7083	Buy	25,474	6.1	-32.1	1,994	1.6	-32.3	683	-5.7	-41.2
Avalon Tech	823	Buy	2,434	22.0	-29.0	138	215.7	-66.6	70	LP	-71.1
Cyient DLM	475	Buy	2,759	7.0	-35.5	194	-3.1	-66.3	85	-19.7	-72.6
Data Pattern	2929	Neutral	1,249	20.0	-68.5	442	18.8	-70.4	372	13.6	-67.4
Dixon Tech.	14712	Buy	1,19,983	82.4	16.6	4,480	80.7	1.2	2,166	62.0	17.4
Kaynes Tech	6141	Buy	7,560	50.0	-23.2	1,042	55.8	-37.9	793	56.2	-31.7
Syrma SGS Tech.	586	Buy	9,743	-16.0	5.4	784	75.8	-27.1	457	136.7	-30.2
EMS			**1,69,202**	**51.0**	**-1.2**	**9,073**	**47.0**	**-28.1**	**4,627**	**45.9**	**-29.0**
Ajanta Pharma	2506	Buy	12,564	9.7	7.4	3,505	-2.7	18.0	2,479	-5.5	13.0
Alembic Pharma	1015	Neutral	17,086	9.4	-3.5	2,734	15.4	0.5	1,549	15.0	-1.3
Alkem Lab	4852	Neutral	30,964	2.1	-1.5	5,357	-12.0	36.9	4,411	-19.1	44.2
Apollo Hospitals	7494	Buy	57,362	12.8	2.6	7,801	15.6	1.4	3,836	25.7	-1.5
Aurobindo Pharma	1133	Buy	79,292	4.8	-5.4	17,206	1.5	-7.6	8,952	-0.7	-5.1
Biocon	362	Buy	42,406	23.5	-4.0	9,117	46.8	-15.4	1,090	LP	-66.5
Blue Jet Healthcare	845	Buy	3,689	126.4	8.4	1,534	246.5	9.6	1,206	219.3	9.6
Cipla	1516	Neutral	69,334	3.6	3.0	16,293	-5.0	6.0	12,087	2.6	-1.1
Divis Labs	6851	Neutral	25,233	19.1	-2.4	8,453	35.9	-4.6	6,288	46.5	-3.9
Dr Agarwals Health.	405	Buy	5,245	30.0	14.0	1,762	70.0	32.5	722	496.6	101.4
Dr Reddy' s Labs	1277	Neutral	84,437	10.0	-0.7	19,083	-10.3	-6.9	13,059	-6.2	-15.0
Eris Lifescience	1667	Neutral	7,773	8.0	10.2	2,853	14.1	13.0	1,267	52.3	35.1
Gland Pharma	1877	Buy	15,196	8.4	6.6	3,252	23.0	-6.4	1,862	29.6	-0.2
Glenmark Pharma	1754	Buy	35,945	10.8	10.4	6,733	10.3	20.0	3,679	3.2	25.5
Global Health	1151	Buy	9,643	12.0	3.5	2,218	16.0	-1.3	1,355	27.6	-2.7
Granules India	489	Buy	11,927	1.1	-0.4	2,612	0.7	3.5	1,337	-0.7	4.2
GSK Pharma	3351	Neutral	8,798	8.0	-9.7	2,657	15.3	-20.2	2,047	12.2	-22.1
IPCA Labs.	1372	Buy	23,720	13.4	5.6	4,910	25.0	14.5	2,837	47.6	17.3
Laurus Labs	746	Buy	14,952	25.1	-13.1	3,110	81.7	-26.1	1,234	873.4	-34.3
Lupin	1961	Neutral	60,525	8.1	6.8	14,889	9.4	15.2	9,284	3.3	24.2

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Mankind Pharma	2289	Buy	35,611	23.1	15.6	8,903	23.0	25.7	4,638	-18.7	44.4
Max Healthcare	1280	Buy	24,413	26.4	6.1	6,250	26.5	3.0	4,285	38.8	9.7
Piramal Pharma	205	Buy	21,397	9.7	-22.3	2,033	-0.5	-63.8	-796	Loss	PL
Sun Pharma	1667	Buy	1,34,217	7.2	4.7	36,876	4.5	12.4	31,790	15.6	10.0
Torrent Pharma	3416	Neutral	32,103	12.3	8.5	10,690	15.7	9.0	6,024	27.9	13.9
Zydus Lifesciences	1001	Neutral	62,762	1.1	-3.9	19,582	-7.2	-9.5	12,758	-11.4	-6.5
Healthcare			**9,26,593**	**9.9**	**1.1**	**2,20,413**	**7.4**	**1.0**	**1,39,280**	**10.6**	**0.7**
G R Infraproject	1323	Buy	17,121	-9.7	-11.9	2,020	-18.1	-32.9	1,744	-7.7	-39.1
IRB Infra	50	Neutral	21,059	13.7	-2.0	9,477	10.6	-5.0	1,847	32.0	-14.0
KNR Constructions	220	Neutral	7,275	-11.2	-14.5	1,011	-25.4	-13.9	710	-12.1	-5.6
Infrastructure			**45,455**	**-0.5**	**-8.0**	**12,508**	**0.9**	**-11.7**	**4,301**	**5.0**	**-25.4**
Adani Ports	1447	Buy	85,838	23.4	1.1	51,589	21.5	3.1	30,791	16.9	0.4
Blue Dart Express	6854	Buy	14,646	9.1	3.3	1,538	40.5	30.2	754	46.3	41.7
Concor	597	Buy	22,852	9.0	0.2	4,822	11.6	11.2	3,225	26.3	6.7
JSW Infra	314	Buy	12,243	21.2	-4.6	6,171	19.9	-3.7	3,593	20.3	-19.2
Mahindra Logistics	345	Neutral	16,398	15.5	4.5	828	24.9	6.6	93	LP	LP
TCI Express	764	Neutral	3,141	7.2	2.2	336	2.7	27.9	242	8.6	25.2
Transport Corp.	1138	Buy	11,955	14.4	1.4	1,279	23.2	5.1	1,041	14.4	-8.8
VRL Logistics	586	Buy	7,385	1.6	-8.7	1,573	81.0	-15.7	537	299.6	-27.7
Logistics			**1,74,457**	**17.2**	**0.6**	**68,136**	**21.9**	**3.1**	**40,277**	**20.0**	**-1.0**
PVR Inox	965	Neutral	14,406	21.0	15.3	768	LP	LP	-631	Loss	Loss
Sun TV	595	Neutral	13,053	2.3	43.6	6,932	-1.9	62.4	5,613	2.6	33.8
Zee Entertainment	142	Neutral	19,515	-8.4	-10.6	2,495	-8.2	-12.5	1,608	4.2	-14.7
Media			**46,974**	**2.2**	**8.2**	**10,196**	**8.4**	**45.3**	**6,590**	**16.7**	**31.2**
Coal India	390	Buy	3,72,388	2.1	-1.5	1,14,681	-0.6	2.1	86,800	-20.8	-9.6
Hindalco	694	Buy	6,07,629	6.6	-6.4	72,500	-3.4	-17.9	34,268	3.7	-35.1
Hindustan Zinc	450	Neutral	75,684	-6.9	-16.7	38,528	-2.4	-20.1	21,531	-8.2	-28.3
Jindal Stainless	707	Buy	1,02,156	8.3	0.2	11,362	-6.2	7.1	6,009	-7.3	0.5
JSPL	948	Buy	1,24,981	-8.2	-5.2	25,459	-10.3	2.6	10,845	-19.1	-1.5
JSW Steel	1029	Buy	4,27,248	-0.5	-4.7	71,252	29.3	11.7	19,626	132.3	28.3
Nalco	190	Neutral	43,175	51.2	-18.0	16,807	79.9	-39.0	10,923	85.6	-47.2
NMDC	68	Buy	68,720	26.9	-1.9	23,665	1.1	15.4	18,001	-8.7	21.8
SAIL	133	Neutral	2,75,545	14.8	-6.0	33,358	50.3	-4.3	11,465	252.8	-10.5
Tata Steel	160	Neutral	5,00,612	-8.6	-11.0	69,613	4.0	6.1	15,821	20.1	-6.4
Vedanta	466	Neutral	3,70,688	3.6	-8.4	99,999	0.6	-12.8	25,306	-29.9	-27.3
Metals			**29,68,826**	**2.2**	**-6.7**	**5,77,224**	**5.6**	**-5.6**	**2,60,595**	**-4.4**	**-16.2**
Aegis Logistics	745	Neutral	17,651	10.2	3.5	2,781	19.7	-32.0	1,500	14.1	-46.7
BPCL	332	Neutral	9,09,305	-19.6	-18.2	1,09,248	93.2	39.9	68,884	128.5	51.3
Castrol India	225	Buy	14,617	4.6	2.8	3,403	5.5	10.7	2,483	6.9	6.3
GAIL	190	Buy	3,41,969	1.6	-4.2	35,861	-20.8	11.5	20,620	-24.3	0.6
Gujarat Gas	480	Buy	41,963	-5.7	2.3	5,628	5.1	25.2	3,381	2.5	17.7
Gujarat State Petronet	335	Neutral	2,087	-37.8	3.5	1,627	-46.0	30.4	1,062	-49.9	50.1
HPCL	441	Buy	8,95,161	-21.3	-18.2	84,119	304.6	46.1	49,204	1,282.9	46.7
Indraprastha Gas	216	Buy	40,249	14.3	1.9	5,680	-2.4	14.2	3,843	-4.3	10.0
IOC	147	Buy	18,79,944	-2.7	-3.6	1,50,139	73.9	10.6	70,710	167.5	-2.7
Mahanagar Gas	1491	Buy	18,294	15.1	-1.9	4,057	-3.1	7.2	2,744	-3.6	8.8
MRPL	143	Sell	1,83,328	-21.1	-25.5	14,356	132.9	28.0	6,155	838.7	69.5
Oil India	434	Buy	49,224	-15.7	-10.8	21,663	-12.2	9.2	12,334	-15.9	-22.5
ONGC	243	Buy	3,03,805	-13.9	-13.2	1,65,905	-10.9	-12.7	76,806	-14.1	19.1
Petronet LNG	300	Buy	1,21,605	-9.4	-1.3	12,210	-21.9	-19.3	8,213	-28.1	-23.3
Reliance Inds.	1528	Buy	26,60,982	14.8	1.8	4,52,677	16.8	3.3	1,99,934	32.1	3.0
Oil & Gas			**74,80,184**	**-3.6**	**-6.9**	**10,69,353**	**25.3**	**7.0**	**5,27,873**	**42.4**	**11.0**
Oil Ex OMCs			**37,95,774**	**6.6**	**-2.1**	**7,25,846**	**5.3**	**-0.4**	**3,39,075**	**9.1**	**4.6**
Anant Raj	565	Buy	4,404	-6.7	-18.5	1,568	52.3	10.1	1,021	12.2	-13.9
Brigade Enterpr.	1095	Buy	9,556	-11.3	-34.6	3,368	15.1	-19.0	1,844	120.3	-25.3
DLF	843	Buy	16,750	22.9	-46.4	6,170	169.9	-36.9	9,263	43.7	-27.8
Godrej Properties	2315	Buy	10,158	37.5	-52.1	1,276	LP	16.1	4,685	-9.7	23.8
Kolte Patil Dev.	493	Buy	8,555	151.0	19.0	1,757	532.6	65.2	1,105	1,673.9	69.3
Macrotech Developers	1391	Buy	39,841	40.0	-5.7	11,355	50.0	-7.0	8,023	67.1	-12.8
Mahindra Lifespace	362	Neutral	1,418	-24.6	1,434.7	-269	Loss	Loss	146	14.3	-82.9
Oberoi Realty	1912	Neutral	14,363	2.2	24.9	8,537	4.7	38.1	6,032	3.2	39.2

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Phoenix Mills	1547	Neutral	11,214	24.0	10.3	6,931	30.5	23.8	3,754	61.4	39.4
Prestige Estates	1637	Buy	23,510	26.3	53.8	5,600	-29.7	3.5	1,955	-15.9	682.1
SignatureGlobal	1248	Buy	11,336	183.0	117.8	2,061	LP	369.8	2,036	2,910	233
Sobha	1492	Buy	10,430	62.9	-15.9	1,305	133.3	38.7	784	1,194.5	91.9
Sunteck Realty	441	Buy	2,349	-25.7	14.0	416	32.5	-39.5	338	48.3	-32.9
Real Estate			**1,63,884**	**30.5**	**-8.3**	**50,075**	**44.3**	**3.4**	**40,987**	**40.2**	**3.1**
Aditya Birla Fashion	74	Neutral	17,533	NA	2.0	912	NA	-55.5	-1,536	Loss	Loss
Avenue Supermarts	4452	Buy	1,63,787	16.4	10.1	13,604	11.4	42.4	8,201	6.0	48.9
Barbeque Nation	315	Neutral	3,020	-1.2	3.2	538	5.6	0.9	-60	Loss	Loss
Bata India	1232	Neutral	9,732	3.0	23.5	2,034	10.0	14.0	717	-15.5	56.1
Campus Activewear	278	Buy	3,621	6.8	-10.8	565	9.2	-20.9	254	0.1	-27.5
Devyani Intl.	169	Buy	13,334	9.1	10.0	2,267	1.5	12.8	131	-53.5	LP
Go Fashion	882	Buy	2,450	11.3	19.6	815	13.0	30.5	294	2.5	47.7
Jubilant Foodworks	709	Neutral	17,131	19.0	7.9	3,321	19.4	8.7	665	29.1	34.4
Kalyan Jewellers	570	Buy	70,772	27.9	14.5	4,645	23.5	16.3	2,324	30.9	23.8
Metro Brands	1136	Buy	6,407	11.2	-0.3	2,052	13.8	4.1	994	7.7	4.3
P N Gadgil Jewellers	605	Buy	17,431	4.5	9.8	767	19.3	-18.5	451	27.7	-27.2
Raymond Lifestyle	1284	Buy	13,638	11.8	-8.7	1,181	97.7	771.5	200	LP	LP
Relaxo Footwear	439	Sell	7,803	4.3	12.2	968	-2.2	-13.6	435	-2.0	-22.6
Restaurant Brands	83	Buy	5,502	12.2	12.3	772	24.9	-0.7	-174	Loss	Loss
Sapphire Foods	327	Buy	7,823	8.9	10.0	1,182	-4.9	11.2	-2	PL	PL
Senco Gold	341	Neutral	17,970	28.0	30.4	1,366	25.6	7.5	693	35.1	10.9
Shoppers Stop	501	Neutral	10,943	5.9	7.0	1,501	5.6	-11.4	-337	Loss	PL
Titan Company	3700	Buy	1,56,868	18.2	5.2	15,950	27.9	3.8	9,747	36.3	11.9
Trent	6141	Buy	47,901	20.0	16.7	7,185	17.7	9.5	3,560	4.1	1.8
V-Mart Retail	852	Neutral	8,850	12.6	13.4	1,099	11.1	61.4	257	111.7	LP
Vedant Fashions	815	Neutral	2,686	12.0	-26.9	1,237	9.7	-25.4	681	9.0	-32.6
Westlife Foodworld	769	Neutral	6,669	8.2	10.6	856	7.1	7.8	67	104.8	338
Retail			**6,11,870**	**12.8**	**9.1**	**64,814**	**11.6**	**11.1**	**27,560**	**22.8**	**23.2**
Quess Corp	300	Neutral	36,486	-27.1	-0.2	691	-63.3	2.6	483	-44.3	-22.8
SIS	371	Buy	34,537	10.3	0.8	1,601	16.5	-2.9	1,039	61.8	25.9
Team Lease Serv.	2011	Buy	30,006	16.3	5.0	342	53.7	-28.0	304	57.1	-19.6
Updater Services	293	Buy	7,535	15.5	6.3	520	27.0	45.7	343	33.8	0.3
Staffing			**1,08,563**	**-4.5**	**1.9**	**3,154**	**-18.9**	**0.0**	**2,169**	**10.7**	**-0.1**
Coforge	1921	Buy	37,450	56.0	9.8	6,741	64.5	17.0	3,848	67.5	34.0
Cyient	1294	Sell	18,173	8.4	-4.8	3,180	20.0	5.0	1,902	28.8	-0.3
HCL Technologies	1718	Buy	3,00,889	7.2	-0.5	63,329	9.7	-2.5	42,769	0.4	-0.7
Hexaware Tech.	846	Buy	32,898	12.1	2.6	5,428	NA	2.8	3,553	NA	8.6
Infosys	1608	Neutral	4,16,518	5.9	1.8	98,982	4.8	1.2	66,412	4.3	-2.4
LTIMindtree	5307	Buy	98,978	8.3	1.3	16,826	4.8	5.4	12,026	5.9	6.6
L&T Technology	4354	Neutral	29,213	18.7	-2.1	4,528	-0.7	-4.8	3,054	-2.6	-1.3
MphasiS	2881	Neutral	37,607	9.9	1.4	7,070	14.3	0.6	4,545	12.4	1.8
Persistent Systems	6037	Buy	33,546	22.6	3.5	6,139	34.9	5.0	4,288	39.9	8.3
TCS	3429	Buy	6,46,384	3.2	0.2	1,70,483	1.9	0.7	1,24,575	2.9	1.3
Tech Mahindra	1671	Buy	1,33,219	2.4	-0.5	18,917	20.9	1.3	11,627	36.5	-0.3
Wipro	264	Sell	2,20,473	0.4	-2.0	45,903	5.9	-1.4	32,107	6.9	-10.1
Zensar Tech	840	Neutral	13,678	6.2	0.7	2,065	5.3	-2.8	1,689	6.9	-4.3
Technology			**20,19,025**	**5.7**	**0.4**	**4,49,592**	**7.4**	**0.6**	**3,12,393**	**6.7**	**-0.5**
Bharti Airtel	2019	Buy	4,85,916	26.2	1.5	2,73,476	38.8	1.3	61,011	108.6	16.8
Bharti Hexacom	2006	Neutral	23,441	22.7	2.4	12,058	37.7	3.3	4,137	114.5	8.8
Indus Towers	420	Neutral	80,338	8.8	4.0	42,441	-5.8	-1.8	16,483	21.4	2.4
Tata Comm	1728	Neutral	60,857	8.8	1.6	11,781	3.6	5.0	2,984	20.7	-35.5
Vodafone Idea	7	Sell	1,09,997	4.7	-0.1	45,661	8.6	-2.0	-74,596	Loss	Loss
Telecom			**7,60,549**	**19.0**	**1.5**	**3,85,417**	**26.7**	**0.7**	**10,019**	**LP**	**97.6**
ACME Solar	249	Buy	5,160	66.6	6.0	4,460	64.2	2.4	1,151	8,188.4	-16.2
Indian Energy Exch.	193	Neutral	1,409	14.0	-0.3	1,171	17.0	-4.0	1,072	14.7	-4.3
Inox Wind	173	Buy	9,903	55.0	-22.3	1,662	22.1	-34.6	838	69.5	-59.9
JSW Energy	527	Buy	48,538	68.6	52.2	22,519	58.8	87.0	5,679	8.8	93.9
NTPC	333	Neutral	4,53,401	2.1	3.3	1,23,328	-0.9	9.6	44,057	5.0	-11.9
Power Grid Corp.	298	Buy	1,05,834	5.1	-3.6	92,577	5.9	0.4	36,884	6.6	-14.1
Suzlon Energy	67	Buy	32,380	60.2	-14.6	6,068	64.0	-12.5	4,791	58.4	-17.7

Ready reckoner: Quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Tata Power	406	Buy	1,84,030	6.4	7.6	33,066	-7.8	1.9	10,828	32.3	11.1
Utilities			**8,40,654**	**8.1**	**4.0**	**2,84,851**	**5.2**	**7.8**	**1,05,299**	**11.5**	**-9.2**
APL Apollo Tubes	1760	Buy	52,607	5.8	-4.5	3,842	27.4	-7.1	2,496	29.2	-14.8
Astral	1495	Buy	15,264	10.3	-9.2	2,369	10.5	-21.5	1,326	10.1	-26.1
Cello World	605	Buy	5,413	8.1	-8.1	1,238	-4.2	-8.5	764	-7.5	-13.4
Coromandel International	2325	Buy	61,910	30.9	24.1	7,641	51.1	79.4	5,042	62.1	66.1
Dreamfolks Services	236	Buy	3,555	10.8	13.2	259	13.4	29.6	193	12.5	29.2
EPL	243	Buy	11,222	11.4	1.5	2,289	23.2	0.4	1,038	61.7	-11.3
Eternal	261	Buy	68,085	61.9	16.7	2,681	51.5	272.3	2,745	8.5	603.7
Godrej Agrovet	786	Buy	25,823	9.8	21.0	2,593	14.7	76.8	1,554	15.0	119.6
Gravita India	1849	Buy	10,313	13.6	-0.6	1,057	15.9	-2.6	900	33.7	-5.4
Indiamart Inter.	2597	Buy	3,643	10.0	2.6	1,325	11.1	1.7	1,204	5.8	-33.2
Indian Hotels	762	Buy	20,395	31.6	-15.9	6,031	34.1	-29.6	3,132	26.1	-40.2
Info Edge	1450	Neutral	7,398	15.8	7.7	3,007	20.6	16.1	2,759	18.8	8.2
Interglobe Aviation	5966	Buy	2,13,516	9.1	-3.6	61,420	6.4	-11.6	23,846	-12.5	-22.4
Kajaria Ceramics	1075	Buy	11,516	3.4	-5.7	1,509	-9.7	9.0	834	-7.2	13.7
Lemon Tree Hotel	139	Buy	3,128	16.7	-17.4	1,376	19.6	-32.6	294	48.5	-65.3
MTAR Tech	1590	Buy	1,603	25.0	-12.4	304	83.0	-11.0	153	244.6	11.2
One 97 Comm.	930	Neutral	18,962	26.3	-0.8	-680	Loss	Loss	24	LP	LP
Prince Pipes	371	Buy	5,977	-1.1	-16.9	359	-38.5	-34.6	66	-73.1	-72.6
SBI Cards	932	Neutral	16,706	13.1	3.1	20,922	10.1	6.5	5,744	-3.4	7.5
Supreme Inds.	4374	Buy	28,266	7.2	-6.6	3,952	2.0	-5.1	2,646	-3.2	-10.0
Swiggy	394	Neutral	49,063	52.3	11.3	-10,622	Loss	Loss	-11,239	Loss	Loss
Time Technoplast	439	Buy	13,415	9.1	-8.7	1,908	9.4	-10.7	930	17.3	-15.1
UPL	671	Neutral	90,227	-0.5	-42.1	11,746	2.5	-63.7	-1,937	Loss	PL
Others			**7,38,009**	**15.8**	**-7.0**	**1,26,527**	**14.3**	**-17.1**	**44,514**	**11.0**	**-31.0**

PL: Profit to Loss; LP: Loss to Profit

Ready reckoner: Quarterly performance

	CMP (INR)	RECO	NII (INR M)			OP. PROFITS (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Financials											
AU Small Finance	836	Buy	21,345	11.1	1.9	12,300	29.2	-4.8	5,531	10.1	9.8
Axis Bank	1173	Neutral	1,36,472	1.5	-1.2	1,06,373	5.3	-1.1	59,722	-1.0	-16.1
Bandhan Bank	187	Neutral	27,153	-9.6	-1.5	16,827	-13.3	7.1	4,571	-57.0	43.8
DCB Bank	147	Buy	5,720	15.2	2.5	3,075	49.7	0.7	1,724	31.3	-2.6
Equitas Small Fin.	69	Buy	8,102	1.1	-2.3	3,046	-10.5	-2.1	220	-14.7	-47.8
Federal Bank	219	Buy	22,972	0.2	-3.4	14,478	-3.5	-1.2	9,202	-8.8	-10.7
HDFC Bank	2012	Buy	3,18,961	6.9	-0.5	2,61,122	9.3	-1.6	1,71,269	5.9	-2.8
ICICI Bank	1432	Buy	2,09,235	7.0	-1.3	1,77,283	10.6	0.4	1,20,038	8.5	-5.0
IDFC First Bank	77	Neutral	49,095	4.6	0.0	18,493	-1.8	2.1	2,468	-63.7	-18.8
IndusInd Bank	879	Neutral	41,567	-23.1	36.4	22,705	-42.5	LP	5,719	-73.7	LP
Kotak Mahindra Bank	2184	Buy	72,258	5.6	-0.8	53,715	2.2	-1.8	34,792	-1.1	-2.0
RBL Bank	260	Buy	14,848	-12.7	-5.0	7,605	-11.5	-11.7	1,413	-62.0	105.7
Banks-Private			**9,27,728**	**3.1**	**0.3**	**6,97,023**	**4.2**	**3.2**	**4,16,669**	**-2.5**	**1.6**
Bank of Baroda	247	Neutral	1,07,886	-7.0	-2.1	71,345	-0.4	-12.3	41,744	-6.4	-17.3
Canara Bank	115	Buy	91,448	-0.2	-3.1	79,021	3.8	-4.6	41,444	6.1	-17.2
Indian Bank	650	Buy	64,200	3.9	0.5	50,633	12.5	0.9	28,392	18.1	-4.0
Punjab National Bank	113	Buy	1,05,856	1.0	-1.6	66,913	1.7	-1.2	41,441	27.5	-9.3
State Bank	820	Buy	4,20,417	2.2	-1.7	2,72,278	2.9	-13.0	1,70,100	-0.1	-8.8
Union Bank	155	Buy	92,751	-1.5	-2.5	74,375	-4.5	-3.4	40,808	10.9	-18.1
Banks-PSU			**8,82,558**	**0.3**	**-1.8**	**6,14,566**	**2.3**	**-8.5**	**3,63,929**	**4.8**	**-11.7**
HDFC Life Insur.	810	Buy	1,53,550	19.9	-36.1	8,499	18.4	-38.2	4,939	3.4	3.6
ICICI Lombard	2063	Buy	49,074	9.0	-6.1	-3,204	Loss	Loss	6,031	3.9	18.4
ICICI Pru Life	661	Buy	89,405	7.9	-46.9	4,488	-4.9	-43.5	2,427	7.7	-37.0
Life Insurance Corp.	971	Buy	11,92,410	4.8	-19.2	19,565	21.5	-44.6	1,09,545	4.7	-42.4
Max Financial	1655	Neutral	62,617	16.0	-47.2	3,071	20.9	-64.0	1,475	-5.4	288.2
Niva Bupa Health	82	Buy	12,187	19.7	-20.2	-2,147	Loss	PL	-525	Loss	PL
SBI Life Insurance	1865	Buy	1,76,152	13.1	-26.6	11,170	15.2	-32.7	5,931	14.2	-27.1
Star Health	424	Buy	38,357	9.0	1.0	715	-49.1	LP	2,903	-9.0	55,721.9
Insurance			**17,73,752**	**7.6**	**-24.5**	**42,157**	**13.9**	**-45.9**	**1,32,726**	**4.3**	**-38.1**
AAVAS Financiers	2034	Neutral	2,829	15.7	4.6	1,981	16.9	-1.4	1,460	15.8	-5.0
Bajaj Finance	937	Neutral	1,02,517	22.6	4.5	84,300	21.3	5.8	46,297	18.3	1.8
Can Fin Homes	791	Neutral	3,513	9.3	0.8	2,995	7.1	1.7	2,162	8.3	-7.6
Chola. Inv & Fin.	1599	Buy	32,437	26.0	6.2	23,407	26.5	0.4	11,284	19.8	-10.9
CreditAccess	1256	Buy	9,047	-2.4	3.2	6,550	-7.7	3.3	842	-78.8	78.3
Five-Star Business	763	Buy	5,748	19.0	2.7	3,914	10.3	-1.3	2,703	7.5	-3.1
Fusion Finance	200	Neutral	2,711	-31.9	0.7	915	-69.3	1.6	-434	Loss	Loss
Home First Fin.	1322	Buy	2,009	37.2	16.4	1,596	34.1	9.6	1,152	31.3	10.1
IIFL Finance	469	Buy	14,438	0.4	9.9	10,061	46.3	52.8	2,899	0.6	39.6
L&T Finance	208	Buy	21,691	3.2	0.9	15,677	6.8	10.1	7,030	2.6	10.6
LIC Housing Fin	612	Neutral	21,689	9.0	0.1	18,819	6.2	0.2	13,758	5.8	0.6
M & M Financial	267	Buy	20,050	12.4	4.0	13,176	16.1	8.6	5,313	3.6	-5.7
Manappuram Finance	278	Neutral	14,480	-5.8	0.3	6,793	-30.8	-0.6	-631	PL	Loss
MAS Financial	310	Buy	2,307	31.8	2.1	1,541	30.2	1.7	832	18.2	3.0
Muthoot Finance	2643	Neutral	31,610	37.1	8.9	24,217	41.2	12.8	16,953	57.2	12.4
PFC	424	Buy	48,474	12.0	-18.0	54,258	17.9	-17.1	43,843	17.9	-14.2
PNB Housing	1103	Buy	7,415	15.5	1.9	6,406	18.1	-0.9	5,057	16.8	-8.1
Poonawalla Fincorp	464	Buy	6,818	18.3	11.7	2,805	-35.1	17.6	1,051	-64.0	68.6
REC	401	Buy	54,106	15.9	-12.2	52,658	9.7	-14.6	41,264	19.9	-2.6
Repco Home Fin	439	Neutral	1,754	4.6	2.7	1,346	-2.5	2.9	1,021	-3.1	-11.1
Shriram Finance	696	Buy	58,228	11.3	4.6	43,388	12.6	0.1	20,681	4.4	-3.3
Spandana Sphoorty	281	Buy	1,409	-67.5	-31.3	-155	PL	PL	-3,466	PL	Loss
NBFC - Lending			**4,65,279**	**13.9**	**-0.7**	**3,76,649**	**13.3**	**-1.7**	**2,21,072**	**8.4**	**-1.3**
360 One WAM	1175	Buy	6,425	7.0	-1.4	3,128	-6.7	-1.5	2,679	10.1	7.2
Aditya Birla AMC	789	Buy	4,473	15.7	4.3	2,602	18.1	6.7	2,578	9.4	13.0

	CMP (INR)	RECO	NII (INR M)			OP. PROFITS (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Anand Rathi Wealth	2106	Neutral	2,449	3.1	10.4	932	-5.2	2.6	697	-5.1	-5.5
Angel One	2965	Buy	7,729	-15.5	3.9	1,586	-60.0	-32.7	1,174	-59.9	-32.7
BSE	2775	Neutral	9,795	61.2	15.7	5,845	105.9	20.7	4,771	80.6	-3.2
Cams Services	4245	Buy	3,754	13.3	5.4	1,708	14.0	7.2	1,198	12.0	6.2
CDSL	1798	Neutral	2,810	9.2	25.2	1,567	1.5	43.3	1,418	5.7	41.1
HDFC AMC	5146	Buy	9,454	22.0	4.9	7,426	24.9	1.7	6,826	13.1	6.9
KFin Technologies	1334	Neutral	2,998	26.2	6.1	1,265	27.0	3.5	889	30.6	4.6
MCX	9061	Neutral	3,832	63.5	31.5	2,504	88.9	56.4	2,012	81.4	48.6
Nippon Life AMC	807	Buy	6,112	21.0	7.9	3,943	24.6	8.0	3,675	10.6	23.2
Nuvama Wealth	8276	Buy	8,021	20.2	4.0	3,512	19.7	4.4	2,654	20.1	4.0
Prudent Corp.	2605	Neutral	2,932	17.5	3.6	680	15.4	-0.8	516	16.8	0.0
UTI AMC	1285	Buy	3,803	12.9	5.6	1,874	18.1	22.2	2,211	-19.4	116.8
NBFC - Non Lending			**74,588**	**17.6**	**7.6**	**38,574**	**17.1**	**7.8**	**33,298**	**10.8**	**11.0**

PL: Profit to Loss; LP: Loss to Profit; For Banks: Sales = Net Interest Income, EBITDA = Operating Profits; For Life Insurance: Sales = Net Premium, EBITDA = Operating Profits

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Automobiles						**23.8**	**26.5**	**23.0**	**4.2**	**4.2**	**3.7**	**17.7**	**15.9**	**16.3**
Amara Raja Energy	962	Neutral	48.2	49.4	56.8	20.0	19.5	16.9	2.4	2.2	2.0	13.1	12.5	12.8
Apollo Tyres	448	Buy	19.6	25.5	30.4	22.9	17.5	14.7	1.5	1.4	1.3	8.7	10.6	11.6
Ashok Leyland	252	Buy	11.0	11.4	14.0	23	22	18.0	6.4	5.7	5.0	31.7	27.4	29.5
Bajaj Auto	8,397	Neutral	299.5	319.4	361.1	28.0	26.3	23.3	7.3	6.8	6.3	29.3	26.7	28.1
Balkrishna Inds	2,478	Neutral	85.6	92.9	111.4	28.9	26.7	22.2	4.6	4.1	3.6	17.2	16.2	17.1
Bharat Forge	1,284	Neutral	21.4	29.4	38.9	60.0	43.7	33.0	6.6	6.0	5.3	12.3	14.4	17.0
Bosch	32,333	Neutral	682.4	760.9	901.5	47.4	42.5	35.9	6.9	6.4	6.0	15.6	15.7	17.3
CEAT	3,658	Buy	122.1	176.2	225.9	30.0	20.8	16.2	3.4	3.0	2.6	11.7	15.3	17.2
CIE Automotive	445	Buy	21.7	20.1	22.0	20.5	22.1	20.2	2.6	2.4	2.2	13.1	11.1	11.2
Craftsman Auto	5,704	Neutral	92.1	150.7	221.0	61.9	37.9	25.8	4.8	4.3	3.7	9.7	11.9	15.3
Eicher Motors	5,716	Sell	172.7	172.4	195.9	33.1	33.1	29.2	7.4	6.5	5.8	24.1	20.9	21.0
Endurance Tech.	2,885	Buy	58.8	73.4	87.0	49.1	39.3	33.2	7.1	6.2	5.4	15.5	16.8	17.4
Escorts Kubota	3,319	Neutral	100.6	101.0	115.2	33.0	32.9	28.8	3.6	3.6	3.3	11.4	11.4	11.9
Exide Inds.	386	Neutral	12.7	14.3	15.6	30.5	26.9	24.8	2.3	2.1	2.0	7.5	7.9	8.1
Happy Forgings	953	Buy	28.4	30.7	37.9	33.6	31.1	25.1	4.9	4.3	3.7	15.5	14.6	15.8
Hero Motocorp	4,229	Buy	230.3	239.1	263.2	18.4	17.7	16.1	4.3	4.0	3.8	24.4	23.4	24.1
Hyundai Motor	2,240	Buy	69.4	66.7	85.7	32.3	33.6	26.1	11.2	9.1	7.3	41.8	29.8	30.8
Mahindra & Mahindra	3,176	Buy	98.7	118.9	133.0	32.2	26.7	23.9	6.2	5.2	4.5	20.8	21.3	20.2
Maruti Suzuki	12,443	Buy	443.9	483.5	538.5	28.0	25.7	23.1	4.2	3.7	3.4	14.8	14.5	14.5
Motherson Wiring	60	Buy	1.4	1.6	2.0	43.5	36.2	29.6	15.5	12.8	10.5	35.9	38.8	39.1
MRF	1,42,408	Sell	4,408.7	4,949.5	5,558.7	32.3	28.8	25.6	3.3	3.0	2.7	10.6	10.8	10.9
Samvardhana Motherson	152	Buy	5.3	5.5	7.0	28.5	27.8	21.6	3.1	2.9	2.6	12.5	10.8	12.7
Sona BLW Precis.	476	Neutral	9.9	7.9	10.1	48.2	60.0	46.9	5.2	5.1	4.8	14.5	8.6	10.5
Tata Motors	684	Neutral	63.2	46.0	51.9	10.8	14.9	13.2	2.2	1.9	1.7	23.1	13.7	13.7
Tube Investments	3,088	Buy	38.6	41.8	47.1	80.0	73.9	65.5	11.5	10.1	8.8	16.3	14.5	14.4
TVS Motor	2,892	Neutral	57.1	66.7	78.9	50.7	43.4	36.7	13.8	11.0	8.8	30.7	28.2	26.6
Capital Goods						**40.6**	**40.0**	**33.5**	**7.3**	**7.4**	**6.4**	**18.0**	**18.4**	**18.9**
ABB India	5,951	Buy	88.5	94.4	103.6	67.3	63.0	57.5	17.8	15.6	13.9	28.8	26.4	25.6
Bharat Electronics	432	Buy	7.2	8.2	9.9	59.8	52.6	43.5	16.0	12.6	10.1	26.8	24.0	23.1
Cummins India	3,348	Buy	71.7	83.3	97.9	46.7	40.2	34.2	13.2	11.7	10.3	30.2	30.9	32.1
Hind.Aeronautics	4,911	Buy	125.0	141.2	161.2	39.3	34.8	30.5	9.4	7.9	6.6	23.9	22.6	21.8
Hitachi Energy	19,315	Sell	77.5	170.1	250.0	249.4	113.6	77.3	19.4	16.5	13.5	8.2	15.3	18.3
Kalpataru Proj.	1,198	Buy	39.3	55.4	74.1	30.5	21.6	16.2	2.8	2.6	2.2	10.4	12.4	14.7
KEC International	910	Neutral	21.4	35.1	44.4	42.5	26.0	20.5	4.5	4.4	4.2	12.1	17.2	21.0
Kirloskar Oil	857	Buy	28.8	33.6	40.9	29.8	25.5	21.0	4.2	3.7	3.2	14.9	15.3	16.4
Larsen & Toubro	3,667	Buy	106.8	129.4	153.6	34.3	28.3	23.9	5.2	4.6	4.0	16.0	17.1	18.0
Siemens	3,323	Neutral	56.8	52.1	66.1	58.6	63.8	50.3	7.7	6.9	6.0	13.2	10.8	12.0
Siemens Energy	2,950	Buy	19.6	29.1	36.6	150.5	101.3	80.6	32.7	24.7	18.9	21.7	24.4	23.4
Thermax	3,353	Sell	56.4	65.7	77.8	59.5	51.0	43.1	7.6	6.9	6.1	13.5	14.2	14.9
Triveni Turbine	606	Buy	11.3	12.8	16.0	53.7	47.2	37.8	15.8	12.8	10.3	33.0	29.9	30.1
Zen Technologies	1,978	Neutral	29.1	37.9	57.1	67.9	52.1	34.6	10.6	8.8	7.0	24.6	18.4	22.5
Cement						**53.9**	**40.4**	**32.1**	**3.4**	**3.5**	**3.2**	**6.4**	**8.6**	**10.1**
ACC	1,921	Buy	71.2	101.6	120.4	27.0	18.9	15.9	2.0	1.8	1.6	7.8	10.0	10.7
Ambuja Cements	580	Buy	8.0	10.2	14.3	72.7	56.6	40.6	2.7	2.6	2.4	4.1	4.6	6.2
Birla Corporation	1,343	Buy	42.2	74.7	82.4	31.8	18.0	16.3	1.5	1.4	1.3	4.8	7.9	8.1
Dalmia Bharat	2,191	Buy	37.1	68.5	70.8	59.1	32.0	30.9	2.4	2.2	2.1	4.1	7.2	7.0
Grasim Industries	2,852	Buy	74.1	85.4	106.6	38.5	33.4	26.8	3.6	3.4	3.3	-4.3	-4.6	-1.4
India Cements	346	Sell	-24.0	-1.7	3.7	-14.4	-208.3	92.5	1.1	1.1	1.1	-9.9	-0.5	1.2
J K Cements	6,131	Buy	103.5	149.4	188.3	59.2	41.0	32.6	7.8	6.7	5.7	13.5	17.5	18.9
JK Lakshmi Cem.	955	Buy	26.3	45.2	48.3	36.3	21.1	19.8	3.2	2.9	2.5	9.3	14.4	13.6
Ramco Cements	1,078	Neutral	3.9	22.3	30.8	275.2	48.3	35.0	3.4	3.2	3.0	1.3	6.8	8.8
Shree Cement	31,186	Neutral	337.9	407.5	552.4	92.3	76.5	56.5	5.3	5.1	4.7	5.9	6.8	8.7
Ultratech Cement	12,205	Buy	207.6	305.2	382.7	58.8	40.0	31.9	5.1	4.7	4.2	9.3	12.2	14.0
Chemicals						**44.2**	**38.7**	**30.7**	**4.1**	**4.3**	**3.8**	**9.2**	**11.1**	**12.5**
Alkyl Amines	2,303	Neutral	36.3	44.7	50.8	63.3	51.5	45.4	8.4	7.5	6.7	13.9	15.4	15.6
Atul	7,405	Buy	169.3	233.9	256.4	43.7	31.7	28.9	3.9	3.5	3.2	9.3	11.7	11.6
Clean Science	1,449	Neutral	24.9	35.0	43.9	58.2	41.3	33.0	10.9	8.9	7.3	20.2	23.7	24.2
Deepak Nitrite	1,961	Sell	51.1	61.9	66.4	38.3	31.7	29.5	5.0	4.4	3.9	13.7	14.7	13.9
Fine Organic	5,081	Sell	127.1	119.3	121.4	40.0	42.6	41.9	7.0	6.1	5.4	19.1	15.3	13.7
Galaxy Surfactants	2,603	Buy	86.0	92.0	105.1	30.3	28.3	24.8	3.9	3.5	3.2	13.4	13.1	13.6
Navin Fluorine	4,887	Neutral	58.2	88.7	115.2	84.0	55.1	42.4	9.2	8.1	7.1	11.5	15.7	17.8

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
NOCIL	195	Neutral	6.4	6.4	8.5	30.2	30.5	23.0	1.9	1.8	1.7	6.3	6.0	7.5
P I Industries	4,154	Buy	109.2	108.5	130.5	38.0	38.3	31.8	6.2	5.5	4.7	17.6	15.2	16.0
SRF	3,199	Buy	46.1	68.3	95.5	69.5	46.8	33.5	7.5	6.7	5.8	11.4	15.2	18.5
Tata Chemicals	930	Neutral	11.6	36.7	56.6	80.2	25.4	16.4	1.1	1.0	1.0	1.3	4.2	6.2
Vinati Organics	1,957	Buy	40.0	53.6	62.6	48.9	36.5	31.3	7.2	6.2	5.4	15.8	18.3	18.4
Consumer						**46.7**	**43.4**	**38.6**	**10.9**	**10.5**	**9.8**	**23.4**	**24.2**	**25.4**
Asian Paints	2,369	Neutral	42.5	45.6	54.5	55.8	51.9	43.4	11.7	11.5	10.9	21.4	22.4	25.7
Britannia	5,745	Neutral	91.9	102.8	117.8	62.5	55.9	48.8	31.8	27.9	23.5	53.4	53.1	52.3
Colgate	2,409	Neutral	51.4	55.6	60.0	46.9	43.3	40.1	39.4	39.0	37.7	79.0	90.4	95.5
Dabur	482	Buy	10.2	11.0	12.3	47.5	44.1	39.2	7.9	7.4	7.2	17.4	17.3	18.5
Emami	565	Buy	20.3	21.1	23.0	27.9	26.8	24.6	9.2	8.1	7.3	34.4	32.1	31.2
Godrej Consumer	1,168	Buy	18.5	23.0	26.9	63.1	50.8	43.4	10.0	9.4	9.0	15.4	19.0	21.2
Hind. Unilever	2,296	Buy	44.3	46.6	51.5	51.8	49.2	44.6	10.9	10.7	10.4	20.7	21.9	23.6
Indigo Paints	1,181	Buy	29.8	34.0	39.5	39.6	34.8	29.9	5.5	4.9	4.2	14.7	14.8	15.0
ITC	415	Buy	16.0	17.0	18.4	26.0	24.4	22.6	7.4	7.1	6.9	27.7	29.9	31.1
Jyothy Labs	347	Neutral	10.2	10.9	12.1	34.0	31.7	28.6	6.2	6.0	5.5	19.4	19.3	20.0
L T Foods	476	Buy	17.4	23.4	27.9	27.3	20.3	17.0	4.3	3.7	3.1	16.8	19.5	19.8
Marico	717	Buy	12.4	14.4	15.7	57.9	49.9	45.8	23.3	22.0	20.6	40.9	45.2	46.4
Nestle	2,410	Neutral	32.0	35.1	39.4	75.4	68.7	61.2	58.0	49.6	42.7	83.9	77.8	74.9
P&G Hygiene	13,322	Neutral	241.3	268.6	294.1	55.2	49.6	45.3	46.4	39.1	33.3	91.9	85.7	79.5
Page Industries	48,226	Buy	652.9	749.1	877.2	73.9	64.4	55.0	38.2	31.5	26.1	51.8	48.9	47.5
Pidilite Inds.	3,045	Neutral	41.3	46.9	53.8	73.7	65.0	56.6	15.9	14.1	12.5	23.1	23.0	23.5
Radico Khaitan	2,570	Buy	25.8	36.6	47.2	99.6	70.2	54.5	12.8	11.2	9.6	12.8	15.9	17.6
Tata Consumer	1,095	Buy	14.0	15.3	19.2	78.2	71.4	57.1	5.4	4.9	4.6	7.7	7.4	8.9
United Breweries	1,950	Neutral	17.7	25.4	34.8	110	77	56.1	11.8	10.9	9.9	10.9	14.8	18.5
United Spirits	1,401	Neutral	19.8	21.7	24.4	71	65	57.5	12.9	10.8	9.1	18.2	16.6	15.7
Varun Beverages	452	Buy	7.7	9.5	11.5	58.9	47.6	39.2	9.2	8.0	6.9	22.0	18.0	19.0
Consumer Durables						**48.7**	**47.3**	**38.9**	**8.0**	**7.9**	**6.8**	**16.4**	**16.6**	**17.5**
Havells India	1,548	Neutral	23.5	27.8	34.2	66.0	55.6	45.2	11.7	10.3	8.9	17.7	18.5	19.8
KEI Industries	3,811	Neutral	72.9	86.6	103.2	52.3	44.0	36.9	6.3	5.6	4.9	15.6	13.4	14.0
Polycab India	6,665	Buy	134.3	157.7	188.2	49.6	42.3	35.4	10.2	8.6	7.3	20.6	20.3	20.6
R R Kabel	1,386	Neutral	27.6	34.9	41.3	50.3	39.7	33.5	7.3	6.4	5.6	15.7	17.2	17.8
Voltas	1,326	Neutral	25.4	25.8	33.5	52.1	51.3	39.6	6.7	6.1	5.4	12.9	11.9	13.8
EMS						**90.3**	**70.6**	**48.1**	**12.4**	**12.1**	**9.7**	**13.7**	**17.1**	**20.2**
Amber Enterp.	7,083	Buy	72.0	105.3	162.6	98.4	67.3	43.6	10.5	9.1	7.5	11.2	14.5	18.9
Avalon Tech	823	Buy	9.6	14.9	25.2	85.9	55.4	32.6	8.9	7.7	6.2	10.9	14.9	20.9
Cyient DLM	475	Buy	9.3	13.7	20.0	51.0	34.8	23.7	4.0	3.6	3.1	8.0	10.8	14.0
Data Pattern	2,929	Neutral	39.6	49.7	64.5	74.0	58.9	45.4	10.9	9.2	7.7	15.7	16.9	18.4
Dixon Tech.	14,712	Buy	117.2	168.7	241.6	125.6	87.2	60.9	29.4	22.3	16.5	30.0	29.1	31.1
Kaynes Tech	6,141	Buy	45.8	84.3	132.4	134.1	72.8	46.4	13.9	11.6	9.3	11.0	17.4	22.3
Syrma SGS Tech.	586	Buy	9.7	14.7	21.1	60.7	39.8	27.7	6.0	5.3	4.5	10.2	14.0	17.4
Financials														
Banks-Private						**18.9**	**19.2**	**15.8**	**2.6**	**2.6**	**2.3**	**13.7**	**13.4**	**14.3**
AU Small Finance	836	Buy	29.8	35.8	50.2	28.1	23.4	16.7	3.7	3.3	2.8	14.3	14.8	18.0
Axis Bank	1,173	Neutral	85.3	88.1	109.1	13.8	13.3	10.8	2.0	1.8	1.6	15.9	14.3	15.5
Bandhan Bank	187	Neutral	17.0	18.1	24.6	11.0	10.3	7.6	1.2	1.2	1.1	11.9	11.7	14.8
DCB Bank	147	Buy	19.6	24.9	33.1	7.5	5.9	4.4	0.8	0.8	0.6	12.1	13.7	16.0
Equitas Small Fin.	69	Buy	1.3	3.2	7.8	53.6	22.0	8.9	1.3	1.3	1.2	2.4	5.9	13.7
Federal Bank	219	Buy	16.6	17.0	21.5	13.1	12.8	10.2	1.6	1.5	1.3	13.0	11.9	13.4
HDFC Bank	2,012	Buy	88.7	96.1	112.8	22.7	20.9	17.8	3.0	2.8	2.5	14.3	13.9	14.7
ICICI Bank	1,432	Buy	66.8	71.2	85.1	21.4	20.1	16.8	3.5	3.2	2.7	18.0	16.7	17.5
IDFC First Bank	77	Neutral	2.1	3.1	5.6	36.5	25.2	13.9	1.5	1.4	1.3	4.4	5.7	9.7
IndusInd Bank	879	Neutral	33.1	39.5	55.8	26.6	22.2	15.7	1.1	1.0	1.0	4.0	4.7	6.3
Kotak Mahindra Bank	2,184	Buy	110.4	109.4	130.2	19.8	20.0	16.8	2.8	2.5	2.2	12.8	12.7	13.5
RBL Bank	260	Buy	11.5	17.4	31.1	22.6	14.9	8.4	1.0	1.0	0.9	4.6	6.7	11.3
Banks-PSU						**7.3**	**8.1**	**7.0**	**1.2**	**1.2**	**1.1**	**16.2**	**14.7**	**15.2**
Bank of Baroda	247	Neutral	37.8	35.6	45.1	6.5	7.0	5.5	1.0	0.9	0.8	16.7	14.0	16.1
Canara Bank	115	Buy	18.8	18.6	21.0	6.1	6.2	5.5	1.1	1.0	0.9	19.9	17.2	17.6
Indian Bank	650	Buy	81.1	83.0	91.7	8.0	7.8	7.1	1.3	1.2	1.1	18.9	16.8	16.5
Punjab National Bank	113	Buy	14.8	15.4	18.4	7.6	7.4	6.1	1.1	0.9	0.8	15.3	14.0	14.9
State Bank	820	Buy	86.9	88.6	101.5	9.4	9.3	8.1	1.6	1.4	1.2	18.6	15.8	15.6
Union Bank	155	Buy	23.6	23.4	25.4	6.6	6.6	6.1	1.1	1.0	0.8	18.1	15.7	15.1

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Insurance						**18.4**	**20.2**	**17.7**	**5.2**	**5.0**	**4.0**	**28.4**	**24.6**	**22.8**
HDFC Life Insur.	810	Buy	8.4	10.0	11.8	96.7	81.1	68.7	3.1	2.7	2.3	16.7	16.9	17.0
ICICI Lombard	2,063	Buy	50.9	60.9	71.6	40.5	33.9	28.8	7.1	6.2	5.3	19.1	19.5	19.8
ICICI Pru Life	661	Buy	8.2	9.9	11.1	80.6	67.0	59.4	2.0	1.8	1.6	13.3	12.7	13.0
Life Insurance Corp.	971	Buy	76.1	82.5	93.4	12.8	11.8	10.4	0.8	0.7	0.6	6.8	11.7	11.5
Max Financial	1,655	Neutral	9.4	11.4	13.9	175.6	145.1	119.2	2.8	2.4	2.0	29.2	19.6	19.6
Niva Bupa Health	82	Buy	1.2	0.7	1.4	70.2	125.2	57.0	4.9	3.8	3.6	7.9	3.4	6.5
SBI Life Insurance	1,865	Buy	24.1	27.6	32.1	77.3	67.5	58.1	2.7	2.2	1.9	20.6	19.4	19.0
Star Health	424	Buy	11.0	13.4	17.9	38.6	31.7	23.7	3.5	3.2	2.8	9.5	10.6	12.6
NBFC - Lending						**17.3**	**15.4**	**12.7**	**2.5**	**2.3**	**2.0**	**14.4**	**15.1**	**16.0**
AAVAS Financiers	2,034	Neutral	72.5	85.2	101.0	28.0	23.9	20.1	3.7	3.2	2.8	14.1	14.4	14.7
Aditya Birla Cap	281	Buy	12.8	14.9	18.5	22.0	18.8	15.2	2.4	2.2	2.0	11.6	12.1	13.6
Bajaj Finance	937	Neutral	27.0	33.4	42.4	34.7	28.1	22.1	6.0	5.1	4.3	19.3	19.7	21.0
Can Fin Homes	791	Neutral	64.4	69.1	78.9	12.3	11.5	10.0	2.1	1.8	1.6	18.2	16.9	16.8
Chola. Inv & Fin.	1,599	Buy	50.6	63.7	81.6	31.6	25.1	19.6	5.7	4.4	3.6	19.7	20.0	20.4
CreditAccess	1,256	Buy	33.3	58.1	105.2	37.8	21.6	11.9	2.9	2.5	2.1	7.9	12.5	19.3
Five-Star Business	763	Buy	36.4	41.3	46.9	20.9	18.5	16.3	3.6	3.0	2.6	18.7	17.7	17.0
Fusion Finance	200	Neutral	-121.7	3.8	18.3	-1.6	52.3	10.9	1.2	1.5	1.2	-54.5	2.7	12.1
Home First Fin.	1,322	Buy	42.4	50.7	64.4	31.2	26.1	20.5	4.7	3.2	2.8	16.5	15.4	14.5
IIFL Finance	469	Buy	8.9	40.8	54.2	52.6	11.5	8.7	1.6	1.4	1.2	3.3	13.1	15.3
Indostar Capital	363	Buy	3.9	8.0	13.5	93.9	45.3	26.9	1.4	1.1	1.1	1.6	2.9	4.1
L&T Finance	208	Buy	10.6	12.5	16.5	19.6	16.6	12.6	2.0	1.9	1.7	10.8	11.6	13.9
LIC Housing Fin	612	Neutral	98.6	95.7	102.7	6.2	6.4	6.0	0.9	0.8	0.8	16.0	13.7	13.3
M & M Financial	267	Buy	19.0	20.2	25.0	14.1	13.2	10.7	1.7	1.5	1.4	12.4	12.6	13.3
Manappuram Finance	278	Neutral	14.2	12.6	23.8	19.5	22.1	11.7	1.9	1.6	1.5	10.0	8.3	13.8
MAS Financial	310	Buy	16.9	20.2	25.7	18.4	15.3	12.1	2.2	2.0	1.7	14.4	13.6	15.1
Muthoot Finance	2,643	Neutral	129.5	177.9	211.0	20.4	14.9	12.5	3.7	3.1	2.6	19.7	22.7	22.3
PFC	424	Buy	52.6	56.9	60.1	8.1	7.4	7.0	1.5	1.3	1.2	20.4	19.3	17.9
Piramal Enterprises	1,168	Neutral	21.5	61.1	106.3	54.3	19.1	11.0	1.0	0.9	0.9	1.8	5.0	8.2
PNB Housing	1,103	Buy	74.5	87.8	102.1	14.8	12.6	10.8	1.7	1.5	1.3	12.2	12.7	13.2
Poonawalla Fincorp	464	Buy	-1.3	12.8	22.7	-364.3	36.1	20.4	4.4	3.9	3.3	-1.2	11.5	17.7
REC	401	Buy	59.7	66.2	73.2	6.7	6.1	5.5	1.4	1.2	1.0	21.5	20.8	19.8
Repco Home Fin	439	Neutral	70.2	67.5	73.9	6.3	6.5	5.9	0.8	0.7	0.7	14.2	12.0	11.8
Shriram Finance	696	Buy	44.0	51.2	61.0	15.8	13.6	11.4	2.3	2.0	1.8	15.8	16.0	16.6
Spandana Sphoorty	281	Buy	-145.2	-116.7	23.3	-1.9	-2.4	12.1	0.8	1.1	1.0	-33.0	-37.5	8.8
NBFC - Non Lending						**34.2**	**39.8**	**33.4**	**8.6**	**10.3**	**9.2**	**25.1**	**26.0**	**27.5**
360 ONE WAM	1,175	Buy	25.8	31.0	36.1	45.5	37.9	32.5	6.5	6.1	5.9	19.3	16.7	18.5
Aditya Birla AMC	789	Buy	32.3	35.5	39.7	24.4	22.2	19.9	6.1	5.4	4.9	27.0	25.9	26.1
Anand Rathi Wealth	2,106	Neutral	36.2	40.9	51.4	58.2	51.5	41.0	26.0	18.8	13.8	45.5	42.3	38.8
Angel One	2,965	Buy	129.8	96.5	155.1	22.8	30.7	19.1	4.4	4.0	3.5	27.1	14.8	21.1
BSE	2,775	Neutral	32.4	46.7	53.9	85.6	59.5	51.5	25.5	19.2	14.9	29.8	32.2	29.0
Cams Services	4,245	Buy	94.8	103.0	119.8	44.8	41.2	35.4	18.6	15.7	13.4	45.7	41.4	40.8
CDSL	1,798	Neutral	25.1	31.3	34.9	71.7	57.4	51.6	21.3	17.4	14.7	32.5	33.5	31.0
HDFC AMC	5,146	Buy	115.2	130.1	148.0	44.7	39.5	34.8	13.5	12.4	11.4	32.4	32.8	34.3
KFin Technologies	1,334	Neutral	19.5	21.9	27.4	68.4	61.0	48.7	17.4	15.8	13.7	28.3	27.2	30.1
MCX	9,061	Neutral	110.1	174.2	212.3	82.3	52.0	42.7	24.5	22.4	20.2	34.3	44.9	49.8
Nippon Life AMC	807	Buy	20.4	23.5	27.2	39.6	34.3	29.7	12.1	11.9	11.6	31.4	34.9	39.6
Nuvama Wealth	8,276	Buy	276.9	340.0	401.4	29.9	24.3	20.6	8.4	7.1	6.1	30.8	31.9	32.0
Prudent Corp.	2,605	Neutral	47.3	53.7	69.7	55.1	48.5	37.4	80.8	62.3	48.3	34.1	29.0	29.1
UTI AMC	1,285	Buy	63.9	68.1	80.7	20.1	18.9	15.9	3.2	3.0	2.9	16.0	16.4	18.4
Healthcare						**36.3**	**33.7**	**29.3**	**5.3**	**4.8**	**4.2**	**14.5**	**14.3**	**14.5**
Ajanta Pharma	2,506	Buy	74.1	81.5	95.9	33.8	30.8	26.1	8.4	7.0	5.8	25.5	24.5	24.2
Alembic Pharma	1,015	Neutral	29.1	35.5	44.0	34.8	28.6	23.0	3.8	3.5	3.1	11.5	12.6	13.9
Alkem Lab	4,852	Neutral	181.1	188.3	189.4	26.8	25.8	25.6	4.8	4.3	3.9	19.4	17.7	15.9
Apollo Hospitals	7,494	Buy	100.6	120.5	153.8	74.5	62.2	48.7	12.7	10.6	8.7	19.1	19.2	20.2
Aurobindo Pharma	1,133	Buy	61.0	69.1	83.3	18.6	16.4	13.6	2.0	1.8	1.6	11.3	11.6	12.5
Biocon	362	Buy	2.0	4.4	9.3	177.4	81.9	39.1	2.0	2.0	1.9	1.2	2.4	4.9
Blue Jet Healthcare	845	Buy	17.6	26.9	34.3	48.0	31.4	24.7	12.9	9.4	6.9	30.9	34.6	32.2
Cipla	1,516	Neutral	62.8	64.1	65.3	24.2	23.7	23.2	3.9	3.4	3.0	16.2	14.4	12.9
Divis Labs	6,851	Neutral	81.2	101.1	124.3	84.4	67.7	55.1	12.1	10.8	9.5	15.1	16.9	18.4
Dr Agarwals Health.	405	Buy	2.6	3.8	5.1	153.1	106.2	79.2	6.8	6.4	5.9	5.2	6.2	7.8
Dr Reddy' s Labs	1,277	Neutral	67.3	67.5	65.3	19.0	18.9	19.5	3.2	2.7	2.4	18.2	15.5	13.1

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Eris Lifescience	1,667	Neutral	25.6	38.1	54.5	65.1	43.7	30.6	8.0	6.9	5.8	12.9	17.0	20.6
Gland Pharma	1,877	Buy	42.4	50.9	66.5	44.3	36.8	28.2	3.4	3.1	2.8	7.8	8.8	10.4
Glenmark Pharma	1,754	Buy	47.7	57.9	72.6	36.8	30.3	24.2	5.6	4.8	4.0	16.1	17.0	18.1
Global Health	1,151	Buy	19.8	22.4	31.2	58.2	51.4	36.9	9.1	8.0	6.8	16.9	16.6	19.8
Granules India	489	Buy	19.7	23.8	31.0	24.8	20.6	15.8	3.2	2.8	2.4	13.8	14.5	16.3
GSK Pharma	3,351	Neutral	54.7	61.8	69.8	61.2	54.2	48.0	29.1	22.4	17.5	47.5	41.4	36.4
IPCA Labs.	1,372	Buy	36.0	44.1	54.2	38.1	31.1	25.3	5.0	4.4	3.8	13.7	15.1	16.2
Laurus Labs	746	Buy	5.8	10.5	14.4	128.5	70.9	51.9	8.7	7.9	7.0	7.2	11.7	14.3
Lupin	1,961	Neutral	71.6	89.2	95.0	27.4	22.0	20.6	5.2	4.1	3.4	20.8	20.9	18.2
Mankind Pharma	2,289	Buy	49.2	47.6	64.8	46.6	48.1	35.3	6.6	6.0	5.3	17.1	13.0	15.9
Max Healthcare	1,280	Buy	15.1	21.0	25.0	84.7	61.0	51.1	11.8	10.0	8.5	14.8	17.7	18.0
Piramal Pharma	205	Buy	0.7	1.1	2.5	297.4	187.4	81.1	3.0	3.0	2.8	1.1	1.8	4.0
Sun Pharma	1,667	Buy	47.1	54.0	63.3	35.4	30.9	26.3	5.5	4.9	4.2	16.6	16.8	17.2
Torrent Pharma	3,416	Neutral	57.8	70.3	87.4	59.1	48.6	39.1	7.6	6.3	5.3	27.1	28.5	29.4
Zydus Lifesciences	1,001	Neutral	46.0	43.6	41.3	21.8	23.0	24.3	4.2	3.6	3.2	21.2	16.9	14.0
Infrastructure						**24.4**	**21.6**	**15.8**	**1.4**	**1.5**	**1.3**	**5.7**	**6.7**	**8.5**
G R Infraproject	1,323	Buy	74.7	78.0	107.3	17.7	17.0	12.3	1.6	1.5	1.3	9.6	9.1	11.3
IRB Infra	50	Neutral	1.1	2.0	2.8	44.3	24.9	18.0	1.5	1.4	1.3	4.0	5.9	7.7
KNR Constructions	220	Neutral	14.0	10.8	14.2	15.7	20.3	15.5	1.6	1.5	1.3	11.0	7.4	9.0
Logistics						**27.4**	**25.6**	**21.7**	**4.4**	**4.4**	**3.7**	**16.0**	**17.0**	**17.2**
Adani Ports	1,447	Buy	50.2	63.2	73.4	28.8	22.9	19.7	5.0	4.2	3.6	18.8	20.0	19.6
Blue Dart Express	6,854	Buy	103.1	145.7	191.0	66.5	47.0	35.9	10.0	8.5	7.1	16.0	19.6	21.5
Concor	597	Buy	17.0	19.7	23.7	35.0	30.3	25.2	3.7	3.4	3.2	10.7	11.7	13.1
JSW Infra	314	Buy	7.0	7.5	9.4	45.0	41.7	33.3	6.7	6.0	5.2	16.3	15.4	16.7
Mahindra Logistics	345	Neutral	-5.0	10.1	21.3	-68.9	34.3	16.2	5.6	5.0	3.9	-7.5	15.0	26.5
TCI Express	764	Neutral	22.4	28.2	34.2	34.1	27.0	22.3	3.8	3.5	3.1	11.7	13.5	14.7
Transport Corp.	1,138	Buy	53.5	57.5	66.6	21.3	19.8	17.1	4.1	3.5	2.9	19.5	18.6	18.4
VRL Logistics	586	Buy	20.9	26.5	29.2	28.0	22.1	20.1	4.7	4.3	4.0	18.0	20.5	20.6
Media						**18.8**	**16.6**	**14.9**	**1.5**	**1.5**	**1.4**	**7.8**	**8.8**	**9.2**
PVR Inox	965	Neutral	-15.4	12.9	24.0	-62.5	74.7	40.3	1.3	1.3	1.3	-2.1	1.8	3.2
Sun TV	595	Neutral	43.4	45.2	47.6	13.7	13.2	12.5	2.1	1.9	1.7	15.0	14.2	13.7
Zee Entertainment	142	Neutral	8.2	9.3	10.5	17.4	15.4	13.5	1.2	1.1	1.1	7.0	7.5	8.1
Metals						**14.5**	**12.3**	**9.9**	**2.4**	**2.2**	**1.9**	**16.8**	**17.8**	**19.3**
Coal India	390	Buy	57.4	57.8	66.4	6.8	6.7	5.9	2.4	2.1	1.8	35.7	30.6	30.0
Hindalco	694	Buy	74.8	69.6	73.7	9.3	10.0	9.4	1.6	1.4	1.2	18.8	14.9	13.8
Hindustan Zinc	450	Neutral	24.7	28.8	31.0	18.2	15.7	14.5	14.3	9.3	6.7	73.2	72.1	53.6
Jindal Stainless	707	Buy	30.5	36.2	44.5	23.2	19.5	15.9	3.5	3.0	2.6	15.1	15.4	16.1
JSPL	948	Buy	41.4	54.4	93.1	22.9	17.4	10.2	2.0	1.8	1.6	9.1	11.1	16.7
JSW Steel	1,029	Buy	15.6	48.6	74.1	66.1	21.2	13.9	3.2	2.8	2.3	4.8	14.0	18.3
Nalco	190	Neutral	28.7	17.9	20.4	6.6	10.7	9.3	2.0	1.7	1.5	32.7	17.2	17.0
NMDC	68	Buy	7.4	8.3	9.3	9.1	8.2	7.3	2.0	1.7	1.5	23.6	22.7	21.9
SAIL	133	Neutral	3.2	7.1	13.5	41.1	18.7	9.8	0.9	0.9	0.8	2.3	4.9	8.8
Tata Steel	160	Neutral	3.4	8.7	13.0	47.5	18.3	12.3	2.3	2.3	2.1	4.9	12.6	17.8
Vedanta	466	Neutral	34.8	40.3	47.3	13.4	11.6	9.8	4.4	3.7	3.1	37.0	35.1	34.5
Oil & Gas						**17.0**	**16.6**	**16.3**	**1.7**	**1.7**	**1.6**	**9.7**	**10.5**	**9.9**
Aegis Logistics	745	Neutral	18.9	20.9	23.0	39.4	35.6	32.4	5.6	5.1	4.6	15.6	15.1	15.1
BPCL	332	Neutral	31.8	36.5	27.5	10.4	9.1	12.1	1.7	1.5	1.4	17.3	17.9	12.1
Castrol India	225	Buy	9.4	9.6	9.9	24.0	23.5	22.6	9.8	9.0	8.3	42.1	39.8	38.3
GAIL	190	Buy	14.4	14.2	15.5	13.2	13.3	12.3	1.7	1.5	1.4	9.5	12.7	12.6
Gujarat Gas	480	Buy	16.6	18.3	21.3	28.8	26.2	22.5	3.9	3.6	3.2	14.2	14.2	15.0
Gujarat State Petronet	335	Neutral	14.3	12.6	13.6	23.4	26.6	24.7	1.8	1.7	1.6	7.7	6.4	6.6
HPCL	441	Buy	31.6	57.0	44.1	13.9	7.7	10.0	1.8	1.6	1.5	13.7	22.0	15.2
Indraprastha Gas	216	Buy	10.5	11.3	12.7	20.6	19.2	17.0	3.3	3.0	2.7	16.5	16.2	16.5
IOC	147	Buy	7.8	13.6	11.1	19.0	10.8	13.2	1.1	1.0	1.0	5.8	9.7	7.5
Mahanagar Gas	1,491	Buy	105.8	111.8	118.7	14.1	13.3	12.6	2.5	2.2	2.0	18.9	17.8	17.0
MRPL	143	Sell	0.3	11.6	11.3	495.0	12.3	12.6	1.9	1.7	1.6	0.4	14.8	12.9
Oil India	434	Buy	37.6	34.3	36.6	11.6	12.7	11.9	1.6	1.4	1.3	13.7	11.8	11.6
ONGC	243	Buy	30.6	31.4	33.5	8.0	7.7	7.3	0.9	0.8	0.8	11.3	11.1	11.0
Petronet LNG	300	Buy	26.2	26.6	31.0	11.5	11.3	9.7	2.3	2.1	1.8	21.6	19.4	20.0
Reliance Inds.	1,528	Buy	51.5	59.9	66.4	29.7	25.5	23.0	4.9	2.3	2.1	8.5	9.2	9.4
Real Estate						**43.5**	**36.7**	**32.5**	**4.2**	**4.4**	**3.9**	**9.7**	**12.1**	**12.1**
Anant Raj	565	Buy	12.4	14.7	13.0	45.6	38.6	43.6	4.7	4.2	3.8	10.2	10.8	8.8

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Brigade Enterpr.	1,095	Buy	33.6	44.9	64.2	32.6	24.4	17.1	4.0	3.4	2.9	15.0	15.1	18.3
DLF	843	Buy	17.6	19.1	15.6	47.8	44.2	54.2	3.5	3.2	3.0	10.7	10.6	8.0
Godrej Properties	2,315	Buy	50.0	89.2	86.7	46.3	26.0	26.7	3.7	3.3	2.9	10.2	13.4	11.5
Kolte Patil Dev.	493	Buy	14.1	48.7	45.2	35.0	10.1	10.9	4.5	3.1	2.4	13.6	36.4	25.0
Macrotech Developers	1,391	Buy	28.7	37.9	40.2	48.5	36.7	34.6	6.6	5.7	5.0	14.6	16.7	15.4
Mahindra Lifespace	362	Neutral	4.0	3.3	16.8	91.6	111.2	21.5	3.0	2.9	2.6	3.3	2.7	13.0
Oberoi Realty	1,912	Neutral	61.2	79.4	96.9	31.2	24.1	19.7	4.4	3.8	3.2	15.1	17.0	17.7
Phoenix Mills	1,547	Neutral	27.5	43.8	59.0	56.2	35.4	26.2	5.3	4.6	3.9	9.9	14.0	16.3
Prestige Estates	1,637	Buy	13.6	22.6	25.9	120.3	72.6	63.3	4.0	3.8	3.6	3.8	5.3	5.8
SignatureGlobal	1,248	Buy	7.2	55.7	125.3	173.5	22.4	10.0	24.1	11.6	5.4	14.9	70.0	73.6
Sobha	1,492	Buy	8.9	33.7	50.6	168.5	44.2	29.5	3.5	3.3	3.0	2.7	7.6	10.5
Sunteck Realty	441	Buy	10.3	12.2	26.1	42.9	36.3	16.9	2.0	1.9	1.7	4.7	5.3	10.6
Retail						**98.2**	**84.7**	**67.5**	**12.4**	**12.6**	**11.0**	**12.7**	**14.9**	**16.3**
Aditya Birla Fashion	74	Neutral	-6.1	-4.5	-3.4	-12.1	-16.5	-22.0	1.1	1.2	1.3	-13.0	-8.4	-6.8
Aditya Birla Lifestyle	156	Neutral	1.3	2.1	3.0	120.7	74.4	52.5	14.9	12.4	10.1	12.4	18.2	21.2
Avenue Supermarts	4,452	Buy	41.6	47.3	56.6	107.0	94.2	78.7	13.5	11.8	10.3	13.5	13.4	14.0
Barbeque Nation	315	Neutral	-6.9	-5.5	-4.8	-45	-57	-65.4	3.4	3.6	3.8	-7.5	-6.3	-5.8
Bata India	1,232	Neutral	19.4	23.7	27.6	63.4	52.0	44.7	10.1	9.2	8.3	16.1	18.4	19.5
Campus Activewear	278	Buy	4.0	5.1	6.7	70.2	54.4	41.3	11.2	9.3	7.6	16.0	17.1	18.4
Devyani Intl.	169	Buy	0.2	0.5	1.3	901.8	349.0	129.3	18.6	30.3	38.7	2.1	6.6	26.3
Go Fashion	882	Buy	17.3	19.1	23.9	51.0	46.1	36.8	10.0	8.9	7.9	14.4	13.2	14.7
Jubilant Foodworks	709	Neutral	3.6	6.1	9.2	198.8	115.9	77.1	22.3	22.1	21.1	11.2	19.0	27.3
Kalyan Jewellers	570	Buy	7.8	10.7	13.0	72.9	53.0	43.9	12.2	10.5	9.1	17.9	21.3	22.3
Metro Brands	1,136	Buy	13.9	16.2	19.7	81.5	70.2	57.8	17.6	15.1	12.9	21.2	23.8	24.7
P N Gadgil Jewellers	605	Buy	17.4	21.4	27.5	34.7	28.3	22.0	5.3	4.4	3.7	22.6	17.1	18.4
Raymond Lifestyle	1,284	Buy	16.5	48.8	68.7	77.8	26.3	18.7	0.8	0.8	0.8	2.3	6.6	8.7
Relaxo Footwear	439	Sell	6.8	7.9	9.3	64.1	55.3	47.0	5.2	4.9	4.5	8.3	9.1	10.0
Restaurant Brands	83	Buy	-4.0	-2.4	-0.4	-20.8	-35.1	-198.4	5.4	6.4	6.6	-30.6	-16.7	-3.3
Sapphire Foods	327	Buy	1.0	1.6	3.2	327.9	201.0	102.3	7.5	7.2	6.8	2.3	3.7	6.8
Senco Gold	341	Neutral	12.4	14.2	16.7	27.6	24.1	20.4	2.8	2.6	2.3	12.1	11.2	11.9
Shoppers Stop	501	Neutral	0.6	0.4	-1.3	819	1,381	-374.2	16.2	12.2	12.7	2.0	1.2	-4.4
Titan Company	3,700	Buy	42.3	53.5	63.3	87.5	69.1	58.5	28.3	22.0	17.4	35.8	35.9	33.3
Trent	6,141	Buy	43.2	53.2	64.8	142	116	94.8	37.4	28.5	22.1	32.2	30.0	28.1
V-Mart Retail	852	Neutral	2.6	15.7	21.9	328	54	38.9	8.3	7.2	6.1	2.6	14.2	17.0
Vedant Fashions	815	Neutral	16.0	17.4	18.9	51	47	43.1	11.4	10.1	9.0	22.9	20.9	20.3
Westlife Foodworld	769	Neutral	0.8	2.2	4.9	982	348.7	157.2	19.9	18.3	16.4	2.0	5.5	11.0
Staffing						**24.9**	**15.1**	**12.7**	**3.6**	**2.5**	**2.2**	**14.4**	**16.7**	**17.6**
Quess Corp	300	Neutral	15.2	15.2	17.6	19.8	19.7	17.0	3.1	3.6	4.3	11.6	22.5	30.5
SIS	371	Buy	22.0	32.2	38.9	16.8	11.5	9.5	1.1	0.9	0.7	13.2	17.6	17.8
Team Lease Serv.	2,011	Buy	64.9	100.4	119.4	31.0	20.0	16.8	3.7	3.1	2.7	12.7	16.8	16.9
Updater Services	293	Buy	17.7	21.0	24.8	16.5	14.0	11.8	2.0	1.8	1.5	13.1	13.6	13.9
Technology						**26.5**	**25.1**	**22.9**	**7.4**	**7.4**	**7.1**	**28.1**	**29.4**	**31.1**
Coforge	1,921	Buy	25.0	48.9	60.2	76.7	39.3	31.9	10.0	9.0	7.9	13.9	19.0	21.2
Cyient	1,294	Sell	55.4	69.3	82.0	23.4	18.7	15.8	2.7	2.5	2.4	12.1	13.0	14.6
HCL Technologies	1,718	Buy	63.9	69.5	76.4	26.9	24.7	22.5	6.7	6.8	6.9	25.2	27.4	30.4
Hexaware Tech.	846	Buy	19.3	24.2	28.5	43.9	35.0	29.7	9.6	8.4	7.4	23.5	26.1	26.9
Infosys	1,608	Neutral	63.8	68.0	73.2	25.2	23.6	22.0	7.0	6.9	6.9	28.8	29.4	31.6
LTIMindtree	5,307	Buy	155.3	175.9	199.5	34.2	30.2	26.6	6.9	6.1	5.4	23.3	21.5	21.5
L&T Technology	4,354	Neutral	119.0	135.1	159.3	36.6	32.2	27.3	7.6	6.6	5.7	22.0	21.8	22.3
MphasiS	2,881	Neutral	89.3	99.7	110.9	32.3	28.9	26.0	5.7	5.3	4.9	18.5	19.0	19.6
Persistent Systems	6,037	Buy	90.2	117.1	144.1	66.9	51.6	41.9	14.7	12.6	10.6	24.8	26.6	27.8
TCS	3,429	Buy	134.2	141.8	152.8	25.6	24.2	22.4	13.1	12.6	12.1	52.4	53.1	54.9
Tech Mahindra	1,671	Buy	47.9	61.4	78.1	34.9	27.2	21.4	5.4	5.3	5.1	15.7	19.6	24.2
Wipro	264	Sell	12.5	12.4	12.9	21.1	21.3	20.5	3.3	3.3	3.2	16.6	15.5	15.9
Zensar Tech	840	Neutral	28.4	31.2	34.9	29.6	26.9	24.1	4.7	4.3	4.0	17.0	16.9	17.4
Telecom						**-452**	**239**	**77.3**	**15.3**	**13.4**	**12.7**	**-3.4**	**5.6**	**16.5**
Bharti Airtel	2,019	Buy	30.3	48.1	63.7	66.6	42.0	31.7	9.9	8.6	6.6	18.0	22.7	25.7
Bharti Hexacom	2,006	Neutral	25.6	38.3	55.5	78.3	52.4	36.2	16.9	13.7	11.0	24.2	28.8	33.7
Indus Towers	420	Neutral	18.4	26.0	29.1	22.9	16.2	14.4	3.5	2.9	3.3	16.3	19.1	20.7
Tata Comm	1,728	Neutral	28.7	54.0	70.5	60.1	32.0	24.5	16.3	13.0	9.6	34.1	45.1	45
Vodafone Idea	7	Sell	-3.8	-2.9	-2.9	-1.9	-2.6	-2.6	-0.3	-0.4	-0.2	NM	NM	NM
Utilities						**22**	**18**	**16.2**	**2.7**	**2.5**	**2.3**	**12.5**	**14.0**	**14.2**

Ready reckoner: Full year valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
ACME Solar	249	Buy	4.5	7.5	10.3	55.2	33.3	24.3	3.3	3.0	2.7	7.7	9.5	11.8
Indian Energy Exch.	193	Neutral	4.7	5.1	5.9	41.5	37.7	32.7	15.7	13.4	11.5	40.5	38.4	37.9
Inox Wind	173	Buy	3.5	5.8	8.4	49.4	29.6	20.5	4.5	3.9	3.3	11.6	14.0	17.3
JSW Energy	527	Buy	10.7	12.6	16.9	49.4	41.7	31.2	3.4	3.1	2.9	7.7	7.8	9.6
NTPC	333	Neutral	20.3	25.8	28.0	16.4	12.9	11.9	1.8	1.7	1.5	11.7	13.6	13.6
Power Grid Corp.	298	Buy	16.7	19.0	19.9	17.8	15.7	14.9	3.0	2.8	2.6	17.3	18.4	17.9
Suzlon Energy	67	Buy	1.1	1.7	2.3	62.4	40.2	28.7	15.0	10.9	7.9	29.4	31.5	32.0
Tata Power	406	Buy	12.3	15.0	17.1	33.2	27.1	23.8	3.6	3.2	2.8	11.5	12.6	12.6
Others						**71.5**	**50.5**	**36.7**	**6.3**	**6.1**	**5.3**	**8.8**	**12.1**	**14.5**
APL Apollo Tubes	1,760	Buy	27.3	43.3	57.7	64.5	40.6	30.5	11.6	9.3	7.3	19.4	25.4	26.8
Astral	1,495	Buy	19.5	23.8	30.4	76.4	62.5	49.0	8.3	7.3	6.2	15.4	16.5	18.3
Cello World	605	Buy	15.3	16.5	21.9	39.4	36.7	27.7	5.9	5.1	4.5	15.6	14.5	17.6
Coromandel International	2,325	Buy	61.3	78.0	91.5	38.0	29.8	25.4	6.2	5.3	4.5	17.6	19.1	19.1
Dreamfolks Services	236	Buy	11.9	15.2	19.0	19.8	15.5	12.4	4.1	3.3	2.6	24.2	24.3	23.8
EPL	243	Buy	11.3	14.1	16.7	21.4	17.2	14.5	3.3	2.9	2.6	16.3	18.0	18.8
Eternal	261	Buy	0.6	1.8	5.3	443.9	142.3	49.3	7.7	7.3	6.4	2.1	5.3	13.8
Godrej Agrovet	786	Buy	22.4	29.7	36.7	35.1	26.5	21.4	6.3	8.3	6.0	17.5	27.1	32.5
Gravita India	1,849	Buy	42.3	58.8	73.0	43.7	31.4	25.3	6.6	5.5	4.5	21.5	19.0	19.5
Indiamart Inter.	2,597	Buy	91.7	82.3	92.9	28.3	31.6	27.9	7.1	6.0	5.2	28.1	20.6	19.9
Indian Hotels	762	Buy	11.8	13.7	16.8	64.5	55.6	45.3	9.7	8.3	7.1	16.3	16.1	16.9
Info Edge	1,450	Neutral	11.9	16.8	20.2	121.6	86.3	71.8	3.4	3.3	3.2	2.7	3.9	4.5
Interglobe Aviation	5,966	Buy	188.1	280.0	259.9	31.7	21.3	23.0	24.6	11.7	7.9	129.1	75.0	41.3
Kajaria Ceramics	1,075	Buy	21.8	24.5	31.7	49.3	43.9	33.9	6.2	5.8	5.3	12.8	13.5	16.1
Lemon Tree Hotel	139	Buy	2.5	3.7	4.5	55.4	37.9	31	9.4	7.5	6.0	18.5	22.0	21.6
MTAR Tech	1,590	Buy	17.2	32.7	53.7	92.5	48.6	30	6.7	5.9	4.9	7.5	12.9	18.1
One 97 Comm.	930	Neutral	-10.4	2.9	12.9	-89.5	316.9	72	4.0	4.0	4.0	-4.7	1.3	5.6
Prince Pipes	371	Buy	3.9	9.6	15.8	92.9	38.0	23.1	1.0	1.0	0.9	2.8	6.5	10.0
SBI Cards	932	Neutral	20.2	28.5	38.0	46.2	32.7	24.6	6.4	5.5	4.5	14.8	18.1	20.2
Supreme Inds.	4,374	Buy	75.6	92.2	121.3	56.5	46.4	35.2	9.6	8.5	7.2	17.8	19.4	22.2
Swiggy	394	Neutral	-13.6	-19.0	-12.3	-28.9	-20.7	-32	8.8	15.3	29.4	-34.6	-54.0	-63.1
Time Technoplast	439	Buy	17.1	21.4	26.3	25.6	20.5	17	3.4	3.0	2.6	14.3	15.7	16.8
UPL	671	Neutral	25.0	39.7	57.5	26.8	16.9	11.7	1.2	1.1	1.0	7.1	10.1	13.4

Sectors & Companies

BSE Sensex: 83,433 **Nifty 50: 25,461** **July 2025**

Sector and Companies Preview Compendium

- Automobiles
- Capital Goods
- Cement
- Chemicals-Specialty
- Consumer
- Consumer Durables
- EMS
- Financials – Banks
- Financials – NBFC: Lending
- Financials – NBFC: Non Lending
- Healthcare
- Infrastructure
- Logistics
- Metals
- Oil & Gas
- Real Estate
- Retail
- Technology
- Telecom
- Utilities
- Others

Note: In our quarterly performance tables, our four-quarter numbers may not always add up to the full-year numbers. This is because of differences in classification of account heads in the company's quarterly and annual results or because of differences in the way we classify account heads as opposed to the company. **All stock prices and indices as on 1 July 2025, unless otherwise stated.**

Automobiles

Company
Amara Raja Energy Mobility
Ashok Leyland
Apollo Tyres
Bajaj Auto
Balkrishna Industries
Bharat Forge
BOSCH
Ceat
CIE Automotive
Craftsman Automation
Eicher Motors
Endurance Technologies
Escorts
Exide Industries
Happy Forgings
Hero MotoCorp
Mahindra & Mahindra
Maruti Suzuki
samvardhana motherson
Motherson Wiring
MRF
Sona BLW Precision Ltd
Tata Motors
TVS Motor Company
Tube Investments

Margins likely to be under pressure

Domestic demand continues to be weak across segments

- **Auto OEMs in our coverage universe are expected to deliver just 2% YoY volume growth in 1QFY26. Among the listed companies, 2Ws/PV OEMs posted 1% aggregate volume growth each, whereas CV volumes were down 2% YoY.**
- **For our OEM coverage universe, revenue is likely to be flat YoY, while EBITDA/PAT are likely to decline 14%/12% YoY. Excluding TTMT, EBITDA/PAT for our coverage universe may decline by 1%/3% YoY.**
- **For auto ancillaries, we expect our coverage universe to post ~6% growth in revenue, flat EBITDA and a decline of 3% YoY in PAT in 1Q.**
- **TVS (+28%) and MM (+18%) in OEMs and Craftsman (+24%) and Endurance (+12%) in Auto Ancs are likely to outperform peers in 1Q.**
- **Overall earnings cut has been moderate in 1Q. The only sharp earnings cut has been in SONABLW (19% for FY26) due to the continued weakness in demand relative to expectations.**

Demand remains weak in most of the key segments, except tractors

Auto OEMs in our coverage universe posted 1.5% YoY volume growth in 1QFY26. Among the listed companies, 2Ws/PV OEMs reported 1% volume growth, whereas CV volumes were down 2% YoY. In 2Ws, listed OEMs saw 4% YoY decline in domestic market, while exports jumped 25% YoY. RE and TVS continued to outperform peers, with 18% and 17% growth, respectively. On the other hand, BJAUT 2W sales were flat YoY (domestic down 9%, exports up 14%) and HMCL volumes were down 11% YoY. In PVs, MM was the only player that reported strong double-digit growth in UVs at 22% YoY on the back of new launches. MSIL posted just 1% growth YoY, supported by strong 37% YoY growth in exports. On the other hand, TTMT/Hyundai recorded 10%/6% YoY decline in volumes. Discounts also increased QoQ in 1Q as per our channel checks. In CVs, VECV continued to outperform peers with 10% YoY growth in 1Q. On the other hand, AL CV volumes inched up 1% YoY, TTMT CV volumes were down 6% YoY in 1Q. In tractors — the only segment that saw steady demand, the two listed entities posted an aggregate 8.5% YoY growth in 1Q. Here again, MM (+10% YoY) continued to outperform Escorts (+1% YoY).

Margin pressure likely to be visible from 1Q

For our OEM coverage universe, revenue is likely to be flat YoY, while EBITDA/PAT may decline 14%/12% YoY in 1Q. The earnings decline is largely attributed to an expected sharp margin pressure for TTMT, especially in JLR, given the current global headwinds. Excl. TTMT, EBITDA/PAT of our coverage universe may decline 1%/3% YoY. Aggregate EBITDA margin for our coverage universe is estimated to decline 200bp YoY. Excl. TTMT, aggregate EBITDA margin may contract 100bp YoY. Margin pressure stems from a gradual rise in input costs, weak demand and higher discounts. Among our coverage companies, margins are likely to improve only for TVS (+50bp) and AL (+20bp), whereas they are expected to be under pressure for all other OEMs. Among the worst hit companies are TTMT (JLR down 400bp YoY), MSIL (-210bp), Hyundai (-150bp) and EIM (-300bp). For auto ancillaries, we expect our coverage universe to post ~6% growth in revenue, flat EBITDA and a decline of 3% YoY in PAT in 1Q.

Research analyst - Aniket Mhatre (Aniket.Mhatre@MotilalOswal.com)

Estimated hits and misses in 1QFY26

We expect our auto OEM coverage universe (ex-TTMT), to post 3% YoY decline. TVS (+28%) and MM (+18%) are likely to outperform peers in 1Q. Underperformers for 1Q include TTMT (PAT decline of 34%), Hyundai (-19%) and MSIL (-19%). Our ancillary coverage universe should deliver 3% YoY decline in PAT. Among the laggards are: Sona (-30%), Amara (-15%), CIE (-12%) and BKT and MRF (both -10%). Craftsman (+24%) and Endurance (+12%) are likely to outperform peers in 1Q.

Earnings cuts have been moderate in this quarter

Overall earnings cut has been moderate in this quarter. The only sharp earnings cut has been in SONABLW (19% for FY26) due to the continued weakness in demand relative to expectations.

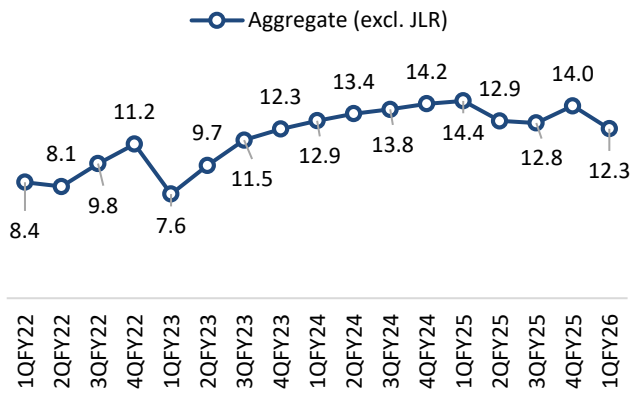
Two Wheeler segment lags growth expectations in 1Q

Except for tractors, which continued to witness healthy demand, all other segments continued to see a subdued demand environment. In fact, the domestic 2W industry is lagging expectations having posted 4% YoY decline in 1Q. Given the global tariff war, there is likely to be prolonged uncertainty on the global automotive demand outlook, especially for ancillary companies with high global exposure, as global OEMs look to adjust their supply chains to the new reality. MSIL remains our top OEM pick. While its 1Q earnings are expected to be weak, we expect the same to revive in the balance 9M on the back of its new launches and ramp-up in exports. We also like MM for its continued outperformance both in UVs and tractors. In the auto ancillary space, we prefer ENDU and HAPPYFORG for their strong order backlog and ability to outperform core segments.

Exhibit 1: Summary of 1QFY26 earnings estimates

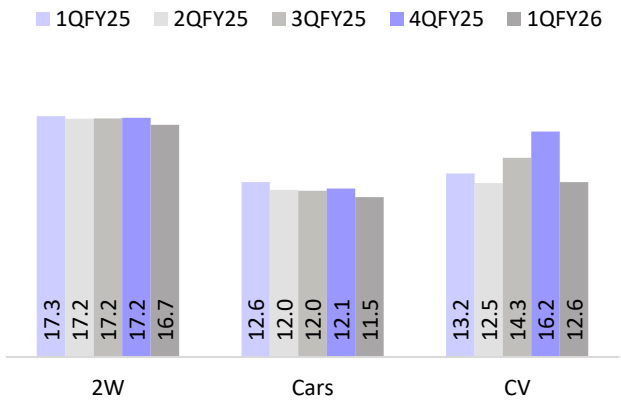
Sector	CMP (INR)	RECO	SALES (INR M)			EBITDA (INR M)			NET PROFIT (INR M)		
			June-25	Var % YoY	Var % QoQ	June-25	Var % YoY	Var % QoQ	June-25	Var % YoY	Var % QoQ
Amara Raja Energy	962	Neutral	32,564	4.0	9.5	3,908	-9.2	14.2	2,087	-14.7	25.1
Apollo Tyres	448	Buy	67,102	5.9	4.5	8,710	-4.2	4.0	3,197	-3.5	18.1
Ashok Leyland	252	Buy	87,961	2.3	-26.1	9,500	4.3	-47.0	5,751	9.4	-54.2
Bajaj Auto	8397	Neutral	1,22,679	2.8	1.0	24,164	0.0	-1.4	19,843	-0.2	-3.2
Balkrishna Inds	2478	Neutral	28,082	2.4	-1.0	7,049	-1.2	0.2	4,286	-10.2	18.3
Bharat Forge	1284	Neutral	22,632	-3.2	4.6	6,360	-2.4	3.1	3,961	4.6	9.8
Bosch	32333	Neutral	46,190	7.0	-5.9	5,681	9.3	-12.2	4,909	5.5	-11.3
CEAT	3658	Buy	35,440	11.0	3.6	4,076	6.4	5.0	1,569	5.6	23.8
CIE Automotive	445	Buy	21,911	-4.4	-3.6	3,184	-11.5	-5.1	1,904	-12.0	-7.6
Craftsman Auto	5704	Neutral	17,026	47.9	-2.7	2,469	25.1	1.3	659	23.9	-12.1
Eicher Motors	5716	Sell	49,657	13.0	-5.3	11,681	0.2	-7.1	10,638	-3.4	-21.9
Endurance Tech.	2885	Buy	32,216	14.0	8.7	4,350	16.3	3	2,280	11.8	-3.3
Escorts Kubota	3319	Neutral	26,100	2.1	7.4	3,210	1.3	9.6	3,101	16.5	14.4
Exide Inds.	386	Neutral	44,421	3.0	6.8	5,064	2.4	8.5	2,849	1.9	11.9
Happy Forgings	953	Buy	3,585	5.0	1.9	1,033	5.8	1.0	668	4.6	-1.5
Hero Motocorp	4229	Buy	96,654	-4.7	-2.7	13,341	-8.6	-5.8	10,450	-6.9	-3.3
Hyundai Motor	2240	Buy	1,66,174	-4.2	-7.4	19,953	-14.7	-21.2	12,124	-18.6	-24.9
Mahindra & Mahindra	3176	Buy	3,30,571	22.3	5.4	47,336	17.7	1.1	30,737	17.6	26.1
Maruti Suzuki	12443	Buy	3,59,394	1.1	-11.6	37,866	-15.9	-11.2	29,519	-19.1	-20.5
Samvardhana Motherson	152	Buy	3,05,911	6.0	4.3	27,767	0.1	5.1	9,690	-2.5	-3.4
Motherson Wiring	60	Buy	24,033	10.0	-4.2	2,625	10.0	-3.2	1,597	7.3	-3.2
MRF	142408	Sell	73,610	4.0	6.0	11,041	-3.0	5.9	5,075	-9.8	1.9
Sona BLW Precis.	476	Neutral	8,045	-9.9	-5.3	1,931	-23.1	-10.6	988	-30.3	-32.9
Tata Motors	684	Neutral	9,97,102	-7.7	-16.6	1,09,085	-29.7	-34.4	36,326	-34.4	-59.1
Tube Investments	3088	Buy	20,604	5.1	5.3	2,466	2.8	8.2	1,606	4.0	-38.3
TVS Motor	2892	Neutral	1,00,361	19.8	6.9	12,043	25.4	2.9	7,412	28.4	7.4
Automobiles			**31,20,026**	**1.3**	**-7.2**	**3,85,893**	**-11.0**	**-16.1**	**2,13,226**	**-10.2**	**-24.2**

Exhibit 2: EBITDA margin expected to decline 200bp YoY



Source: MOFSL

Exhibit 3: Trends in segment-wise EBITDA margins (%)



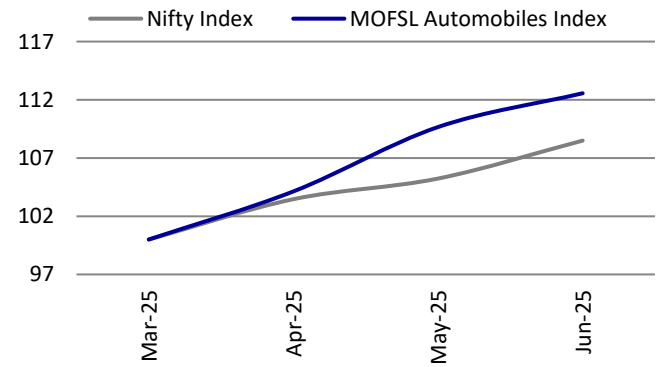
Source: MOFSL

Exhibit 4: Our auto OEM coverage universe (excl. JLR) expected to witness 3% YoY decline in earnings

	Volumes ('000 units)					EBITDA Margins (%)					Adj PAT (INR M)				
	1Q FY26	1Q FY25	YoY (%)	4Q FY25	QoQ (%)	1Q FY26	1Q FY25	YoY (bp)	4Q FY25	QoQ (bp)	1Q FY26	1Q FY25	YoY (%)	4Q FY25	QoQ (%)
Bajaj Auto	1,111	1,102	1	1,103	1	19.7	20.2	-60	20.2	-50	19,843	19,884	0	20,492	-3
Hero MotoCorp	1,367	1,535	-11	1,381	-1	13.8	14.4	-60	14.2	-40	10,450	11,226	-7	10,809	-3
TVS Motor	1,277	1,087	17	1,216	5	12.0	11.5	50	12.5	-50	7,412	5,773	28	6,904	7
Maruti Suzuki	528	522	1	605	-13	10.5	12.7	-210	10.5	10	29,519	36,499	-19	37,111	-20
Hyundai	180	192	-6	192	-6	12.0	13.5	-150	14.1	-210	12,124	14,896	-19	16,143	-25
M&M	361	315	14	319	13	14.3	14.9	-60	14.9	-60	30,737	26,126	18	24,371	26
TTMT India PV	125	139	-10	147	-15	5.5	5.8	-30	7.8	-230	-374	1,730	-122	3,890	-110
TTMT India CV	88	94	-6	108	-19	10.7	11.6	-90	12.2	-150	12,387	15,350	-19	20,730	-40
TTMT (JLR)	88	98	-10	111	-21	11.8	15.8	-400	15.3	-350	222	496	-55	657	-66
TTMT Consol						10.9	14.4	-340	13.9	-300	36,326	55,365	-34	88,910	-59
Ashok Leyland	44	44	1	59	-25	10.8	10.6	20	15.0	-420	5,751	5,256	9	12,562	-54
Eicher(Consol)						23.5	26.5	-300	24.0	-50	10,638	11,015	-3	13,622	-22
Eicher - RE	266	227	17	283	-6	24.8	27.9	-300	24.7	10	10,799	10,880	-1	11,251	-4
Eicher - VECV	22	20	10	29	-25	7.6	7.6	0	10.4	-280	2,249	2,242	0	4,535	-50
Escorts	31	30	1	25	23	12.3	12.4	-10	12.1	20	3,101	2,662	16	2,507	24
Aggregate	**5,487**	**5405**	**1.5**	**5,578**	**-1.6**	**12.3**	**14.4**	**-200**	**12.8**	**-40**	**1,65,901**	**1,88,703**	**-12.1**	**2,33,433**	**-28.9**

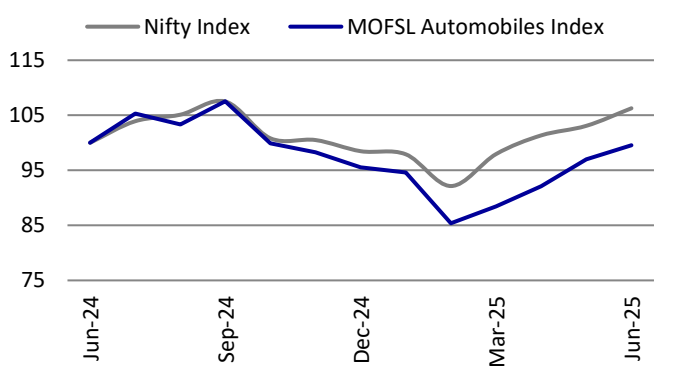
Source: JLR in GBP m, MOFSL

Exhibit 5: Relative performance – three months (%)



Source: Bloomberg, MOFSL

Exhibit 6: Relative performance – one year (%)



Source: Bloomberg, MOFSL

Exhibit 7: Our revised estimates

	FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
BJAUT	319.4	330.1	-3.3	361.1	370.4	-2.5
HMCL	239.1	245.1	-2.4	263.2	265.3	-0.8
TVSL	66.7	66.3	0.6	78.9	78.4	0.7
EIM *	172.4	175.0	-1.5	195.9	198.8	-1.4
MSIL *	483.5	483.5	0.0	538.5	538.5	0.0
HYUNDAI*	66.7	67.1	-0.5	85.7	82.1	4.3
MM	118.9	121.5	-2.1	133.0	137.8	-3.5
TTMT *	46.0	45.9	0.0	51.9	52.0	-0.1
AL	11.4	11.4	-0.3	14.0	13.6	2.6
ESCORTS	101.0	101.0	0.0	115.2	115.2	0.0
ARE&M	49.4	50.3	-1.8	56.8	59.7	-4.7
EXID	14.3	14.3	0.0	15.6	15.6	0.0
BOSCH	760.9	797.9	-4.6	901.5	924.4	-2.5
ENDU*	73.4	69.8	5.1	87.0	81.8	6.4
CIEINDIA*	20.1	20.1	0.0	22.0	22.0	0.0
BHFC*	29.4	30.0	-1.8	38.9	40.0	-2.8
MOTHERSO *	5.5	5.8	-4.7	7.0	7.3	-4.0
SONACOMS*	7.9	9.7	-18.6	10.1	11.1	-8.7
CEAT*	176.2	174.1	1.2	225.9	223.6	1.0
APTY *	25.5	26.8	-4.8	30.4	30.8	-1.3
BIL	92.9	96.1	-3.4	111.4	116.1	-4.0
MRF	4,949.5	4,679.8	5.8	5,558.7	5264.8	5.6
MSUMI	1.6	1.6	0.0	2.0	2.0	0.0
TIINDIA*	41.8	41.8	0.0	47.1	47.1	0.0
CRAFTSMA*	150.7	150.7	0.0	221.0	221.0	0.0
HAPPYFORG*	30.7	31.7	-3.3	37.9	37.8	0.1

** Consolidated

Source: MOFSL

Exhibit 8: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Automobiles						**23.8**	**26.5**	**23.0**	**4.2**	**4.2**	**3.7**	**17.7**	**15.9**	**16.3**
Amara Raja Energy	962	Neutral	48.2	49.4	56.8	20.0	19.5	16.9	2.4	2.2	2.0	13.1	12.5	12.8
Apollo Tyres	448	Buy	19.6	25.5	30.4	22.9	17.5	14.7	1.5	1.4	1.3	8.7	10.6	11.6
Ashok Leyland	252	Buy	11.0	11.4	14.0	23	22	18.0	6.4	5.7	5.0	31.7	27.4	29.5
Bajaj Auto	8,397	Neutral	299.5	319.4	361.1	28.0	26.3	23.3	7.3	6.8	6.3	29.3	26.7	28.1
Balkrishna Inds	2,478	Neutral	85.6	92.9	111.4	28.9	26.7	22.2	4.6	4.1	3.6	17.2	16.2	17.1
Bharat Forge	1,284	Neutral	21.4	29.4	38.9	60.0	43.7	33.0	6.6	6.0	5.3	12.3	14.4	17.0
Bosch	32,333	Neutral	682.4	760.9	901.5	47.4	42.5	35.9	6.9	6.4	6.0	15.6	15.7	17.3
CEAT	3,658	Buy	122.1	176.2	225.9	30.0	20.8	16.2	3.4	3.0	2.6	11.7	15.3	17.2
CIE Automotive	445	Buy	21.7	20.1	22.0	20.5	22.1	20.2	2.6	2.4	2.2	13.1	11.1	11.2
Craftsman Auto	5,704	Neutral	92.1	150.7	221.0	61.9	37.9	25.8	4.8	4.3	3.7	9.7	11.9	15.3
Eicher Motors	5,716	Sell	172.7	172.4	195.9	33.1	33.1	29.2	7.4	6.5	5.8	24.1	20.9	21.0
Endurance Tech.	2,885	Buy	58.8	73.4	87.0	49.1	39.3	33.2	7.1	6.2	5.4	15.5	16.8	17.4
Escorts Kubota	3,319	Neutral	100.6	101.0	115.2	33.0	32.9	28.8	3.6	3.6	3.3	11.4	11.4	11.9
Exide Inds.	386	Neutral	12.7	14.3	15.6	30.5	26.9	24.8	2.3	2.1	2.0	7.5	7.9	8.1
Happy Forgings	953	Buy	28.4	30.7	37.9	33.6	31.1	25.1	4.9	4.3	3.7	15.5	14.6	15.8
Hero Motocorp	4,229	Buy	230.3	239.1	263.2	18.4	17.7	16.1	4.3	4.0	3.8	24.4	23.4	24.1
Hyundai Motor	2,240	Buy	69.4	66.7	85.7	32.3	33.6	26.1	11.2	9.1	7.3	41.8	29.8	30.8
Mahindra & Mahindra	3,176	Buy	98.7	118.9	133.0	32.2	26.7	23.9	6.2	5.2	4.5	20.8	21.3	20.2
Maruti Suzuki	12,443	Buy	443.9	483.5	538.5	28.0	25.7	23.1	4.2	3.7	3.4	14.8	14.5	14.5
Motherson Wiring	60	Buy	1.4	1.6	2.0	43.5	36.2	29.6	15.5	12.8	10.5	35.9	38.8	39.1
MRF	1,42,408	Sell	4,408.7	4,949.5	5,558.7	32.3	28.8	25.6	3.3	3.0	2.7	10.6	10.8	10.9
Samvardhana Motherson	152	Buy	5.3	5.5	7.0	28.5	27.8	21.6	3.1	2.9	2.6	12.5	10.8	12.7
Sona BLW Precis.	476	Neutral	9.9	7.9	10.1	48.2	60.0	46.9	5.2	5.1	4.8	14.5	8.6	10.5
Tata Motors	684	Neutral	63.2	46.0	51.9	10.8	14.9	13.2	2.2	1.9	1.7	23.1	13.7	13.7
Tube Investments	3,088	Buy	38.6	41.8	47.1	19.6	18.1	16.0	2.8	2.5	2.2	16.3	14.5	14.4
TVS Motor	2,892	Neutral	57.1	66.7	78.9	50.7	43.4	36.7	13.8	11.0	8.8	30.7	28.2	26.6

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Bajaj Auto — Neutral

CMP: INR8,397 | TP: INR8,671 (3%) — **EPS CHANGE (%): FY26E|27E: -3|-2**

- Total volumes grew just ~1% YoY, supported by ~16% growth in exports even as domestic volumes declined 8% YoY. 2W sales remained flat YoY. 3W sales were up 7.5% YoY.

Mix was adverse as 2W export mix fell to 38% of total volumes from 40% in 4Q. INR appreciated vs USD by 2%. Given weak demand, adverse mix and currency, BJAUT margins may decline 50bp YoY and QoQ to 19.7%. Overall, we expect BJAUT to post flat earnings growth YoY.

Quarterly Performance — INR m

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Volumes ('000 units)	1,102	1,222	1,224	1,103	1,111	1,234	1,286	1,289	4,651	4,920
Growth YoY (%)	7.3	15.9	2.0	3.2	0.8	1.0	5.0	16.9	6.9	13.1
Realization (INR/unit)	1,08,234	1,07,470	1,04,591	1,10,142	1,10,399	1,11,769	1,11,912	1,14,621	1,07,527	1,12,244
Growth YoY (%)	7.9	5.1	3.7	2.5	2.0	4.0	7.0	4.1	4.7	9.3
Net Sales	**1,19,280**	**1,31,275**	**1,28,069**	**1,21,480**	**1,22,679**	**1,37,891**	**1,43,885**	**1,47,755**	**5,00,103**	**5,52,210**
Change (%)	15.7	21.8	5.7	5.8	2.8	5.0	12.4	21.6	11.9	23.6
EBITDA	**24,154**	**26,522**	**25,807**	**24,505**	**24,164**	**27,349**	**28,177**	**29,047**	**1,00,988**	**1,08,737**
EBITDA Margins (%)	20.2	20.2	20.2	20.2	19.7	19.8	19.6	19.7	20.2	19.7
Other Income	3,209	3,845	3,347	3,808	3,400	3,900	3,400	4,000	14,209	14,700
Interest	207	159	143	168	120	110	100	120	677	450
Depreciation	937	956	997	1,111	1,050	1,075	1,100	1,132	4,001	4,357
PBT after EO	**26,219**	**27,139**	**28,015**	**27,033**	**26,394**	**30,064**	**30,377**	**31,795**	**1,08,406**	**1,18,630**
Effective Tax Rate (%)	24.2	26.1	24.7	24.2	24.8	24.8	24.8	24.8	24.8	24.8
Adj. PAT	**19,884**	**22,160**	**21,087**	**20,492**	**19,843**	**22,603**	**22,838**	**23,904**	**83,103**	**89,188**
Change (%)	19.4	20.7	3.3	5.8	(0.2)	2.0	8.3	16.6	11.1	19.3

Eicher Motors — Sell

CMP: INR5,716 | TP: INR4,722 (-17%) — **EPS CHANGE (%): FY26E|FY27E: -2|-1**

- RE volumes rose 17% YoY, supported by a robust 72% YoY rise in exports. Domestic growth was steady at 12% YoY.
- RE margins to remain stable QoQ at 24.8%.
- VECV: Revenue is expected to grow by ~13% YoY. We expect margin to remain stable YoY at 7.6%.
- Overall, we expect consol PAT to decline 3% YoY for EIM.

Quarterly performance (Consolidated)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Net Operating income	**43,931**	**42,631**	**49,731**	**52,411**	**49,657**	**47,679**	**56,242**	**56,192**	**1,88,704**	**2,09,770**
Growth (%)	10.2	3.6	19.0	23.1	13.0	11.8	13.1	7.2	14.1	26.9
EBITDA	**11,654**	**10,877**	**12,012**	**12,577**	**11,681**	**11,365**	**13,605**	**13,613**	**47,120**	**50,264**
EBITDA Margins (%)	26.5	25.5	24.2	24.0	23.5	23.8	24.2	24.2	25.0	24.0
PAT	**9,269**	**9,866**	**10,070**	**11,142**	**9,415**	**9,712**	**10,790**	**10,252**	**40,346**	**40,169**
Share of JV Loss/(PAT)/ Min. Int.	-1,746	-1,138	-1,635	-2,480	-1,223	-1,366	-1,809	-2,713	-6,998	-7,111
Recurring PAT	**11,015**	**11,003**	**11,705**	**13,622**	**10,638**	**11,077**	**12,599**	**12,965**	**47,344**	**47,280**
Growth (%)	19.9	8.3	17.5	27.3	-3.4	0.7	7.6	-4.8	18.3	18.2
Standalone (Royal Enfield)										
Royal Enfield ('000 units)	227	228	272	283	266	266	287	300	1,010	1,010
Growth (%)	-0.4	-0.6	19.4	24.2	17.0	16.5	5.2	6.2	10.6	10.6
Net Realn (INR '000/unit)	186	185	180	181	183	184	185	183	183	184
Change - YoY (%)	8.8	7.7	1.4	-1.9	-2.0	-0.5	2.4	1.4	3.7	4.2
Net operating income	**42,313**	**42,054**	**49,081**	**51,066**	**48,524**	**47,131**	**55,625**	**53,861**	**1,84,515**	**2,05,142**
Growth (%)	8.5	7.0	21.1	21.8	14.7	12.1	13.3	5.5	43.5	59.5
EBITDA	**11,786**	**11,049**	**12,237**	**12,609**	**12,039**	**11,532**	**13,880**	**13,635**	**47,680**	**51,086**
EBITDA Margins (%)	27.9	26.3	24.9	24.7	24.8	24.5	25.0	25.3	25.8	24.9
Recurring PAT	**10,880**	**10,099**	**10,562**	**11,251**	**10,799**	**9,825**	**11,644**	**12,056**	**42,793**	**44,324**
Growth (%)	19.1	7.6	15.6	14.4	-0.7	-2.7	10.2	7.2	14.1	18.2

Hero MotoCorp — Buy

CMP: INR4,229 | TP: INR4,839 (+14%) — **EPS CHANGE (%): FY26E|FY27E: -2 |-1**

- HMCL posted 11% YoY decline in volumes in 1Q, partially impacted by a shutdown in Apr'25 due to supply constraints.
- Margin to decline 60bp YoY to 13.8% due to higher EV sales and weak ICE volumes.
- PAT to decline ~7% YoY in 1Q.

Quarterly Performance (S/A)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Total Volumes ('000 nos)	1,535	1,520	1,464	1,381	1,367	1,543	1,600	1,566	5,899	6,076
Growth YoY (%)	13.5	7.3	0.3	-0.9	-10.9	1.5	9.3	13.4	4.9	8.1
Net Realization	66,076	68,851	69,755	71,991	70,702	71,605	71,848	72,860	69,088	71,789
Growth YoY (%)	1.9	3.3	4.7	5.3	7.0	4.0	3.0	1.2	3.7	7.7
Net Op Revenues	**1,01,437**	**1,04,632**	**1,02,108**	**99,387**	**96,654**	**1,10,501**	**1,14,982**	**1,14,076**	**4,07,564**	**4,36,213**
Growth YoY (%)	15.7	10.8	5.0	4.4	-4.7	5.6	12.6	14.8	8.8	16.5
Total Cost	86,840	89,473	87,343	85,231	83,313	95,258	98,925	98,303	3,48,887	3,75,799
RM Cost (% sales)	67.7	66.7	65.8	65.5	67.0	67.2	66.2	67.2	66.4	66.9
Staff Cost (% sales)	6.0	6.2	6.5	6.8	6.8	6.5	6.3	5.9	6.4	6.4
Other Exp (% sales)	11.9	12.6	13.3	13.5	12.4	12.5	13.5	13.0	12.8	12.9
EBITDA	**14,598**	**15,159**	**14,765**	**14,156**	**13,341**	**15,243**	**16,057**	**15,773**	**58,677**	**60,414**
EBITDA Margins (%)	14.4	14.5	14.5	14.2	13.8	13.8	14.0	13.8	14.4	13.8
Other Income	2,317	2,830	3,175	2,237	2,500	2,620	2,750	3,466	10,559	11,336
Interest	48	49	55	47	52	55	40	54	199	201
Depreciation	1,932	1,937	1,969	1,921	1,940	1,990	2,050	2,141	7,759	8,121
PBT before EO Exp/(Inc)	**14,935**	**16,003**	**15,916**	**14,425**	**13,849**	**15,818**	**16,717**	**17,044**	**61,278**	**63,428**
Effective Tax Rate (%)	24.8	24.8	24.4	25.1	24.5	24.5	24.5	24.5	24.8	24.5
Adj. PAT	**11,226**	**12,035**	**12,028**	**10,809**	**10,450**	**11,936**	**12,615**	**12,870**	**46,099**	**47,871**
Growth (%)	18.7	14.2	12.1	6.4	-6.9	-0.8	4.9	19.1	12.7	17.1

TVS Motor Company — Neutral

CMP: INR2,892 | TP: INR2,814 (-3%) — **EPS CHANGE (%): FY26E|FY27E: 1|1**

- TVS continued to outperform 2W peers with 17% YoY growth in 1Q, led by strong growth in scooters, premium motorcycles and exports. Exports rose 39% YoY.
- We expect EBITDA margin to expand 80bp YoY to 12%, led by favorable product mix and healthy volume growth.
- We expect TVSL to post 28% YoY growth in earnings in 1Q.

S/A Quarterly Performance

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Vols ('000 units)	**1,087.2**	**1,228.2**	**1,212.0**	**1,216.3**	**1,277.2**	**1,326.5**	**1,313.5**	**1,328.0**	**4,744**	**5,245**
Growth (%)	14.1	14.3	10.1	14.2	17.5	8.0	8.4	9.2	13.2	25.2
Realn (INR '000/unit)	**77.0**	**75.1**	**75.1**	**77.2**	**78.6**	**78.6**	**78.5**	**79.0**	**76.4**	**78.7**
Growth (%)	1.7	(0.9)	0.2	0.7	2.0	4.6	4.6	2.3	0.8	3.8
Net Sales	**83,756**	**92,282**	**90,971**	**93,887**	**1,00,361**	**1,04,253**	**1,03,126**	**1,04,913**	**3,62,513**	**4,12,654**
Growth (%)	16.0	13.3	10.3	14.9	19.8	13.0	13.4	11.7	14.1	29.9
RM (% of sales)	71.4	71.5	71.6	71.0	71.6	71.4	71.4	71.2	71.1	71.4
Emp cost (% of sales)	5.7	5.4	5.5	5.3	5.4	5.3	5.2	5.3	5.4	5.3
Other exp (% of sales)	11.4	11.4	11.1	11.2	11.0	11.2	11.0	10.7	11.2	10.8
EBITDA	**9,602**	**10,798**	**10,815**	**11,709**	**12,043**	**13,051**	**13,092**	**13,396**	**44,540**	**51,582**
EBITDA Margin(%)	11.5	11.7	11.9	12.5	12.0	12.5	12.7	12.8	12.3	12.5
Interest	372	319	338	358	420	430	410	436	1,387	1,696
Depreciation	1,763	1,806	1,883	1,994	1,817	1,861	1,941	2,055	7,446	7,674
Other Income	363	299	-227	145	210	150	140	120	580	620
PBT before EO Exp	**7,829**	**8,972**	**8,367**	**9,503**	**10,016**	**10,910**	**10,881**	**11,026**	**36,288**	**42,832**
EO Exp	0	0	0	1,617	0	0	0	0		
PBT after EO Exp	**7,829**	**8,972**	**8,367**	**11,120**	**10,016**	**10,910**	**10,881**	**11,026**	**36,288**	**42,832**
Tax	2,056	2,346	2,182	2,599	2,895	2,784	2,784	2,673	9,183	11,136
Tax rate (%)	26.3	26.1	26.1	23.4	26.0	25.0	25.0	24.0	25.3	26.0
Adjusted PAT	**5,773**	**6,626**	**6,185**	**6,904**	**7,412**	**8,182**	**8,161**	**8,353**	**27,105**	**31,520**
Growth (%)	23.4	23.5	4.2	42.2	28.4	23.5	31.9	21.0	30.1	51.3

Maruti Suzuki — Buy

CMP: INR12,443 | TP: INR14,429 (+16%) — **EPS CHANGE (%): FY26E|FY27E: 0|0**

- MSIL reported just 1% YoY growth in volumes. Exports mix improved to 18% in 1Q from 13.5% YoY. However, UV mix inched lower to 30.7% in 1Q from 31.3% YoY.
- EBITDA margin to remain stable QoQ at 10.5% (-220bp YoY) as one-offs in 4Q to be offset by weak volumes in 1Q.
- As a result, we expect MSIL to post 19% YoY decline in PAT.

S/A Quarterly Performance (INR M)

INR m	FY25				FY26				FY25	FY26E
Y/E March	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Volumes ('000 units)	521.9	541.6	566.2	604.6	527.9	574.0	617.2	685.5	2,234.3	2,404.6
Change (%)	4.8	-1.9	13.0	3.5	1.1	6.0	9.0	13.4	4.9	12.9
Realizations (INR/car)	6,80,850	6,86,969	6,79,817	6,72,700	6,80,850	7,04,143	7,10,408	7,15,773	6,79,866	7,03,953
Change (%)	4.9	2.3	2.3	2.8	0.0	2.5	4.5	6.4	2.7	6.3
Net operating revenues	**3,55,314**	**3,72,028**	**3,84,921**	**4,06,738**	**3,59,394**	**4,04,208**	**4,38,444**	**4,90,650**	**15,19,001**	**16,92,697**
Change (%)	9.9	0.4	15.6	6.4	1.1	8.6	13.9	20.6	7.8	11.4
RM Cost (% of sales)	70.2	71.9	71.6	71.9	72.0	72.0	72.0	72.1	71.4	72.0
Staff Cost (% of sales)	4.4	3.9	4.0	3.9	4.5	4.1	3.9	3.6	4.0	4.0
Other Cost (% of sales)	12.8	12.3	12.8	13.8	13.0	12.8	12.8	12.7	12.8	12.8
EBITDA	**45,023**	**44,166**	**44,703**	**42,647**	**37,866**	**44,989**	**49,379**	**56,854**	**1,77,852**	**1,89,088**
EBITDA Margins (%)	12.7	11.9	11.6	10.5	10.5	11.1	11.3	11.6	11.7	11.2
Depreciation	7,310	7,509	8,050	8,724	8,750	8,800	8,815	8,850	31,593	35,215
EBIT	**37,713**	**36,657**	**36,653**	**33,923**	**29,116**	**36,189**	**40,564**	**48,004**	**1,46,259**	**1,53,873**
EBIT Margins (%)	10.6	9.9	9.5	8.3	8.1	9.0	9.3	9.8	9.6	9.1
Interest	573	402	484	472	475	500	460	515	1,931	1,950
Non-Operating Income	9,751	14,750	9,850	14,466	10,200	12,500	10,500	14,884	47,504	48,084
PBT	**46,891**	**51,005**	**46,019**	**47,917**	**38,841**	**48,189**	**50,604**	**62,372**	**1,91,832**	**2,00,006**
Effective Tax Rate (%)	22.2	39.8	23.4	22.6	24.0	24.0	24.0	24.0	27.3	24.0
PAT	**36,499**	**30,692**	**35,250**	**37,111**	**29,519**	**36,624**	**38,459**	**47,403**	**1,39,552**	**1,52,005**
Adjusted PAT	**36,499**	**30,692**	**35,250**	**37,111**	**29,519**	**36,624**	**38,459**	**47,403**	**1,39,552**	**1,52,005**
Change (%)	46.9	-17.4	12.6	-4.3	-19.1	19.3	9.1	27.7	5.6	8.9

Hyundai Motor — Buy

CMP: INR2,240 | TP: INR2,544 (+14%) — **EPS CHANGE (%): FY26E|FY27E: -1 |4**

- Hyundai posted 6% YoY decline in volumes in 1Q. Exports were the key growth driver (up 13% YoY) even as domestic volumes declined 12% YoY.
- We expect EBITDA margin to decline 150bp YoY to 12% due to weak volumes and high discounts.

Consol Quarterly Performance (INR m)

INR m	FY25				FY26				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volumes ('000 units)	192.1	191.9	186.4	191.7	180.4	190.0	195.7	209.5	762.1	775.7
Change (%)	4.7	-8.5	-2.4	-1.1	-6.1	-1.0	5.0	9.3		1.8
Realizations (INR/car)	9,03,085	8,99,264	8,93,094	9,36,096	9,21,147	9,26,242	9,37,749	9,58,746	9,07,981	9,36,741
Change (%)	-0.4	1.1	1.1	2.6	2.0	3.0	5.0	2.4		3.2
Net operating revenues	**1,73,442**	**1,72,604**	**1,66,480**	**1,79,403**	**1,66,174**	**1,76,004**	**1,83,544**	**2,00,892**	**6,91,929**	**7,26,614**
Change (%)	4.3	-7.5	-1.3	1.5	-4.2	2.0	10.3	12.0		5.0
RM Cost (% of sales)	71.9	72.5	73.1	71.2	72.5	73.0	72.5	72.4	72.2	72.6
Staff Cost (% of sales)	3.2	3.2	3.6	3.4	3.6	3.4	3.5	3.4	3.3	3.5
Other Cost (% of sales)	11.5	11.5	12.0	11.3	11.9	11.8	12.5	10.7	11.5	11.7
EBITDA	**23,402**	**22,053**	**18,755**	**25,327**	**19,953**	**20,710**	**21,035**	**26,948**	**89,538**	**88,647**
EBITDA Margins (%)	13.5	12.8	11.3	14.1	12.0	11.8	11.5	13.4	12.9	12.2
Depreciation	5,290	5,185	5,274	5,304	5,800	5,950	6,350	6,456	21,053	24,556
EBIT	**18,112**	**16,868**	**13,482**	**20,023**	**14,153**	**14,760**	**14,685**	**20,491**	**68,485**	**64,090**
EBIT Margins (%)	10.4	9.8	8.1	11.2	8.5	8.4	8.0	10.2	9.9	8.8
Interest	316	292	299	365	280	260	240	240	1,272	1,020
Non-Operating Income	2,238	1,923	2,445	2,096	2,400	2,200	2,500	2,580	8,700	9,680
PBT	**20,033**	**18,498**	**15,627**	**21,754**	**16,273**	**16,700**	**16,945**	**22,831**	**75,913**	**72,750**
Tax	5,137	4,744	4,020	5,611	4,150	4,259	4,321	5,822	19,511	18,551
Effective Tax Rate (%)	25.6	25.6	25.7	25.8	25.5	25.5	25.5	25.5	25.7	25.5
PAT	**14,896**	**13,755**	**11,607**	**16,143**	**12,124**	**12,442**	**12,624**	**17,009**	**56,402**	**54,199**
Adjusted PAT	**14,896**	**13,755**	**11,607**	**16,143**	**12,124**	**12,442**	**12,624**	**17,009**	**56,402**	**54,199**
Change (%)	12.1	-15.5	-18.6	-3.7	-18.6	-9.5	8.8	5.4	-6.9	-3.9

Mahindra & Mahindra — Buy

CMP: INR3,176 | TP: INR3,643 (+15%) — **EPS CHANGE (%): FY26E|FY27E: -2|-4**

- MM continued to outperform in PVs and tractors, with 22% YoY growth in UVs and 10% YoY growth in tractors.
- In auto segment, margins are likely to be under pressure due to higher EV mix and rising steel prices.
- Overall, we expect auto segment margins to decline 70bp YoY to 8.8%. Tractor segment margins are likely to remain healthy (+30bp YoY to 18.8%).

Quarterly Performance

Y/E March	FY25E				FY26E				FY25	FY26E
(INR m)	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Total Volumes (nos)	3,15,362	3,01,457	3,43,654	3,19,451	3,60,779	3,32,839	3,76,292	3,47,466	12,79,924	14,20,100
Growth YoY (%)	4.7	-0.5	17.8	15.3	14.4	10.4	9.5	8.8	14.0	11.0
Net Realization	8,57,389	9,14,003	8,88,633	9,81,478	9,16,270	9,70,932	9,47,377	9,65,124	9,10,083	9,47,520
Growth YoY (%)	7.0	13.5	2.2	8.0	6.9	6.2	6.6	-1.7	3.1	4.1
Revenue from Operations	**2,70,388**	**2,75,533**	**3,05,382**	**3,13,534**	**3,30,571**	**3,23,164**	**3,56,490**	**3,35,348**	**11,64,837**	**13,45,574**
Growth YoY (%)	12.0	12.9	20.3	24.5	22.3	17.3	16.7	7.0	17.5	15.5
RM Cost (% of sales)	73.7	74.2	74.4	74.1	74.5	75.5	75.0	73.0	74.1	74.5
Staff (% of sales)	4.3	4.2	4.2	4.0	4.5	4.8	5.1	4.2	4.2	4.0
Oth. Exp. (% of Sales)	7.0	7.3	6.7	6.9	8.3	8.5	8.8	7.5	7.0	6.9
EBITDA	**40,222**	**39,497**	**44,681**	**46,825**	**47,336**	**45,793**	**51,737**	**51,182**	**1,71,226**	**1,96,048**
EBITDA Margins (%)	14.9	14.3	14.6	14.9	14.3	14.2	14.5	15.3	14.7	14.6
Change (%)	22.4	26.4	35.6	42.0	17.7	15.9	15.8	9.3	30.3	14.5
Other inc. (incl Inc. from Invest)	3,515	19,978	6,063	493	3,691	20,976	6,366	446	30,048	31,479
Interest	529	551	614	810	420	350	280	207	2,505	1,257
Depreciation	9,146	9,614	10,451	13,058	11,200	11,500	11,800	12,114	42,268	46,614
EBIT	**31,076**	**29,884**	**34,231**	**33,768**	**36,136**	**34,293**	**39,937**	**39,068**	**1,28,958**	**1,49,435**
PBT after EO	**34,062**	**49,310**	**39,679**	**33,450**	**39,407**	**54,920**	**46,023**	**39,307**	**1,56,501**	**1,79,657**
Tax	7,936	10,901	10,036	9,079	8,670	10,984	8,955	8,221	37,952	36,830
Effective Tax Rate (%)	23.3	22.1	25.3	27.1	22.0	20.0	19.5	20.9	24.3	20.5
Reported PAT	**26,126**	**38,409**	**29,643**	**24,371**	**30,737**	**43,936**	**37,068**	**31,086**	**1,18,550**	**1,42,827**
Change (%)	-5.3	13.2	19.1	21.9	17.6	14.4	25.0	27.6	11.4	20.5
Adj PAT	**26,126**	**38,409**	**29,643**	**24,371**	**30,737**	**43,936**	**37,068**	**31,086**	**1,18,550**	**1,42,827**
Change (%)	23.2	13.2	19.1	21.9	17.6	14.4	25.0	27.6	11.4	20.5

ESCORTS — Neutral

CMP: INR3,319 | TP: INR3,327 (+0%) — **EPS CHANGE (%): FY26E|FY27E: 0 |0**

- Escorts underperformed the market leader and posted just 1% YoY growth in tractors in 1Q.
- Overall, we expect Escorts to post stable margins on a YoY basis at 12.3%.
- PAT is likely to grow 16.5% YoY largely due to higher other income from surplus funds

Standalone Quarterly Performance (INR M)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Net Sales	**25,563**	**22,649**	**29,354**	**24,303**	**26,100**	**24,318**	**32,097**	**27,751**	**1,01,870**	**1,10,265**
YoY Change (%)	9.8	-8.1	8.5	6.1	2.1	7.4	9.3	14.2	4.1	12.7
Total Expenditure	22,394	20,321	26,001	21,374	22,890	21,886	28,534	24,496	90,091	97,805
EBITDA	**3,169**	**2,328**	**3,353**	**2,929**	**3,210**	**2,432**	**3,563**	**3,255**	**11,778**	**12,460**
Margins (%)	12.4	10.3	11.4	12.1	12.3	10.0	11.1	11.7	11.6	11.3
Depreciation	590	610	612	615	680	690	700	752	2,426	2,822
Interest	101	92	31	47	50	45	50	55	270	200
Other Income	1,024	1,152	1,092	1,316	1,600	1,500	1,600	1,950	4,584	6,650
PBT	**3,502**	**2,778**	**3,802**	**3,313**	**4,080**	**3,197**	**4,413**	**4,398**	**13,395**	**16,088**
Rate (%)	24.0	-8.9	23.6	24.3	24.0	22.0	23.0	22.8	17.1	23.0
Adj. PAT	**2,662**	**3,027**	**2,905**	**2,710**	**3,101**	**2,493**	**3,398**	**3,395**	**11,465**	**12,376**
YoY Change (%)	-5.9	41.9	7.7	9.1	16.5	-17.6	17.0	25.3	21.6	7.9
Margins (%)	10.4	13.4	9.9	11.1	11.9	10.3	10.6	12.2	11.3	11.2

Tata Motors — Neutral

CMP: INR684 | TP: INR668 (-2%) — **EPS CHANGE (%): FY26E|FY27E: -|-**

- India PV volumes down 10% YoY and CV volumes fell 6% YoY.
- Given weak demand, rising input costs and higher discounts, we expect margins to be under pressure for both India PV and CV segments. We factor in EBITDA margin at 5.5% (-30bp YoY) and 10.7% (-90bp YoY) for PV and CV segments.
- JLR volume may be weak given the discontinuation of shipments to US for Apr'25, tariff impact in US, gradual cessation of Jaguar and weak demand in key regions. Hence, JLR volumes to decline 10% YoY in 1Q and margins to decline 400bp YoY to 11.8%.
- Overall, we expect consolidated PAT to decline 34% YoY.

Quarterly Performance [Consol] (INR b)

INR m	FY25E				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
JLR Volumes (incl JV; '000 units)	97.8	87.3	104.4	111.4	88.0	84.0	103.9	113.8	400.9	389.7
JLR Realizations (GBP/unit)	74,400	74,167	71,686	69,355	71,424	72,684	72,403	72,395	72,240	72,240
JLR EBITDA Margins (%)	15.8	11.7	14.2	15.3	11.8	11.4	13.5	13.6	14.3	12.7
India CV Volumes ('000 units)	93.7	86.0	98.4	108.2	88.1	88.5	100.3	115.0	386.3	392.0
India CV Realizations (INR '000/unit)	1910.1	2014.9	1896.6	1991.4	1938.8	2055.2	1934.5	2020.0	1948.8	1987.8
India CV EBITDA Margins (%)	11.6	10.7	12.2	12.2	10.7	10.7	11.0	12.4	11.7	11.3
India PV Volumes ('000 units)	138.8	130.5	139.8	147.0	124.8	134.8	149.8	154.6	556.1	564.0
India PV Realizations (INR '000/unit)	856.8	903.1	902.2	870.4	882.5	894.0	902.2	901.5	882.5	895.7
India PV EBITDA Margins (%)	5.8	6.2	7.6	7.8	5.5	6.2	7.1	7.2	6.9	6.6
Net Consol. Op Income	**1080.5**	**1014.5**	**1135.8**	**1195.0**	**997.1**	**997.3**	**1181.4**	**1284.9**	**4397.0**	**4460.7**
Growth (%)	5.7	-3.5	2.7	-0.4	-7.7	-1.7	4.0	7.5	0.4	1.4
Consol. EBITDA	**155.1**	**117.4**	**130.3**	**166.3**	**109.1**	**107.6**	**133.1**	**152.8**	**551.3**	**502.7**
EBITDA Margins (%)	14.4	11.6	11.5	13.9	10.9	10.8	11.3	11.9	12.5	11.3
Depreciation	65.7	60.1	54.1	53.0	58.0	63.0	66.0	68.3	232.6	255.3
Other Income	15.8	15.7	17.9	15.1	14.5	13.5	15.0	15.4	62.4	58.4
Interest Expenses	20.9	20.3	17.3	10.8	12.5	13.2	13.5	16.4	50.8	55.6
PBT after EO Exp	**87.4**	**56.9**	**77.1**	**113.9**	**53.1**	**44.9**	**68.6**	**83.5**	**334.3**	**250.1**
Tax rate (%)	36.4	40.8	27.2	25.9	31.8	31.8	31.8	31.8	31.4	31.8
PAT	**55.6**	**33.7**	**56.2**	**84.4**	**36.2**	**30.6**	**46.8**	**57.0**	**229.3**	**170.7**
Minority Interest	-1.3	-1.1	-1.3	-0.9	-0.6	-0.7	-0.8	-1.4	-3.2	-3.5
Share in profit of Associate	1.3	0.8	-0.4	1.1	0.7	0.8	0.7	-0.3	2.9	1.9
Adj PAT	**55.4**	**33.4**	**54.7**	**88.9**	**36.3**	**30.7**	**46.7**	**55.3**	**232.6**	**169.1**
Growth (%)	46.2	-13.6	-23.0	15.1	-34.4	-8.0	-14.6	-37.8	3.4	-27.3

Ashok Leyland — Buy

CMP: INR252 | TP: INR290 (+15%) — **EPS CHANGE (%): FY26E|FY27E: 0|3**

- CV volumes grew just 1% YoY, led by 12% YoY growth in MHCV buses. MHCV trucks fell 3% YoY. LCV up just 1% YoY.
- Input cost may inch up by 0.5% due to high steel prices.
- EBITDA margin to marginally improve YoY to 10.8%.
- Overall, we expect AL to post 9% YoY PAT growth.

Quarterly Performance (S/A) (INR M)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Total Volumes (nos)	43,893	45,624	46,404	59,176	44,238	47,449	49,188	63,959	1,95,097	2,04,834
Growth %	6.2	-8.5	-1.4	5.1	0.8	4.0	6.0	8.1	0.3	5.3
Realizations (INR '000)	1,959	1,922	2,043	2,012	1,988	1,951	2,083	2,043	1,986	2,020
Change (%)	-1.1	-0.6	3.7	0.6	1.5	1.5	2.0	1.5	0.7	2.4
Net operating revenues	**85,985**	**87,688**	**94,787**	**1,19,067**	**87,961**	**92,564**	**1,02,483**	**1,30,665**	**3,87,527**	**4,13,673**
Change (%)	5.0	-9.0	2.2	5.7	2.3	5.6	8.1	9.7	1.0	7.8
RM/sales %	72.2	71.2	71.5	70.6	71.5	71.8	71.5	71.9	71.3	71.7
Staff/sales %	6.4	6.8	6.4	5.5	6.6	6.5	6.4	5.5	6.2	6.2
Other exp/sales %	10.9	10.4	9.4	8.9	11.1	10.5	10.5	7.9	9.8	9.8
EBITDA	**9,109**	**10,173**	**12,114**	**17,910**	**9,500**	**10,367**	**11,888**	**19,184**	**49,306**	**50,939**
EBITDA Margins(%)	10.6	11.6	12.8	15.0	10.8	11.2	11.6	14.7	12.7	12.3
Interest	591	607	501	471	380	350	310	287	2,169	1,327
Other Income	223	973	247	1,059	350	700	300	1,190	2,503	2,540
Depreciation	1,727	1,754	1,923	1,789	1,750	1,810	1,990	1,956	7,193	7,506
PBT after EO	**7,014**	**9,958**	**9,938**	**16,573**	**7,720**	**8,907**	**9,888**	**18,131**	**43,483**	**44,646**
Effective Tax Rate (%)	25.1	22.7	23.3	24.8	25.5	25.5	24.0	25.1	24.0	25.0
Adj PAT	**5,256**	**6,933**	**7,617**	**12,562**	**5,751**	**6,636**	**7,515**	**13,582**	**32,355**	**33,484**
Change (%)	-8.9	20.2	31.2	32.4	9.4	-4.3	-1.3	8.1	20.6	3.5

Apollo Tyres — Buy

CMP: INR448 | TP: INR547 (+22%) — **EPS CHANGE (%): FY25E|FY26E: -5|-1**

- Standalone revenue is expected to grow ~5% YoY, supported by good OEM demand largely ahead of the government regulation on mandatory AC cabins in CVs. On the other hand, while replacement segment is likely to have slowed down, exports have remained weak in 1Q.
- APTY has not taken any price hikes in 1Q.
- Input costs are likely to remain stable QoQ
- India margins to improve 80bp QoQ due to cost control.
- Europe continued to face weak demand due to adverse macro.
- We expect Europe margins to marginally decline YoY to 13.5%.

Consolidated - Quarterly performance (INR M)

INR m	FY25E				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Revenues	**63,349**	**64,370**	**69,280**	**64,236**	**67,102**	**69,019**	**75,116**	**68,549**	**2,61,234**	**2,79,786**
YoY Change (%)	1.4	2.5	5.0	2.6	5.9	7.2	8.4	6.7	2.9	10.2
EBITDA	**9,093**	**8,779**	**9,470**	**8,374**	**8,710**	**9,895**	**11,467**	**10,194**	**35,715**	**40,267**
Margins (%)	14.4	13.6	13.7	13.0	13.0	14.3	15.3	14.9	13.7	14.4
Depreciation	3,695	3,759	3,759	3,771	3,780	3,850	3,910	4,397	14,984	15,937
Interest	1,070	1,197	1,105	1,094	1,010	950	880	857	4,466	3,697
Other Income	308	217	81	275	370	270	150	478	881	1,268
PBT before EO expense	**4,636**	**4,040**	**4,686**	**3,785**	**4,290**	**5,365**	**6,827**	**5,419**	**17,146**	**21,901**
Extra-Ord expense	404	52	42	1,188	0	0	0	0	1,687	0
PBT	**4,232**	**3,988**	**4,644**	**2,596**	**4,290**	**5,365**	**6,827**	**5,419**	**15,460**	**21,901**
Tax Rate (%)	28.6	25.4	27.4	29.0	25.5	26.0	26.0	26.1	27.5	25.9
MI & P/L of Asso. Cos.	0	-1	-2	-3	0	-1	1	0	-7	0
Reported PAT	**3,020**	**2,975**	**3,372**	**1,846**	**3,197**	**3,971**	**5,051**	**4,005**	**11,213**	**16,224**
Adj PAT	**3,313**	**3,012**	**3,403**	**2,708**	**3,197**	**3,971**	**5,051**	**4,005**	**12,436**	**16,224**
YoY Change (%)	-18.4	-37.6	-32.9	-41.8	-3.5	31.8	48.4	47.9	-33.2	30.5
Margins (%)	5.2	4.7	4.9	4.2	4.8	5.8	6.7	5.8	4.8	5.8

Balkrishna Industries — Neutral

CMP: INR2,478 | TP: INR2,525 (+2%) — **EPS CHANGE (%): FY26E|FY27E: -3|-4**

- Demand was weak in most of its overseas markets. India likely to be the sole growth driver. Overall, we expect BKT to post 3% decline in tonnage in 1Q.
- Key positives include a reduction in input costs (benefit of about 100bp) and better hedge rate. However, these are likely to be largely offset by the weak demand impact and impact of partial tariff absorption in US.
- Margin is likely to largely remain stable QoQ at 25.1%.

Quarterly Earning Model (Standalone) (INR M)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volumes (Ton)	**83,570**	**73,298**	**76,343**	**82,062**	**81,063**	**76,963**	**80,160**	**86,552**	**3,15,273**	**3,24,737**
YoY Change (%)	24.3	3.8	4.9	0.0	-3.0	5.0	5.0	5.5	7.7	3.0
Realizations (INR '000/ton)	**328.1**	**336.3**	**336.8**	**345.8**	**346.4**	**346.4**	**348.0**	**363.8**	**336.7**	**351.4**
YoY Change (%)	4.2	5.6	5.8	5.2	5.6	3.0	3.3	5.2	5.1	4.4
Net Revenues	**27,415**	**24,648**	**25,716**	**28,376**	**28,082**	**26,657**	**27,893**	**31,484**	**1,06,150**	**1,14,115**
YoY Change (%)	29.6	9.7	11.0	5.2	2.4	8.2	8.5	11.0	13.2	7.5
EBITDA	**7,137**	**6,185**	**6,391**	**7,035**	**7,049**	**6,797**	**7,168**	**8,235**	**26,813**	**29,249**
Margins (%)	26.0	25.1	24.9	24.8	25.1	25.5	25.7	26.2	25.3	25.6
Depreciation	1,617	1,647	1,708	1,760	1,794	1,809	1,822	1,863	6,735	7,288
Interest	143	404	150	490	350	251	190	158	1,252	949
Forex loss/(gain)	-60	530	-1,120	580	0	0	0	0	-68	0
Other Income	830	1,048	240	550	750	950	200	392	2,668	392
PBT before EI	**6,267**	**4,653**	**5,894**	**4,755**	**5,655**	**5,687**	**5,356**	**6,606**	**21,562**	**23,305**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**6,267**	**4,653**	**5,894**	**4,755**	**5,655**	**5,687**	**5,356**	**6,606**	**21,562**	**23,305**
Rate (%)	23.8	24.9	25.4	23.8	20.1	21.3	19.2	21.0	24.5	20.4
Adj PAT	**4,773**	**3,496**	**4,398**	**3,622**	**4,286**	**4,322**	**4,071**	**5,002**	**16,283**	**17,682**
YoY Change (%)	52.7	4.3	42.6	-25.8	-10.2	23.7	-7.4	38.1	12.6	8.6

Ceat — Buy

CMP: INR3,658| TP: INR4,198 (+15%) — **EPS CHANGE (%): FY26E|FY27E: 1|1**

- Demand continued to be healthy in 1Q. We expect CEAT to post 11% YoY growth in revenue.
- However, demand for higher-inch tyre in PCR segment was muted.
- Input costs are marginally down QoQ, benefits of which would be visible from 2Q onward.
- EBITDA margin to largely remain stable QoQ at 11.5%.
- Overall, PAT is likely to post 6% YoY growth.

Consol. Quarterly Earning Model (INR M)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**31,928**	**33,045**	**32,999**	**34,206**	**35,440**	**35,689**	**36,629**	**38,630**	**1,32,179**	**1,46,388**
YoY Change (%)	8.8	8.2	11.4	14.3	11.0	8.0	11.0	12.9	10.7	10.7
RM cost (%)	60.8	62.6	63.2	62.5	62.0	61.5	61.5	61.4	62.3	61.6
Employee cost (%)	6.1	6.6	6.5	6.6	6.2	6.2	6.3	6.1	6.5	6.2
Other expenses (%)	21.1	19.8	20.0	19.5	20.3	20.0	20.0	20.1	20.1	20.1
EBITDA	**3,829**	**3,623**	**3,409**	**3,881**	**4,076**	**4,390**	**4,469**	**4,779**	**14,741**	**17,713**
Margins (%)	12.0	11.0	10.3	11.3	11.5	12.3	12.2	12.4	11.2	12.1
Depreciation	1,318	1,371	1,415	1,523	1,450	1,500	1,540	1,553	5,627	6,043
Interest	619	665	751	744	650	650	640	642	2,778	2,582
Other Income	62	35	34	45	70	45	50	55	176	220
PBT before EO expense	**1,954**	**1,622**	**1,278**	**1,659**	**2,046**	**2,285**	**2,339**	**2,639**	**6,512**	**9,308**
Exceptional item	-75	0	0	370	0	0	0	0	-296	0
PBT	**2,029**	**1,621**	**1,278**	**1,288**	**2,046**	**2,285**	**2,339**	**2,639**	**6,808**	**9,308**
Tax Rate (%)	26.6	28.6	28.3	27.6	26.0	26.0	26.0	26.0	25.3	26.0
MI & Profit of Asso. Cos.	-53	-61	-55	-63	-55	-63	-57	-65	-231	-240
Reported PAT	**1,542**	**1,219**	**971**	**995**	**1,569**	**1,754**	**1,788**	**2,018**	**5,319**	**7,128**
Adj PAT	**1,486**	**1,219**	**971**	**1,267**	**1,569**	**1,754**	**1,788**	**2,018**	**5,101**	**7,128**
YoY Change (%)	3	-41	-46	-16	6	44	84	59	-26	40

MRF — Sell

CMP: INR1,42,408 | TP: INR113,397 (-20%) — **EPS CHANGE (%): FY26E|FY27E: 6 |6**

- Expect 4% YoY revenue growth, led by steady growth in both replacement and OE demand.
- We expect EBITDA margin to remain largely stable QoQ at 15.1% as input costs are likely to be stable QoQ.

Standalone - Quarterly Earning Model (INR M)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Net Sales	**70,778**	**67,604**	**68,832**	**69,438**	**73,610**	**75,716**	**75,715**	**76,662**	**2,76,652**	**3,01,703**
YoY Change (%)	11.9	11.1	13.8	11.7	4.0	12.0	10.0	10.4	12.1	9.1
Total Expenditure	59,400	57,869	60,814	59,011	62,568	64,283	64,358	64,831	2,37,094	2,56,040
EBITDA	**11,378**	**9,734**	**8,018**	**10,428**	**11,041**	**11,433**	**11,357**	**11,832**	**39,559**	**45,663**
Margins (%)	16.1	14.4	11.6	15.0	15.0	15.1	15.0	15.4	14.3	15.1
Depreciation	3,943	4,079	4,143	4,310	4,400	4,560	4,700	4,784	16,474	18,444
Interest	754	667	711	782	820	720	780	954	2,914	3,274
Other Income	827	1,121	966	1,115	1,000	1,125	1,150	1,162	4,029	4,437
PBT before EO expense	**7,509**	**6,109**	**4,130**	**6,451**	**6,821**	**7,278**	**7,027**	**7,255**	**24,199**	**28,382**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**7,509**	**6,109**	**4,130**	**6,451**	**6,821**	**7,278**	**7,027**	**7,255**	**24,199**	**28,382**
Tax	1,883	1,555	1,063	1,472	1,746	1,827	1,813	1,851	5,974	7,237
Rate (%)	25.1	25.4	25.7	22.8	25.6	25.1	25.8	25.5	24.7	25.5
Reported PAT	**5,625**	**4,554**	**3,067**	**4,978**	**5,075**	**5,451**	**5,214**	**5,404**	**18,225**	**21,145**
Adj PAT	**5,625**	**4,554**	**3,067**	**4,978**	**5,075**	**5,451**	**5,214**	**5,404**	**18,225**	**21,145**
YoY Change (%)	-3.3	-20.4	-39.6	6.1	-9.8	19.7	70.0	8.6	-14.4	16.0
Margins (%)	7.9	6.7	4.5	7.2	6.9	7.2	6.9	7.0	6.6	7.0

Amara Raja Energy Mobility — Neutral

CMP: INR962 | TP: INR1,049 (+9%) — **EPS CHANGE (%): FY26E|FY27E: -2|-5**

- We expect Amara to post a modest 4% YoY growth in revenue, given weak OEM demand and a declining demand from the telecom segment.
- Lead prices are largely stable QoQ. However, rising cost of non-lead alloys and higher power costs are likely to keep margins under pressure.
- EBITDA margins to contract 170bp YoY to 12%.

Quarterly Performance (INR Million)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**31,312**	**31,358**	**31,640**	**29,739**	**32,564**	**33,240**	**34,488**	**34,982**	**1,24,049**	**1,35,274**
YoY Change (%)	13.0	11.6	9.8	6.3	4.0	6.0	9.0	17.6	10.2	9.0
Gross operating income	**31312**	**31358**	**31640**	**29739**	**32564**	**33240**	**34488**	**34982**	**1,24,049**	**1,35,274**
Total Expenditure	27,008	26,952	27,482	26,316	28,657	29,085	29,935	30,688	1,07,758	1,18,364
Excise (% of sales)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RM Cost (% of sales)	68.9	67.6	66.9	67.7	68.6	68.5	68.3	68.6	67.8	68.5
Staff Cost (% of sales)	5.9	6.1	6.0	6.1	5.9	6.0	6.0	6.1	6.0	6.0
Other Exp (% of sales)	11.5	12.2	13.9	14.7	13.5	13.0	12.5	13.0	13.1	13.0
EBITDA	**4,304**	**4,407**	**4,158**	**3,422**	**3,908**	**4,155**	**4,552**	**4,294**	**16,291**	**16,909**
Margins (%)	13.7	14.1	13.1	11.5	12.0	12.5	13.2	12.3	13.1	12.3
Depreciation	1,183	1,220	1,233	1,284	1,250	1,289	1,304	1,373	4,921	5,216
Interest	90	131	107	95	120	135	145	150	422	550
Other Income	256	185	293	200	245	200	267	238	933	950
PBT before EO expense	**3,287**	**3,240**	**3,111**	**2,244**	**2,783**	**2,931**	**3,370**	**3,009**	**11,881**	**12,093**
Extra-Ord expense	0	0	-1,111	0	0	0	0	0	0	0
PBT after EO	**3,287**	**3,240**	**4,222**	**2,244**	**2,783**	**2,931**	**3,370**	**3,009**	**11,881**	**12,093**
Tax	841	833	1,103	576	696	733	859	760	3,353	3,048
Tax Rate (%)	25.6	25.7	26.1	25.7	25.0	25.0	25.5	25.2	28.2	25.2
Reported PAT	**2,446**	**2,407**	**3,118**	**1,668**	**2,087**	**2,198**	**2,511**	**2,250**	**8,528**	**9,046**
Adj PAT	**2,446**	**2,407**	**2,298**	**1,668**	**2,087**	**2,198**	**2,511**	**2,250**	**8,528**	**9,046**
YoY Change (%)	23.1	6.3	-9.1	-26.8	-14.7	-8.7	9.3	34.9	-5.9	6.1

Exide Industries — Neutral

CMP: INR386 | TP: INR374 (-3%) — **EPS CHANGE (%): FY26E|FY27E: -|-**

- We expect Exide to post 3% YoY growth in revenue to INR44.4b.
- We expect EBITDA margins to largely remain stable QoQ.
- Overall, we expect 1Q PAT to grow 2% YoY.

S/A Quarterly Performance (INR M)

INR m	FY25E				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3QE	4QE	1QE	2QE	3QE	4QE		
Net Sales	**43,128**	**42,673**	**38,486**	**41,594**	**44,421**	**44,807**	**43,105**	**45,713**	**1,65,881**	**1,78,046**
Growth YoY (%)	5.9	3.9	0.2	3.7	3.0	5.0	12.0	9.9	3.5	7.3
RM cost (%)	69.3	68.5	68.0	68.8	69.2	69.0	68.5	68.5	68.7	68.8
Employee cost (%)	6.1	6.3	6.8	6.3	9.0	8.9	8.6	13.6	6.4	6.5
Other Exp(%)	13.1	13.9	13.5	13.7	12.9	12.9	12.5	12.3	13.6	12.7
EBITDA	**4,943**	**4,836**	**4,486**	**4,667**	**5,064**	**5,198**	**5,345**	**5,807**	**18,931**	**21,414**
EBITDA Margin(%)	11.5	11.3	11.7	11.2	11.4	11.6	12.4	12.7	11.4	12.0
Change (%)	14.4	0.1	2.0	-9.6	2.4	7.5	19.2	24.4	1.2	6.6
Non-Operating Income	142	528	132	161	165	398	144	182	962	889
Interest	87	103	120	130	125	130	127	123	439	505
Depreciation	1,257	1,270	1,244	1,268	1,300	1,378	1,395	1,418	5,039	5,491
PBT after EO Exp	**3,741**	**3,991**	**3,253**	**3,430**	**3,804**	**4,088**	**3,967**	**4,449**	**14,415**	**16,307**
Effective Tax Rate (%)	25.3	25.4	24.7	25.8	25.1	25.6	24.8	25.6	0.0	25.3
Adj. PAT	**2,796**	**2,978**	**2,450**	**2,546**	**2,849**	**3,041**	**2,983**	**3,308**	**10,769**	**12,182**
Change (%)	15.6	3.8	2.0	-10.3	1.9	2.1	21.8	29.9	2.3	13.1

Bharat Forge — Neutral

CMP: INR1,284 | TP: INR1,230 (-4%) — **EPS CHANGE (%): FY26E|FY27E: -2|-3**

- Demand in most of its key segments may remain subdued, except for non-autos. In non-auto, we expect growth to be driven by defense and aerospace ramp-up.
- We expect BHFC to post 3% YoY decline in revenues in 1Q.
- EBITDA margins to remain stable YoY at 28%.
- Standalone PAT to post 5% YoY growth in 1Q.

S/A Quarterly (INR m)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net operating income	**23,381**	**22,467**	**20,960**	**21,630**	**22,632**	**23,216**	**23,133**	**24,084**	**88,437**	**93,065**
Change (%)	9.9	-0.1	-7.4	-7.1	-3.2	3.3	10.4	11.3	-1.4	5.2
EBITDA	**6,515**	**6,255**	**6,099**	**6,167**	**6,360**	**6,524**	**6,477**	**6,743**	**25,034**	**26,104**
EBITDA Margins (%)	27.9	27.8	29.1	28.5	28.1	28.1	28.0	28.0	28.3	28.0
Non-Operating Income	446	348	314	481	510	420	455	601	1,589	1,986
Interest	702	635	573	588	490	410	370	330	2,498	1,600
Depreciation	1094	1083	1104	1122	1098	1160	1180	1186	4,404	4,624
EO Exp / (Inc)	1,457	-135	9	203	0	0	0	0		0
PBT after EO items	**3,708**	**5,019**	**4,727**	**4,735**	**5,282**	**5,374**	**5,382**	**5,829**	**19,721**	**21,866**
Tax	1014	1407	1266	1278	1320	1397	1346	1513	4,965	5,576
Eff. Tax Rate (%)	27.3	28.0	26.8	27.0	25.0	26.0	25.0	26.0	25.2	25.5
Rep. PAT	**2,694**	**3,612**	**3,461**	**3,456**	**3,961**	**3,977**	**4,037**	**4,316**	**14,756**	**16,290**
Change (%)	-13.5	4.4	-8.4	-11.3	47.0	10.1	16.6	24.9	2.4	23.2
Adj. PAT	**3,787**	**3,510**	**3,468**	**3,608**	**3,961**	**3,977**	**4,037**	**4,316**	**13,223**	**16,290**
Change (%)	20.2	0.1	-4.8	-8.8	4.6	13.3	16.4	19.6	-7.2	13.3

CIE Automotive — Buy

CMP: INR445 | TP: INR514 (+16%) — **EPS CHANGE (%): CY25E|26E: -|-**

- India business to post 2% YoY decline in revenue due to weak demand in key segments. EU business to post 9% YoY fall due to continued slowdown in Metalcastello and Europe.
- Overall, consol. revenue is projected to decline 4% YoY.
- EBITDA margin is expected to marginally decline 30bp QoQ to 14.5%.

Quarterly performance (Consol.)

(INR m)	CY24				CY25				CY24	CY25E
Y/E December	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**24,268**	**22,927**	**21,346**	**21,100**	**22,726**	**21,911**	**21,607**	**21,921**	**89,641**	**88,166**
YoY Change (%)	-0.5	-1.2	-6.4	-5.8	-6.4	-4.4	1.2	3.9	-3.4	-1.6
EBITDA	**3,606**	**3,600**	**3,306**	**2,993**	**3,355**	**3,184**	**3,116**	**3,193**	**13,506**	**12,847**
Margins (%)	14.9	15.7	15.5	14.2	14.8	14.5	14.4	14.6	15.1	14.6
Depreciation	863	836	798	809	864	820	862	938	3,306	3,485
Interest	220	211	169	175	126	120	120	144	776	510
Other Income	513	306	243	336	361	270	235	298	1,396	1,164
Share of profit from associates	4	6	19	-2	5	7	7	9	27	28
PBT before EO expense	**3,035**	**2,859**	**2,581**	**2,344**	**2,725**	**2,514**	**2,369**	**2,408**	**10,820**	**10,016**
Tax Rate (%)	24.3	24.5	25.3	23.6	24.6	24.6	24.6	23.6	24.4	24.3
Adj. PAT	**2,302**	**2,164**	**1,947**	**1,790**	**2,060**	**1,904**	**1,794**	**1,849**	**8,203**	**7,606**
YoY Change (%)	4.5	1.3	4.3	1.1	-10.5	-12.0	-7.9	3.3	2.8	-7.3
Revenues										
India	14,275	15,047	15,270	14,430	14,658	14,718	14,935	14,337	59,079	58,648
Growth (%)	-1	5	-1	-3	3	-2	-2	-1	0	-1
EU	9,994	7,879	6,077	6,670	8,069	7,193	6,673	7,584	29,098	29,519
Growth (%)	0	-11	-18	-12	-19	-9	10	14	-14	1
EBITDA Margins										
India	15.1	15.5	15.6	14.6	15.7	15.5	15.3	15.3	15.5	15.4
EU	14.6	16.1	15.2	13.2	13.1	12.5	12.5	13.3	15.0	12.8

Craftsman Auto — Neutral

CMP: INR5,704 | TP: INR5,197 (-9%) — **EPS CHANGE (%): FY26E|FY27E: -|-**

- Standalone revenue likely to grow ~18% YoY, led by steady growth in Aluminium segment and recovery in Powertrain segment.
- The consolidated entity is likely to post 49% YoY growth in revenues due to acquisitions of Sunbeam and Fornsburg.
- Consolidated margins to improve 60bp QoQ to 14.5%, led by ramp-up of new facilities and improvement in Sunbeam.

Quarterly (Consol) (INR m)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net operating income	**11,512**	**12,140**	**15,761**	**17,493**	**17,026**	**17,438**	**17,685**	**20,515**	**56,905**	**72,663**
Change (%)	10.9	3.0	39.5	58.3	47.9	43.6	12.2	17.3	27.8	27.7
RM/Sales (%)	56.3	55.6	52.7	54.2	54.5	54.0	54.0	53.6	54.5	54.0
Staff Cost (% of Sales)	6.4	6.9	8.5	8.3	8.2	8.2	8.0	7.9	7.7	8.1
Other Exp. (% of Sales)	20.1	21.6	26.2	23.6	22.8	22.8	22.5	22.5	23.2	22.6
EBITDA	**1,973**	**1,928**	**1,990**	**2,436**	**2,469**	**2,616**	**2,741**	**3,285**	**8,327**	**11,111**
EBITDA Margins (%)	17.1	15.9	12.6	13.9	14.5	15.0	15.5	16.0	14.6	15.3
Non-Operating Income	48	64	86	52	40	50	60	51	251	201
Interest	492	413	583	679	650	550	500	423	2166	2123
Depreciation	725	762	1035	949	980	1100	1200	1240	3470	4520
MI/Share of Profit	61	-4	-2	-2	0	0	0	0	-10	0
PBT after EO items	**744**	**821**	**313**	**755**	**879**	**1,016**	**1,101**	**1,673**	**2,951**	**4,668**
Eff. Tax Rate (%)	28.5	24.9	58.6	11.6	25.0	24.0	23.0	21.3	23.3	23.0
Rep. PAT	**532**	**617**	**129**	**668**	**659**	**772**	**848**	**1,316**	**2,263**	**3,595**
Change (%)	-28.6	-34.7	-82.3	7.1	23.9	25.1	555.7	97.1	-25.7	58.8
Adj. PAT	**532**	**617**	**242**	**750**	**659**	**772**	**848**	**1,316**	**2,263**	**3,595**
Change (%)	-28.6	-34.7	-66.9	20.3	23.9	25.1	249.8	75.5	-25.7	58.8

E: MOFSL Estimates

Endurance Technologies — Buy

CMP: INR2,885 | TP: INR3,275 (+14%) — **EPS CHANGE (%): FY26E|FY27E: 5|6**

- India business to grow 6% YoY as we expect it to continue to outperform the underlying 2W industry and due to benefits from recovery in 2W exports and ramp-up in 4W business.
- India EBITDA margin to remain stable YoY at 12.9%.
- In Europe, ENDU will consolidate Stoferle from 1Q. Hence, we expect Europe business revenue to grow 25% YoY.
- Expect EBITDA margin to remain stable YoY at 16.5% as Stoferle is also at similar margin to Europe business.
- Consolidated entity to post 12% YoY growth in PAT in 1Q.

Consolidated - Quarterly

Y/E March	FY25				FY26E				FY25	FY26E
INR m	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**28,255**	**29,127**	**28,592**	**29,635**	**32,216**	**34,904**	**36,707**	**39,241**	**1,15,608**	**1,43,069**
YoY Change (%)	15.3	14.4	11.6	11.2	14.0	19.8	28.4	32.4	12.9	23.8
EBITDA	**3,741**	**3,820**	**3,725**	**4,225**	**4,350**	**4,633**	**5,107**	**5,627**	**15,511**	**19,717**
Margins (%)	13.2	13.1	13.0	14.3	13.5	13.3	13.9	14.3	13.4	13.8
Depreciation	1,288	1,311	1,364	1,424	1,500	1,610	1,710	1,782	5,387	6,602
Interest	112	116	115	125	101	94	96	98	468	389
Other Income	339	265	219	346	210	250	270	297	1,170	1,027
PBT before EO expense	**2,680**	**2,658**	**2,466**	**3,022**	**2,959**	**3,179**	**3,571**	**4,045**	**10,825**	**13,754**
Exceptional Item	0	0	0	-122	0	0	0	0	0	0
PBT after EO	**2,680**	**2,658**	**2,466**	**3,144**	**2,959**	**3,179**	**3,571**	**4,045**	**10,825**	**13,754**
Eff. Tax Rate (%)	23.9	23.6	25.2	22.0	22.9	23.1	22.6	22.5	23.9	22.7
Adj. PAT	**2,039**	**2,030**	**1,844**	**2,359**	**2,280**	**2,446**	**2,766**	**3,136**	**8,242**	**10,627**
YoY Change (%)	24.7	31.3	21.1	21.0	11.8	20.5	50.0	32.9	20.3	28.9

Happy Forgings — Buy

CMP: INR953 | TP: INR1095 (+15%) — **EPS CHANGE (%): FY26E|27E: -3|-**

- Most of its end segments continued to see weak demand in India and Europe. We expect 5% YoY growth in revenue, led by strong order backlog. HAPPY is not materially impacted by US tariffs as its US exposure is sub 3% of revenue, including indirect exports.
- We expect EBITDA margins to largely remain stable YoY at 28.8% as input costs have been flat QoQ.
- We expect HAPPY to post 5% YoY earnings growth in 1Q.

Quarterly (Standalone) — **(INR M)**

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net operating income	**3,415**	**3,611**	**3,543**	**3,520**	**3,585**	**3,900**	**3,933**	**4,089**	**14,089**	**15,507**
Change (%)	3.5	5.3	3.6	2.5	5.0	8.0	11.0	16.2	3.7	0.0
RM/Sales (%)	43.5	41.2	42.0	41.3	41.8	42.0	42.0	42.2	42.0	42.0
Staff Cost (%)	8.5	8.5	9.3	9.2	9.2	8.8	8.9	8.9	8.9	0.0
Other Exp. (%)	19.4	21.2	20.1	20.4	20.2	20.2	20.2	19.8	20.3	0.0
EBITDA	**976**	**1,054**	**1,015**	**1,023**	**1,033**	**1,131**	**1,137**	**1,192**	**4,067**	**4,492**
EBITDA Margins (%)	28.6	29.2	28.6	29.1	28.8	29.0	28.9	29.1	28.9	0.0
Non-Operating Income	77	83	66	101	90	96	92	105	376	383
Interest	14	16	21	24	20	22	23	24	75	89
Depreciation	180	197	191	203	205	220	235	240	771	900
EO Exp		-48			0	0	0	0		0
PBT after EO items	**859**	**973**	**868**	**897**	**898**	**985**	**971**	**1,032**	**3,597**	**3,885**
Tax	220	259	223	219	230	246	249	269	921	995
Eff. Tax Rate (%)	25.6	26.6	25.7	24.4	25.6	25.0	25.7	26.1	25.6	0.0
Rep. PAT	**639**	**714**	**645**	**678**	**668**	**739**	**721**	**763**	**2,676**	**2,891**
Change (%)	-0.3	29.3	11.4	3.0	4.6	3.4	11.8	12.6	-68.1	0.0
Adj. PAT	**639**	**666**	**645**	**678**	**668**	**739**	**721**	**763**	**2,676**	**2,891**
Change (%)	-0.3	20.6	11.4	3.0	4.6	10.9	11.8	12.6	10.1	8.0

E: MOFSL Estimates

Sona Comstar — Neutral

CMP: INR476| TP: INR470 (-1%) — **EPS CHANGE (%): FY26E|FY27E: -19|-8**

- We expect 10% YoY decline in revenue due to: 1) slowdown in its key US market due to US tariffs, 2) weak offtake at one of its key EV customers, and 3) loss of some sales in India due to no availability of rare earth magnets.
- After approval for its acquisition, SONA would consolidate the Escorts Railway division for three weeks in 1Q. We have not yet included it in our estimates as we await details.
- Given weak demand, an adverse mix and tariff impact, we expect EBITDA margin to decline 140bp QoQ to 24% (down 410bp YoY).
- Given the headwinds highlighted above, we lower our FY26E/FY27E EPS by 19%/8%. The uncertainty around US tariffs and availability of rare earth magnets remain key risks ahead.

Consol. Quarterly Performance

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net operating revenues	**8,930**	**9,251**	**8,680**	**8,494**	**8,045**	**8,883**	**9,515**	**10,406**	**35,545**	**35,839**
Change (%)	22.0	17.0	11.8	-4.0	-9.9	-4.0	9.6	22.5	11.6	0.8
EBITDA	**2,512**	**2,549**	**2,342**	**2,160**	**1,931**	**2,203**	**2,398**	**2,668**	**9,753**	**9,200**
EBITDA Margins (%)	28.1	27.6	27.0	25.4	24.0	24.8	25.2	25.6	27.4	25.0
Depreciation	606	626	666	646	650	710	750	736	2,544	2,846
EBIT	**1,905**	**1,923**	**1,677**	**1,513**	**1,281**	**1,493**	**1,648**	**1,932**	**7,209**	**6,354**
EBIT Margins (%)	21.3	20.8	19.3	17.8	15.9	16.8	17.3	18.6	20.3	17.2
Interest	86	106	58	52	50	35	45	52	302	182
Non-Operating Income	70	210	468	522	90	110	90	130	1,269	420
PBT	**1,889**	**1,918**	**2,030**	**2,147**	**1,321**	**1,568**	**1,693**	**2,010**	**8,173**	**6,592**
Effective Tax Rate (%)	25.0	25.1	25.8	23.8	25.2	25.2	25.2	25.2	24.2	0.3
Adjusted PAT	**1,417**	**1,546**	**1,564**	**1,473**	**988**	**1,173**	**1,266**	**1,504**	**6,200**	**4,931**
Change (%)	24.0	20.2	17.1	-0.6	-30.3	-22.8	-18.3	-0.6	27.3	-20.5

Bosch — Neutral

CMP: INR32,333 | TP: INR29,657 (-8%) — **EPS CHANGE (%): FY26E|27E: -5|-3**

- We expect ~7% YoY revenue growth, driven by aftermarket growth in the mobility division and anticipated improvement in the consumer goods segment. However, weakness in 2W OE demand is likely to limit growth.
- Margins to slightly improve by 30bp YoY to 12.3%.
- As a result, we expect Bosch to post 5.5% YoY growth in PAT.

Quarterly performance (S/A) (INR M)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**43,168**	**43,943**	**44,657**	**49,106**	**46,190**	**48,337**	**49,569**	**53,171**	**1,80,874**	**1,97,267**
YoY Change (%)	3.8	6.4	6.2	16.0	7.0	10.0	11.0	8.3	8.1	9.1
RM Cost (% of sales)	64.6	65.1	61.6	62.4	63.8	63.8	63.0	63.1	63.4	63.4
Staff Cost (% of sales)	7.8	7.8	8.8	8.6	8.4	8.4	8.5	8.1	8.3	8.3
Other Expenses (% of sales)	15.7	14.3	16.5	15.8	15.5	15.2	15.5	15.1	15.6	15.3
EBITDA	**5,197**	**5,605**	**5,826**	**6,469**	**5,681**	**6,090**	**6,444**	**7,338**	**23,097**	**25,554**
Margins (%)	12.0	12.8	13.0	13.2	12.3	12.6	13.0	13.8	12.8	13.0
Depreciation	856	900	1,008	992	998	1,000	1,050	1,079	3,756	4,127
Interest	26	22	62	61	38	30	42	41	171	150
Other Income	1,793	2,089	1,891	2,369	1,900	2,150	2,200	2,393	8,142	8,643
PBT before EO expense	**6,108**	**6,772**	**6,647**	**7,785**	**6,546**	**7,210**	**7,552**	**8,611**	**27,312**	**29,920**
Extra-Ord expense	0	-485	471	0	0	0	0	0	0	0
PBT after EO Expense	**6,108**	**7,257**	**6,176**	**7,785**	**6,546**	**7,210**	**7,552**	**8,611**	**27,312**	**29,920**
Tax	1,453	1,898	1,594	2,248	1,636	1,803	1,888	2,153	7,193	7,480
Tax Rate (%)	23.8	26.2	25.8	28.9	25.0	25.0	25.0	25.0	26.3	25.0
Reported PAT	**4,655**	**5,359**	**4,582**	**5,537**	**4,909**	**5,408**	**5,664**	**6,459**	**20,119**	**22,440**
Adj PAT	**4,655**	**5,002**	**4,929**	**5,537**	**4,909**	**5,408**	**5,664**	**6,459**	**20,119**	**22,440**
YoY Change (%)	13.8	30.2	4.4	-1.9	5.5	8.1	14.9	16.6	11.4	11.5

E: MOFSL Estimates

Motherson Wiring India — Buy

CMP: INR60| TP: INR70 (+16%) — **EPS CHANGE (%): FY26E|FY27E: -|-**

- Revenue likely to grow 10% YoY, aided by ramp-up of new plants.
- EBITDA margins to largely remain stable YoY at 10.9%.
- We expect 7% YoY earnings growth for 1Q.

MSUMI: Quarterly performance (INR M)

INR m	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**21,848**	**23,256**	**23,003**	**25,095**	**24,033**	**26,047**	**26,453**	**28,786**	**93,203**	**1,05,319**
YoY Change (%)	16.7	10.5	8.8	12.4	10.0	12.0	15.0	14.7	11.9	13.0
RM Cost (% of sales)	65.1	64.9	64.9	65.7	65.2	65.0	65.0	65.2	65.2	65.1
Staff Cost (% of sales)	17.2	17.3	17.9	16.5	17.5	17.3	17.2	16.9	17.2	17.2
Other Expenses (% of sales)	6.7	7.1	6.8	7.0	6.4	6.5	6.4	6.5	6.9	6.5
EBITDA	**2,388**	**2,496**	**2,376**	**2,712**	**2,625**	**2,923**	**3,016**	**3,280**	**9,971**	**11,845**
Margins (%)	10.9	10.7	10.3	10.8	10.9	11.2	11.4	11.4	10.7	11.2
Depreciation	399	444	470	476	490	520	550	587	1,789	2,147
Interest	55	72	66	55	60	55	50	45	248	210
Other Income	50	48	6	16	40	35	30	31	119	136
PBT before EO expense	**1,984**	**2,027**	**1,846**	**2,197**	**2,115**	**2,383**	**2,446**	**2,680**	**8,054**	**9,624**
PBT after EO Expense	**1,984**	**2,027**	**1,846**	**2,197**	**2,115**	**2,383**	**2,446**	**2,680**	**8,054**	**9,624**
Tax Rate (%)	25	25	24	25	25	25	25	25	25	25
Reported PAT	**1,489**	**1,521**	**1,400**	**1,649**	**1,597**	**1,799**	**1,846**	**2,023**	**6,059**	**7,266**
Adj PAT	**1,489**	**1,521**	**1,400**	**1,649**	**1,597**	**1,799**	**1,846**	**2,023**	**6,059**	**7,266**
YoY Change (%)	20.9	-2.4	-16.6	-13.8	7.3	18.3	31.9	22.7	-5.1	19.9

E: MOFSL Estimates

Samvardhana Motherson Sumi — Buy

CMP: INR152| TP: INR175 (+15%) — **EPS CHANGE (%): FY26E|FY27E: -5|-4**

- Execution of healthy order book, integration benefits from recent acquisitions and currency translation gains should drive revenue growth of 6% YoY.
- On the back of higher input costs and weak demand, we expect margins to decline 50bp YoY to 9.1%.
- We expect earnings to decline 2.5% YoY largely due to weak demand.

Quarterly performance (Consol.) (INR M)

INR m	FY25E				FY26E				FY25	FY25E
Y/E March	1Q	2Q	3Q	4QE	1QE	2QE	3QE	4QE		
Net Sales	**2,88,680**	**2,78,119**	**2,76,659**	**2,93,168**	**3,05,911**	**2,96,579**	**3,01,755**	**3,03,310**	**11,36,626**	**12,07,555**
YoY Change (%)	28.5	18.2	7.9	9.1	6.0	6.6	9.1	3.5	15.4	6.2
EBITDA	**27,753**	**24,479**	**26,858**	**26,429**	**27,767**	**24,707**	**28,477**	**27,851**	**1,05,519**	**1,08,802**
Margins (%)	9.6	8.8	9.7	9.0	9.1	8.3	9.4	9.2	9.3	9.0
Depreciation	10,646	11,028	11,124	12,137	11,900	12,400	12,600	13,334	44,934	50,234
Interest	4,445	5,462	4,661	4,256	3,900	3,500	3,100	2,960	18,824	13,460
Other income	709	862	1,112	1,164	850	1,250	1,650	2,385	5,577	6,135
PBT before EO expense	**13,371**	**8,852**	**12,185**	**11,200**	**12,817**	**10,057**	**14,427**	**13,942**	**47,338**	**51,243**
Extra-Ord expense	0	-1,730	0	1,730	0	0	0	0	0	0
PBT after EO Expense	**13,371**	**10,582**	**12,185**	**9,470**	**12,817**	**10,057**	**14,427**	**13,942**	**47,338**	**51,243**
Tax Rate (%)	26.0	33.2	27.7	12.2	27.0	27.0	27.0	27.0	23.6	27.0
Min. Int & Share of profit	-51	-1,152	26	-672	-333	-401	-467	-383	-1,848	-1,584
Reported PAT	**9,942**	**8,797**	**8,786**	**8,775**	**9,690**	**7,742**	**10,999**	**10,560**	**38,030**	**38,991**
Adj PAT	**9,942**	**7,470**	**8,790**	**10,030**	**9,690**	**7,742**	**10,999**	**10,560**	**38,030**	**38,991**
YoY Change (%)	65.5	65.7	62.2	9.4	-2.5	3.6	25.1	5.3	51.5	2.5

E: MOFSL Estimates

Tube Investments — Buy

CMP: INR3,088 | TP: INR3,658 (+18%) — **EPS CHANGE (%): FY26E|FY27E: -|-**

- Demand remained weak across segments. As a result, we expect TII to post modest 5% YoY growth in 1Q.
- While metal formed division is expected to grow by 8% YoY, mobility/engineering divisions are expected to grow ~1%/4% YoY. Revenue from other business to grow ~10% YoY.
- We expect EBITDA margin to largely remain stable YoY at 12%.
- Overall, we expect standalone entity to post 4% YoY growth in earnings in 1Q.

Quarterly performance (S/A) (INR M)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**19,603**	**20,648**	**19,102**	**19,573**	**20,604**	**21,495**	**21,095**	**22,292**	**78,925**	**85,486**
YoY Change (%)	10.1	4.8	0.6	-0.3	5.1	4.1	10.4	13.9	3.7	8.3
EBITDA	**2,400**	**2,460**	**2,431**	**2,280**	**2,466**	**2,658**	**2,636**	**2,778**	**14,995**	**10,537**
Margins (%)	12.2	11.9	12.7	11.6	12.0	12.4	12.5	12.5	19.0	12.3
Depreciation	386	407	432	463	442	456	486	520	1,688	1,904
Interest	72	69	54	52	60	50	45	45	247	200
Other Income	137	261	175	1,502	150	200	250	1,532	2,075	2,132
PBT before EO expense	**2,079**	**2,245**	**2,120**	**3,267**	**2,114**	**2,352**	**2,355**	**3,744**	**15,134**	**10,565**
Tax	534	567	512	664	508	565	566	844	2,277	2,483
Tax Rate (%)	25.7	25.3	24.2	20.3	24.0	24.0	24.0	22.5	23.4	23.5
Adj PAT	**1,545**	**1,678**	**1,607**	**2,603**	**1,606**	**1,787**	**1,789**	**2,900**	**7,468**	**8,082**
YoY Change (%)	4.6	-7.5	2.1	5.0	4.0	6.5	11.3	11.4	1.7	8.2

E: MOFSL Estimates

Capital Goods

Company
ABB India
Bharat Electronics
Cummins India
Hindustan Aeronautics
Hitachi Energy India
Kalpataru Projects International
KEC International
Kirloskar Oil Engines
L&T
Siemens
Thermax
Triveni Turbine
Zen Technologies

Comfortably placed

The capital goods sector is comfortably positioned, supported by: 1) strong order book providing healthy revenue visibility, 2) favorable commodity prices offering comfort to margins, 3) strong balance sheet that provides leeway for capex, and 4) favorable government policies, such as plans for emergency defense procurement, focus on renewables, and Make in India initiative. We will wait to see a broad-based revival in domestic and private capex, along with sustained momentum in order inflows, which would drive a re-rating of the sector from current levels. We expect a 14% YoY growth in revenues for our coverage universe. With an improved revenue mix and benign commodity prices, margins are expected to remain stable YoY. However, sequentially, we expect margins to contract, mainly due to the high margin base of defense companies. For 1QFY26, we estimate our coverage companies to report revenue growth of 14% YoY, EBITDA growth of 14% YoY, and PAT growth of 12% YoY. We reiterate our positive stance on LT, KKC, and Bharat Electronics in the large cap space and KOEL and KPIL in the mid- and small-cap segments.

Healthy ordering momentum during the quarter

Ordering momentum remained strong during the quarter, supported by healthy traction across the defense, power T&D, renewables, and B&F segments. The railways segment, which saw a slowdown in FY25, has started showing signs of recovery since Apr'25. Order inflows were strong in 4QFY25, and 1QFY26 has started on a decent note. During the quarter, LT bagged orders across the power T&D segment, as well as in water, buildings, and factories, announcing inflows worth INR150b so far. The Siemens consortium won a major order worth INR41b from the National High-speed Rail Corporation for the Mumbai-Ahmedabad high-speed rail project. In 1QFY26, BHE won ~INR73.5b worth of orders, KECI secured ~INR68.5b, and KPIL acquired ~INR71.5b. Backed by a strong order book and the anticipated finalization of pending pipeline orders, we expect execution for our coverage universe to grow 14% YoY in 1QFY26.

Emergency procurement to augur well for both private and public defense companies

The DAC has approved emergency procurement worth INR400b for the Indian Defence Forces. Key systems prioritized under the emergency powers include surveillance drones, kamikaze drones, loitering munitions, and various types of missiles and ammunition. These emergency powers ensure that equipment is received within strict timelines, helping to meet immediate operational requirements. This is the fifth such tranche of emergency procurement since 2019. 13 contracts worth INR20b under the emergency procurement mechanism have already been concluded. Additionally, DRDO has offered 28 indigenous weapon systems to defense forces for emergency procurement. These include weapons like rockets, missiles, grenades, and anti-drone missiles.

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Margin likely to vary across sectors

We expect EPC companies to report sequential recovery in margins as improved momentum continues following the completion of low-margin legacy projects. After seeing an uptick, prices of key inputs have eased. Product companies are continuously focusing on high-margin areas, tech-led offerings, and deeper penetration in tier 3 and 4 markets, enabling them to benefit from better pricing. We expect margins for most product companies to be either maintained QoQ or improve based on the business mix. In recent months, zinc/ aluminum/copper prices have eased by 9%/8%/2% vs. Mar'25 levels, while HRC prices have risen by 5%. A sustained decline in commodity prices is likely to improve margins in future. We, thus, expect ~10bp of YoY margin expansion in 1QFY26 for our coverage universe, while sequentially, margin is expected to contract ~370bp, mainly due to the high margin base of defense companies.

Strong opportunities in international markets

Export performance is gradually improving for companies, with expectations of further gains from increased exports to the US, Europe, and the Middle East. EPC players are already benefiting from opportunities in renewables and renewable transmission projects, and we expect a similar momentum to continue going forward. Overall, engineering companies have shown their intent to ramp up exports in FY26 after cautiously evaluating export markets amid the current geopolitical situation. Defense companies are targeting larger opportunities through the export of major platforms such as Akash missile, MRSAM, and defense control systems, where domestic companies have already established their product quality in domestic markets.

Valuations baking in improved capex spends

The Capital goods sector has already seen outperformance during the quarter on decent results and expectations of capex revival. We expect these valuations to be sustained only on continuity of order inflows as well as earnings momentum. Broadly, capex activity from private sector continues to remain weak. Along with this, defense sector has seen a re-rating on hopes of emergency procurement as well as on NATO's new spending targets on defense and expectations that India would follow the suit. We expect these to be positive for defense sector as it widens the TAM on both domestic and international markets for defense companies. Valuations for transmission sector plays would continue to remain high on continuously improving market opportunities on T&D and renewable.

Our top picks

We prefer companies with a well-balanced revenue mix, control over margins, and the ability to maintain or improve growth profile going forward. We remain selective on the sector and maintain our positive stance on **LT, KKC, and Bharat Electronics** in the large cap space and **KOEL and KPIL** in the mid- and small-cap segments.

Exhibit 1: Summary of quarterly earnings estimates

Sector	CMP (INR)	Reco	Sales (INR M) Jun-25	Var % YoY	Var % QoQ	EBIDTA (INR M) Jun-25	Var % YoY	Var % QoQ	NET PROFIT (INR m) Jun-25	Var % YoY	Var % QoQ
ABB India	5,951	Buy	32,160	13.6	1.8	5,916	9.0	1.6	4,844	9.4	2.2
Bharat Electronics	432	Buy	48,429	15.3	-46.9	10,801	15.3	-61.3	8,388	8.1	-60.1
Cummins India	3,348	Buy	26,579	15.4	8.2	5,342	14.3	2.8	4,911	17.0	-5.8
Hind.Aeronautics	4,911	Buy	52,497	20.8	-61.7	12,599	27.2	-76.2	12,597	-12.3	-68.3
Hitachi Energy	19,315	Sell	18,931	42.6	0.5	2,177	354.5	-19.7	1,295	1,142.7	-34.4
KEC International	910	Neutral	50,935	12.9	-25.9	3,565	31.9	-33.8	1,170	33.6	-56.4
Kalpataru Proj.	1,198	Buy	45,898	23.3	-26.0	3,901	24.5	-25.4	1,545	32.4	-41.9
Kirloskar Oil	857	Buy	14,021	4.4	-0.7	1,753	-11.3	0.7	1,116	-17.2	5.7
Larsen & Toubro	3,667	Buy	6,18,304	12.2	-16.9	61,335	9.2	-25.2	33,590	20.6	-34.6
Siemens	3,323	Neutral	42,133	12.0	-1.1	5,310	9.4	13.6	4,819	10.3	18.1
Thermax	3,353	Sell	24,437	11.9	-20.8	2,017	42.9	-32.7	1,271	16.1	-38.2
Triveni Turbine	606	Buy	4,933	6.5	-8.3	1,001	4.8	-16.8	827	2.9	-12.6
Zen Technologies	1,978	Neutral	2,589	2.0	-11.8	932	-9.7	-1.2	814	9.7	-4.2
Capital Goods			**9,81,846**	**13.7**	**-22.9**	**1,16,651**	**14.3**	**-41.3**	**77,187**	**11.7**	**-44.2**

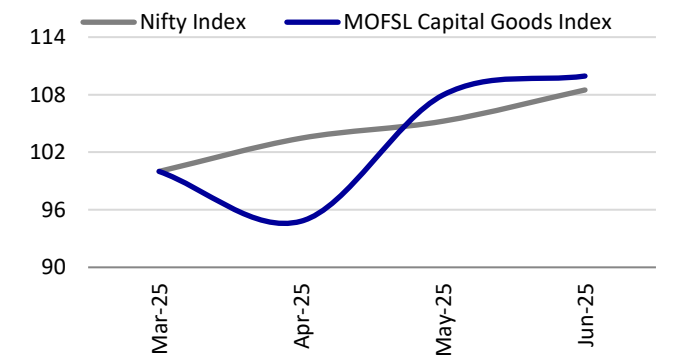
ABB: December ending; SIEM: September ending

Exhibit 2: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR) FY25	FY26E	FY27E	PE (x) FY25	FY26E	FY27E	PB (x) FY25	FY26E	FY27E	ROE (%) FY25	FY26E	FY27E
Capital Goods						**40.6**	**40.0**	**33.5**	**7.3**	**7.4**	**6.4**	**18.0**	**18.4**	**18.9**
ABB India	5,951	Buy	88.5	94.4	103.6	67.3	63.0	57.5	17.8	15.6	13.9	28.8	26.4	25.6
Bharat Electronics	432	Buy	7.2	8.2	9.9	59.8	52.6	43.5	16.0	12.6	10.1	26.8	24.0	23.1
Cummins India	3,348	Buy	71.7	83.3	97.9	46.7	40.2	34.2	13.2	11.7	10.3	30.2	30.9	32.1
Hind.Aeronautics	4,911	Buy	125.0	141.2	161.2	39.3	34.8	30.5	9.4	7.9	6.6	23.9	22.6	21.8
Hitachi Energy	19,315	Sell	77.5	170.1	250.0	249.4	113.6	77.3	19.4	16.5	13.5	8.2	15.3	18.3
Kalpataru Proj.	1,198	Buy	39.3	55.4	74.1	30.5	21.6	16.2	2.8	2.6	2.2	10.4	12.4	14.7
KEC International	910	Neutral	21.4	35.1	44.4	42.5	26.0	20.5	4.5	4.4	4.2	12.1	17.2	21.0
Kirloskar Oil	857	Buy	28.8	33.6	40.9	29.8	25.5	21.0	4.2	3.7	3.2	14.9	15.3	16.4
Larsen & Toubro	3,667	Buy	106.8	129.4	153.6	34.3	28.3	23.9	5.2	4.6	4.0	16.0	17.1	18.0
Siemens	3,323	Neutral	56.8	52.1	66.1	58.6	63.8	50.3	7.7	6.9	6.0	13.2	10.8	12.0
Siemens Energy	2,950	Buy	19.6	29.1	36.6	150.5	101.3	80.6	32.7	24.7	18.9	21.7	24.4	23.4
Thermax	3,353	Sell	56.4	65.7	77.8	59.5	51.0	43.1	7.6	6.9	6.1	13.5	14.2	14.9
Triveni Turbine	606	Buy	11.3	12.8	16.0	53.7	47.2	37.8	15.8	12.8	10.3	33.0	29.9	30.1
Zen Technologies	1,978	Neutral	29.1	37.9	57.1	67.9	52.1	34.6	10.6	8.8	7.0	24.6	18.4	22.5

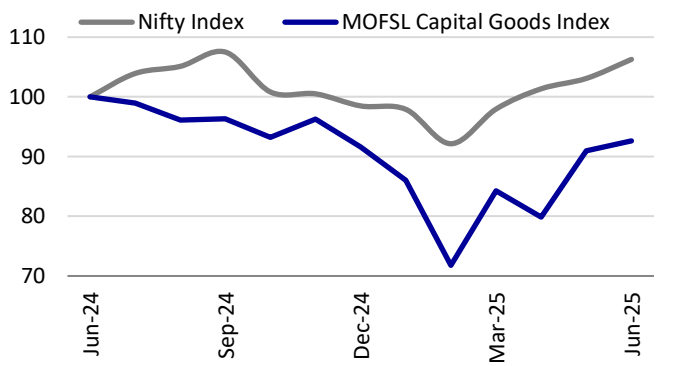
For ABB, FY25/FY26E/FY27E indicate CY24/CY25E/CY26E data; For SIEM: FY25/FY26E/FY27E indicate Sep'24/Sep'25E/Sep'26E data.

Exhibit 3: Relative performance – three months (%)



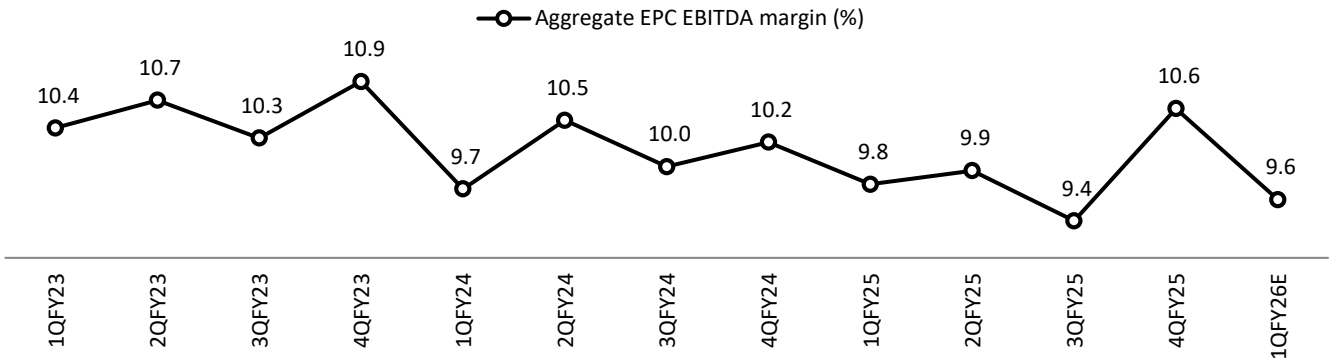
Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)



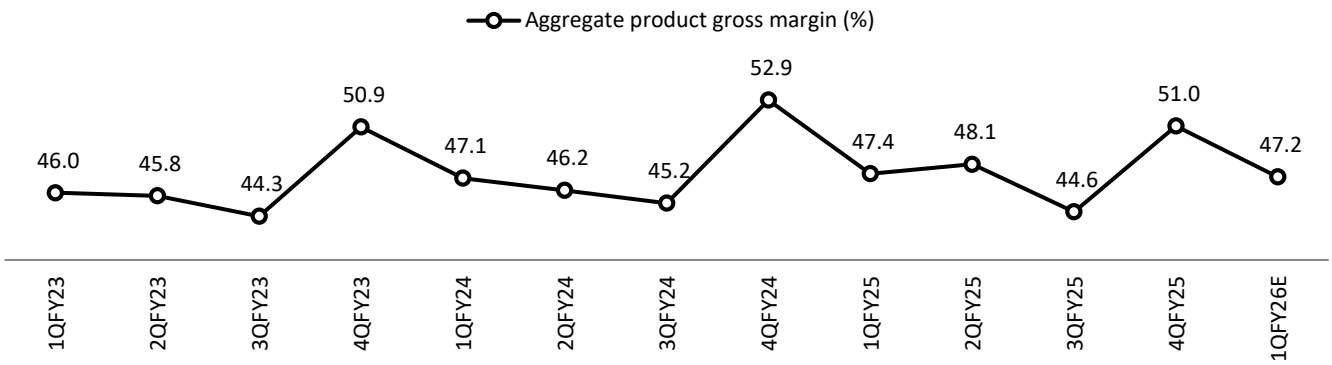
Source: Bloomberg, MOFSL

Exhibit 5: EBITDA margin snapshot for EPC companies under our coverage



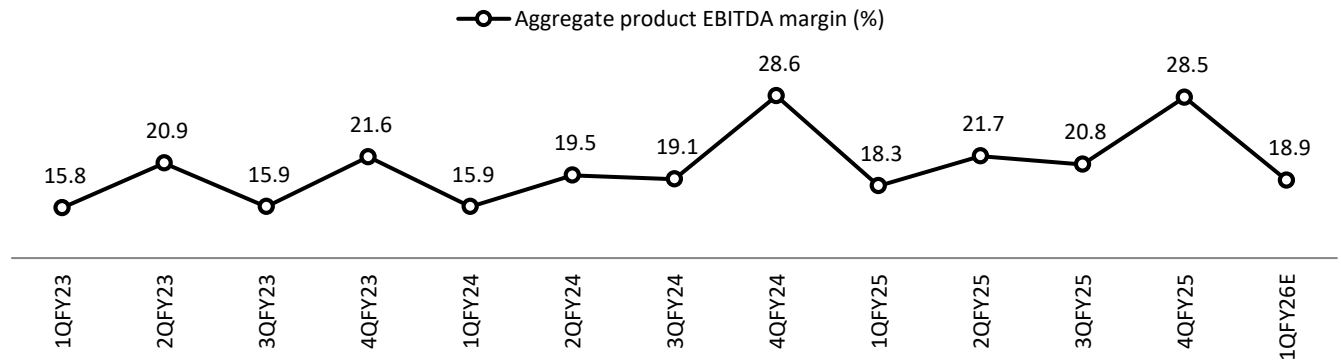
Source: Company, MOFSL

Exhibit 6: Gross margin snapshot for product companies under our coverage (ex-Siemens)



Source: Company, MOFSL

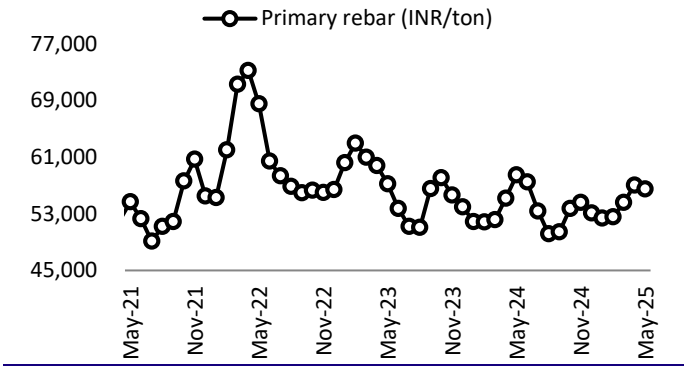
Exhibit 7: EBITDA margin snapshot for product companies under our coverage (ex-Siemens)



Source: Company, MOFSL

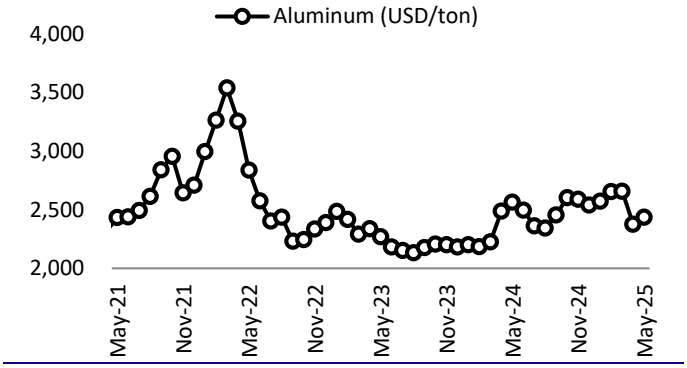
Input prices started increasing sequentially

Exhibit 8: Primary rebar price trend (INR/ton)



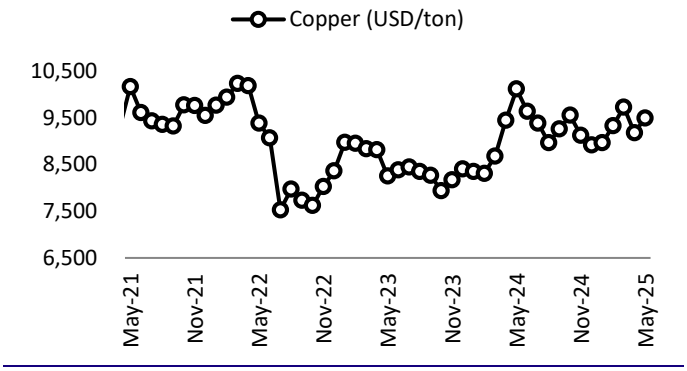
Source: Bloomberg, MOFSL

Exhibit 9: Aluminum price trend (USD/ton)



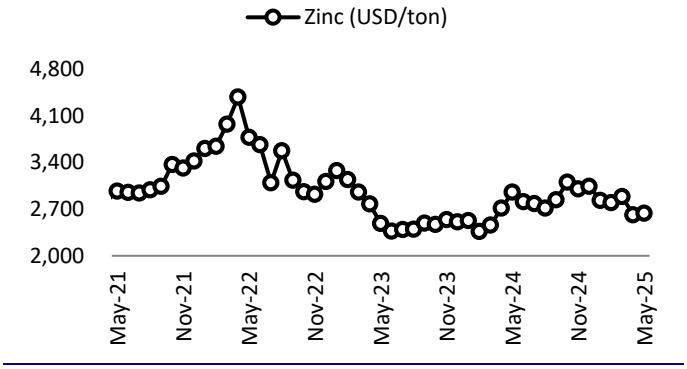
Source: Bloomberg, MOFSL

Exhibit 10: Copper price trend (USD/ton)



Source: Bloomberg, MOFSL

Exhibit 11: Zinc price trend (USD/ton)



Source: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ABB India — Buy

CMP: INR5,951 | TP: INR6,700 (+13%) — **EPS CHANGE (%): CY25|CY26: -|-**

- ABB's revenue growth moderated in 1QCY25, mainly due to a decline in revenue from the process automation segment. We expect revenue to grow 14% YoY in 2QCY25, driven by improved execution and a strong order book.
- Key monitorables include the finalization of pipeline orders, sustainability of margins, outlook on exports, and localization levels.
- We expect margins to moderate YoY on the high base of CY24, while sequentially, we expect margins to sustain at 1Q levels due to volume weakness in process automation.
- We will watch out for incremental inflows from transmission, railways, data centers, transportation, F&B, and private capex to support order inflow growth.
- TP increased to INR6,700 on rollforward to Sep'27 EPS.

Standalone - Quarterly Snapshot (INR m)

Y/E December	CY24				CY25E				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**30,804**	**28,309**	**29,122**	**33,649**	**31,596**	**32,160**	**33,085**	**37,205**	**121,883**	**134,045**
YoY Change (%)	27.8	12.8	5.2	22.0	2.6	13.6	13.6	10.6	16.7	10.0
Total Expenditure	25,152	22,884	23,719	27,076	25,773	26,244	27,030	30,497	98,831	109,543
EBITDA	**5,652**	**5,425**	**5,402**	**6,573**	**5,823**	**5,916**	**6,055**	**6,708**	**23,052**	**24,502**
Margins (%)	18.3	19.2	18.6	19.5	18.4	18.4	18.3	18.0	18.9	18.3
Depreciation	314	310	328	337	338	341	341	345	1,289	1,365
Interest	38	45	30	51	47	36	36	25	165	145
Other Income	871	868	929	866	923	938	938	953	3,534	3,752
PBT before EO expense	**6,171**	**5,938**	**5,973**	**7,051**	**6,361**	**6,476**	**6,616**	**7,291**	**25,133**	**26,744**
PBT	**6,171**	**5,938**	**5,973**	**7,051**	**6,361**	**6,476**	**6,616**	**7,291**	**25,133**	**26,744**
Tax	1,575	1,511	1,568	1,732	1,620	1,632	1,667	1,820	6,387	6,739
Rate (%)	25.5	25.5	26.3	24.6	25.5	25.2	25.2	25.0	25.4	25.2
Reported PAT	**4,596**	**4,426**	**4,405**	**5,319**	**4,741**	**4,844**	**4,949**	**5,471**	**18,746**	**20,005**
Adj PAT	**4,596**	**4,426**	**4,405**	**5,319**	**4,741**	**4,844**	**4,949**	**5,471**	**18,746**	**20,005**
YoY Change (%)	87.4	49.6	21.7	54.1	3.2	9.4	12.3	2.8	50.2	6.7
Margins (%)	14.9	15.6	15.1	15.8	15.0	15.1	15.0	14.7	15.4	14.9

Bharat Electronics — Buy

CMP: INR432 | TP: INR490 (13%) — **EPS CHANGE (%): FY26|FY27: -2|-3**

- We expect revenue growth of 15% YoY, led by the healthy execution of the order book of INR717b.
- Key monitorables include the status of QRSAM and Project Kusha, execution of orders for LRSAM and EW projects, incremental share of exports, and working capital cycle.
- We expect margins to normalize and remain flat YoY at 22.3%.
- The finalization of orders, execution of the huge backlog, incremental share of exports, and further indigenization of modules and subsystems will remain key areas of focus.
- We increase our valuation multiple to bake in the projected rise in overall defense spending and increase our TP to INR490 onroll-forward to Sep'27.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**41,988**	**45,834**	**57,561**	**91,197**	**48,429**	**52,580**	**66,417**	**1,09,311**	**2,36,580**	**2,76,738**
Change (%)	19.6	14.8	39.1	6.9	15.3	14.7	15.4	19.9	17.3	17.0
EBITDA	**9,367**	**13,885**	**16,533**	**27,890**	**10,801**	**14,408**	**18,530**	**33,647**	**67,676**	**77,386**
Change (%)	41.0	38.2	57.5	22.3	15.3	3.8	12.1	20.6	35.4	14.3
Margin (%)	22.3	30.3	28.7	30.6	22.3	27.4	27.9	30.8	28.6	28.0
Depreciation	997	1,032	1,029	1,298	1,183	1,212	1,242	1,331	4,356	4,968
Interest	12	13	13	58	12	13	13	58	96	96
Other Income	2,015	1,668	2,051	1,942	1,640	1,803	2,459	2,295	7,676	8,198
PBT	**10,373**	**14,509**	**17,542**	**28,476**	**11,246**	**14,987**	**19,735**	**34,553**	**70,900**	**80,520**
Tax	2,612	3,596	4,381	7,428	2,858	3,809	5,015	8,781	18,017	20,462
Effective Tax Rate (%)	25.2	24.8	25.0	26.1	25.4	25.4	25.4	25.4	25.4	25.4
Reported PAT	**7,761**	**10,913**	**13,161**	**21,048**	**8,388**	**11,178**	**14,719**	**25,772**	**52,883**	**60,058**
Change (%)	46.2	34.3	47.3	18.0	8.1	2.4	11.8	22.4	31.5	13.6
Adj PAT	**7,761**	**10,913**	**13,161**	**21,048**	**8,388**	**11,178**	**14,719**	**25,772**	**52,883**	**60,058**
Change (%)	46.2	34.3	47.3	18.0	8.1	2.4	11.8	22.4	31.5	13.6

Cummins India

Buy

CMP: INR3,348 | TP: INR4,200 (+25%) **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue to grow 15% YoY/8% QoQ. We expect YoY growth to be driven by a broad-based improvement across all segments. We expect the powergen segment to benefit from the low base of 1QFY25 as well as price hikes for CPCB 4+ products.
- Key monitorables include demand outlook across segments, the pricing environment in Powergen, and the export trajectory.
- We expect the EBITDA margin to normalize and contract ~110bp QoQ on a high base of 4QFY25 margins. On a YoY basis, we expect a ~20bp contraction.
- Within segments, we expect the powergen segment to benefit from price hikes, while volumes are likely to see only a marginal decline. We also expect exports to grow 30% YoY.
- TP increased to INR4,200 on roll-forward.

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

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**23,042**	**24,923**	**30,860**	**24,569**	**26,579**	**28,499**	**31,623**	**33,764**	**1,03,394**	**1,20,465**
YoY Change (%)	4.3	31.2	21.8	6.1	15.4	14.3	2.5	37.4	15.4	16.5
Total Expenditure	18,369	20,113	24,860	19,372	21,237	22,942	25,425	27,118	82,714	96,722
EBITDA	**4,673**	**4,810**	**6,000**	**5,197**	**5,342**	**5,557**	**6,198**	**6,645**	**20,680**	**23,743**
Margins (%)	20.3	19.3	19.4	21.2	20.1	19.5	19.6	19.7	20.0	19.7
Depreciation	439	452	481	457	458	469	518	524	1,829	1,970
Interest	48	26	27	52	42	42	42	42	151	166
Other Income	1,322	1,611	1,209	2,119	1,619	1,696	1,875	1,934	6,261	7,124
PBT before EO expense	**5,509**	**5,944**	**6,702**	**6,807**	**6,462**	**6,743**	**7,513**	**8,013**	**24,961**	**28,730**
Extra-Ord expense									-	-
PBT	**5,509**	**5,944**	**6,702**	**6,807**	**6,462**	**6,743**	**7,513**	**8,013**	**24,961**	**28,730**
Tax	1,311	1,438	1,562	1,593	1,551	1,618	1,803	1,937	5,904	6,909
Rate (%)	23.8	24.2	23.3	23.4	24.0	24.0	24.0	24.2	23.7	24.0
Reported PAT	**4,198**	**4,506**	**5,140**	**5,214**	**4,911**	**5,124**	**5,710**	**6,076**	**19,058**	**21,821**
Adj PAT	**4,198**	**4,506**	**5,140**	**5,214**	**4,911**	**5,124**	**5,710**	**6,076**	**19,058**	**21,821**
YoY Change (%)	33.0	37.2	12.7	-7.2	17.0	13.7	11.1	16.5	14.7	14.5
Margins (%)	18.2	18.1	16.7	21.2	18.5	18.0	18.1	18.0	18.4	18.1

Hindustan Aeronautics

Buy

CMP: INR4,911 | TP: INR5,750 (+17%) **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 21% YoY, driven by a healthy execution of the opening OB of INR1.8t.
- Key monitorables include the status of Tejas Mk1a deliveries and Su-30 avionics upgrade project, any major deviation in provisions created, and the working capital cycle.
- We expect EBITDA margin to expand ~120bp YoY, aided by increased indigenization and easing of supply chain issues.
- The execution of huge backlog, incremental inflows, and comfortable margin levels will be the key focus areas.
- We increase our TP slightly on roll-forward to Sep'27.

Consolidated - Quarterly **(INR b)**

Income Statement	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**43.5**	**59.8**	**69.6**	**137.0**	**52.5**	**71.2**	**78.7**	**172.5**	**309.8**	**375.0**
Change (%)	11.0	6.0	14.8	(7.2)	20.8	19.2	13.2	25.9	3.9	21.0
Expenses	33.6	43.4	52.7	84.0	39.9	51.7	59.1	112.6	213.7	263.2
EBITDA	**9.9**	**16.4**	**16.8**	**52.9**	**12.6**	**19.6**	**19.7**	**59.9**	**96.1**	**111.8**
As of % Sales	22.8	27.4	24.2	38.6	24.0	27.5	25.0	34.7	31.0	29.8
Depreciation	1.5	1.8	2.8	7.4	2.4	2.8	3.1	7.1	13.4	15.4
Interest	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.1	0.1
Other Income	7.4	5.4	6.3	6.5	6.5	7.0	7.2	8.7	25.6	29.4
PBT pre EO items	**15.8**	**20.0**	**20.4**	**52.0**	**16.8**	**23.8**	**23.8**	**61.4**	**108.2**	**125.8**
Extra-ordinary Items	-	0.1	-	-	-	-	-	-	0.1	-
PBT	**15.8**	**20.1**	**20.4**	**52.0**	**16.8**	**23.8**	**23.8**	**61.4**	**108.3**	**125.8**
Tax	1.5	5.1	6.0	12.4	4.2	6.0	6.0	15.5	25.0	31.8
Effective Tax Rate (%)	9.3	25.5	29.6	23.9	25.3	25.3	25.3	25.3	23.1	25.3
MI & P/L Share of JV	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.2	0.4	0.5
Reported PAT	**14.4**	**15.1**	**14.4**	**39.8**	**12.6**	**17.9**	**17.9**	**46.1**	**83.6**	**94.4**
Adj PAT	**14.4**	**15.0**	**14.4**	**39.8**	**12.6**	**17.9**	**17.9**	**46.1**	**83.6**	**94.4**
Margin (%)	33.1	25.2	20.7	29.0	24.0	25.1	22.7	26.7	27.0	25.2
Change (%)	76.5	21.7	14.1	(7.7)	(12.3)	18.7	24.1	15.9	38.4	13.0

Hitachi Energy India — Sell

CMP: INR19,315 | TP: INR14,200 (-26%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 43% YoY, led by healthy execution of the opening OB of INR193b.
- Key monitorables include further ramp-up in margins, progress on HVDC projects, and STATCOM order finalization.
- We expect EBITDA margin to expand ~790bp YoY, aided by operating leverage gains and improved order book mix.
- The execution of product and export orders is expected to provide near-term support to revenue and margin.
- TP increased to INR14,200 on rollforward to Sep'27.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**13,272**	**15,537**	**16,203**	**18,837**	**18,931**	**22,161**	**23,110**	**26,867**	**63,849**	**91,070**
Change (%)	27.6	26.5	27.2	11.1	42.6	42.6	42.6	42.6	21.9	42.6
EBITDA	**479**	**1,097**	**1,669**	**2,713**	**2,177**	**2,659**	**3,004**	**3,965**	**5,958**	**11,806**
Change (%)	42.3	68.0	145.5	49.1	354.5	142.3	80.0	46.2	70.7	98.1
Margins (%)	3.6	7.1	10.3	14.4	11.5	12.0	13.0	14.8	9.3	13.0
Depreciation	221	228	230	235	282	282	282	282	914	1,126
Interest	109	164	120	60	105	113	116	118	452	452
Other Income	1	1	2	182	1	1	2	262	186	266
PBT	**150**	**706**	**1,322**	**2,600**	**1,791**	**2,266**	**2,609**	**3,827**	**4,778**	**10,493**
Tax	46	183	467	628	496	628	723	1,061	1,324	2,908
Effective Tax Rate (%)	30.8	25.9	35.3	24.1	27.7	27.7	27.7	27.7	27.7	27.7
Extra-ordinary Items			519	(134)					386	
Reported PAT	**104**	**523**	**1,374**	**1,839**	**1,295**	**1,638**	**1,886**	**2,766**	**3,840**	**7,585**
Change (%)	332.4	111.4	498.1	61.8	1,142.7	213.2	37.3	50.4	110.9	119.6
Adj PAT	**104**	**523**	**855**	**1,973**	**1,295**	**1,638**	**1,886**	**2,766**	**3,454**	**7,585**
Change (%)	332.4	111.4	272.1	73.5	1,142.7	213.2	120.7	40.2	110.9	119.6

Kalpataru Projects International — Buy

CMP: INR1,198 | TP: INR1,450 (+21%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 23% YoY due to strong execution across segments such as T&D, B&F, and oil & gas, barring the Water segment, which is still slow.
- Key monitorables include execution ramp-up, margin trajectory, customer collections, and outlook on the urban infra and railways division.
- We expect an EBITDA margin of 8.5% (+10bp YoY & QoQ) and gradual improvement through the remainder of FY26.
- We will monitor the working capital cycle closely. The payment status of water projects will also remain a focus area.
- TP increased to INR1,450 on roll-forwardto Sep'27 EPS.

Standalone - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**37,219**	**41,361**	**48,257**	**62,042**	**45,898**	**51,495**	**55,973**	**70,526**	**1,88,879**	**2,23,892**
YoY Change (%)	2.8	7.6	16.4	20.5	23.3	24.5	16.0	13.7	12.7	18.5
Total Expenditure	34,085	37,877	44,239	56,810	41,997	47,015	50,936	64,014	1,73,009	2,03,961
EBITDA	**3,135**	**3,485**	**4,019**	**5,232**	**3,901**	**4,480**	**5,038**	**6,512**	**15,870**	**19,931**
Margins (%)	8.4	8.4	8.3	8.4	8.5	8.7	9.0	9.2	8.4	8.9
Depreciation	929	914	956	949	1,120	1,147	1,176	1,261	3,749	4,703
Interest	861	998	1,071	877	929	905	905	882	3,807	3,622
Other Income	295	264	185	235	285	361	370	465	979	1,480
PBT before EO expense	**1,640**	**1,836**	**2,177**	**3,641**	**2,138**	**2,789**	**3,326**	**4,834**	**9,294**	**13,087**
Extra-Ord expense	-	-	-	330	-	-	-	-	330	-
PBT	**1,640**	**1,836**	**2,177**	**3,311**	**2,138**	**2,789**	**3,326**	**4,834**	**8,964**	**13,087**
Tax	474	513	604	894	593	773	923	1,341	2,485	3,630
Rate (%)	28.9	27.9	27.7	27.0	27.7	27.7	27.7	27.7	27.7	27.7
Reported PAT	**1,166**	**1,323**	**1,574**	**2,416**	**1,545**	**2,015**	**2,404**	**3,493**	**6,479**	**9,457**
Adj PAT	**1,166**	**1,323**	**1,574**	**2,657**	**1,545**	**2,015**	**2,404**	**3,493**	**6,718**	**9,457**
YoY Change (%)	-7.4	17.1	9.3	51.8	32.4	52.3	52.8	31.5	20.3	40.8
Margins (%)	3.1	3.2	3.3	4.3	3.4	3.9	4.3	5.0	3.6	4.2

KEC International — Neutral

CMP: INR910 | TP: INR980 (+8%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect 13% YoY revenue growth on a low base, driven by a strong opening order book of INR334b.
- Key monitorables include order pipeline in both T&D and civil, execution ramp-up, and margin improvement.
- We expect EBITDA margin to expand 100bp YoY on easing of legacy drag.
- We will monitor the payment cycle, debt levels, and NWC improvement.
- TP increased to INR980 on roll-forward to Sep'27.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**45,119**	**51,133**	**53,494**	**68,721**	**50,935**	**58,575**	**63,668**	**81,496**	**2,18,467**	**2,54,674**
YoY Change (%)	6.3	13.7	6.8	11.5	12.9	14.6	19.0	18.6	9.7	16.6
Total Expenditure	42,415	47,931	49,749	63,333	47,369	53,889	58,448	74,382	2,03,428	2,34,088
EBITDA	**2,704**	**3,202**	**3,745**	**5,388**	**3,565**	**4,686**	**5,221**	**7,113**	**15,039**	**20,586**
Margins (%)	6.0	6.3	7.0	7.8	7.0	8.0	8.2	8.7	6.9	8.1
Depreciation	465	453	453	465	496	508	521	559	1,837	2,084
Interest	1,550	1,681	1,702	1,703	1,634	1,676	1,634	1,593	6,636	6,538
Other Income	431	66	9	202	138	141	145	155	709	580
PBT before EO expense	**1,120**	**1,135**	**1,598**	**3,422**	**1,573**	**2,643**	**3,210**	**5,118**	**7,275**	**12,544**
Extra-Ord expense										
PBT	**1,120**	**1,135**	**1,598**	**3,422**	**1,573**	**2,643**	**3,210**	**5,118**	**7,275**	**12,544**
Tax	245	281	303	740	403	677	822	1,310	1,568	3,211
Rate (%)	21.8	24.7	18.9	21.6	25.6	25.6	25.6	25.6	21.5	25.6
Reported PAT	**876**	**854**	**1,296**	**2,682**	**1,170**	**1,966**	**2,388**	**3,808**	**5,707**	**9,333**
Adj PAT	**876**	**854**	**1,296**	**2,682**	**1,170**	**1,966**	**2,388**	**3,808**	**5,707**	**9,333**
YoY Change (%)	106.9	53.1	33.7	76.7	33.6	130.2	84.4	42.0	64.6	63.5
Margins (%)	1.9	1.7	2.4	3.9	2.3	3.4	3.8	4.7	2.6	3.7

Kirloskar Oil Engines — Buy

CMP: INR857 | TP: INR1,150 (+34%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue growth of 4% YoY even on a high base of 1QFY25, driven by strong B2B performance. We expect the Powergen segment's performance to pick up QoQ, driven by improved volumes.
- Key monitorables include outlook on genset demand, pricing environment, and export ramp-up.
- We expect the EBITDA margin to contract 220bp YoY on a high base due to one-offs, but improve 20bp QoQ due to the company's increased focus on higher kVA nodes and better absorption of costs in B2C.
- Ramp-up of the US and Middle East businesses, B2C business, and Arka Fincap performance will be closely observed.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**13,429**	**11,944**	**11,636**	**14,125**	**14,021**	**14,196**	**13,943**	**16,257**	**51,133**	**58,417**
YoY Change (%)	6.2	12.8	2.5	1.5	4.4	18.9	19.8	15.1	5.4	14.2
Total Expenditure	11,452	10,294	10,466	12,384	12,268	12,379	12,102	14,073	44,596	50,823
EBITDA	**1,977**	**1,650**	**1,170**	**1,741**	**1,753**	**1,817**	**1,840**	**2,184**	**6,537**	**7,594**
Margins (%)	14.7	13.8	10.1	12.3	12.5	12.8	13.2	13.4	12.8	13.0
Depreciation	247	266	320	337	327	335	343	368	1,170	1,373
Interest	27	26	31	37	21	22	22	24	121	90
Other Income	108	118	68	52	94	96	98	105	344	393
PBT before EO expense	**1,810**	**1,476**	**887**	**1,419**	**1,498**	**1,556**	**1,573**	**1,897**	**5,590**	**6,525**
EO items				(209)	-	-	-	-	(209)	-
PBT	**1,810**	**1,476**	**887**	**1,628**	**1,498**	**1,556**	**1,573**	**1,897**	**5,799**	**6,525**
Tax	462	365	236	416	382	397	401	485	1,480	1,665
Rate (%)	25.5	24.7	26.7	25.6	25.5	25.5	25.5	25.6	25.5	25.5
Reported PAT	**1,347**	**1,111**	**650**	**1,211**	**1,116**	**1,159**	**1,172**	**1,412**	**4,319**	**4,859**
Adj PAT	**1,347**	**1,111**	**650**	**1,056**	**1,116**	**1,159**	**1,172**	**1,412**	**4,164**	**4,859**
YoY Change (%)	30.5	89.6	(20.9)	(10.2)	(17.2)	4.4	80.2	33.8	15.1	12.5
Margins (%)	10.0	9.3	5.6	7.5	8.0	8.2	8.4	8.7	8.1	8.3

Larsen & Toubro — Buy

CMP: INR3,667 | TP: INR4,100 (+12%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect consolidated revenue growth of 12% YoY, led by a 13% YoY revenue growth for Core E&C.
- Key monitorables include a ramp up in domestic ordering, conversion of prospect pipeline across the Middle East, margin performance, and working capital cycle.
- We expect an EBITDA margin of 7.8% for Core E&C, up 20bp YoY but down 210bp QoQ on a high base.
- We will also look out for execution ramp-up in Saudi projects and trends in the GCC order pipeline.

Consolidated - Quarterly Snapshot (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**551**	**616**	**647**	**744**	**618**	**700**	**741**	**876**	**2,557**	**2,936**
YoY Change (%)	15.1	20.6	17.3	10.9	12.2	13.8	14.6	17.7	15.7	14.8
Total Expenditure	495	552	584	662	557	632	662	776	2,293	2,627
EBITDA	**56**	**64**	**63**	**82**	**61**	**68**	**79**	**100**	**264**	**308**
Margins (%)	10.2	10.3	9.7	11.0	9.9	9.8	10.7	11.4	10.3	10.5
Depreciation	10	10	10	11	10	10	11	11	41	42
Interest	9	9	8	7	8	8	9	9	33	34
Other Income	9	11	10	11	11	11	12	12	41	47
PBT before EO expense	**47**	**56**	**53**	**75**	**54**	**61**	**71**	**92**	**231**	**279**
Extra-Ord expense	-	-	-	-5	-	-	-	-	-5	-
PBT	**47**	**56**	**53**	**80**	**54**	**61**	**71**	**92**	**236**	**279**
Tax	12	14	13	19	14	16	19	24	59	73
Rate (%)	26.4	26.0	25.0	23.5	26.1	26.1	26.1	26.1	25.0	26.1
MI & P/L of Asso. Cos.	7	7	6	6	7	7	7	8	27	28
Reported PAT	**28**	**34**	**34**	**55**	**34**	**38**	**46**	**60**	**150**	**178**
Adj PAT	**28**	**34**	**34**	**51**	**34**	**38**	**46**	**60**	**147**	**178**
YoY Change (%)	11.7	5.4	14.0	18.8	20.6	13.3	36.9	16.6	13.0	21.2
Margins (%)	5.1	5.5	5.2	6.9	5.4	5.5	6.2	6.8	5.7	6.1

Siemens Ltd — Neutral

CMP: INR3,323 | TP: INR3,450 (+4%) — **EPS CHANGE (%): FY25|FY26: -3|-**

- We expect revenue to grow 12% YoY, led by improved traction in the smart infra and mobility segments.
- Key monitorables include the demand trajectory of the digital industries segment, private capex pipeline, margin trajectory, and execution of the locomotive order.
- We expect total EBITDA margin to contract ~30bp, primarily due to a low margin in the Digital industries segment, which had a high base in 3QFY24.
- Demand outlook from both the government and private sectors and export outlook are required to be keenly monitored.
- We increase our TP to INR3,450 onroll-forwardto Sept'27.

Consolidated - Quarterly Snapshot ((Merged (INR m)

Y/E September	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Sales	**37,095**	**41,524**	**37,628**	**44,570**	**35,872**	**42,590**	**42,133**	**49,301**	**1,60,817**	**1,69,896**
YoY Change (%)					-3.3	2.6	12.0	10.6		5.6
Total Expenditure	32,565	35,155	32,773	39,122	31,863	37,915	36,822	42,560	1,39,615	1,49,161
EBITDA	**4,530**	**6,369**	**4,855**	**5,448**	**4,009**	**4,675**	**5,310**	**6,741**	**21,202**	**20,735**
Margins (%)	12.2	15.3	12.9	12.2	11.2	11.0	12.6	13.7	13.2	12.2
Depreciation	605	629	698	624	689	686	652	652	2,556	2,679
Interest	28	212	22	178	34	23	42	42	440	140
Other Income	1,618	3,253	1,545	2,355	1,723	1,515	1,825	1,825	8,771	6,889
PBT before EO expense	**5,515**	**8,781**	**5,680**	**7,001**	**5,009**	**5,481**	**6,443**	**7,873**	**26,977**	**24,806**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**5,515**	**8,781**	**5,680**	**7,001**	**5,009**	**5,481**	**6,443**	**7,873**	**26,977**	**24,806**
Tax	1,399	2,289	1,309	1,776	1,288	1,402	1,624	1,937	6,773	6,251
Rate (%)	25.4	26.1	23.0	25.4	25.7	25.6	25.2	24.6	25.1	25.2
Reported PAT	**4,116**	**6,492**	**4,371**	**5,225**	**3,721**	**4,079**	**4,819**	**5,936**	**20,204**	**18,555**
Adj PAT	**4,116**	**6,492**	**4,371**	**5,225**	**3,721**	**4,079**	**4,819**	**5,936**	**20,204**	**18,555**
YoY Change (%)	11.1	15.6	11.6	11.7	10.4	9.6	11.4	12.0	12.6	10.9
Margins (%)	NA	NA	NA	NA	-9.6	-37.2	10.3	13.6		-8.2

Thermax — Sell

CMP: INR3,353 | TP: INR3,250 (-3%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect revenue to grow 12% YoY, driven by industrial products, green solutions, and chemical segments.
- Key monitorables include the finalization of the inquiry pipeline, revival of base ordering, margin outlook, and performance of the Industrial Infra and Chemicals segments.
- We expect EBITDA/PAT growth of 43%/16% YoY. We expect EBITDA margin to expand 180bp YoY to 8.3%, while sequentially, it is expected to contract 140bp.
- The performance of key subsidiaries (FEPL, TOESL) needs to be monitored closely.
- TP increased to INR3,250 on roll-forward to Sep'27 EPS.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**21,844**	**26,116**	**25,078**	**30,849**	**24,437**	**29,056**	**27,987**	**34,432**	**1,03,887**	**1,15,912**
YoY Change (%)	13.0	13.4	7.9	11.6	11.9	11.3	11.6	11.6	11.4	11.6
Total Expenditure	20,433	23,336	23,188	27,853	22,420	26,510	25,188	30,461	94,809	1,04,578
EBITDA	**1,412**	**2,780**	**1,890**	**2,997**	**2,017**	**2,546**	**2,800**	**3,972**	**9,078**	**11,334**
Margins (%)	6.5	10.6	7.5	9.7	8.3	8.8	10.0	11.5	8.7	9.8
Depreciation	360	421	351	453	456	467	491	500	1,585	1,913
Interest	275	294	287	313	323	330	347	354	1,168	1,355
Other Income	841	598	315	769	525	538	566	577	2,522	2,207
PBT before EO expense	**1,617**	**2,663**	**1,568**	**3,000**	**1,765**	**2,287**	**2,528**	**3,694**	**8,847**	**10,273**
Extra-Ord expense										0
PBT	**1,617**	**2,663**	**1,568**	**3,000**	**1,765**	**2,287**	**2,528**	**3,694**	**8,847**	**10,273**
Tax	519	683	425	951	494	640	708	1,034	2,578	2,877
Rate (%)	32.1	25.6	27.1	31.7	28.0	28.0	28.0	28.0	29.1	28.0
Reported PAT	**1,094**	**1,980**	**1,137**	**2,056**	**1,271**	**1,647**	**1,820**	**2,660**	**6,268**	**7,397**
Adj PAT	**1,094**	**1,980**	**1,137**	**2,056**	**1,271**	**1,647**	**1,820**	**2,660**	**6,268**	**7,397**
YoY Change (%)	17.4	24.9	-19.0	5.3	16.1	-16.8	60.0	29.4	6.7	16.5
Margins (%)	5.0	7.6	4.5	6.7	5.2	5.7	6.5	7.7	6.0	6.4

Triveni Turbine — Buy

CMP: INR606 | TP: INR700 (+16%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect the moderation in domestic demand to continue for some time, while export traction remains robust. We, thus, expect revenue growth of 6% YoY in 1QFY26.
- Key monitorables include a ramp-up in domestic order inflow, inquiry pipeline, and trends in the export and aftermarket business.
- We expect EBITDA/PAT to grow 5%/3% YoY, while margin is expected to contract ~30bp YoY.
- Domestic ordering from the government and private sectors, updates on API turbines, and performance of the 30-100MW segment will be the key areas to monitor.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**4,633**	**5,011**	**5,034**	**5,380**	**4,933**	**5,525**	**5,886**	**6,792**	**20,058**	**23,137**
YoY Change (%)	23.1	29.2	16.6	17.5	6.5	10.3	16.9	26.2	21.3	399.4
Total Expenditure	3,677	3,897	3,941	4,176	3,932	4,349	4,621	5,273	15,691	18,174
EBITDA	**956**	**1,114**	**1,093**	**1,204**	**1,001**	**1,177**	**1,266**	**1,519**	**4,367**	**4,963**
Margins (%)	20.6	22.2	21.7	22.4	20.3	21.3	21.5	22.4	21.8	21.5
Depreciation	62	61	65	75	73	74	76	82	263	305
Interest	10	8	4	7	9	8	8	9	29	35
Other Income	194	196	222	199	207	215	259	255	810	936
PBT before EO expense	**1,078**	**1,241**	**1,246**	**1,321**	**1,127**	**1,310**	**1,440**	**1,683**	**4,885**	**5,559**
PBT	**1,078**	**1,241**	**1,246**	**1,321**	**1,127**	**1,310**	**1,440**	**1,683**	**4,885**	**5,559**
Tax	274	331	320	375	300	348	383	448	1,300	1,479
Rate (%)	25.4	26.7	25.7	28.4	26.6	26.6	26.6	26.6	26.6	26.6
MI & Profit/Loss of Asso. Cos.	0	0	1	0	0	0	0	0	1	0
Reported PAT	**804**	**910**	**925**	**946**	**827**	**961**	**1,057**	**1,235**	**3,584**	**4,080**
Adj PAT	**804**	**910**	**925**	**946**	**827**	**961**	**1,057**	**1,235**	**3,584**	**4,080**
YoY Change (%)	31.8	41.4	34.8	25.9	2.9	5.6	14.2	30.6	33.0	407.4
Margins (%)	17.4	18.2	18.4	17.6	16.8	17.4	18.0	18.2	17.9	17.6

Zen Technologies

Neutral

CMP: INR1,978 | TP: INR1,850 (-6%)

EPS CHANGE (%): FY26|FY27: -|-

- We expect revenue growth of 2% YoY on a high base of last year.
- Key monitorables include order inflows for both training simulators and anti-drones in domestic and export markets, execution of equipment orders, and working capital days.
- We expect EBITDA margin to contract 460bp YoY after a spike last year, while sequentially, it is expected to expand 380bp.
- We will monitor the progress of acquired companies after the latest acquisitions made by the company.
- TP increased to INR1,850 on roll forward to Sep'27 EPS.

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

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**2,540**	**2,417**	**1,415**	**2,935**	**2,589**	**2,697**	**2,481**	**3,021**	**9,307**	**10,789**
YoY Change (%)	91.7	277.4	44.3	116.3	2.0	11.6	75.3	2.9	116.3	15.9
Total Expenditure	1,508	1,623	1,048	1,991	1,657	1,672	1,514	1,954	6,169	6,797
EBITDA	**1,032**	**794**	**367**	**944**	**932**	**1,025**	**968**	**1,067**	**3,137**	**3,992**
Margins (%)	40.6	32.9	26.0	32.2	36.0	38.0	39.0	35.3	33.7	37.0
Depreciation	22	23	26	29	31	32	32	35	101	130
Interest	10	21	27	36	25	25	26	28	94	104
Other Income	30	84	220	244	217	212	212	206	578	846
PBT	**1,030**	**835**	**534**	**1,122**	**1,094**	**1,180**	**1,121**	**1,211**	**3,520**	**4,605**
Tax	288	182	147	273	280	302	287	310	890	1,179
Rate (%)	28.0	21.8	27.6	24.3	25.6	25.6	25.6	25.6	25.3	25.6
Reported PAT	**742**	**652**	**386**	**849**	**814**	**878**	**834**	**901**	**2,630**	**3,426**
Adj PAT	**742**	**652**	**386**	**849**	**814**	**878**	**834**	**901**	**2,630**	**3,426**
YoY Change (%)	57.4	276.1	21.9	177.3	9.7	34.5	116.0	6.1	107.3	30.3
Margins (%)	29.2	27.0	27.3	28.9	31.4	32.5	33.6	29.8	28.3	31.8

Cement

Company
ACC
Ambuja Cements
Birla Corporation
Dalmia Bharat
Grasim Industries
India Cements
JK Cement
JK Lakshmi Cement
The Ramco Cements
Shree Cement
UltraTech Cement

Robust performance supported by a low base

Volume growth of ~10% for coverage universe, aided by inorganic growth

- We estimate our cement coverage universe (excluding GRASIM) to post 15%/42%/43% YoY growth in revenue/EBITDA/PAT, led by higher cement prices and strong volume growth. Aggregate cement volume is estimated to grow ~10% YoY to 92mt, aided by inorganic growth. However, on a like-to-like basis, volume growth stood at ~4% YoY in 1QFY26. Blended realization is expected to grow ~4% YoY/QoQ (each) to INR5,565/t. We estimate EBITDA/t to rise ~29% YoY (~4% QoQ) to INR1,104. Average EBITDA margin is estimated to expand 3.7pp YoY (flat QoQ) to ~20%.
- The all-India average cement price in 1QFY26 increased ~5% QoQ, led by price hikes across regions during Apr-May'25. The South region saw a steep price rise of ~14% QoQ, followed by the East (~6%), the North and Central (~2% each), and the West (~1%). Despite the early onset of the monsoon, cement prices have remained resilient (so far). However, cement demand was sluggish during the quarter, partly due to unfavorable weather conditions, as initially heatwaves followed by unseasonal rains adversely impacted construction activities. On expanded capacity, average grinding capacity utilization is estimated at ~75% vs. ~80%/87% in 1Q/4QFY25.
- GRASIM's revenue is estimated to increase ~28% YoY. VSF volume/realization is estimated to remain flat, whereas chemical volume/realization is likely to increase ~7%/3%. Revenue from high-growth businesses (Opus and Birla Pivot) is estimated to decline ~2% QoQ to INR21.2b. Overall EBITDA is estimated to decline ~32% YoY to INR2.2b, and OPM is likely to contract 2.2pp YoY to 2.5%. It is estimated to report net loss of INR3.1b vs. loss of INR521m/INR2.1b in 1QFY25/4QFY25.

Profitability anchored in pricing power; opex/t flat YoY

- Cement volume growth for our coverage companies is estimated at ~10% YoY in 1QFY26, aided by inorganic growth. However, volume growth on a like-to-like basis stood at ~4% YoY. We estimate volume growth of ~17% YoY for UTCEM (including ICEM and Kesoram cement volume). However, on a like-to-like basis, UTCEM's volume growth is estimated at ~6% YoY. ACEM's volume is estimated to grow ~15% YoY (including Penna Cement and Orient Cement volumes). While on a like-to-like basis, its volume is likely to remain flat YoY. Volume growth is estimated at ~18% YoY for ICEM (on a low base), followed by ~8%/6% YoY for JKCE/ACC and ~3% for BCORP/JKLC/TRCL (each). DALBHARA's volume (adj. for JPA volume from base) is estimated to increase ~3% YoY. Volume for SRCM is expected to decline ~3% YoY.
- Average opex/t for our coverage universe is estimated to remain flat YoY (up ~3% QoQ), led by flattish variable and freight costs per ton. Average imported petcoke (US) price declined ~5%/7% YoY/QoQ in 1QFY26 and average imported coal (South Africa) price declined ~16%/6% YoY/QoQ. Lower fuel price benefits were offset by higher raw material costs. We estimate average other expenses/t to decline ~2% YoY (up ~1% QoQ).

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- We estimate an EBITDA/t of INR1,325 for SRCM (the highest within our coverage universe), followed by INR1,266 for JKCE, INR1,186 for UTCEM, and INR1,126 for DALBHARA. EBITDA/t is estimated to be in the range of INR800-1,000 for the remaining players (ACC/ACEM/BCORP/JKLC/TRCL), except for ICEM, which stands at INR292/t.
- We estimate BCORP to report EBITDA growth of ~47% YoY, albeit on a low base, followed by UTCEM/ACEM/SRCM/TRCL at ~44%/42%/41%/40% and JKLC/JKCE at ~36%/33% YoY. ACC/DALBHARA is expected to report EBITDA growth of ~27%/22% YoY. ICEM is estimated to report an EBITDA of INR679m, compared to the operating loss of INR310m in 1QFY25.

Sector outlook and recommendations

- Our positive outlook on the cement sector is based on: a) industry players' focus on balancing volume growth and profitability, b) increasing consolidation, c) strong cash flow generation and healthy balance sheet, and d) cost reduction measures led by industry players.
- Cement prices have remained resilient despite the early onset of the monsoon, which continues to support positive sentiment in the sector. Although near-term cement demand is estimated to remain weak due to seasonal impacts, we believe it is likely to recover over the medium term as macro conditions improve. We estimate industry demand to grow ~6-7% YoY in FY26, translating to incremental volumes of 27-32mt, while capacity additions are likely to rise by ~8-9% YoY (53-60mt incremental supply). Beyond FY26, demand is expected to grow at a stronger pace of ~8% CAGR over FY26-28, outpacing supply growth, which is estimated at ~4-5% CAGR during the same period.
- Given strong price hikes and benign cost trends, we have raised our EBITDA estimates (aggregate) for our cement coverage companies by ~4%/2% for FY26/FY27. We prefer UTCEM in the large cap space, while JKCE is our preferred pick in the mid-cap space. DALBHARA is our tactical pick, supported by improving regional dynamics and attractive valuations.

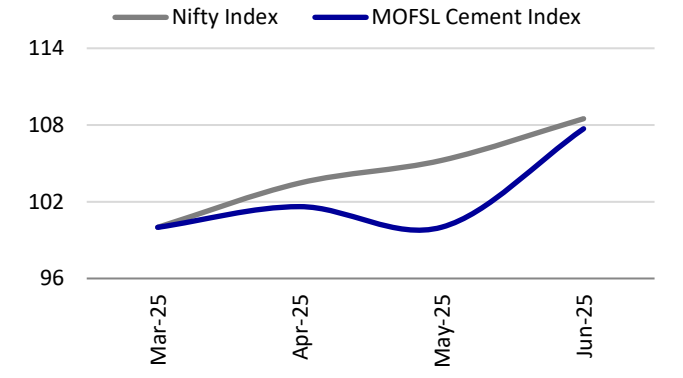
Exhibit 1: Summary of our 1QFY26 estimates

	CMP		Sales (INR m)			EBITDA (INR m)			PAT (INR m)		
Companies	(INR)	Rating	Jun-25	YoY (%)	QoQ (%)	Jun-25	YoY (%)	QoQ (%)	Jun-25	YoY (%)	QoQ (%)
ACC	1,921	Buy	58,103	12.7	(3.3)	8,583	26.7	7.2	5,072	38.5	(1.2)
Ambuja Cements	580	Buy	98,509	18.5	(0.4)	18,144	41.8	(2.8)	7,171	11.0	60.4
Birla Corporation	1,343	Buy	24,299	10.9	(13.7)	3,789	46.7	(29.0)	1,337	309.9	(53.3)
Dalmia Bharat	2,191	Buy	37,388	3.3	(8.6)	8,131	21.5	2.5	3,247	44.3	(8.8)
Grasim Industries	2,852	Buy	88,284	28.1	(1.1)	2,207	(32.1)	0.1	(3,085)	NM	NM
India Cements	346	Sell	11,775	21.2	(1.6)	679	NM	NM	(276)	NM	NM
J K Cements	6,131	Buy	32,333	15.2	(9.7)	6,631	36.4	(13.3)	2,728	47.2	(24.5)
JK Lakshmi Cem.	955	Buy	16,572	6.0	(12.7)	2,967	33.4	(15.5)	1,374	95.5	(29.1)
Shree Cement	31,186	Neutral	49,467	2.3	(5.6)	12,889	40.7	(8.7)	4,462	40.4	(19.7)
The Ramco Cements	1,078	Neutral	22,805	9.2	(4.7)	4,473	40.0	39.4	1,180	232.4	317.8
Ultratech Cement	12,205	Buy	2,18,355	20.8	(5.3)	43,754	44.0	(5.3)	22,099	32.3	(11.2)
Cement			**5,99,786**	**16.8**	**(4.9)**	**1,03,666**	**38.5**	**(4.7)**	**40,237**	**35.4**	**(9.3)**

Exhibit 2: Comparative valuations

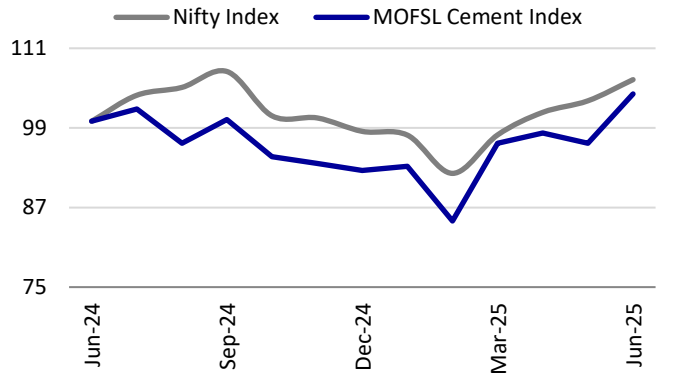
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Cement						**53.9**	**40.4**	**32.1**	**3.4**	**3.5**	**3.2**	**6.4**	**8.6**	**10.1**
ACC	1,921	Buy	71.2	101.6	120.4	27.0	18.9	15.9	2.0	1.8	1.6	7.8	10.0	10.7
Ambuja Cements	580	Buy	8.0	10.2	14.3	72.7	56.6	40.6	2.7	2.6	2.4	4.1	4.6	6.2
Birla Corporation	1,343	Buy	42.2	74.7	82.4	31.8	18.0	16.3	1.5	1.4	1.3	4.8	7.9	8.1
Dalmia Bharat	2,191	Buy	37.1	68.5	70.8	59.1	32.0	30.9	2.4	2.2	2.1	4.1	7.2	7.0
Grasim Industries	2,852	Buy	74.1	85.4	106.6	38.5	33.4	26.8	3.6	3.4	3.3	-4.3	-4.6	-1.4
India Cements	346	Sell	-24.0	-1.7	3.7	-14.4	-208.3	92.5	1.1	1.1	1.1	-9.9	-0.5	1.2
J K Cements	6,131	Buy	103.5	149.4	188.3	59.2	41.0	32.6	7.8	6.7	5.7	13.5	17.5	18.9
JK Lakshmi Cem.	955	Buy	26.3	45.2	48.3	36.3	21.1	19.8	3.2	2.9	2.5	9.3	14.4	13.6
Ramco Cements	1,078	Neutral	3.9	22.3	30.8	275.2	48.3	35.0	3.4	3.2	3.0	1.3	6.8	8.8
Shree Cement	31,186	Neutral	337.9	407.5	552.4	92.3	76.5	56.5	5.3	5.1	4.7	5.9	6.8	8.7
Ultratech Cement	12,205	Buy	207.6	305.2	382.7	58.8	40.0	31.9	5.1	4.7	4.2	9.3	12.2	14.0

Exhibit 3: Relative performance – three months (%)



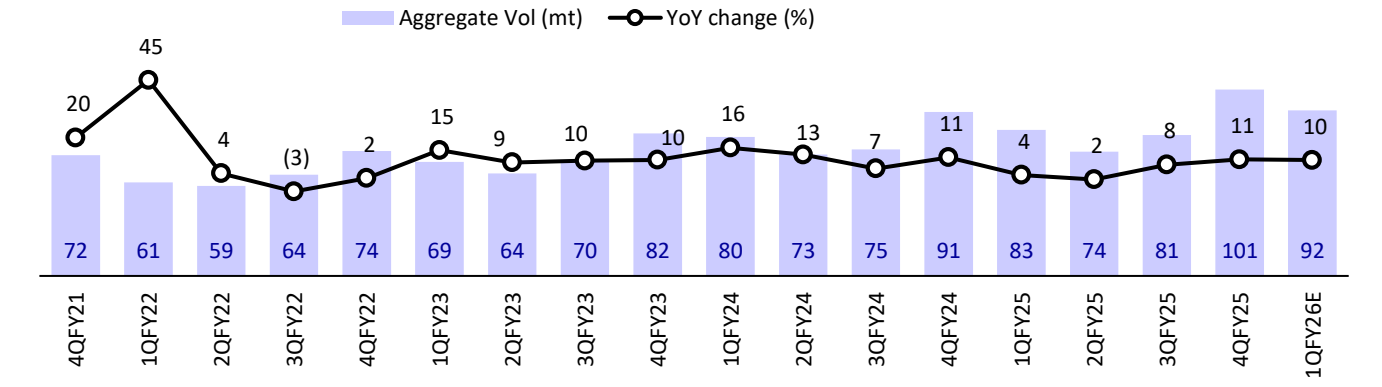
Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)



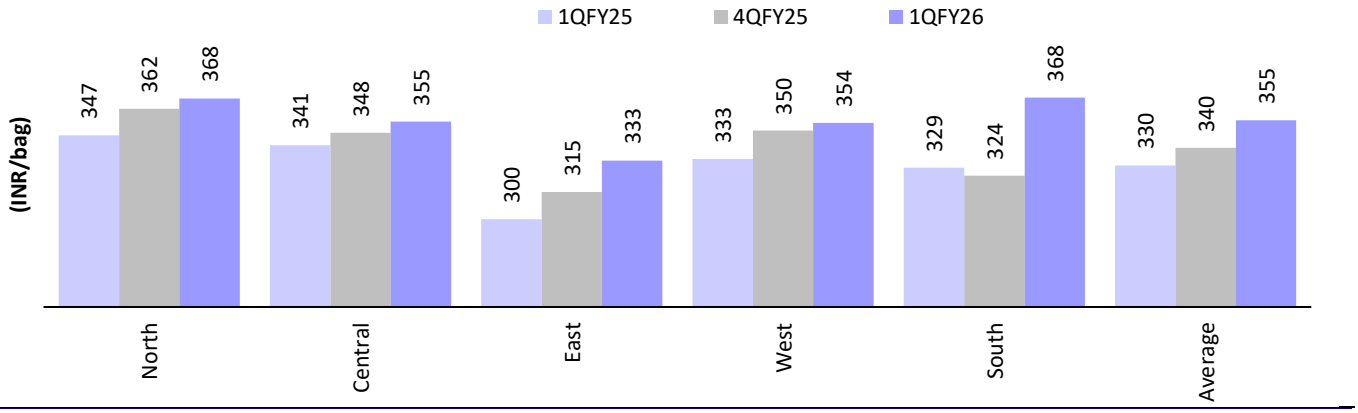
Source: Bloomberg, MOFSL

Exhibit 5: Estimate ~10% YoY growth in aggregate sales volume for our coverage universe, aided by inorganic growth; like-to-like growth stood at ~4%



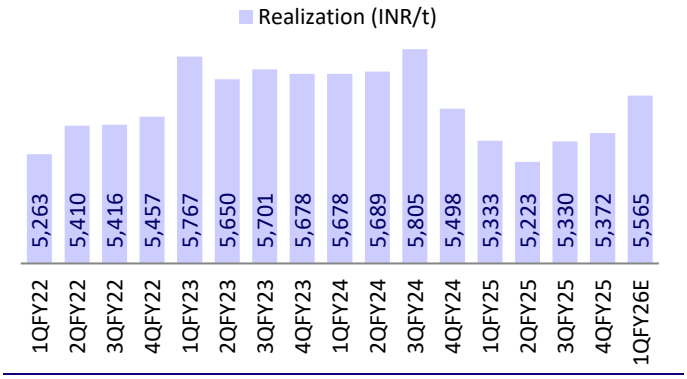
Source: MOFSL, Company, E: MOFSL estimate

Exhibit 6: Pan-India average cement price increased ~5% QoQ



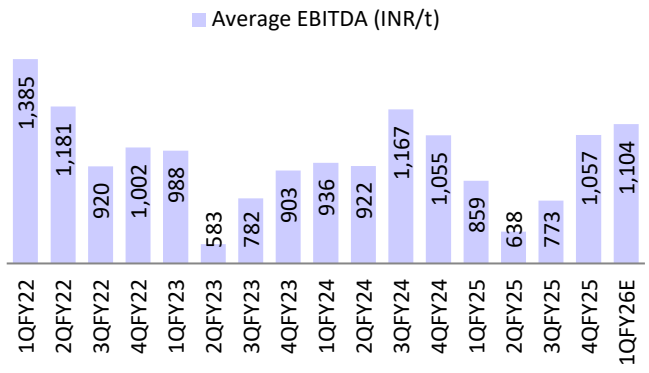
Source: MOFSL, Industry

Exhibit 7: Expect realization to increase ~4% YoY/QoQ



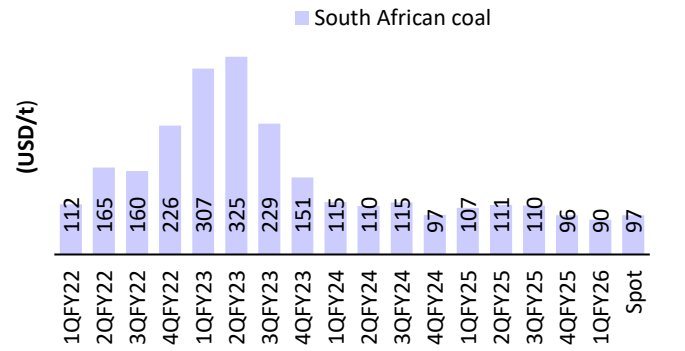
Source: MOFSL; E: MOFSL estimate

Exhibit 8: Expect EBITDA/t to increase 29%/4% YoY/QoQ



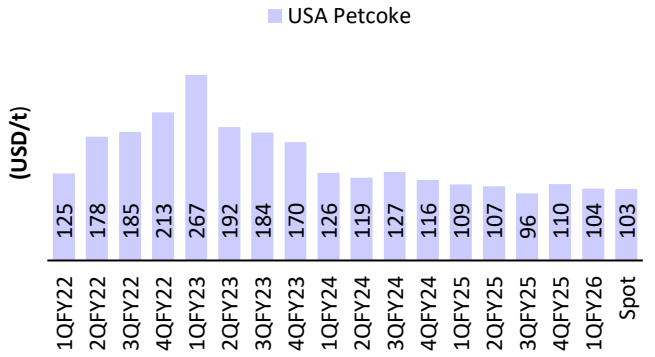
Source: Company, MOFSL; E: MOFSL estimate

Exhibit 9: Average South African coal price declined ~16% YoY and ~7% QoQ in 1QFY26



Source: Bloomberg, MOFSL

Exhibit 10: Average US petcoke price declined 5% YoY and 6% QoQ in 1QFY26



Source: Company, Industry

Exhibit 11: Key operating parameters

Companies	Volume (mt)			Realization (INR/t)			EBITDA (INR/t)		
	1QFY26E	YoY (%)	QoQ (%)	1QFY26E	YoY (INR)	QoQ (INR)	1QFY26E	YoY (INR)	QoQ (INR)
ACC	10.8	6.0	(9.1)	5,374	319	325	794	130	121
Ambuja Cements (Consol.)	18.1	14.6	(3.0)	5,442	182	143	1,002	192	2
Birla Corporation	4.5	3.3	(13.0)	5,371	370	(42)	838	248	(189)
Dalmia Bharat	7.2	(2.4)	(16.0)	5,176	282	419	1,126	222	203
India Cements	2.3	18.5	(12.0)	5,068	114	534	292	450	291
JK Cement	5.2	8.2	(12.5)	6,172	371	190	1,266	261	(12)
JK Lakshmi Cement	3.1	3.1	(13.0)	5,294	145	20	948	216	(28)
The Ramco Cements	4.5	3.2	(15.0)	5,072	280	550	995	262	388
Shree Cement	9.3	(3.0)	(5.0)	5,292	276	(34)	1,325	375	(110)
UltraTech Cement	37.5	17.5	(8.5)	5,819	163	196	1,186	235	60
Sector aggregate/avg.	**91.9**	**10.3**	**(8.8)**	**5,565**	**232**	**193**	**1,104**	**245**	**46**

Exhibit 12: Valuation summary

Company Name	M-cap (USD b)	CMP INR	Rating	EV/EBITDA (X)			EV/t (USD)			Net debt/EBITDA (x)		
				FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Cement												
UltraTech Cement	41.2	12,205	Buy	28.9	20.8	17.2	237	215	198	1.3	0.9	0.5
Ambuja Cements (Consol.)	16.7	580	Buy	28.7	21.3	16.9	187	157	149	(1.6)	(0.2)	(0.4)
Shree Cement	13.2	31,186	Neutral	26.9	20.8	17.6	216	178	173	(1.4)	(1.0)	(1.1)
JK Cement	5.5	6,131	Buy	24.7	18.9	15.9	242	194	190	2.0	1.6	1.2
Dalmia Bharat	4.8	2,191	Buy	16.3	12.3	11.4	97	96	89	0.3	0.6	0.7
ACC	4.2	1,921	Buy	13.2	9.3	7.7	93	83	79	(1.3)	(1.1)	(1.4)
The Ramco Cements	3.0	1,078	Neutral	23.1	15.4	13.6	139	131	113	3.6	2.1	1.8
JK Lakshmi	1.3	955	Buy	13.7	10.2	8.8	85	74	70	2.0	1.5	1.9
India Cements	1.3	346	Sell	Loss	33.7	21.7	92	90	94	Loss	3.8	2.4
Birla Corp	1.2	1,343	Buy	10.1	8.2	7.0	72	67	64	2.0	1.9	2.3

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ACC — Buy

CMP: INR1,921 | TP: INR2,400 (+25%) — **EPS CHANGE (%): FY26|27: +14.0|-0.4**

- Sales volume is expected to grow ~6% YoY, whereas blended realization is expected to increase ~5% YoY.
- EBITDA/t is expected at INR794 vs. INR664/INR673 in 1QFY25/4QFY25.
- Variable cost/t is likely to increase ~8% YoY and opex/t to increase ~4%. OPM is expected to expand 1.6pp to ~15%.
- Adj. PAT is likely to increase 39% YoY to INR5.1b.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**51.6**	**46.1**	**52.6**	**60.1**	**58.1**	**53.5**	**61.6**	**70.8**	**210.3**	**243.9**
Change (YoY %)	(0.9)	3.9	6.9	11.3	12.7	16.1	17.0	17.8	(5.3)	16.0
EBITDA	**6.8**	**4.3**	**4.7**	**8.0**	**8.6**	**6.7**	**8.1**	**10.0**	**23.8**	**33.3**
Margin (%)	13.1	9.3	9.0	13.3	14.8	12.5	13.1	14.1	11.3	13.6
Change (YoY %)	(11.9)	(21.7)	(47.7)	(4.4)	26.7	55.5	70.6	24.3	140.5	39.8
Depreciation	2.2	2.3	2.5	2.5	2.3	2.3	2.3	2.9	9.6	9.8
Interest	0.3	0.3	0.3	0.1	0.2	0.3	0.3	0.5	1.1	1.3
Other Income	0.7	1.5	1.1	0.6	0.7	1.1	1.0	0.6	4.0	3.2
PBT before EO Item	**4.9**	**3.2**	**3.1**	**6.0**	**6.8**	**5.2**	**6.4**	**7.1**	**17.2**	**25.5**
EO Income/(Expense)	0.0	0.0	11.7	2.6	0.0	0.0	0.0	0.0	14.3	0.0
PBT after EO Item	**4.9**	**3.2**	**14.8**	**8.6**	**6.8**	**5.2**	**6.4**	**7.1**	**31.5**	**25.5**
Tax	1.3	0.8	3.9	1.2	1.7	1.3	1.6	1.8	7.2	6.4
Rate (%)	25.6	26.5	26.2	14.4	25.0	25.0	25.0	25.0	22.9	25.0
Reported PAT	**3.7**	**2.3**	**10.9**	**7.4**	**5.1**	**3.9**	**4.8**	**5.3**	**24.2**	**19.1**
Adjusted PAT	**3.7**	**2.3**	**2.3**	**5.1**	**5.1**	**3.9**	**4.8**	**5.3**	**13.4**	**19.1**
Margins (%)	7.1	5.1	4.3	8.5	8.7	7.3	7.7	7.6	6.4	7.8
Change (YoY %)	(21.1)	(39.1)	(57.3)	4.5	38.5	67.3	111.4	4.2	35.3	42.6

Ambuja Cements — Buy

CMP: INR580 | TP: INR700 (+21%) — **EPS CHANGE (%): FY26|27: -0.4|+1.3**

- Consolidated volume is expected to increase ~15% YoY. However, on a like-to-like basis, volume is estimated to be flat YoY.
- Blended realization is estimated to increase ~3% YoY/QoQ. EBITDA is estimated to increase 42% YoY. OPM is expected to expand 3.0pp YoY to 18%.
- Consolidated EBITDA/t is expected to be INR1,002 vs. INR810/INR1,001 in 1QFY25/4QFY25.
- We estimate variable cost/t to decline~1% YoY. Opex/t is expected to be flat YoY.
- Depreciation is likely to increase ~69% YoY due to M&A. Adjusted PAT (after MI) is estimated to increase 11% YoY.

Consolidated quarterly performance (INR b)

Y/E December/March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**83.1**	**73.8**	**85.0**	**98.9**	**98.5**	**85.5**	**101.3**	**120.5**	**340.8**	**405.8**
Change (YoY %)	-4.6	-0.6	4.6	11.2	18.5	15.9	19.1	21.8	9.4	19.1
EBITDA	**12.8**	**9.7**	**8.9**	**18.7**	**18.1**	**13.0**	**16.6**	**24.1**	**50.1**	**71.9**
Change (YoY %)	-23.2	-25.2	-48.9	9.9	41.8	33.2	87.8	29.3	73.0	43.6
Margin (%)	15.4	13.2	10.4	18.9	18.4	15.2	16.4	20.0	14.7	17.7
Depreciation	4.7	5.5	6.6	7.9	7.9	8.0	8.1	8.6	24.7	32.6
Interest	0.7	0.7	0.7	0.1	0.7	0.9	1.2	1.5	2.2	4.3
Other Income	3.5	3.7	2.4	2.7	2.8	2.6	2.5	3.0	12.4	10.9
PBT before JV profit/(loss)	**11.0**	**7.3**	**4.0**	**13.4**	**12.3**	**6.6**	**9.8**	**17.1**	**35.6**	**45.9**
Share of JV Profit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Extraordinary Inc./(Exp.)	0.0	-0.2	19.4	4.4	0.0	0.0	0.0	0.0	23.5	0.0
PBT after EO Exp./(Inc.)	**11.0**	**7.1**	**23.4**	**17.8**	**12.4**	**6.7**	**9.9**	**17.2**	**59.3**	**46.0**
Tax	3.1	2.4	5.2	4.6	3.2	1.7	2.5	4.4	15.4	11.8
Prior Period Tax Adj. and Reversal	0.0	0.1	-8.1	0.4	0.0	0.0	0.0	0.0	-7.6	0.0
Rate (%)	28.4	34.5	-12.2	27.9	25.5	25.5	25.5	25.5	25.9	25.5
Reported Profit	**7.9**	**4.7**	**26.2**	**12.8**	**9.2**	**5.0**	**7.3**	**12.8**	**51.6**	**34.3**
Minority Interest	1.4	0.2	5.0	3.3	2.0	1.5	2.4	3.2	9.9	9.1
Adj. Pat after MI	**6.5**	**4.6**	**4.1**	**4.5**	**7.2**	**3.5**	**5.0**	**9.6**	**19.6**	**25.2**
Change (YoY %)	(28.6)	(42.4)	(49.7)	(16.1)	11.0	(23.4)	19.9	114.9	(30.4)	28.5

Birla Corporation — Buy

CMP: INR1,343 | TP: INR1,650 (+23%) — **EPS CHANGE (%): FY26|27: +19.8|+7.7**

- Volume is expected to grow ~3% YoY. Blended realization is expected to increase ~6% YoY.
- EBITDA/t is estimated at INR838 vs. INR590/INR1,027 in 1QFY25/4QFY25.
- Variable cost/t is estimated to increase 10% YoY and opex/t is estimated to increase 3% YoY/QoQ.
- EBITDA is estimated to increase 47% YoY to INR3.8b, while adj. PAT is estimated to increase 310% YoY to INR1.3b.

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**21.9**	**19.5**	**22.6**	**28.1**	**24.3**	**22.7**	**25.8**	**28.1**	**92.1**	**100.9**
Change (YoY %)	(9.1)	(14.6)	(2.4)	6.0	10.9	16.2	14.4	(0.1)	(4.6)	9.6
Total Expenditure	19.3	17.8	20.1	22.8	20.5	19.5	21.5	23.2	80.0	84.8
EBITDA	**2.6**	**1.8**	**2.5**	**5.3**	**3.8**	**3.1**	**4.3**	**5.0**	**12.2**	**16.2**
Margin (%)	11.8	9.1	11.0	19.0	15.6	13.9	16.6	17.6	13.2	16.0
Change (YoY %)	-13.3	-38.7	-34.5	13.0	46.7	77.7	72.8	-7.0	-15.3	33.0
Depreciation	1.5	1.5	1.4	1.4	1.4	1.4	1.5	1.7	5.7	6.0
Interest	0.9	0.9	0.8	0.7	0.7	0.7	0.8	1.1	3.3	3.3
Other Income	0.2	0.2	0.2	0.5	0.2	0.2	0.2	0.4	1.0	1.1
Profit before Tax	**0.4**	**-0.4**	**0.4**	**3.7**	**1.8**	**1.2**	**2.3**	**2.6**	**4.2**	**7.9**
EO (Income)/Expense	-	-	-	0.4	-	-	-	-	0.4	-
Profit before Tax after EO	**0.4**	**-0.4**	**0.4**	**3.3**	**1.8**	**1.2**	**2.3**	**2.6**	**3.8**	**7.9**
Tax	0.1	-0.1	0.1	0.7	0.5	0.3	0.6	0.7	0.8	2.2
Rate (%)	25.9	29.4	24.6	21.8	27.5	27.5	27.5	27.5	21.9	27.5
Reported PAT	**0.3**	**-0.3**	**0.3**	**2.6**	**1.3**	**0.9**	**1.7**	**1.9**	**3.0**	**5.8**
Adj. PAT	**0.3**	**-0.3**	**0.3**	**2.9**	**1.3**	**0.9**	**1.7**	**1.9**	**3.3**	**5.8**
Margins (%)	1.5	-1.3	1.4	10.2	5.5	3.8	6.5	6.7	3.5	5.7
Change (YoY %)	(45.4)	NM	(71.4)	52.2	309.9	(441.0)	437.8	(34.4)	(21.8)	76.9

Dalmia Bharat — Buy

CMP: INR2,191| TP: INR2,600 (+19%) — **EPS CHANGE (%): FY26|27: +16.7|+4.8**

- Sales volume is estimated to decline ~2% YoY. However, excluding JPA's volume of 0.4mt in 1QFY25, volume growth stood at ~3% in 1QFY26.
- EBITDA/t is estimated at INR1,126 vs. INR904/ INR922 in 1QFY25/4QFY25.
- Realization is expected to increase 6% YoY (up 9% QoQ), led by strong price hikes in the South and East regions.
- Variable cost/t is estimated to increase ~3% YoY. Opex/t is estimated to increase ~2% YoY.
- EBITDA is estimated to increase ~22% YoY. Adj. PAT is estimated to increase ~44% YoY.

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**36.2**	**30.9**	**31.8**	**40.9**	**37.4**	**35.6**	**35.2**	**48.6**	**139.8**	**156.8**
Change (YoY %)	-0.3	-2.0	-11.7	-5.0	3.3	15.2	10.7	18.8	-4.8	12.1
Total Expenditure	29.5	26.5	26.7	33.0	29.3	28.3	28.7	37.6	115.7	123.8
EBITDA	**6.7**	**4.3**	**5.1**	**7.9**	**8.1**	**7.3**	**6.5**	**11.0**	**24.1**	**33.0**
Margins (%)	18.5	14.1	16.1	19.4	21.7	20.4	18.6	22.7	17.2	21.0
Change (YoY %)	8.4	-26.3	-34.4	21.3	21.5	67.2	28.2	39.2	-8.8	37.0
Depreciation	3.2	3.4	3.6	3.1	3.2	3.3	3.4	3.4	13.3	13.3
Interest	1.0	1.0	1.0	1.1	1.1	1.2	1.3	1.4	4.0	4.9
Other Income	0.5	0.7	0.4	0.9	0.6	0.9	0.4	0.9	2.5	2.7
PBT before EO Expense	**3.1**	**0.7**	**0.8**	**4.7**	**4.4**	**3.6**	**2.3**	**7.1**	**9.3**	**17.4**
Extra-Ord. Expense	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1	0.0
PBT after EO Expense	**1.9**	**0.7**	**0.8**	**4.7**	**4.4**	**3.6**	**2.3**	**7.1**	**8.2**	**17.4**
Tax	0.5	0.2	0.2	0.3	1.1	0.9	0.6	1.8	1.2	4.4
Prior Period Tax Adj.	0.0	0.1	0.0	-0.8	0.0	0.0	0.0	0.0	-0.7	0.0
Rate (%)	16.0	20.5	22.9	22.9	25.6	25.6	25.6	25.2	5.6	25.4
Reported PAT	**1.5**	**0.5**	**0.7**	**4.4**	**3.3**	**2.7**	**1.7**	**5.3**	**7.0**	**13.0**
Minority + Associate	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.2	0.2
PAT Adj. for EO Items	**2.3**	**0.6**	**0.6**	**3.6**	**3.2**	**2.7**	**1.7**	**5.3**	**7.0**	**12.8**
Change (YoY %)	82.9	-53.8	-78.1	40.7	44.3	383.2	181.1	48.4	-9.0	84.8

Grasim Industries — Buy

CMP: INR2,852 | TP: INR3,280 (+15%) — **EPS CHANGE (%): FY26|27: -39.0|-19.0**

- Revenue for VSF/Chemical segments is expected to increase 5%/10% YoY.
- EBITDA for the VSF segment is likely to decline 31% YoY and OPM is expected to contract 3.7pp YoY to ~7%.
- The Chemical segment's EBITDA is expected to decline 12% YoY and OPM is likely to contract 3pp YoY to ~12%.
- Standalone revenue is estimated to increase ~28% YoY. EBITDA is expected to decline ~32% YoY to INR2.2b. OPM is estimated to contract 2.2pp YoY to 2.5%.
- Interest/depreciation are estimated to increase ~45% YoY (each). Net loss is estimated at INR3.1b vs net loss of INR521m in 1QFY25.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25E	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**68.9**	**76.2**	**81.2**	**89.3**	**88.3**	**92.6**	**93.1**	**92.5**	**315.6**	**366.5**
Change (YoY %)	10.5	18.3	26.9	31.9	28.1	21.4	14.7	3.7	22.1	16.1
EBITDA	**3.3**	**3.3**	**2.7**	**2.2**	**2.2**	**3.2**	**5.1**	**5.1**	**11.4**	**15.7**
Change (YoY %)	(51.7)	(45.2)	(48.2)	(58.1)	(50.7)	(32.1)	(0.4)	89.3	(50.7)	(32.1)
Margin (%)	4.7	4.3	3.3	2.5	2.5	3.5	5.5	5.5	3.6	4.3
Depreciation	3.5	4.1	4.2	5.0	5.1	5.1	5.2	5.3	16.8	20.6
Interest	1.4	1.6	1.8	2.0	2.0	2.0	2.1	2.2	6.8	8.3
Other Income	0.9	12.9	1.0	2.3	1.1	14.0	1.2	4.1	17.2	20.3
PBT before EO Items	**-0.7**	**10.5**	**-2.3**	**-2.5**	**-3.8**	**10.1**	**-1.0**	**1.7**	**5.0**	**7.0**
Extraordinary Inc./(Exp.)	-	(0.5)	-	(1.1)	-	-	-	-	(1.6)	-
PBT after EO Items	**-0.7**	**10.0**	**-2.3**	**-3.7**	**-3.8**	**10.1**	**-1.0**	**1.7**	**3.3**	**7.0**
Tax	-0.2	2.8	-0.6	-0.8	-0.7	1.9	-0.2	0.3	1.2	1.3
Rate (%)	25.8	28.0	26.8	21.8	19.0	19.0	19.0	19.0	36.2	19.0
Reported PAT	**-0.5**	**7.2**	**-1.7**	**-2.9**	**-3.1**	**8.1**	**-0.8**	**1.4**	**2.1**	**5.7**
Prior period tax Adj.	-	-	-	-	-	-	-	-	-	-
Adj. PAT	**-0.5**	**7.6**	**-1.7**	**-2.1**	**-3.1**	**8.1**	**-0.8**	**1.4**	**3.3**	**5.7**
Margins	-0.8	9.9	-2.1	-2.4	-3.5	8.8	-0.8	1.5	1.0	1.5
Change (YoY %)	(114.7)	(4.7)	(171.4)	(191.6)	NM	7.5	(53.5)	NM	(79.8)	73.1

India Cements — Sell

CMP: INR346 | TP: INR280 (-19%) — **EPS CHANGE (%): FY26|27: --|-5.0**

- Volume is expected to increase 18% YoY on a low base, and blended realization is estimated to increase ~2% YoY.
- EBITDA/t is estimated at INR292 vs. operating loss/t of INR158 in 1QFY25.
- Variable cost/t is estimated to decline 1% YoY. Total opex/t is likely to decline 7% YoY.
- ICEM is estimated to report a net loss of INR276m vs. a net loss of INR1.6b/INR736m in 1QFY25/4QFY25.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**9.7**	**10.2**	**9.0**	**12.0**	**11.8**	**11.0**	**11.3**	**13.6**	**40.9**	**47.7**
Change (YoY %)	(30.3)	(16.8)	(16.5)	(3.9)	21.2	8.4	24.9	13.9	(17.3)	16.7
EBITDA	**(0.3)**	**(1.6)**	**(1.9)**	**0.0**	**0.7**	**0.3**	**0.6**	**1.8**	**(3.8)**	**3.4**
Change (YoY %)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Margin (%)	(3.2)	(16.1)	(20.9)	0.0	5.8	2.5	5.1	13.3	(9.4)	7.0
Depreciation	0.6	0.5	0.6	0.7	0.7	0.7	0.7	0.7	2.4	2.8
Interest	0.8	0.7	0.7	0.5	0.4	0.4	0.4	0.4	2.8	1.6
Other Income	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.2	0.5	0.5
PBT before EO Expense	**(1.6)**	**(2.8)**	**(3.1)**	**(1.0)**	**(0.3)**	**(0.7)**	**(0.4)**	**0.8**	**(8.5)**	**(0.6)**
Extra-Ord. Expense	(2.4)	(0.1)	1.9	0.0	-	-	-	-	(0.5)	-
PBT	**0.8**	**(2.7)**	**(5.0)**	**(1.0)**	**(0.3)**	**(0.7)**	**(0.4)**	**0.8**	**(7.9)**	**(0.6)**
Tax	0.0	(0.3)	(0.7)	(0.3)	(0.1)	(0.1)	(0.1)	0.2	(1.3)	(0.1)
Rate (%)	1.7	12.6	13.7	25.2	18.0	18.0	18.0	18.0	16.0	18.0
Reported PAT	**0.8**	**(2.4)**	**(4.3)**	**(0.8)**	**(0.3)**	**(0.6)**	**(0.3)**	**0.7**	**(6.7)**	**(0.5)**
Tax	-	-	-	-	-	-	-	-	-	-
Adj. PAT	**(1.6)**	**(2.5)**	**(2.6)**	**(0.7)**	**(0.3)**	**(0.6)**	**(0.3)**	**0.7**	**(7.4)**	**(0.5)**
Change (YoY %)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Margin (%)	(16.4)	(24.2)	(29.3)	(6.2)	(2.3)	(5.3)	(3.1)	5.1	(18.2)	(1.1)

JK Cement — Buy

CMP: INR6,131 | TP: INR7,000 (+14%) — **EPS CHANGE (%): FY26|27: +15.2|+9.3**

- JKCE's volume is estimated to grow ~8% YoY. Blended realization is estimated to increase 6% YoY and 3% QoQ.
- EBITDA/t is estimated at INR1,266 vs. INR1,005/INR1,277 in 1QFY25/4QFY25.
- Variable cost/t is expected to decline 1% YoY. Opex/t is estimated to increase ~2% YoY.
- EBITDA is estimated to increase ~36% YoY, while Adj. PAT is estimated to increase ~47% YoY.

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**28.1**	**25.6**	**29.3**	**35.8**	**32.3**	**29.5**	**32.3**	**40.8**	**118.8**	**134.9**
Change (YoY %)	1.6	(7.0)	(0.2)	15.3	15.2	15.4	10.3	13.8	2.8	13.6
Total Expenditure	23.2	22.8	24.4	28.2	25.7	24.6	25.9	32.2	98.5	108.4
EBITDA	**4.9**	**2.8**	**4.9**	**7.6**	**6.6**	**5.0**	**6.4**	**8.5**	**20.3**	**26.5**
Change (YoY %)	19.2	-39.2	-21.3	36.6	-67.8	2.2	125.3	73.4	-1.6	30.9
Margin (%)	17.3	11.1	16.8	21.4	20.5	16.8	19.8	20.9	17.1	19.7
Depreciation	1.5	1.5	1.5	1.6	1.6	1.7	1.7	2.0	6.0	7.0
Interest	1.1	1.2	1.1	1.1	1.2	1.2	1.2	1.3	4.6	4.9
Other Income	0.4	0.4	0.4	0.5	0.3	0.3	0.3	0.8	1.7	1.8
PBT before EO Expense	**2.7**	**0.5**	**2.8**	**5.4**	**4.1**	**2.4**	**3.8**	**6.1**	**11.4**	**16.4**
Extra-Ord. Expense	-	(1.0)	-	-	-	-	-	-	(1.0)	-
PBT	**2.7**	**1.6**	**2.8**	**5.4**	**4.1**	**2.4**	**3.8**	**6.1**	**12.4**	**16.4**
Tax	0.9	0.2	0.9	1.7	1.4	0.8	1.3	1.4	3.7	4.9
Profit from Associate and MI	(0.0)	0.1	(0.0)	0.0	-	-	-	-	0.1	-
Tax-Rate (%)	32.3	12.2	32.1	32.5	33.6	33.6	33.6	23.4	29.8	29.8
Reported PAT	**1.9**	**1.3**	**1.9**	**3.6**	**2.7**	**1.6**	**2.6**	**4.7**	**8.6**	**11.5**
Adj. PAT	**1.9**	**0.4**	**1.9**	**3.6**	**2.7**	**1.6**	**2.6**	**4.7**	**7.7**	**11.5**
Change (YoY %)	49.3	(80.0)	(33.3)	69.1	47.2	342.7	34.8	29.3	(3.7)	49.5
Margin (%)	6.6	1.4	6.5	10.1	8.4	5.4	7.9	11.5	6.5	8.6

JK Lakshmi — Buy

CMP: INR955 | TP: INR1,150 (+20%) — **EPS CHANGE (%): FY26|27: +11.3|+5.8**

- Sales volume is expected to increase 3% YoY. Realization is estimated to rise ~3% YoY.
- EBITDA/t is estimated at INR948 vs. INR732/INR976 in 1QFY25/4QFY25.
- We expect opex/t to decline ~2% YoY. Variable cost/t is expected to decline ~12% YoY.
- Depreciation is expected to increase 14%, while interest is expected to decline 3% YoY. Adj. PAT is estimated to increase 80% YoY on a low base.

Consolidated quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**15.6**	**12.3**	**15.0**	**19.0**	**16.6**	**14.3**	**16.5**	**19.9**	**61.9**	**67.2**
Change (YoY %)	(9.6)	(21.6)	(12.1)	6.6	6.0	15.9	9.9	4.8	(8.8)	8.5
EBITDA	**2.2**	**0.9**	**2.0**	**3.5**	**3.0**	**2.3**	**2.9**	**3.8**	**8.6**	**11.9**
Change (YoY %)	13.3	(58.9)	(33.2)	4.4	(71.8)	2.5	226.3	87.4	(17.8)	436.9
Margin (%)	14.2	7.2	13.5	18.5	17.9	15.9	17.7	19.0	14.0	17.8
Depreciation	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	3.0	3.3
Interest	0.5	0.4	0.5	0.4	0.5	0.5	0.5	0.4	1.8	1.9
Other Income	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.1	0.5	0.5
PBT before EO Expense	**1.2**	**(0.2)**	**0.9**	**2.5**	**1.8**	**1.1**	**1.7**	**2.7**	**4.3**	**7.3**
Extra-Ord. Exp. (Inc.)	-	-	-	-	-	-	-	-	-	-
PBT	**1.2**	**(0.2)**	**0.9**	**2.5**	**1.8**	**1.1**	**1.7**	**2.7**	**4.3**	**7.3**
Tax	0.5	(0.1)	0.3	0.5	0.4	0.3	0.4	0.6	1.2	1.7
Prior Period Tax Adj.	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.4
Rate (%)	43.6	46.2	29.7	20.4	23.8	23.8	23.8	23.8	27.3	23.8
Reported PAT	**0.7**	**(0.1)**	**0.6**	**1.9**	**1.3**	**0.7**	**1.2**	**1.9**	**3.0**	**5.2**
Minority Interest	(0.1)	0.0	0.0	0.0	0.1	0.1	0.1	(0.2)	0.0	0.1
Adj. PAT	**0.7**	**(0.1)**	**0.6**	**1.9**	**1.3**	**0.7**	**1.2**	**2.3**	**3.1**	**5.5**
Change (YoY %)	(10.4)	(115.1)	NA	23.3	79.8	NM	100.3	16.4	(33.6)	76.4
Margin (%)	4.5	-1.1	4.0	10.2	7.6	5.2	7.2	11.3	5.0	8.1

The Ramco Cements — Neutral

CMP: INR1,078| TP: INR1,050(-3%) — **EPS CHANGE (%): FY26|27: +6.7|+4.3**

- Volume is expected to increase 3% YoY and realization is expected to increase 6% YoY/12% QoQ, led by a steep price hike in the South.
- EBITDA/t is estimated at INR995 vs. INR733/INR607 in 1QFY25/4QFY25.
- Variable cost/t is expected to increase 1% YoY. Opex/t is expected to remain flat YoY.
- EBITDA is estimated to increase 40% YoY to INR4.5b. Adj. PAT is estimated to increase 232% YoY to INR1.2b on a low base.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**20.9**	**20.4**	**19.8**	**23.9**	**22.8**	**23.5**	**22.2**	**28.5**	**85.0**	**96.9**
Change (YoY %)	(6.8)	(12.5)	(6.2)	(10.5)	9.2	15.2	12.2	19.1	(9.1)	14.1
Total Expenditure	17.7	17.3	17.0	20.7	18.3	18.9	18.5	22.8	72.6	78.5
EBITDA	**3.2**	**3.1**	**2.8**	**3.2**	**4.5**	**4.6**	**3.7**	**5.7**	**12.3**	**18.5**
Change (YoY %)	(6.5)	(21.7)	(29.3)	(23.1)	(71.2)	43.5	18.1	105.4	(20.7)	
Margin (%)	15.3	15.3	14.1	13.4	19.6	19.5	16.6	20.1	14.5	19.1
Depreciation	1.7	1.7	1.7	1.8	1.8	1.9	1.9	1.9	6.9	7.5
Interest	1.1	1.2	1.1	1.1	1.1	1.1	1.1	0.9	4.6	4.2
Other Income	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4	0.4
PBT before EO Expense	**0.5**	**0.3**	**0.0**	**0.4**	**1.6**	**1.7**	**0.8**	**3.1**	**1.3**	**7.3**
Extra-Ord Exp./(Inc.)	-	-	(3.3)	(0.1)	-	-	-	-	(3.4)	-
PBT	**0.5**	**0.3**	**3.3**	**0.5**	**1.6**	**1.7**	**0.8**	**3.1**	**4.7**	**7.3**
Tax	0.1	0.1	0.1	0.2	0.5	0.5	0.2	0.9	0.5	2.0
Prior Year Tax Adj.	-	-	-	-	-	-	-	-	-	-
Rate (%)	26.3	26.9	2.4	37.1	28.0	28.0	25.0	27.6	10.4	27.5
Reported PAT	**0.4**	**0.3**	**3.3**	**0.3**	**1.2**	**1.2**	**0.6**	**2.2**	**4.2**	**5.3**
Adj. PAT	**0.4**	**0.3**	**0.0**	**0.3**	**1.2**	**1.2**	**0.6**	**2.2**	**0.9**	**5.3**
Change (YoY %)	(55.0)	(74.7)	(96.6)	(76.7)	232.4	382.3	1,869.5	689.0	(76.6)	469.4
Margins (%)	1.7	1.3	0.2	1.2	5.2	5.3	2.8	7.8	1.1	5.4

Shree Cement — Neutral

CMP: INR31,186| TP: INR32,400 (+4%) — **EPS CHANGE (%): FY26|27: +16.2|+14.6**

- Volume is expected to decline 3% YoY and blended realization is likely to increase ~6% YoY.
- We estimate EBITDA/t at INR1,325 vs. INR951/INR1,435 in 1QFY25/4QFY25.
- Variable cost/t is estimated to decline 10% YoY. Opex/t is estimated to decline 2% YoY.
- Depreciation is estimated to increase ~21% YoY, while interest is estimated to decline ~21% YoY. Adj. PAT is estimated to increase ~40% YoY.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**48.3**	**37.3**	**42.4**	**52.4**	**49.5**	**44.0**	**49.5**	**55.9**	**180.4**	**198.9**
Change (YoY %)	-2.7	-18.3	-13.6	3.3	2.3	18.0	16.9	6.7	-7.5	10.3
Total Expenditure	39.2	31.3	32.9	38.3	36.6	34.1	36.9	40.9	141.7	148.5
EBITDA	**9.2**	**5.9**	**9.5**	**14.1**	**12.9**	**9.9**	**12.6**	**15.1**	**38.7**	**50.4**
Change (YoY %)	-1.7	-31.9	-23.3	6.4	-70.5	7.7	112.7	59.3	-11.4	40.7
Margin (%)	19.0	15.9	22.3	26.9	26.1	22.4	25.5	27.0	21.4	25.4
Depreciation	6.4	6.7	7.5	7.5	7.8	8.2	8.8	9.1	28.1	33.9
Interest	0.6	0.6	0.5	0.4	0.5	0.5	0.5	0.6	2.1	2.0
Other Income	1.3	1.8	1.1	1.5	1.4	1.3	1.4	1.4	5.8	5.4
PBT before EO Exp.	**3.5**	**0.4**	**2.6**	**7.7**	**6.0**	**2.4**	**4.6**	**6.8**	**14.3**	**19.9**
Extra-Ord. Exp./(Inc.)	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.0	-0.3	0.0
PBT	**3.5**	**0.4**	**2.6**	**7.4**	**6.0**	**2.4**	**4.6**	**6.8**	**14.0**	**19.9**
Tax	0.3	-0.5	0.3	1.9	1.5	0.6	1.2	1.8	2.0	5.2
Rate (%)	9.4	-108.1	11.4	25.1	25.5	25.5	25.5	27.0	14.4	26.0
Reported PAT	**3.2**	**0.9**	**2.3**	**5.6**	**4.5**	**1.8**	**3.5**	**5.0**	**12.0**	**14.7**
Prior Period Tax Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj. PAT	**3.2**	**0.9**	**2.3**	**5.8**	**4.5**	**1.8**	**3.5**	**5.0**	**12.2**	**14.7**
Change (YoY %)	-45.3	-81.0	-68.8	-12.5	40.4	93.5	50.5	-13.9	-50.6	20.6

UltraTech Cement

Buy

CMP: INR12,205 | TP: INR14,200(+16%)

EPS CHANGE (%): FY26|27: +3.0|+3.0

- Sales volume (consolidated) is expected to increase 17% YoY, aided by inorganic growth. However, on a like-to-like basis, UTCEM's volume growth is estimated at ~6% YoY.
- Blended realization is likely to increase 3% YoY.
- RMC revenue is expected to increase 13% YoY, whereas white cement revenue is expected to be flat YoY.
- Variable cost per ton is expected to be flat YoY and opex/t is expected to decline 2% YoY.
- We expect EBITDA/t at INR1,186 vs INR951/INR1,126 in 1QFY25/4QFY25.
- Depreciation/interest expenses are estimated to increase 37%/90% YoY. Adj. PAT is estimated to increase 32% YoY.

Consolidated performance **(INR b)**

	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**180.7**	**156.3**	**177.8**	**230.6**	**218.4**	**197.0**	**214.8**	**265.4**	**759.6**	**895.6**
Change (YoY %)	1.9	-2.4	6.2	13.0	20.8	26.0	20.8	15.1	7.1	17.9
Total Expenditure	150.3	136.2	148.8	184.4	174.6	163.4	173.8	206.0	634.0	717.9
EBITDA	**30.4**	**20.2**	**28.9**	**46.2**	**43.8**	**33.6**	**41.0**	**59.3**	**125.6**	**177.7**
Change (YoY %)	-0.3	-20.9	-11.1	12.3	44.0	66.5	41.5	28.5	-3.2	41.5
Margin (%)	16.8	12.9	16.3	20.0	20.0	17.1	19.1	22.4	16.5	19.8
Depreciation	8.4	9.0	9.9	11.2	11.6	11.7	12.0	12.4	40.1	47.7
Interest	2.6	3.2	4.6	4.8	4.9	5.0	5.1	5.6	16.5	20.6
Other Income	1.7	2.2	2.5	1.0	1.4	1.4	1.4	3.3	7.4	7.4
PBT before EO Expense	**21.1**	**10.2**	**16.9**	**31.2**	**28.7**	**18.3**	**25.2**	**44.6**	**76.4**	**116.8**
Extra-Ord. Expense	(0.33)	-	-	0.09	-	-	-	-	0.97	-
PBT after EO Expense	**21.4**	**10.2**	**16.9**	**31.1**	**28.7**	**18.3**	**25.2**	**44.6**	**75.4**	**116.8**
Tax	4.5	1.9	3.3	6.3	6.6	4.2	5.8	10.2	14.9	26.8
Prior Period Tax Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate (%)	20.9	18.8	19.4	20.1	23.0	23.0	23.0	23.0	19.7	23.0
Reported PAT	**16.9**	**8.3**	**13.6**	**24.9**	**22.1**	**14.1**	**19.4**	**34.3**	**60.5**	**89.9**
Minority Interest	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
Adj. PAT	**16.7**	**8.2**	**13.6**	**24.9**	**22.1**	**14.1**	**19.4**	**34.3**	**61.2**	**89.9**
Change (YoY %)	-1.0	-36.0	-23.5	7.8	32.3	71.7	42.9	37.8	-13.3	47.0

Chemicals

Company
Alkyl Amines Chemicals
Atul
Blue Jet
Clean Science
Deepak Nitrite
Fine Organic Industries
Galaxy Surfactants
Navin Fluorine International
NOCIL
PI Industries
SRF
Tata Chemicals
Vinati Organics

Volume-driven growth anticipated; pricing pressure persists

- Brent crude prices remained at USD68/bbl in 1QFY26; prices dipped due to heightened geopolitical instability and evolving dynamics within OPEC+. The group's decision to gradually unwind production cuts, coupled with internal disagreements and limited compliance among member countries, led to concerns about oversupply in the market.
- Prices of organic compounds, such as Butadiene (Korea)/ Toluene (Korea) Benzene, decreased 4%/9% YoY in Jun'25, while prices of Benzene increased 6% YoY, and Propylene (Korea) decreased 4% YoY in Jun'25. Prices of other key materials, such as Aniline/ACN/Acetone/IPA, dipped 20%/10%/10%/19% YoY in Jun'25. Blended Phenol and Acetone spread stood at INR83/kg in 1QFY26 (down 8% YoY). Acetic Acid rose 1% YoY while Ammonia prices dipped 10% YoY to INR33/kg in 1QFY26.
- **We estimate our coverage universe to report 1) a sales growth of 10% YoY, 2) an EBITDA growth of 9% YoY, and 3) a PAT growth of 15% YoY in 1QFY26. Aggregate gross margin is likely to contract 40bp YoY. Aggregate EBITDAM may expand 20bp YoY/30bp QoQ. Margin expansion (YoY) is anticipated for BLUEJET, NFIL, NOCIL, SRF, and VO. The aggregate PAT margin is likely to expand 40bp YoY in 1QFY26.**
- In the first two months of 1QFY26, nine out of 13 companies within our coverage universe saw an uptick in total exports. ATLP, DN, PI, and VO have shown a YoY dip, while the rest have grown in value terms. INR vs. USD has also depreciated ~3% YoY in 1QFY26, making export revenue appear optically higher on a YoY basis.
- The commissioning of new capacities was delayed by companies over the course of FY25, although none of them were shelved completely, given the promising long-term volume offtake for the products. However, we expect a migration of chemical industries to the US, the Middle East, and Africa in the long term due to the cheaper availability of feedstock in these regions. The valuation multiples of companies remain elevated. **We have a BUY rating on ATLP, BLUEJET, GALSURF, PI, SRF, and VO.**

Exhibit 1: Performance summary – 1QFY26E

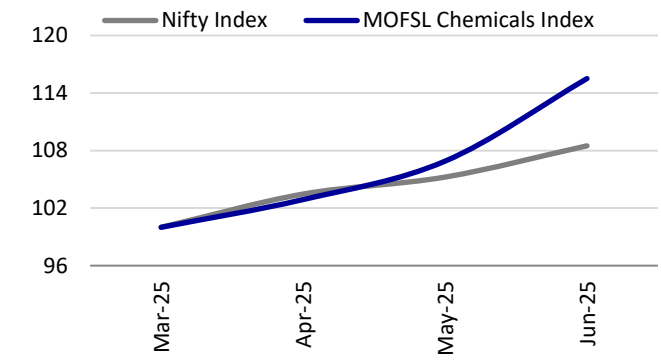
Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Alkyl Amines	2303	Neutral	4,219	5.6	9.3	784	-0.8	15.6	528	8.0	14.7
Atul	7405	Buy	14,909	12.8	2.7	2,397	7.4	7.5	1,405	25.4	8.0
Clean Science	1449	Neutral	2,597	16.0	-1.5	995	5.1	-5.0	755	14.5	1.9
Deepak Nitrite	1961	Sell	19,306	-10.9	-11.4	2,001	-35.3	-36.8	1,187	-41.4	-41.4
Fine Organic	5081	Sell	5,566	9.5	-3.4	982	-19.4	-9.3	820	-17.2	-7.4
Galaxy Surfactants	2603	Buy	11,950	22.7	4.4	1,244	0.3	-2.0	756	-5.2	-0.4
Navin Fluorine	4887	Neutral	7,788	48.7	11.1	2,026	101.9	13.4	1,122	119.2	18.1
NOCIL	195	Neutral	3,499	-6.0	3.0	400	0.6	19.4	252	-7.5	23.6
P I Industries	4154	Buy	21,057	1.8	17.8	5,265	-9.7	15.6	3,890	-13.3	17.7
SRF	3199	Buy	41,618	20.1	-3.5	8,319	34.0	-17.0	4,401	63.3	-22.9
Tata Chemicals	930	Neutral	39,856	5.2	13.6	5,713	-0.5	74.7	1,827	35.4	LP
Vinati Organics	1957	Buy	5,616	7.0	-13.4	1,378	10.2	-24.9	940	9.3	-26.3
Chemicals			**1,77,981**	**8.9**	**2.9**	**31,505**	**5.2**	**0.7**	**17,882**	**10.0**	**3.4**

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Exhibit 2: Comparative valuations

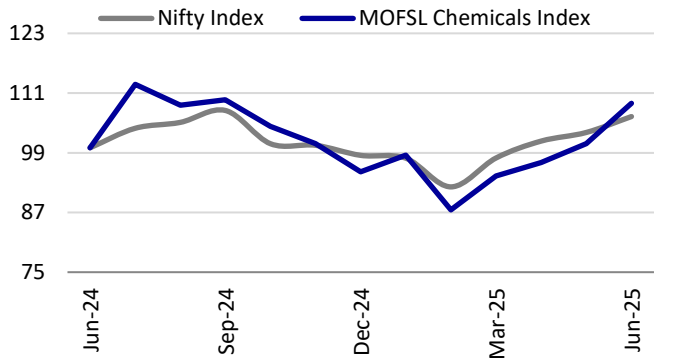
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Chemicals						**44.2**	**38.7**	**30.7**	**4.1**	**4.3**	**3.8**	**9.2**	**11.1**	**12.5**
Alkyl Amines	2,303	Neutral	36.3	44.7	50.8	63.3	51.5	45.4	8.4	7.5	6.7	13.9	15.4	15.6
Atul	7,405	Buy	169.3	233.9	256.4	43.7	31.7	28.9	3.9	3.5	3.2	9.3	11.7	11.6
Clean Science	1,449	Neutral	24.9	35.0	43.9	58.2	41.3	33.0	10.9	8.9	7.3	20.2	23.7	24.2
Deepak Nitrite	1,961	Sell	51.1	61.9	66.4	38.3	31.7	29.5	5.0	4.4	3.9	13.7	14.7	13.9
Fine Organic	5,081	Sell	127.1	119.3	121.4	40.0	42.6	41.9	7.0	6.1	5.4	19.1	15.3	13.7
Galaxy Surfactants	2,603	Buy	86.0	92.0	105.1	30.3	28.3	24.8	3.9	3.5	3.2	13.4	13.1	13.6
Navin Fluorine	4,887	Neutral	58.2	88.7	115.2	84.0	55.1	42.4	9.2	8.1	7.1	11.5	15.7	17.8
NOCIL	195	Neutral	6.4	6.4	8.5	30.2	30.5	23.0	1.9	1.8	1.7	6.3	6.0	7.5
P I Industries	4,154	Buy	109.2	108.5	130.5	38.0	38.3	31.8	6.2	5.5	4.7	17.6	15.2	16.0
SRF	3,199	Buy	46.1	68.3	95.5	69.5	46.8	33.5	7.5	6.7	5.8	11.4	15.2	18.5
Tata Chemicals	930	Neutral	11.6	36.7	56.6	80.2	25.4	16.4	1.1	1.0	1.0	1.3	4.2	6.2
Vinati Organics	1,957	Buy	40.0	53.6	62.6	48.9	36.5	31.3	7.2	6.2	5.4	15.8	18.3	18.4

Exhibit 3: Relative performance – three-month (%)



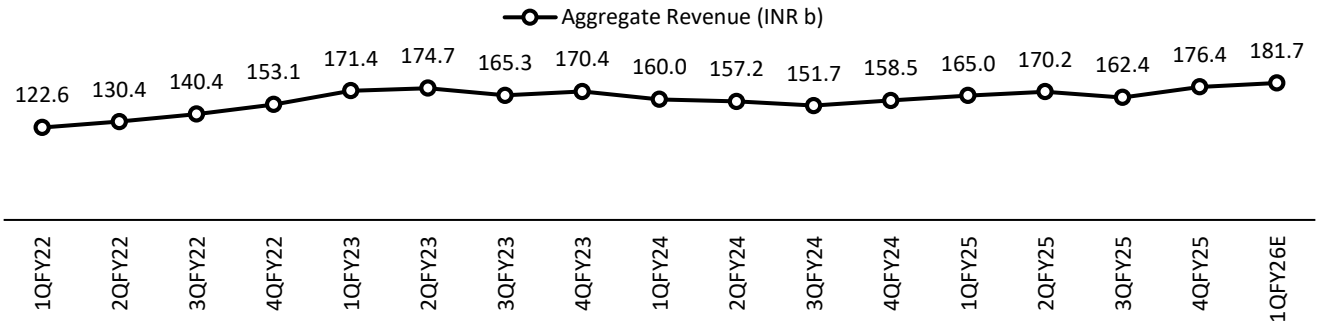
Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one-year (%)



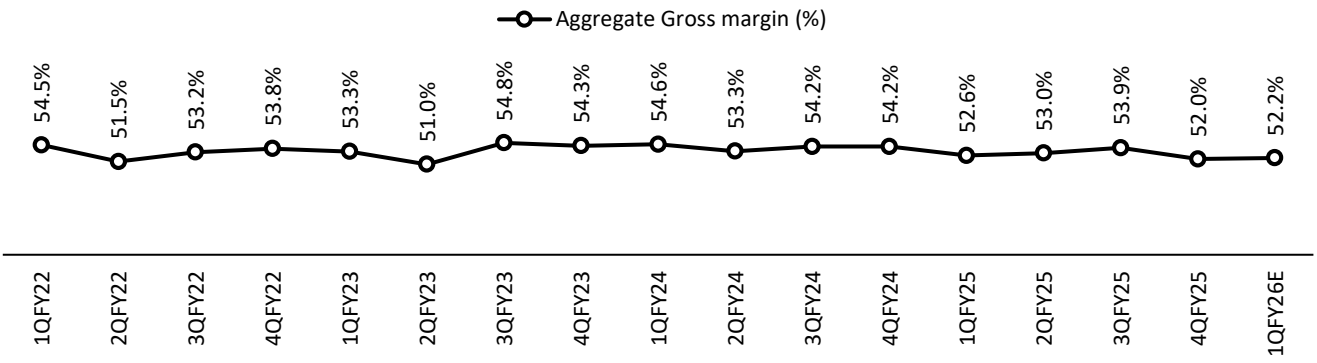
Source: Bloomberg, MOFSL

Exhibit 5: Revenue snapshot for our coverage universe



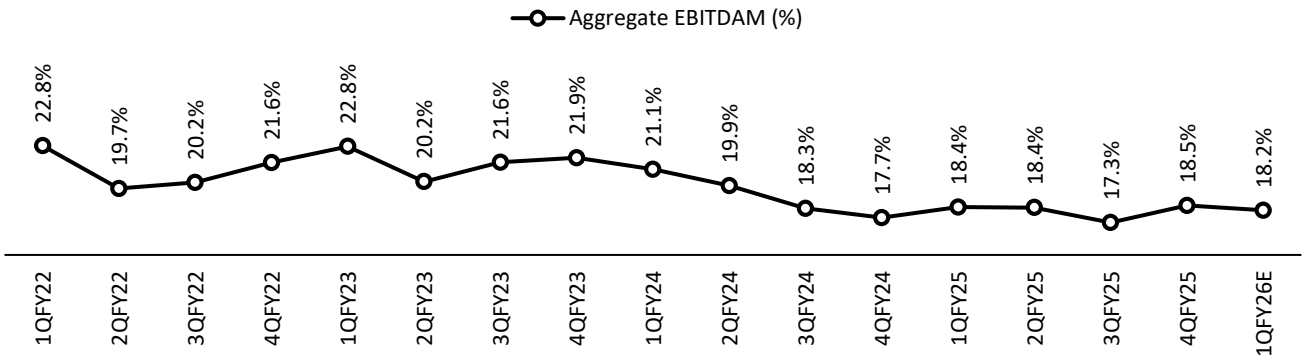
Source: Company, MOFSL

Exhibit 6: Gross margin snapshot for our coverage universe



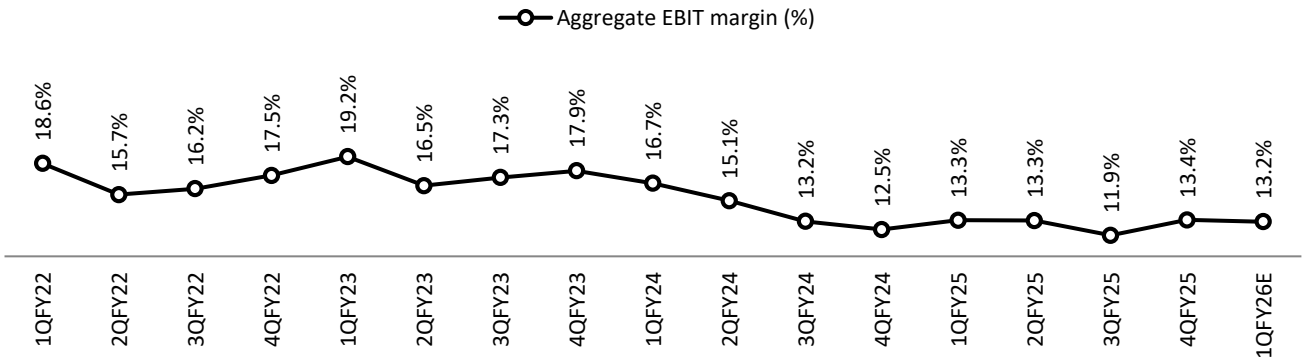
Source: Company, MOFSL

Exhibit 7: EBITDAM snapshot for our coverage universe



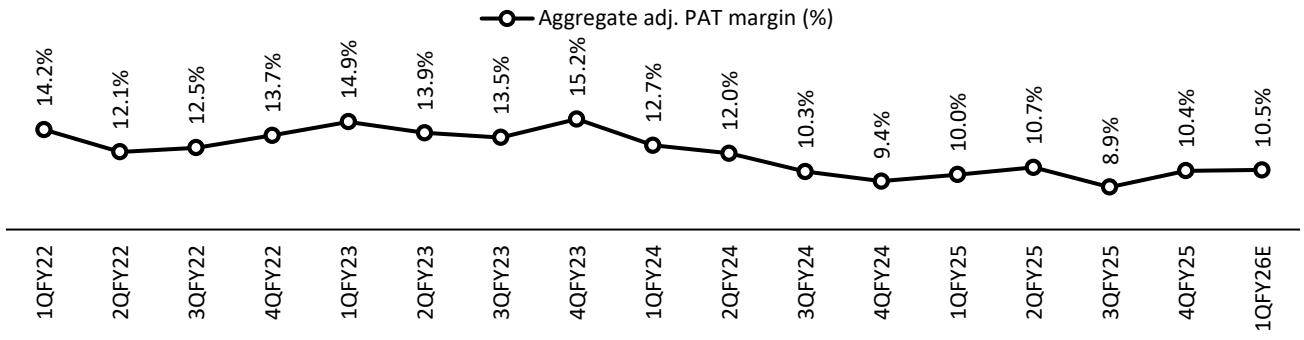
Source: Company, MOFSL

Exhibit 8: EBIT margin snapshot for our coverage universe



Source: Company, MOFSL

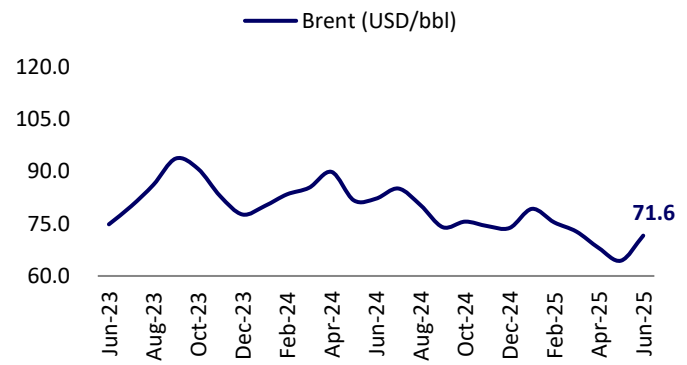
Exhibit 9: PAT margin snapshot for our coverage universe



Source: Company, MOFSL

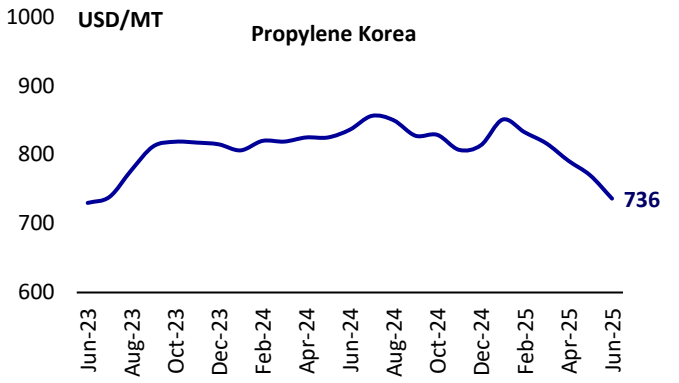
Trends in key RM and product prices

Exhibit 10: Brent crude price down 13% YoY



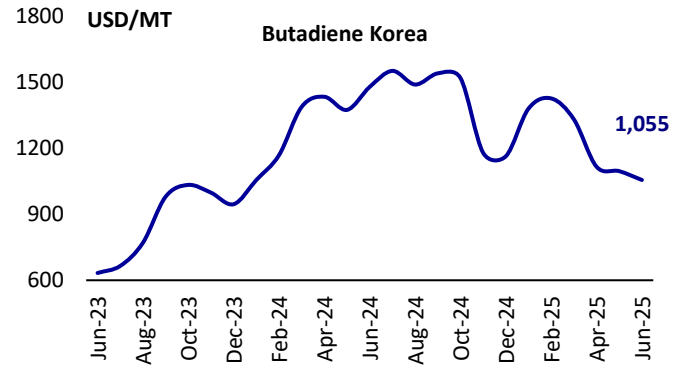
Source: Reuters, MOFSL

Exhibit 11: Propylene (Korea) price down 12% YoY



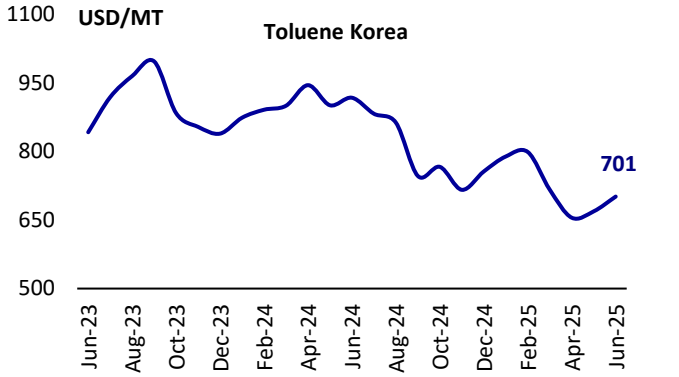
Source: Bloomberg, MOFSL

Exhibit 12: Butadiene price down 29% YoY



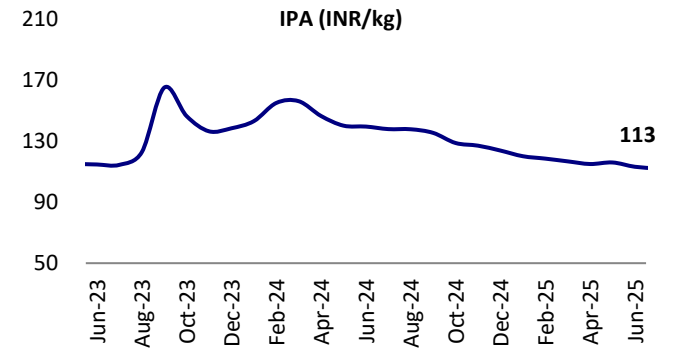
Source: Bloomberg, MOFSL

Exhibit 13: Toluene (Korea) price down 24% YoY



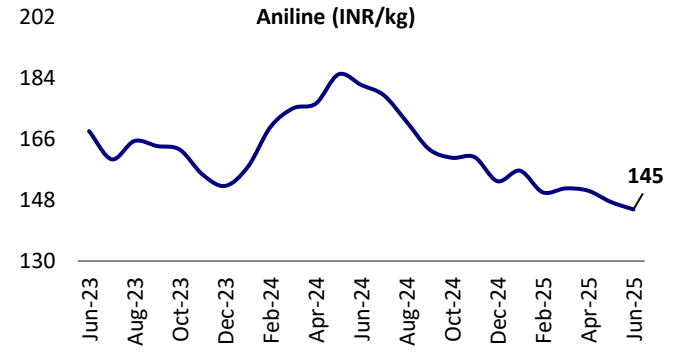
Source: Bloomberg, MOFSL

Exhibit 14: IPA price down 19% YoY



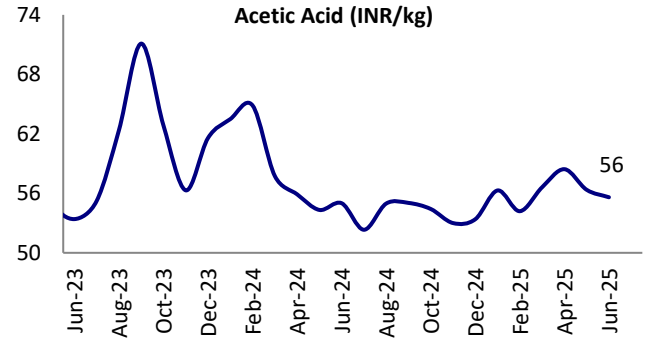
Source: IndiaPetroChem, MOFSL

Exhibit 15: Aniline price down 20% YoY



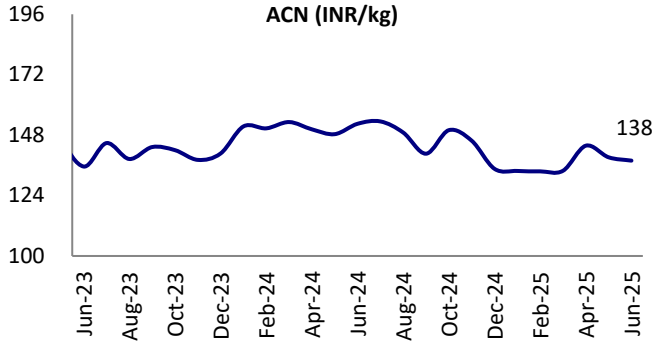
Source: IndiaPetroChem, MOFSL

Exhibit 16: Acetic Acid price up 1% YoY



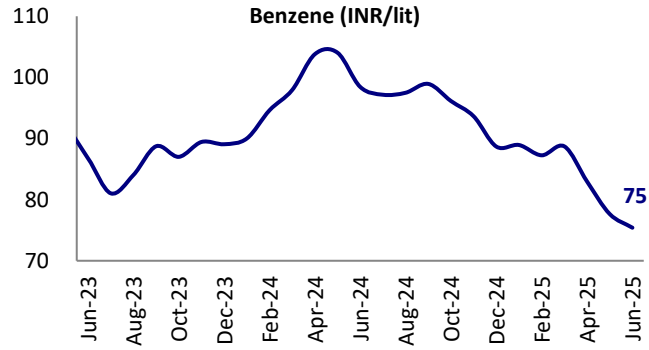
Source: IndiaPetroChem, MOFSL

Exhibit 17: ACN price down 10% YoY



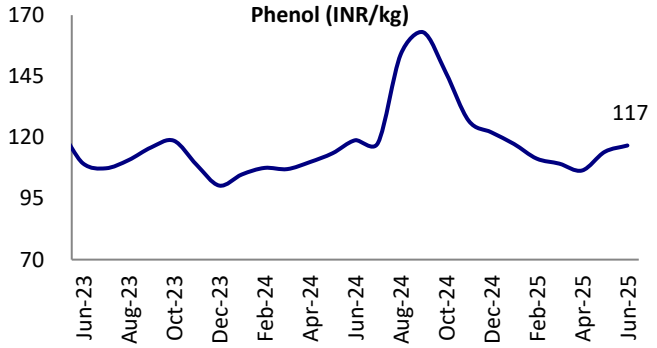
Source: IndiaPetroChem, MOFSL

Exhibit 18: Benzene price down 23% YoY



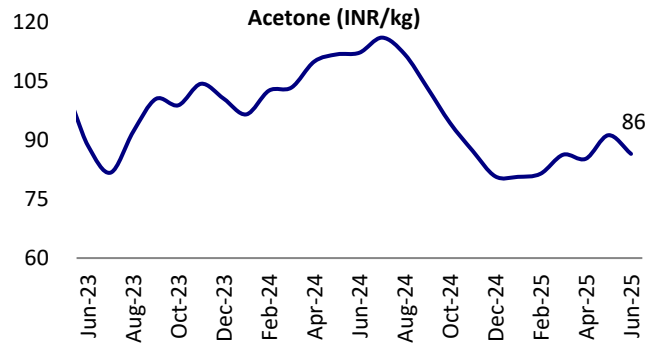
Source: IndiaPetroChem, MOFSL

Exhibit 19: Phenol price down 2% YoY



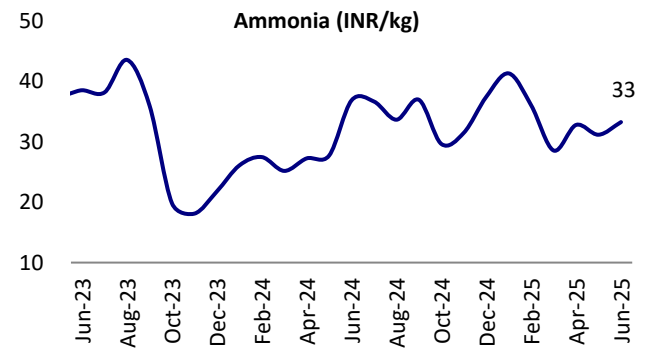
Source: IndiaPetroChem, MOFSL

Exhibit 20: Acetone price down 23% YoY



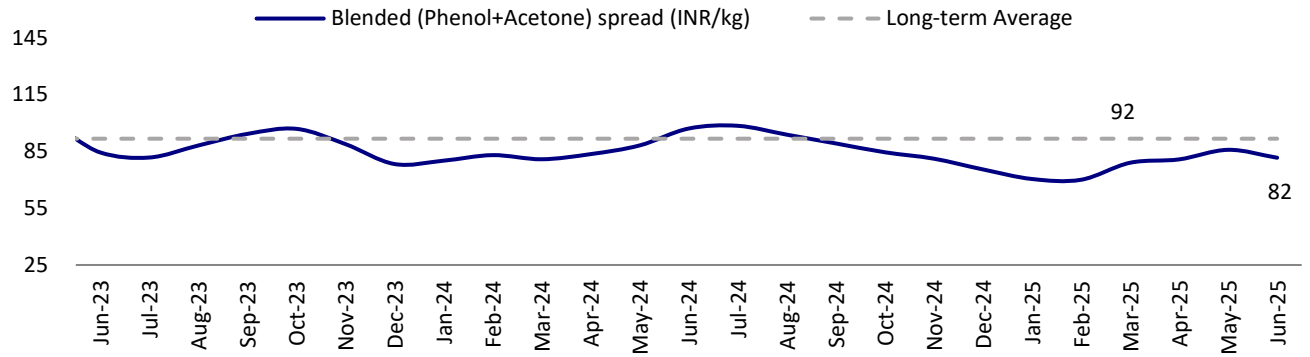
Source: IndiaPetroChem, MOFSL

Exhibit 21: Ammonia price down 10% YoY



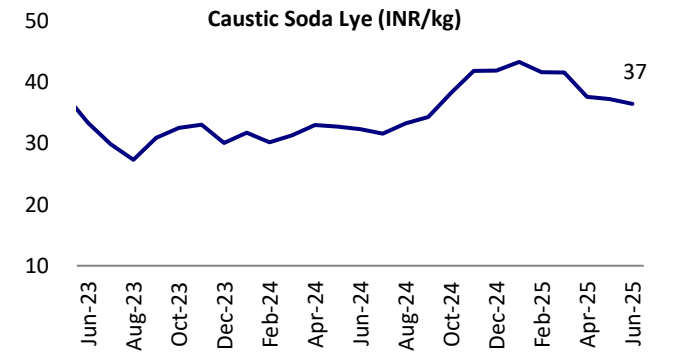
Source: IndiaPetroChem, MOFSL

Exhibit 22: Blended Phenol and Acetone spread down 16% YoY



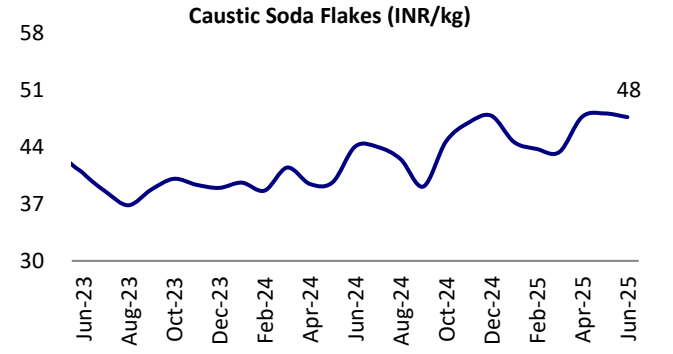
Source: IndiaPetroChem, MOFSL

Exhibit 23: Caustic Soda Lye price up 16% YoY



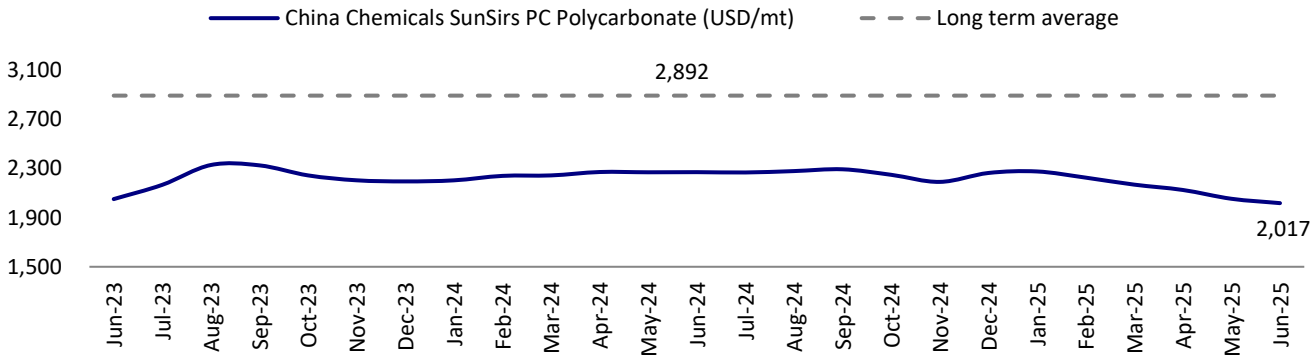
Source: IndiaPetroChem, MOFSL

Exhibit 24: Caustic Soda Flakes price up 8% YoY



Source: IndiaPetroChem, MOFSL

Exhibit 25: Polycarbonate price down 11% YoY



Source: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Alkyl Amines — Neutral

CMP: INR2,303 | TP: INR2,285 (-1%) — **EPS CHANGE (%): FY26|27: +9|+8**

- Expect revenue to rise 6% YoY and EBITDA to dip 1% YoY.
- Expect EBITDA margin to contract 120bp YoY to 18.6% in 1QFY26.
- Key monitorables: Stabilization of the Ethylamines plant and update on ACN market conditions post the ADD imposition.
- Watch out for updates on the progress of new products and ADD probe on MIPA.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**3,997**	**4,149**	**3,712**	**3,861**	**4,219**	**4,323**	**4,344**	**4,405**	**15,718**	**17,290**
YoY Change (%)	-2.5	17.8	15.3	8.3	5.6	4.2	17.0	14.1	9.1	10.0
Gross Margin (%)	47.0%	45.4%	48.4%	45.9%	46.7%	47.5%	48.3%	49.5%	46.6%	48.0%
EBITDA	**791**	**735**	**712**	**678**	**784**	**844**	**867**	**943**	**2,911**	**3,438**
Margin (%)	19.8	17.7	19.2	17.6	18.6	19.5	20.0	21.4	18.5	19.9
Depreciation	177	180	179	176	180	187	193	197	712	756
Interest	2	4	9	2	2	3	3	4	10	12
Other Income	47	92	66	93	103	88	102	99	298	392
PBT before EO expense	**659**	**643**	**591**	**594**	**705**	**742**	**773**	**841**	**2,486**	**3,061**
PBT	**659**	**643**	**591**	**594**	**705**	**742**	**773**	**841**	**2,486**	**3,061**
Tax	170	169	153	133	177	187	195	212	625	771
Rate (%)	25.9	26.2	25.9	22.5	25.2	25.2	25.2	25.2	25.1	25.2
Adj PAT	**489**	**475**	**438**	**460**	**528**	**555**	**578**	**630**	**1,861**	**2,291**
YoY Change (%)	-1.8	74.2	30.9	19.7	8.0	17.0	32.2	36.8	25.0	23.1
Margin (%)	12.2	11.4	11.8	11.9	12.5	12.8	13.3	14.3	11.8	13.2

Atul — Buy

CMP: INR7,405 | TP: INR8,975 (+21%) — **EPS CHANGE (%): FY26|27: +5|+6**

- Expect revenue to increase 13% YoY and EBITDA to improve 7% YoY.
- EBITDA margin is likely to contract 80bp YoY, while gross margin is anticipated to contract 120bp YoY.
- Expect revenue for Life Science Chemicals to improve 12% YoY, while revenue for Performance to increase 13% YoY.
- Watch out for the commissioning and ramp-up of its new capacity expansions in CY25.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**13,221**	**13,928**	**14,168**	**14,516**	**14,909**	**15,795**	**16,520**	**17,246**	**55,834**	**64,470**
YoY Change (%)	11.8	16.7	24.5	19.8	12.8	13.4	16.6	18.8	18.1	15.5
Gross Margin (%)	50.0%	53.1%	50.5%	49.7%	48.8%	50.4%	51.2%	52.1%	50.8%	50.7%
EBITDA	**2,232**	**2,427**	**2,241**	**2,229**	**2,397**	**2,735**	**2,975**	**3,234**	**9,130**	**11,342**
Margin (%)	16.9	17.4	15.8	15.4	16.1	17.3	18.0	18.8	16.4	17.6
Depreciation	766	775	810	817	824	830	836	838	3,168	3,328
Interest	54	89	43	54	57	58	63	67	240	245
Other Income	130	315	158	487	322	355	290	322	1,090	1,289
PBT before EO expense	**1,543**	**1,878**	**1,546**	**1,845**	**1,840**	**2,202**	**2,366**	**2,651**	**6,812**	**9,059**
PBT	**1,543**	**1,878**	**1,546**	**1,845**	**1,840**	**2,202**	**2,366**	**2,651**	**6,812**	**9,059**
Tax	455	514	407	560	463	556	596	666	1,937	2,280
Rate (%)	29.5	27.4	26.4	30.3	25.2	25.2	25.2	25.1	28.4	25.2
Minority Interest and Profit/Loss of Asso. Cos.	33	31	33	16	28	28	28	28	113	113
Reported PAT	**1,121**	**1,395**	**1,171**	**1,301**	**1,405**	**1,674**	**1,799**	**2,014**	**4,988**	**6,892**
Adj PAT	**1,121**	**1,395**	**1,171**	**1,301**	**1,405**	**1,674**	**1,799**	**2,014**	**4,988**	**6,892**
YoY change (%)	9.8	52.9	62.5	121.3	25.4	20.0	53.6	54.8	53.9	38.2
Margin (%)	8.5	10.0	8.3	9.0	9.4	10.6	10.9	11.7	8.9	10.7

Blue Jet Healthcare — Buy

CMP: INR845 | TP: INR1,200 (+42%) — **EPS CHANGE (%): FY26|27: +22|+24**

- Expect revenue to jump 2.3x YoY and EBITDA to surge 3.5x YoY.
- Contrast media revenue growth is likely to be 84% YoY, for Pharma Intermediates to be 3.5x YoY
- EBITDA margin is likely to expand 14pp YoY, while gross margin is anticipated to expand 20bp YoY.
- Watch out for the commissioning and ramp-up of its new capacity expansions in CY25.

Standalone - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**1,629**	**2,083**	**3,174**	**3,404**	**3,689**	**3,745**	**3,802**	**3,897**	**10,290**	**15,133**
YoY Change (%)	-9.3	14.8	90.3	85.1	126.4	79.8	19.8	14.5	44.6	47.1
Gross Margin (%)	54.7%	57.0%	54.5%	54.9%	54.9%	54.4%	53.8%	53.6%	55.2%	54.2%
EBITDA	**443**	**695**	**1,230**	**1,400**	**1,534**	**1,480**	**1,464**	**1,486**	**3,767**	**5,964**
Margin (%)	27.2	33.4	38.8	41.1	41.6	39.5	38.5	38.1	36.6	39.4
Depreciation	35	46	47	49	52	65	81	90	178	288
Interest	0	0	0	0	1	2	3	4	1	9
Other Income	87	121	132	122	132	136	146	157	463	571
PBT before EO expense	**495**	**769**	**1,315**	**1,472**	**1,613**	**1,549**	**1,527**	**1,550**	**4,051**	**6,238**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**495**	**769**	**1,315**	**1,472**	**1,613**	**1,549**	**1,527**	**1,550**	**4,051**	**6,238**
Tax	117	186	335	371	406	391	385	389	1,009	1,570
Rate (%)	23.6	24.1	25.5	25.2	25.2	25.2	25.2	25.1	24.9	25.2
Reported PAT	**378**	**583**	**980**	**1,101**	**1,206**	**1,158**	**1,142**	**1,161**	**3,042**	**4,668**
Adj. PAT	**378**	**583**	**980**	**1,101**	**1,206**	**1,158**	**1,142**	**1,161**	**3,042**	**4,668**
YoY Change (%)	-14.4	21.9	149.5	177.6	219.3	98.5	16.6	5.5	77.9	53.5
Margin (%)	23.2	28.0	30.9	32.3	32.7	30.9	30.0	29.8	29.6	30.8

Clean Science & Technology — Neutral

CMP: INR1,449 | TP: INR1,315 (-9%) — **EPS CHANGE (%): FY26|27: +3|+4**

- Expect revenue to increase 16% YoY and EBITDA to increase 5% YoY
- Key monitorables: Ramp up of the new HALS plant in the subsidiary and updates on new product commissioning.
- Expect EBITDAM to contract 400bp YoY in 1QFY26.
- Watch out for the changing sales mix between the flagship and non-flagship products.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**2,240**	**2,381**	**2,408**	**2,637**	**2,597**	**3,056**	**3,056**	**3,514**	**9,666**	**12,223**
YoY Change (%)	19.1	31.5	23.7	15.9	16.0	28.3	26.9	33.3	22.1	26.5
Gross Margin (%)	65.4%	62.4%	63.5%	63.7%	63.2%	63.7%	64.6%	65.2%	63.7%	64.2%
EBITDA	**947**	**897**	**985**	**1,048**	**995**	**1,195**	**1,223**	**1,440**	**3,876**	**4,853**
Margin (%)	42.3	37.7	40.9	39.7	38.3	39.1	40.0	41.0	40.1	39.7
Depreciation	158	175	183	174	177	180	183	185	691	725
Interest	1	0	1	1	1	1	1	1	4	5
Other Income	99	111	52	124	127	131	137	142	386	537
PBT	**887**	**832**	**853**	**996**	**944**	**1,145**	**1,175**	**1,395**	**3,567**	**4,659**
Tax	228	245	196	255	189	229	236	281	923	936
Rate (%)	25.7	29.4	23.0	25.6	20.1	20.0	20.1	20.1	25.9	20.1
Adj. PAT	**659**	**587**	**656**	**741**	**755**	**915**	**939**	**1,114**	**2,644**	**3,723**
YoY Change (%)	11.9	12.6	4.8	5.4	14.5	55.8	43.0	50.4	8.3	40.8
Margin (%)	29.4	24.7	27.3	28.1	29.1	30.0	30.7	31.7	27.4	30.5

Deepak Nitrite — Sell

CMP: INR1,961 | TP: INR1,660 (-15%) — **EPS CHANGE (%): FY26|27: +1|0**

- Expect revenue to decline YoY due to Advanced Intermediates. Expect EBITDA margin of 10.4% (vs. 14.3% in 1QFY25).
- Watch out for updates on various capex under implementation.
- Updates on Oman subsidiary and downstream products (MIBK, MIBC, and Polycarbonate) to be keenly monitored.
- Key risks: Substantial margin fluctuations due to the highly commoditized nature of the products.

Consolidated - Quarterly Snapshot

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**21,668**	**20,320**	**19,034**	**21,797**	**19,306**	**21,513**	**23,167**	**24,271**	**82,819**	**88,257**
YoY Change (%)	22.5	14.3	-5.3	2.5	-10.9	5.9	21.7	11.3	7.8	6.6
Gross Margin (%)	30.8%	32.0%	26.8%	30.6%	28.1%	32.0%	32.8%	34.3%	30.1%	32.0%
EBITDA	**3,092**	**2,975**	**1,685**	**3,166**	**2,001**	**3,243**	**3,705**	**4,167**	**10,918**	**13,116**
Margin (%)	14.3	14.6	8.9	14.5	10.4	15.1	16.0	17.2	13.2	14.9
Depreciation	475	485	482	513	537	581	614	653	1,954	2,386
Interest	58	63	61	93	97	102	107	113	275	418
Other Income	188	213	210	228	218	237	225	291	839	971
PBT before EO expense	**2,748**	**2,640**	**1,352**	**2,788**	**1,586**	**2,796**	**3,209**	**3,692**	**9,528**	**11,283**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**2,748**	**2,640**	**1,352**	**2,788**	**1,586**	**2,796**	**3,209**	**3,692**	**9,528**	**11,283**
Tax	723	698	371	762	399	706	809	926	2,554	2,840
Rate (%)	26.3	26.4	27.4	27.3	25.2	25.2	25.2	25.1	26.8	25.2
Reported PAT	**2,025**	**1,942**	**981**	**2,025**	**1,187**	**2,090**	**2,399**	**2,766**	**6,974**	**8,443**
Adj PAT	**2,025**	**1,942**	**981**	**2,025**	**1,187**	**2,090**	**2,399**	**2,766**	**6,974**	**8,443**
YoY Change (%)	35.1	-5.3	-51.4	3.4	-41.4	7.6	144.5	36.6	-7.3	21.1
Margin (%)	9.3	9.6	5.2	9.3	6.1	9.7	10.4	11.4	8.4	9.6

Fine Organic Industries — Sell

CMP: INR5,081 | TP: INR3,640 (-28%) — **EPS CHANGE (%): FY26|27: -3|-1**

- Expect revenue to increase 9% YoY and EBITDA margin to contract 630bp YoY to 17.6% in 1QFY26.
- Key monitorables: an update on the progress of the JV to be set up in Thailand and more details on the new capex to be announced.
- Watch out for escalating freight costs and high lead times, particularly for exports to the US and Europe.
- Key risk: A delay in the addition of new capacities could deter growth, with almost all existing capacities running at optimum utilization levels.

Standalone - Quarterly Snapshot — **(INR m)**

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**5,083**	**5,955**	**5,251**	**5,762**	**5,566**	**5,623**	**5,679**	**5,736**	**22,052**	**22,603**
YoY Change (%)	-4.5	26.2	23.3	10.5	9.5	-5.6	8.1	-0.5	13.0	2.5
Gross Margin (%)	42.2%	40.5%	38.6%	37.2%	36.6%	38.8%	39.4%	41.5%	39.6%	39.1%
EBITDA	**1,218**	**1,429**	**1,079**	**1,082**	**982**	**1,087**	**1,116**	**1,240**	**4,809**	**4,426**
Margin (%)	24.0	24.0	20.6	18.8	17.6	19.3	19.7	21.6	21.8	19.6
Depreciation	117	124	131	140	145	148	151	154	512	598
Interest	4	4	4	5	4	5	6	7	17	20
Other Income	241	217	252	256	264	243	271	304	966	1,082
PBT before EO expense	**1,338**	**1,518**	**1,197**	**1,193**	**1,097**	**1,178**	**1,230**	**1,384**	**5,246**	**4,890**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,338**	**1,518**	**1,197**	**1,193**	**1,097**	**1,178**	**1,230**	**1,384**	**5,246**	**4,890**
Tax	348	387	307	308	277	297	310	347	1,350	1,231
Rate (%)	26.0	25.5	25.6	25.8	25.2	25.2	25.2	25.1	25.7	25.2
Reported PAT	**990**	**1,131**	**890**	**885**	**820**	**881**	**920**	**1,037**	**3,897**	**3,659**
Adj PAT	**990**	**1,131**	**890**	**885**	**820**	**881**	**920**	**1,037**	**3,897**	**3,659**
YoY Change (%)	-13.3	42.5	27.8	-15.5	-17.2	-22.1	3.4	17.1	5.9	-6.1
Margin (%)	19.5	19.0	17.0	15.4	14.7	15.7	16.2	18.1	17.7	16.2

Galaxy Surfactants — Buy

CMP: INR2,603 | TP: INR3,155 (+21%) — **EPS CHANGE (%): FY26|27: -1|-1**

- Expect revenue to increase 23% YoY, with flat volumes and improving realization in 1QFY26.
- Watch out for updates on further demand recovery in the AMET region and rural & urban demand recovery in India.
- Expect EBITDA margin to be 10.4%, with absolute EBITDA/kg being flat YoY.
- The impact of the various geopolitical uncertainties would also be keenly monitored.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**9,741**	**10,630**	**10,417**	**11,449**	**11,950**	**12,195**	**12,379**	**12,502**	**42,237**	**49,026**
YoY Change (%)	3.4	8.1	10.8	23.2	22.7	14.7	18.8	9.2	11.3	16.1
Gross Margin (%)	33.6%	33.0%	31.1%	29.4%	29.6%	29.6%	31.3%	32.0%	31.7%	30.6%
EBITDA	**1,241**	**1,276**	**1,056**	**1,269**	**1,244**	**1,266**	**1,355**	**1,425**	**4,842**	**5,291**
Margin (%)	12.7	12.0	10.1	11.1	10.4	10.4	10.9	11.4	11.5	10.8
Depreciation	266	278	277	283	287	291	306	311	1,103	1,195
Interest	40	41	50	62	65	68	72	74	193	279
Other Income	54	87	40	78	54	67	61	88	258	270
PBT	**989**	**1,045**	**769**	**1,001**	**946**	**974**	**1,038**	**1,128**	**3,804**	**4,086**
Tax	192	198	123	243	191	197	209	228	755	825
Rate (%)	19.4	18.9	16.0	24.2	20.2	20.2	20.2	20.2	19.8	20.2
Reported PAT	**797**	**847**	**646**	**759**	**756**	**777**	**828**	**900**	**3,049**	**3,260**
Adj PAT	**797**	**847**	**646**	**759**	**756**	**777**	**828**	**900**	**3,049**	**3,260**
YoY Change (%)	6.0	9.4	-9.5	-2.1	-5.2	-8.3	28.2	18.6	1.1	6.9
Margin (%)	8.2	8.0	6.2	6.6	6.3	6.4	6.7	7.2	7.2	6.6

Navin Fluorine International — Neutral

CMP: INR4,887 | TP: INR5,185 (+6%) — **EPS CHANGE (%): FY26|27: -1|+2**

- Modeled revenue of INR7.8b- up 49% YoY, led by strong growth across segments.
- Key monitorable: progress on the upcoming AHF capacity announced in addition to the already existing capacity.
- EBITDA margin to expand 690bp YoY to 26%.
- Watch out for updates on the launch of new molecules and new supply contracts signed by the company.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**5,237**	**5,186**	**6,062**	**7,009**	**7,788**	**7,908**	**8,068**	**8,188**	**23,494**	**31,952**
YoY Change (%)	6.6	9.9	21.2	16.4	48.7	52.5	33.1	16.8	13.8	36.0
Gross Margin (%)	56.0%	56.8%	56.6%	54.2%	56.7%	55.9%	56.7%	55.9%	55.8%	56.3%
EBITDA	**1,004**	**1,074**	**1,473**	**1,787**	**2,026**	**1,964**	**2,067**	**1,996**	**5,337**	**8,053**
Margin (%)	19.2	20.7	24.3	25.5	26.0	24.8	25.6	24.4	22.7	25.2
Depreciation	267	279	296	353	361	371	382	391	1,194	1,505
Interest	156	139	202	283	286	291	292	294	779	1,163
Other Income	103	112	105	118	121	123	125	127	437	495
PBT before EO expense	**683**	**768**	**1,080**	**1,270**	**1,499**	**1,425**	**1,518**	**1,438**	**3,801**	**5,880**
Extra-Ord. expense	0	0	0	0	0	0	0	0	0	0
PBT	**683**	**768**	**1,080**	**1,270**	**1,499**	**1,425**	**1,518**	**1,438**	**3,801**	**5,880**
Tax	171	179	244	320	377	359	383	361	915	1,480
Rate (%)	25.0	23.4	22.6	25.2	25.2	25.2	25.2	25.1	24.1	25.2
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**512**	**588**	**836**	**950**	**1,122**	**1,066**	**1,135**	**1,077**	**2,886**	**4,400**
Adj. PAT	**512**	**588**	**836**	**950**	**1,122**	**1,066**	**1,135**	**1,077**	**2,886**	**4,400**
YoY Change (%)	-16.8	-2.9	131.2	35.0	119.2	81.2	35.7	13.4	26.3	52.5
Margin (%)	9.8	11.3	13.8	13.6	14.4	13.5	14.1	13.2	12.3	13.8

NOCIL — Neutral

CMP: INR195 | TP: INR210 (+8%) — **EPS CHANGE (%): FY25|26: +0|+0**

- Expect revenue to decline 6% YoY to INR3.5b, with both volume and realization declining YoY.
- Key monitorables: further details on new capex announcements.
- EBITDAM to expand 80bp YoY to 11.4% in 1QFY26; absolute EBITDA/kg to also expand YoY.
- Key risk: Higher dumping from China as Trump tariffs come into play.

Standalone - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**3,722**	**3,627**	**3,181**	**3,397**	**3,499**	**3,707**	**3,896**	**4,029**	**13,927**	**15,132**
YoY Change (%)	-6.2	3.4	-6.6	-4.7	-6.0	2.2	22.5	18.6	-3.6	8.7
Gross Margin (%)	41.7%	43.3%	44.4%	41.6%	44.9%	41.2%	41.9%	43.0%	42.7%	42.7%
EBITDA	**398**	**371**	**238**	**335**	**400**	**336**	**402**	**474**	**1,342**	**1,613**
Margin (%)	10.7	10.2	7.5	9.9	11.4	9.1	10.3	11.8	9.6	10.7
Depreciation	128	130	132	132	135	140	145	150	523	570
Interest	5	5	4	4	4	5	6	5	18	20
Other Income	100	88	148	54	76	91	111	126	389	403
PBT before EO expense	**364**	**324**	**249**	**254**	**337**	**281**	**362**	**445**	**1,191**	**1,426**
PBT	**364**	**324**	**249**	**254**	**337**	**281**	**362**	**445**	**1,191**	**1,426**
Tax	92	-91	64	50	85	71	91	112	115	359
Rate (%)	25.3	-28.0	25.7	19.7	25.2	25.2	25.2	25.2	9.7	25.2
Reported PAT	**272**	**415**	**185**	**204**	**252**	**211**	**271**	**333**	**1,076**	**1,067**
Adj PAT	**272**	**415**	**185**	**204**	**252**	**211**	**271**	**333**	**1,076**	**1,067**
YoY Change (%)	-18.9	54.3	-37.8	-50.4	-7.5	-49.2	46.5	63.5	-18.1	-0.8
Margin (%)	7.3	11.4	5.8	6.0	7.2	5.7	7.0	8.3	7.7	7.1

PI Industries — Buy

CMP INR4,154 | TP: INR4,830 (+16%) — **EPS CHANGE (%): FY26|27: 0|1**

- The agri input business is likely to grow ~10% YoY.
- Demand scenario and product launches in the domestic and CSM segments will be a key focus area.
- EBITDA margin is likely to contract ~300bp YoY in 1QFY26.

Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**20,689**	**22,210**	**19,008**	**17,871**	**21,057**	**23,703**	**21,710**	**19,893**	**79,778**	**86,363**
YoY Change (%)	8.3	4.9	0.2	2.6	1.8	6.7	14.2	11.3	4.1	8.3
Total Expenditure	14,857	15,928	13,888	13,315	15,793	17,436	16,138	14,983	57,988	64,350
EBITDA	**5,832**	**6,282**	**5,120**	**4,556**	**5,265**	**6,267**	**5,572**	**4,909**	**21,790**	**22,014**
Margins (%)	28.2	28.3	26.9	25.5	25.0	26.4	25.7	24.7	27.3	25.5
Depreciation	834	798	991	902	910	960	1,000	1,077	3,525	3,947
Interest	83	85	83	79	80	82	83	85	330	330
Other Income	727	1,222	759	734	770	890	940	1,027	3,442	3,627
PBT before EO expense	**5,642**	**6,621**	**4,805**	**4,309**	**5,045**	**6,115**	**5,429**	**4,774**	**21,377**	**21,364**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**5,642**	**6,621**	**4,805**	**4,309**	**5,045**	**6,115**	**5,429**	**4,774**	**21,377**	**21,364**
Tax	1,175	1,546	1,080	1,017	1,160	1,407	1,249	1,098	4,818	4,914
Rate (%)	20.8	23.3	22.5	23.6	23.0	23.0	23.0	23.0	22.5	23.0
Minority Interest & Profit/Loss of Asso. Cos.	-21	-7	-2	-13	-5	-10	-10	-20	-43	-45
Reported PAT	**4,488**	**5,082**	**3,727**	**3,305**	**3,890**	**4,719**	**4,190**	**3,696**	**16,602**	**16,495**
Adj PAT	**4,488**	**5,082**	**3,727**	**3,305**	**3,890**	**4,719**	**4,190**	**3,696**	**16,602**	**16,495**
YoY Change (%)	17.2	5.8	-16.9	-10.6	-13.3	-7.1	12.4	11.8	-1.3	-0.6
Margins (%)	21.7	22.9	19.6	18.5	18.5	19.9	19.3	18.6	20.8	19.1

SRF — Buy

CMP INR3,199 | TP: INR3,700 (+16%) — **EPS CHANGE (%): FY26|27: -4|-3**

- Expect margins to be better than 1QFY25.
- The packaging segment is expected to have better margins than 4QFY25.
- The company expects strong revenue growth in chemicals QoQ, while technical textiles is expected to have a muted quarter.

Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**34,641**	**34,243**	**34,913**	**43,133**	**41,618**	**39,685**	**40,382**	**49,386**	**1,46,931**	**1,71,071**
YoY Change (%)	3.8	7.8	14.4	20.8	20.1	15.9	15.7	14.5	11.8	16.4
Total Expenditure	28,435	28,637	28,375	33,108	33,298	31,921	31,954	36,499	1,18,555	1,33,672
EBITDA	**6,207**	**5,606**	**6,538**	**10,025**	**8,319**	**7,764**	**8,428**	**12,887**	**28,376**	**37,399**
Margins (%)	17.9	16.4	18.7	23.2	20.0	19.6	20.9	26.1	19.3	21.9
Depreciation	1,882	1,939	1,943	1,952	1,950	2,000	2,100	2,393	7,715	8,443
Interest	965	938	963	894	890	895	900	871	3,760	3,556
Other Income	253	333	396	345	350	365	375	436	1,327	1,526
PBT before EO expense	**3,612**	**3,063**	**4,029**	**7,525**	**5,829**	**5,234**	**5,803**	**10,060**	**18,229**	**26,926**
Extra-Ord expense & DO	172	226	342	451	0	0	0	0	1,192	0
PBT	**3,440**	**2,837**	**3,687**	**7,074**	**5,829**	**5,234**	**5,803**	**10,060**	**17,037**	**26,926**
Tax	918	822	976	1,813	1,428	1,282	1,422	2,465	4,529	6,598
Rate (%)	25.4	26.9	24.2	24.1	24.5	24.5	24.5	24.5	24.8	24.5
Reported PAT	**2,522**	**2,014**	**2,711**	**5,261**	**4,401**	**3,952**	**4,381**	**7,595**	**12,508**	**20,329**
Adj PAT	**2,695**	**2,240**	**3,053**	**5,712**	**4,401**	**3,952**	**4,381**	**7,595**	**13,700**	**20,329**
YoY Change (%)	-29.6	-30.0	12.4	30.4	63.3	76.4	43.5	33.0	-3.0	48.4
Margins (%)	7.8	6.5	8.7	13.2	10.6	10.0	10.8	15.4	9.3	11.9

Tata Chemicals — Neutral

CMP INR930 | TP: INR950 (+2%) — **EPS CHANGE (%): FY26|27: 4|4**

- Revenue is likely to grow 9% YoY, led by 11%/15% growth in India/Africa.
- Pricing outlook on Soda Ash will be the key monitorable.
- EBITDA margin is likely to contract ~80bp on a YoY basis.

Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**37,890**	**39,990**	**35,900**	**35,090**	**39,856**	**41,438**	**37,543**	**38,380**	**1,48,870**	**1,57,216**
YoY Change (%)	-10.2	0.0	-3.8	1.0	5.2	3.6	4.6	9.4	-3.5	5.6
Total Expenditure	32,150	33,810	31,560	31,820	34,143	34,528	31,092	31,698	1,29,340	1,31,460
EBITDA	**5,740**	**6,180**	**4,340**	**3,270**	**5,713**	**6,910**	**6,451**	**6,682**	**19,530**	**25,756**
Margins (%)	15.1	15.5	12.1	9.3	14.3	16.7	17.2	17.4	13.1	16.4
Depreciation	2,730	2,770	2,800	2,930	2,940	2,960	2,990	3,100	11,230	11,990
Interest	1,330	1,450	1,480	1,370	1,150	1,000	950	905	5,630	4,005
Other Income	470	1,080	280	420	522	1,199	311	484	2,250	2,515
PBT before EO expense	**2,150**	**3,040**	**340**	**-610**	**2,145**	**4,149**	**2,822**	**3,161**	**4,920**	**12,276**
Extra-Ord expense	0	0	700	550	0	0	0	0	1,250	0
PBT	**2,150**	**3,040**	**-360**	**-1,160**	**2,145**	**4,149**	**2,822**	**3,161**	**3,670**	**12,276**
Tax	940	810	170	-250	525	1,017	691	774	1,670	3,008
Rate (%)	43.7	26.6	-47.2	21.6	24.5	24.5	24.5	24.5	45.5	24.5
MI & Profit/Loss of Asso. Cos.	-140	290	0	-170	-208	319	0	-187	-20	-76
Reported PAT	**1,350**	**1,940**	**-530**	**-740**	**1,827**	**2,814**	**2,130**	**2,574**	**2,020**	**9,345**
Adj PAT	**1,350**	**1,940**	**-5**	**-328**	**1,827**	**2,814**	**2,130**	**2,574**	**2,958**	**9,345**
YoY Change (%)	-73.8	-44.8	-100.3	-68.7	35.4	45.0	-42,706.4	-885.8	-67.9	216.0
Margins (%)	3.6	4.9	0.0	-0.9	4.6	6.8	5.7	6.7	2.0	5.9

Vinati Organics

Buy

CMP: INR1,957 | TP: INR2,505 (+28%)

EPS CHANGE (%): FY26|27: +4|0

- Expect revenue to increase 7% YoY to INR5.6b, driven by ATBS and Others (including AOs).
- Key driver: Ramp-up of Antioxidants (AOs) plant to aid sales growth in CY25.
- EBITDA margin is expected to be 24.5% (up 70bp YoY), with gross margin at 46.1% (up 120bp YoY) in 1QFY26.
- Watch out for capex updates (mainly on Veeral Organics) and other new product announcements.

Standalone - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**5,247**	**5,533**	**5,217**	**6,485**	**5,616**	**6,669**	**7,371**	**8,424**	**22,481**	**28,078**
YoY Change (%)	19.6	19.5	16.4	17.8	7.0	20.5	41.3	29.9	18.3	24.9
Gross Margin (%)	44.9%	45.8%	49.0%	47.4%	46.1%	47.5%	48.2%	49.5%	46.8%	48.0%
EBITDA	**1,251**	**1,340**	**1,428**	**1,836**	**1,378**	**1,750**	**2,124**	**2,536**	**5,855**	**7,787**
Margin (%)	23.8	24.2	27.4	28.3	24.5	26.2	28.8	30.1	26.0	27.7
Depreciation	196	205	205	202	204	207	211	214	808	837
Interest	4	1	1	2	3	2	3	4	8	12
Other Income	93	222	67	61	86	111	135	160	443	491
PBT before EO expense	**1,144**	**1,357**	**1,289**	**1,694**	**1,257**	**1,651**	**2,045**	**2,477**	**5,482**	**7,430**
PBT	**1,144**	**1,357**	**1,289**	**1,694**	**1,257**	**1,651**	**2,045**	**2,477**	**5,482**	**7,430**
Tax	284	295	333	418	317	416	514	623	1,330	1,870
Rate (%)	24.8	21.8	25.8	24.7	25.2	25.2	25.2	25.1	24.3	25.2
Reported PAT	**860**	**1,061**	**956**	**1,276**	**940**	**1,235**	**1,530**	**1,855**	**4,152**	**5,560**
Adj PAT	**860**	**1,061**	**956**	**1,276**	**940**	**1,235**	**1,530**	**1,855**	**4,152**	**5,560**
YoY Change (%)	23.9	46.4	24.1	22.1	9.3	16.4	60.2	45.4	28.4	33.9
Margin (%)	16.4	19.2	18.3	19.7	16.7	18.5	20.8	22.0	18.5	19.8

Consumer

Company	TP INR	Reco
Staples		
BRIT	5,900	Neutral
CLGT	2,650	Neutral
DABUR	575	Buy
HMN	700	Buy
GCPL	1,450	Buy
HUVR	2,850	Buy
ITC	515	Buy
JYL	375	Neutral
L T Foods	600	Buy
MRCO	825	Buy
NESTLE	2,400	Neutral
PG	15,000	Neutral
Tata Consumer	1,300	Buy
Varun beverages	620	Buy
Paints		
APNT	2,500	Neutral
INDIGOPN	1,350	Buy
PIDI	3,000	Neutral
Liquor		
UNSP	1,500	Neutral
RDCK	3,000	Buy
UBBL	2,000	Neutral
Innerwear		
PAGE	57,500	Buy
QSR		
BBQ	325	Neutral
DEVYANI	210	Buy
JUBI	750	Neutral
RBA	135	Buy
SAPPHIRE	375	Buy
WESTLIFE	775	Neutral
Jewelry		
KALYANKJ	660	Buy
PNG	825	Buy
SENCO	400	Neutral
TTAN	4,250	Buy

Steady overall demand with Jewelry outlier; soft margins

In our consumer coverage universe, all segments are expected to deliver revenue/EBITDA growth YoY in 1QFY26—staples +6%/+1%, paints & adhesives +3%/+2%, liquor +11%/+6%, innerwear +12%/+21%, QSR +11%/+10%, and jewelry +20%/+27%.

- **Ongoing revenue trends continue**: In 1QFY26, demand trends across various categories continued to mirror recent historical quarters. Staple companies are likely to experience a similar trend due to sluggish urban demand and high-cost inventory. We expect a marginal pickup in volume growth, with price hikes supporting 1Q revenue growth. We expect **staples** companies' revenue growth in the range of mid-to-high single digit. **Paint** companies are still struggling with a muted demand environment and high competitive intensity. However, some improvement is expected in the product mix. In **liquor**, UNSP's P&A portfolio is expected to see subdued volume growth in 1QFY26, partly due to a high base in 1QFY25, which had benefited from high elections-led inventory stocking. UBBL is also likely to deliver low double-digit revenue growth. While the early onset of monsoon is expected to weigh on volume growth, this is likely to be offset by healthy realization growth, the benefit of price hikes in the Telangana market, and premiumization. **Innerwear** companies are expected to see low double-digit growth due to soft inventory and product launches. The pressure from high trade inventory has eased, and primary growth is expected to align with secondary growth. The demand environment for **QSR** companies remained muted in 1QFY26. While demand sentiments remained healthy in Apr'25, they remained weak in May'25 and the second half of Jun'25. The performance of the dine-in channel and the revenue gap between dine-in and delivery will be key monitorables during the quarter. **Jewelry** demand was healthy in April but has since moderated due to the sharp rise in gold prices.
- **Operating margin to remain subdued:** Despite moderating prices of key raw materials, gross margins for most consumer companies are expected to remain subdued due to high-cost RM inventory. Moreover, staple companies have increased promotional spending to drive demand growth, further pressuring EBITDA margins. While QSR and paint companies are likely to experience EBITDA margin contraction, liquor (ex-UNSP) and innerwear companies are expected to report margin expansion due to softer raw material costs and an improved product mix. Jewelry companies are expected to face margin pressure due to a shift toward more franchise-driven store expansion, slower studded jewelry growth, and high gold inflation. SSSG is expected in low double digits to mid-teens, primarily driven by pricing growth.
- **Outperformers and under-performers:** Among our coverage companies, MRCO, JUBI, PAGE, Kalyan Jewellers, and PNG are expected to be outliers in 1QFY26, whereas Asian Paints, Indigo Paints, Emami, Dabur, UNSP, and Devyani/Sapphire will likely be underperformers.
- **Outlook:** While the slowdown has continued across consumer segments, demand trends are expected to improve gradually, supported by a healthy monsoon outlook, income tax benefits, interest rate cuts, and a gradual improvement in the macro environment. **Our top picks are Marico, PN Gadgil, Radico Khaitan, and RBA.**

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Segment-wise performance

- **Staples:** No material uptick in demand trends is expected in 1QFY26 as they continue to mirror recent historical quarters. Demand remained impacted by weakness in urban consumption, while rural markets are recovering gradually. Despite RM softening, the benefits should start to become visible from 2QFY26 onwards, as companies are still carrying high-cost RM inventory. Moreover, the early onset of monsoon has adversely impacted summer-led products, HI, and out-of-home portfolios. Volume growth is likely to remain in the low- to mid-single digits, while price hikes realized in 1QFY26 should aid overall revenue growth. We model gross margin contraction of 170bp YoY and EBITDA margin contraction of 130bp on a YoY basis due to high inventory costs (tea, wheat, palm oil, and edible oils) and negative operating leverage. For staple companies under our coverage, we expect sales/EBITDA/PAT growth of 6%/1%/2% in 1QFY26.
- **Paint & adhesives:** Revenue growth for paint companies is expected to remain weak in 1QFY26, with no material sequential uptick as demand conditions continue to remain muted. Rising competitive intensity is also putting pressure on growth. We believe the product mix will play a key role in driving revenue growth. We still build in a +600bp gap between volume and revenue growth due to an adverse product mix. EBITDA margins are likely to remain under pressure due to higher marketing spends and the impact of negative operating leverage. We build in 3% sales and 2% EBITDA YoY growth for paint companies under our coverage, while APAT is projected to remain flat YoY in 1QFY26.
- **Liquor:** UNSP's P&A portfolio is expected to witness subdued volume growth in 1QFY26, partly due to a high base in 1QFY25, which had benefited from high elections-led inventory stocking. EBITDA margin is expected to contract YoY, driven by higher A&P spends and operating deleverage during the quarter. The impact of Maharashtra's import duty changes is expected to become visible from 2QFY26 onwards. However, companies expect that the adverse impact in Maharashtra can be offset by improved performance in other states as well as mitigation effects within Maharashtra itself. For RDCK, we expect the strong volume trend to sustain. Premiumization trends are expected to remain strong, with growth driven across segments. We expect the company to expand its operating margin, supported by a favorable mix and operating leverage. For UBBL, while we expect the early onset of monsoon to weigh on volume growth, this should be offset by healthy realization growth, reflecting the full-quarter benefit of price hikes (effective from mid-Feb) in the Telangana market and the ongoing premiumization drive, leading to low double-digit revenue growth. Price hikes should support gross margins, while slow volume growth may not fully translate into operating margin improvement. We expect sales/EBITDA/PAT growth of 11%/6%/10% for our coverage companies in 1QFY26.
- **Innerwear**: We expect low double-digit revenue growth for Page Industries in 1QFY26, driven by softer inventory, product launches, and successful placements across alternate channels. Weak urban consumption remains a headwind, but normalized trade inventory should enable better primary growth. Primary and secondary sales are now expected to be aligned, reversing the trend observed over the past few quarters. We expect sales/EBITDA/PAT growth of 12%/21%/22% for Page Industries.

- **QSR**: The demand environment for QSR companies remained muted in 1QFY26. While demand sentiments were healthy in Apr'25, they were mixed in May'25 (due to factors such as the impact of war) and showed limited recovery in Jun'25. However, overall demand has still not seen a meaningful recovery, and companies' own initiatives have played a bigger role in sustaining a healthy trend. Jubilant appears strong within the pack, with sustained outperformance in delivery. Among dine-in players, we believe RBA will be the outperformer. With weak underlying growth, most companies are expected to face margin pressure, which will weigh on restaurant-level and EBITDA margins for most brands. The performance of the dine-in channel and the revenue gap between dine-in and delivery will be key monitorables during the quarter. Enhancing the menu and rolling out activation drives for dine-in could be crucial for improving footfall/orders going forward. We expect sales/EBITDA growth of 11%/10%, while APAT is likely to decline 17% for our coverage QSR companies in 1QFY26.
- **Jewelry:** In 1QFY26, gold prices surged ~30-35% YoY and ~15% QoQ, breaching the INR100k mark (per 10gm) in the retail market, driven by ongoing geopolitical tensions. This sharp and rapid increase has led to consumer budget constraints, with many customers choosing to delay purchases in anticipation of a price correction or stabilization, leading to demand softness in 1QFY26. SSSG is expected to grow in low-double digits to mid-teens, primarily driven by pricing growth. Finance costs are expected to stabilize as the GML rate has normalized, following a spike in 4QFY25 due to the imposition of US tariffs. We expect sales/EBITDA/PAT growth of 20%/27%/35% for our coverage jewelry companies in 1QFY26.

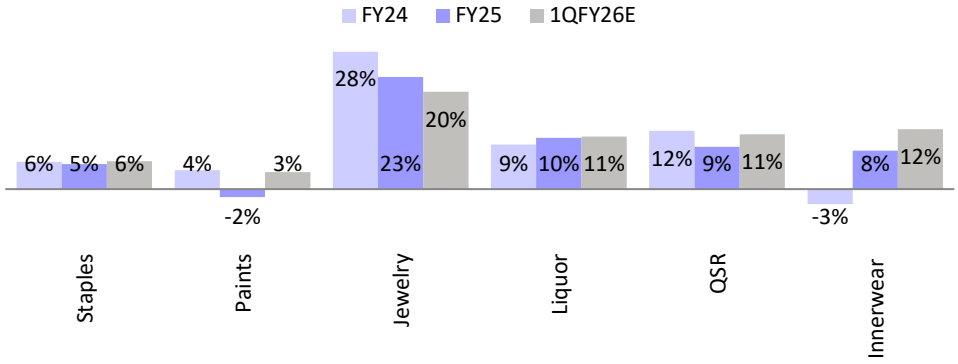
Existing inventory postpones the benefits from cooling input costs

- Commodities such as tea, coffee, and palm oil, which were inflationary in recent quarters, have started to ease in Q1FY26. Despite this moderation in input costs, the benefit to company margins is likely to be delayed, as most companies continued to utilize high-cost inventory in 1QFY26, keeping gross margins under pressure. Benefits from cooling RM pressure are likely to be realized 2QFY26 onwards, which should support most FMCG companies such as Dabur, HUL, Nestlé, Britannia, Marico, and Tata Consumer. Similarly, non-agricultural commodities, including crude oil, its derivatives, and VAM prices, have continued to ease. However, select commodities such as gold and copra continue to experience inflationary pressures.
- **Agricultural commodities**: Wheat prices increased 4% YoY but declined 11% QoQ. Barley prices surged 10% YoY but dipped 5% QoQ, likely impacting companies like UBBL and Nestlé. Sugar prices increased 4% YoY but remained flat QoQ. Coffee prices increased 6% YoY and 2% QoQ, while Cocoa bean prices have started to ease, declining 1% YoY and 3% QoQ, providing some relief for companies like Nestlé and HUL. Copra prices surged 70% YoY and 13% QoQ, while palm oil prices increased 1% YoY but declined 14% QoQ.
- **Non-agricultural commodities:** Given geopolitical issues, Crude oil prices remained volatile in 1QFY26 but declined 20% YoY and 10% QoQ. Other commodities like TiO2 and TiO2 (China) continue to show a downward trend. VAM (China) prices remained range-bound, correcting mere 1% both YoY and

QoQ. In contrast, gold prices surged 32% YoY and 14% QoQ, putting pressure on the margins of jewelry companies.

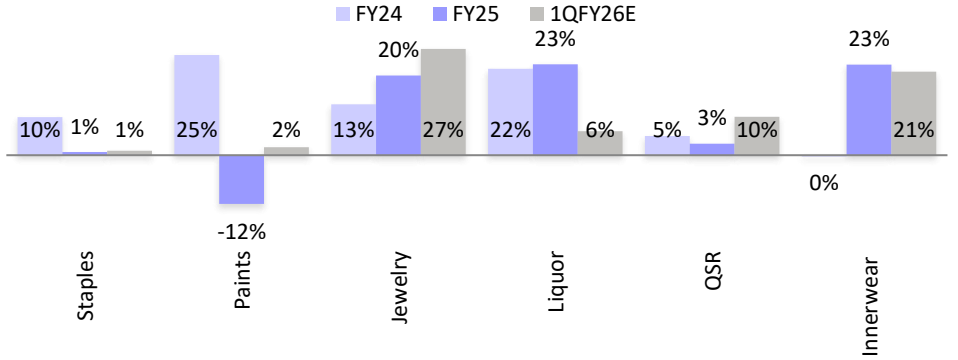
- Companies remain focused on normalizing the gap between volume and value growth while prioritizing a strategic balance between revenue growth and margin expansion amid evolving market dynamics. This approach aims to effectively navigate cost pressures while maintaining competitive positioning.

Exhibit 1: Coverage universe's revenue growth in FY24, FY25, and 1QFY26E (%)



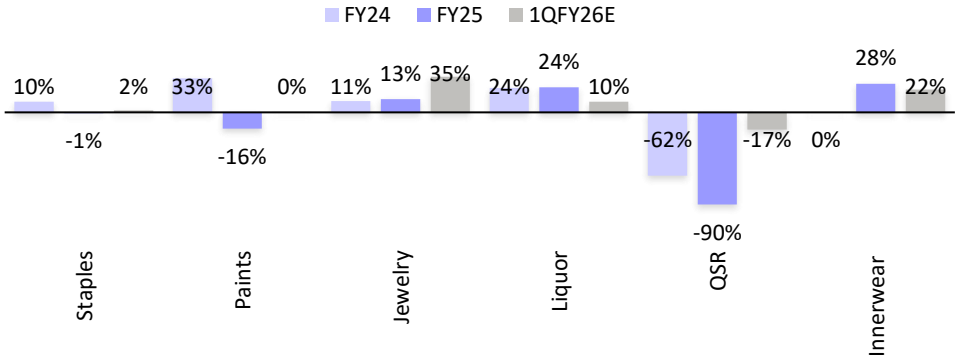
Source: Company, MOFSL

Exhibit 2: Coverage universe's EBITDA growth in FY24, FY25, and 1QFY26E (%)



Source: Company, MOFSL

Exhibit 3: Coverage universe's APAT growth in FY24, FY25, and 1QFY26E (%)



Source: Company, MOFSL

Exhibit 4: Summary of 1QFY26 earnings estimates

	CMP		Sales (INR M)	Growth (%)		EBIDTA (INR M)	Growth (%)		PAT (INR M)	Growth (%)	
Sector	**(INR)**	**Reco**	**Jun-25**	**YoY**	**QoQ**	**Jun-25**	**YoY**	**QoQ**	**Jun-25**	**YoY**	**QoQ**
Staples											
Britannia	5,745	Neutral	44,810	8.5	2.4	7,929	5.2	-1.5	5,532	4.5	-1.1
Colgate	2,409	Neutral	15,190	1.5	3.9	4,952	-2.6	-0.6	3,530	-3.0	-0.6
Dabur	482	Buy	34,302	2.4	21.2	6,552	0.0	53.5	4,983	-2.0	51.7
Emami	565	Buy	8,752	-3.4	-9.1	1,965	-9.3	-10.5	1,560	-8.4	-13.9
Godrej Consumer	1,168	Buy	36,759	10.3	2.2	7,538	3.8	-0.7	5,104	9.8	18.1
Hind. Unilever	2,296	Buy	1,64,173	4.5	4.8	36,853	-1.6	1.8	26,000	-1.7	1.3
ITC	415	Buy	1,93,993	5.1	3.4	67,792	0.5	4.0	52,188	2.5	2.8
Jyothy Labs	347	Neutral	7,674	3.4	15.1	1,352	1.3	20.7	1,010	-0.7	25.3
L T Foods	476	Buy	23,505	13.5	5.5	2,798	16.2	8.3	1,716	12.1	6.9
Marico	717	Buy	32,033	21.2	17.3	6,789	8.4	48.2	5,080	9.5	48.1
Nestle	2,410	Neutral	50,890	5.7	-7.5	11,849	5.4	-16.1	7,456	-0.2	-14.6
P&G Hygiene	13,322	Neutral	9,857	5.8	-0.6	1,797	36.9	-14.3	1,477	62.6	-5.4
Tata Consumer	1,095	Buy	47,115	8.3	2.2	6,115	-8.4	-1.5	3,303	9.0	6.3
Varun Beverages	452	Buy	71,969	0.0	29.3	19,633	-1.4	55.3	13,067	4.3	79.7
Paints & Adhesives											
Asian Paints	2,369	Neutral	90,594	1.0	8.4	16,759	-1.1	16.7	11,309	-4.7	28.0
Indigo Paints	1,181	Buy	3,234	4.0	-16.6	499	5.3	-42.9	288	9.8	-49.5
Pidilite Inds.	3,045	Neutral	37,364	10.0	19.0	8,793	8.2	39.0	6,223	9.8	39.1
Liquor											
Radico Khaitan	2,570	Buy	13,830	21.7	6.0	1,978	32.7	11.3	1,096	43.5	20.8
United Breweries	1,950	Neutral	27,202	10.0	17.2	3,291	15.6	76.7	2,096	20.9	115.2
United Spirits	1,401	Neutral	24,986	6.2	-15.2	4,185	-8.6	-17.1	2,862	-4.3	-24.6
Innerwear											
Page Industries	48,226	Buy	14,343	12.3	30.6	2,940	20.8	25.0	2,020	22.3	23.2
QSR											
Barbeque Nation	315	Neutral	3,020	-1.2	3.2	538	5.6	0.9	-60	Loss	Loss
Devyani Intl.	169	Buy	13,334	9.1	10.0	2,267	1.5	12.8	131	-53.5	LP
Jubilant Foodworks	709	Neutral	17,131	19.0	7.9	3,321	19.4	8.7	665	29.1	34.4
Restaurant Brands	83	Buy	5,502	12.2	12.3	772	24.9	-0.7	-174	Loss	Loss
Sapphire Foods	327	Buy	7,823	8.9	10.0	1,182	-4.9	11.2	-2	PL	PL
Westlife Foodworld	769	Neutral	6,669	8.2	10.6	856	7.1	7.8	67	104.8	338
Jewelry											
Kalyan Jewellers	570	Buy	70,772	27.9	14.5	4,645	23.5	16.3	2,324	30.9	23.8
P N Gadgil Jewellers	605	Buy	17,431	4.5	9.8	767	19.3	-18.5	451	27.7	-27.2
Senco Gold	341	Neutral	17,970	28.0	30.4	1,366	25.6	7.5	693	35.1	10.9
Titan Company	3,700	Buy	1,56,868	18.2	5.2	15,950	27.9	3.8	9,747	36.3	11.9

Exhibit 5: Volume growth expectation in 1QFY26

Volume growth (%)	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Asian Paints	10.0	0.0	16.0	10.0	6.0	12.0	10.0	7.0	-0.5	1.6	1.8	7.0
Britannia	5.0	3.0	3.0	0.0	0.0	5.5	6.0	8.0	8.0	6.0	3.0	3.0
Colgate	-2.5	-4.5	0.5	3.0	-1.0	-1.0	1.0	7.0	8.0	4.0	0.0	1.5
Dabur	1.0	-3.0	1.0	3.0	3.0	4.0	3.0	5.2	-7.0	1.2	-5.0	3.0
Emami	-1.0	-3.9	2.0	3.0	2.0	-1.0	6.4	8.7	1.7	4.0	5.0	-3.0
Godrej Consumer	-5.0	3.0	13.0	10.0	4.0	5.0	9.0	8.0	7.0	0.0	4.0	5.0
HUL	4.0	5.0	4.0	3.0	2.0	2.0	2.0	4.0	3.0	0.0	2.0	3.0
ITC	20.0	15.0	11.5	8.0	5.0	-2.0	2.0	3.0	3.5	6.0	5.0	5.0
Jyothy labs	1.4	2.1	3.3	9.0	9.0	11.0	10.0	10.8	3.0	8.0	4.0	5.0
Marico	3.0	4.0	5.0	3.0	3.0	2.0	3.0	4.0	5.0	6.0	7.0	7.9
Nestle	8.8	-2.3	5.1	5.4	5.4	4.0	4.0	2.0	-1.5	2.5	2.0	4.0
Page Industries	1.0	-11.0	-15.0	-11.5	-8.8	4.6	6.1	2.6	6.7	4.7	8.5	9.0
UBBL	23.0	4.0	3.1	-12.4	7.0	8.0	10.9	5.0	5.0	8.0	5.0	4.0
United spirits	8.3	-25.0	-27.3	5.8	1.0	-1.8	3.7	3.5	-4.4	10.2	6.9	4.9
-P&A	12.8	3.9	9.7	10.3	3.8	4.6	3.7	5.1	-3.7	11.2	9.2	5.0
Radico Khaitan	11.0	0.1	-0.7	7.9	-3.1	3.6	-1.0	-4.1	-2.4	15.5	27.5	22.6
Radico Khaitan (P&A)	22.0	14.1	17.0	27.1	21.9	20.1	14.5	14.2	12.7	18.0	16.4	17.0

Source: Company, MOFSL

Exhibit 6: Revenue growth trends of the coverage universe

Company names	Revenue growth (%)							
	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Staples								
Britannia	1	1	1	6	5	8	9	8
Colgate	6	8	10	13	10	5	(2)	1
Dabur	7	7	5	7	(5)	3	1	2
Emami	6	1	7	10	3	5	8	(3)
Godrej Consumer	6	2	6	(3)	2	3	6	10
HUL	3	(0)	(0)	1	2	2	3	5
ITC	4	2	2	8	17	4	5	5
Jyothy	11	11	7	8	0	4	1	3
LT Foods	15	9	14	16	7	17	7	14
Marico	(1)	(2)	2	7	8	15	20	21
Nestle	9	8	9	3	1	4	4	6
P&G Hygiene	9	(0)	13	10	(0)	10	(1)	6
Tata consumer	11	9	9	16	13	17	17	8
Varun Beverages	22	20	11	28	24	38	29	0
Paints & Adhesives								
Asian Paints	0	5	(1)	(2)	(5)	(6)	(4)	1
Indigo Paints	15	26	18	8	7	(3)	1	4
Pidilite	2	4	8	4	5	8	8	10
Liquor								
United Breweries	12	13	21	9	12	10	9	10
United Spirits	(1)	7	7	8	(1)	15	11	6
Radico Khaitan	21	47	30	19	21	11	21	22
Innerwear								
Page Industries	(8)	2	3	4	11	7	11	12
QSR								
Jubilant Food.	5	3	15	10	9	19	10	19
Devyani International	10	7	39	44	49	54	16	9
Westlife Foodworld	7	(2)	1	0	1	9	7	8
Sapphire Foods	14	12	13	10	8	14	13	9
Restaurant Brands (India)	23	20	20	16	9	11	12	12
Barbeque Nation	(3)	1	6	(6)	1	(1)	(2)	(1)
Jewelry								
Titan	37	22	21	12	16	25	19	18
Kalyan	27	34	34	27	37	40	37	28
Senco	26	23	40	8	31	24	21	28
PN Gadgil				33	46	24	5	4

Exhibit 7: EBITDA growth trends of the coverage universe

Company names	EBITDA growth (%)							
	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Staples								
Britannia	23	0	(2)	9	(10)	3	2	5
Colgate	18	30	18	22	3	(3)	(6)	(3)
Dabur	10	8	14	8	(16)	2	(9)	0
Emami	20	7	6	14	7	8	4	(9)
Godrej Consumer	26	18	14	7	5	(16)	(0)	4
HUL	9	(1)	(1)	2	(0)	1	2	(2)
ITC	3	(3)	0	1	5	(2)	(2)	0
Jyothy	68	41	19	14	2	(2)	3	1
LT Foods	40	44	25	13	(5)	5	5	16
Marico	15	13	12	9	5	4	4	8
Nestle	22	14	19	5	(4)	(1)	5	5
P&G Hygiene	33	7	72	(38)	2	20	(19)	37
Tata consumer	24	26	23	22	17	(1)	(1)	(8)
Varun Beverages	26	36	24	32	30	39	28	(1)
Paints & Adhesives								
Asian Paints	40	28	(9)	(20)	(28)	(20)	(15)	(1)
Indigo Paints	25	53	18	(4)	(1)	(8)	3	5
Pidilite	36	50	26	15	13	8	10	8
Liquor								
United Breweries	(16)	90	166	28	23	(3)	31	16
United Spirits	6	34	7	19	8	20	40	(9)
Radico Khaitan	35	47	55	25	35	29	45	33
Innerwear								
Page Industries	(2)	19	22	2	20	32	43	21
QSR								
Jubilant Food.	(10)	(2)	1	1	1	11	20	19
Devyani International	(4)	(16)	15	29	25	50	16	1
Westlife Foodworld	1	(13)	(16)	(24)	(21)	(5)	3	7
Sapphire Foods	12	4	5	2	(3)	10	3	(5)
Restaurant Brands (India)	51	48	30	27	10	12	41	25
Barbeque Nation	(24)	7	37	9	3	(7)	(3)	6
Jewelry								
Titan	13	16	9	11	8	23	29	28
Kalyan	18	13	15	16	26	33	35	24
Senco	21	11	31	62	107	(41)	45	26
PN Gadgil				44	59	33	6	19

Exhibit 8: APAT growth trends of the coverage universe

Company names	APAT growth (%)							
	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Staples								
Britannia	20	0	-4	16	-9	4	4	4
Colgate	22	36	20	26	5	-2	-7	-3
Dabur	7	8	11	8	-17	2	-8	-2
Emami	12	11	13	21	19	6	9	-8
Godrej Consumer	17	6	23	24	12	-14	-25	10
HUL	-1	-2	-2	2	-2	3	3	-2
ITC	6	7	0	0	2	-11	-1	2
Jyothy	78	35	32	17	1	-4	3	-1
LT Foods	79	59	16	11	-7	-5	8	12
Marico	17	17	5	9	11	4	8	9
Nestle	21	24	22	6	-3	-12	-4	0
P&G Hygiene	36	10	72	-39	1	17	-16	63
Tata consumer	43	19	38	-5	10	-18	-18	9
Varun Beverages	32	77	25	26	24	40	35	4
Paints & Adhesives								
Asian Paints	53	34	-1	-25	-29	-24	-31	-5
Indigo Paints	22	42	10	-16	-11	-3	6	10
Pidilite	35	67	30	21	19	8	20	10
Liquor								
United Breweries	-20	275	731	27	23	-25	20	21
United Spirits	21	61	10	25	5	21	62	-4
Radico Khaitan	19	29	52	21	33	30	60	44
Innerwear								
Page Industries	(7)	23	38	4	29	34	52	22
QSR								
Jubilant Food.	NM	NM	NM	NM	NM	NM	NM	NM
Devyani International	NM	NM	NM	NM	NM	NM	NM	NM
Westlife Foodworld	NM	NM	NM	NM	NM	NM	NM	NM
Sapphire Foods	NM	NM	NM	NM	NM	NM	NM	NM
Restaurant Brands	NM	NM	NM	NM	NM	NM	NM	NM
Barbeque Nation	NM	NM	NM	NM	NM	NM	NM	NM
Jewelry								
Titan	10	15	5	-5	2	18	13	36
Kalyan	27	21	96	23	35	44	36	31
Senco	36	6	24	85	189	-50	94	35
PN Gadgil				59	141	49	13	28

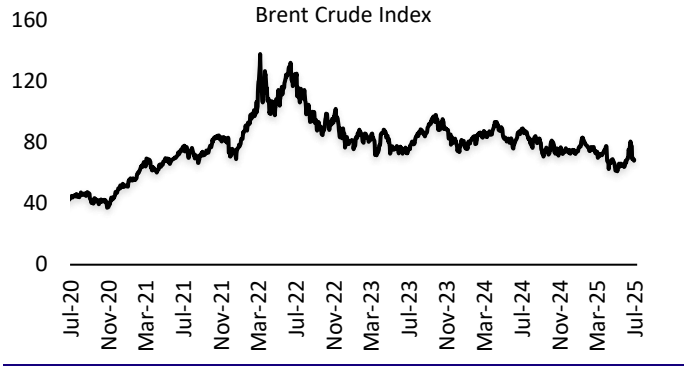
Exhibit 9: Gross and EBITDA margin expansion in 1QFY26E (%)

Companies	Gross Margin	YoY (bp)	QoQ (bp)	EBITDA Margin	YoY (bp)	QoQ (bp)
Staples						
Britannia	40.8%	-261	70	17.3%	-43	-87
Colgate	71.0%	35	39	32.6%	-136	-145
Dabur	47.2%	-59	52	19.1%	-46	402
Emami	67.2%	-47	130	22.4%	-145	-34
Godrej Consumer	52.5%	-335	0	20.5%	-129	-60
HUL	50.6%	-136	-75	22.4%	-139	-65
ITC	58.7%	-184	-7	34.9%	-162	20
Jyothy	50.0%	-129	81	17.6%	-38	83
LT Foods	32.0%	-96	-374	11.9%	27	31
Marico	48.7%	-355	13	21.2%	-249	442
Nestle	57.0%	-65	83	23.3%	-6	-238
P&G Hygiene	61.9%	272	170	18.2%	414	-291
Tata consumer	41.9%	-298	2	13.0%	-236	-50
Varun Beverages	55.0%	31	43	27.3%	-39	457
Paints & Adhesives						
Asian Paints	43.8%	127	-13	18.5%	-38	132
Indigo Paints	46.8%	23	0	15.4%	19	-713
Pidilite	55.0%	120	-4	23.5%	-40	339
Liquor						
United Breweries	43.7%	66	160	12.1%	59	408
United Spirits	44.5%	3	3	16.8%	-272	-39
Radico Khaitan	43.5%	197	3	14.3%	119	68
Innerwear						
Page Industries	57.0%	285	-391	20.5%	145	-92
QSR						
Barbeque Nation	68.5%	43	-2	17.8%	115	-40
Devyani intl.	69.5%	35	100	17.0%	-128	43
Jubilant Food.	74.7%	-140	18	19.4%	6	13
Restaurant Brands	65.5%	100	22	11.6%	142	-61
Sapphire Foods	68.3%	-26	18	15.1%	-219	17
Westlife Foodworld	70.3%	-29	31	12.8%	-14	-33
Jewelry						
Kalyan	13.4%	-95	-37	6.6%	-23	10
PN Gadgil	10.0%	169	-202	4.4%	54	-152
Senco	16.8%	-49	1	7.6%	-15	-162
Titan	23.5%	141	70	10.2%	77	-14

Exhibit 10: Trend in commodity prices

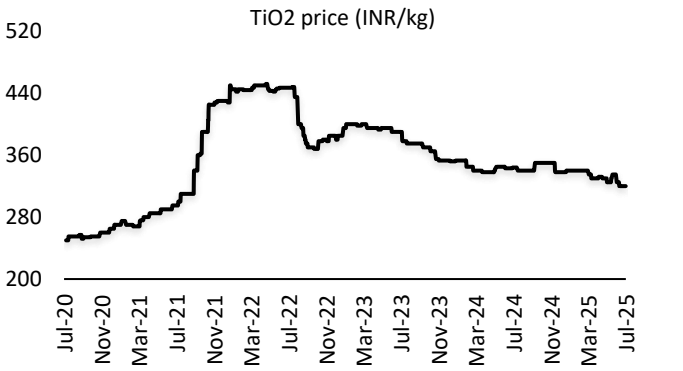
Commodity	Unit	Companies	CMP	Average prices of commodities						Change in prices	
				4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)
Non- Agri Commodity											
Brent Crude	$/barrel	Paints, PIDI,	69	83	85	80	75	76	68	-20%	-10%
Titanium Dioxide	INR/kg	GCPL, JYL	320	345	342	343	344	337	327	-4%	-3%
Titanium Dioxide China	CNY/MT	Paints	14,140	16,730	16,742	15,771	15,180	15,099	14,976	-11%	-1%
VAM China	USD/MT	Paints	779	994	813	778	783	809	801	-1%	-1%
Soda Ash	INR/50kg	PIDI, Paints	1,600	1,788	1,813	1,832	1,803	1,848	1,600	-12%	-13%
Glass	India WPI Index	HUL, GCPL,	175	176	175	174	173	174	175	0%	0%
Gold	MCX Gold (INR/10gm)	UNSP, UBBL	96,900	63,177	71,749	71,543	76,403	83,375	94,876	32%	14%
HDPE	INR/10kg	Jewelry	930	1,045	1,035	1,026	964	942	928	-10%	-1%
Agri Commodity											
Wheat	INR/quintal	ITC, NESTLE,	2,631	2,559	2,525	2,743	2,949	2,947	2,630	4%	-11%
Sugar	INR/quintal	HUL, ITC, NESTLE, DABUR, BRIT	4,010	3,831	3,933	3,901	3,874	4,074	4,088	4%	0%
Mentha	INR/KG	HMN, HUL, CLGT, DABUR	980	1,020	1,006	1,012	1,002	1,021	1,007	0%	-1%
Cashew	India WPI Index	BRIT	171	146	154	164	170	168	172	11%	2%
Maize	INR/quintel	HUL, CLGT, DABUR	2,335	2,233	2,201	2,527	2,437	2,377	2,262	3%	-5%
Molasses	India WPI Index	UNSP	161	155	157	157	158	158	160	2%	1%
Barley	INR/quintel	UBBL, NESTLE	2,210	2,027	2,064	2,221	2,396	2,391	2,276	10%	-5%
Tea	India WPI Tea	HUL	192	139	187	208	210	173	197	5%	14%
Cocoa beans	USD/MT	NESTLE	9,000	6,128	9,467	8,555	8,709	9,668	9,359	-1%	-3%
Coffee	India WPI Coffee	NESTLE, HUL	237	216	221	232	231	230	234	6%	2%
Tobacco	India WPI Tobacco	ITC	114	114	114	114	114	114	114	0%	0%
Milk	India WPI Milk	NESTLE, BRIT	189	183	185	186	185	187	188	1%	0%
SMP	US$/CWT	NESTLE, BRIT	126	133	134	133	138	129	126	-6%	-3%
Copra	Copra WPI Index	MRCO, DABUR	270	156	155	175	215	234	264	70%	13%
Cotton	USD/LB	PAGE	68	78	75	72	72	69	68	-9%	-1%
Yarn	NNS Cotton Yarn Hosiery Yarn Carded 40 price INR/kg India	PAGE	258	263	262	258	255	255	256	-2%	0%
Oil Commodities											
Palm Fatty acid	USD/MT	HUL, GCPL, JYL	880	745	810	844	961	1,038	902	11%	-13%
Malaysia Palm oil	MYR/MT	HUL, GCPL, JYL	3,950	4,006	4,037	4,000	4,840	4,712	4,071	1%	-14%
Coconut Oil	INR/quintel	MRCO, DABUR	28,750	11,187	12,796	13,617	18,781	18,460	23,131	81%	25%
Rice Bran oil	Rice Bran oil Index	MRCO	177	137	147	155	179	177	178	21%	0%
Sunflower oil	INR/MT	MRCO	1,26,000	86,900	89,133	96,071	1,28,397	1,32,328	1,30,672	47%	-1%

Exhibit 11: Crude oil prices down 20% YoY/10% QoQ in Jun'25



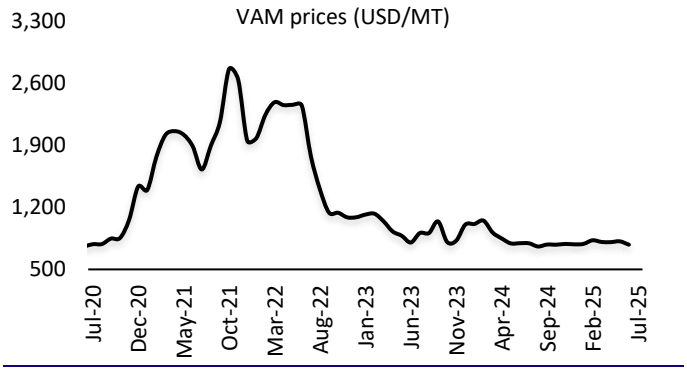
Source: Bloomberg, MOFSL

Exhibit 12: TiO2 prices down 4% YoY/3% QoQ in Jun'25



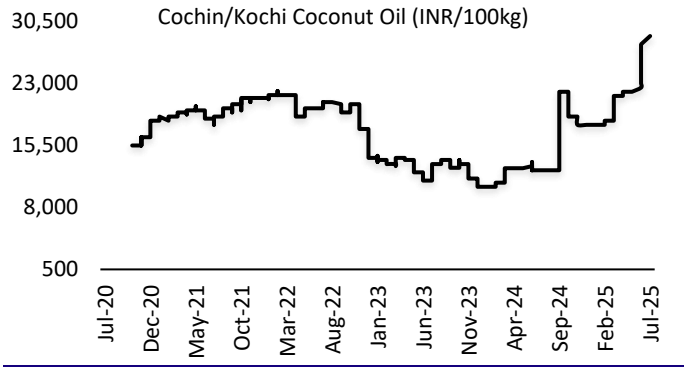
Source: Bloomberg, MOFSL

Exhibit 13: VAM prices down 1% both YoY/QoQ in Jun'25



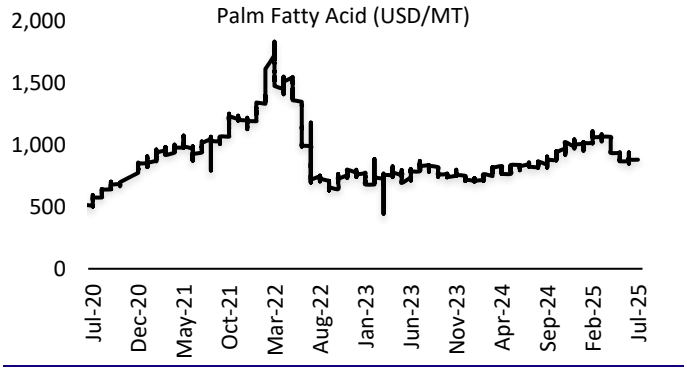
Source: Bloomberg, MOFSL

Exhibit 14: Coconut oil prices up 80% YoY/25% QoQ in Jun'25



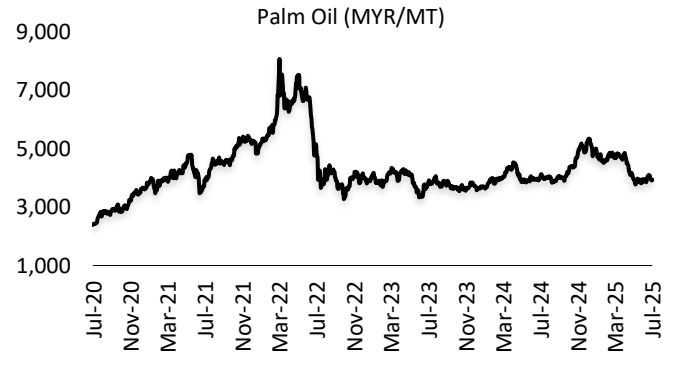
Source: Company, MOFSL

Exhibit 15: PFAD prices up 11% YoY but down 13% QoQ in Jun'25



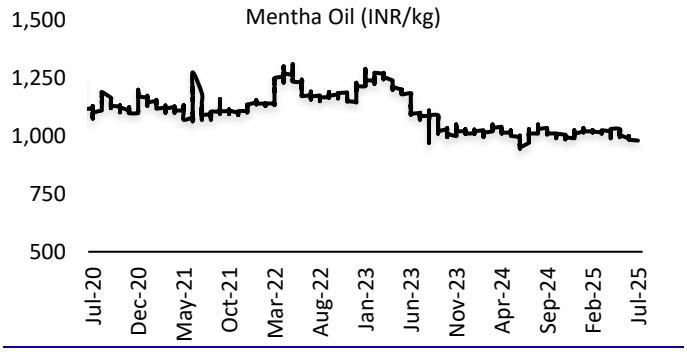
Source: Bloomberg, MOFSL

Exhibit 16: Malaysian palm oil prices rose 1% YoY while declined 14% QoQ in Jun'25



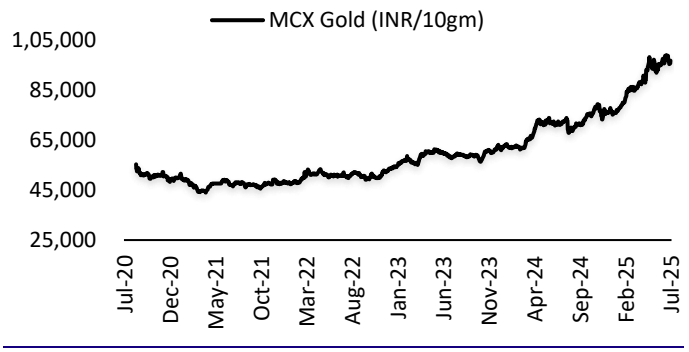
Source: Bloomberg, MOFSL

Exhibit 17: Mentha oil prices were flat YoY while down 1% QoQ in Mar'25



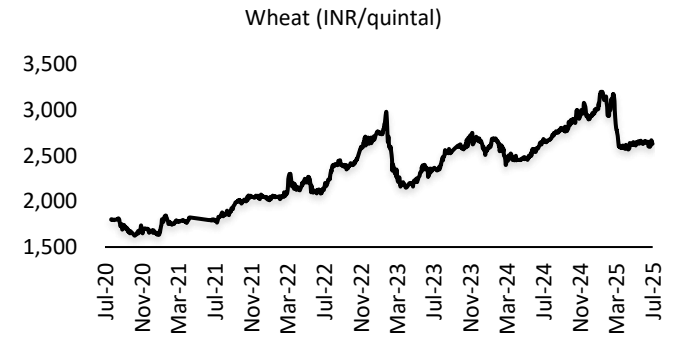
Source: Bloomberg, MOFSL

Exhibit 18: Average gold prices rose 32% YoY and 14% QoQ in Jun'25



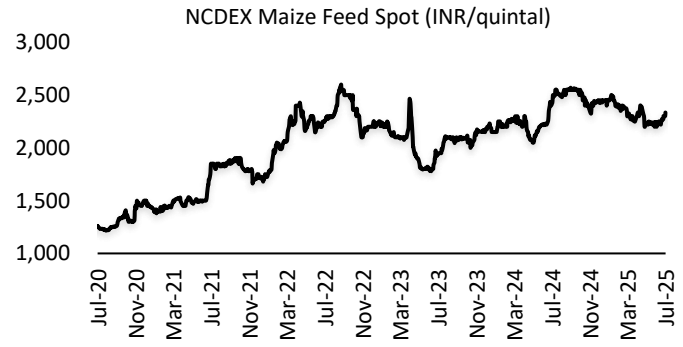
Source: Bloomberg, MOFSL

Exhibit 19: Wheat prices rose 4% YoY but dipped 11% QoQ in Jun'25



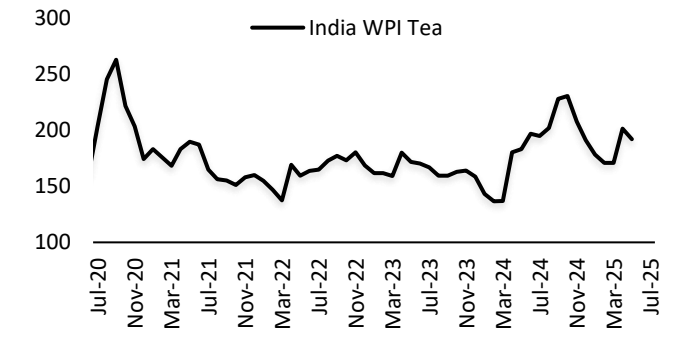
Source: Bloomberg, MOFSL

Exhibit 20: Maize prices rose 3% YoY while declined 5% QoQ in Jun'25



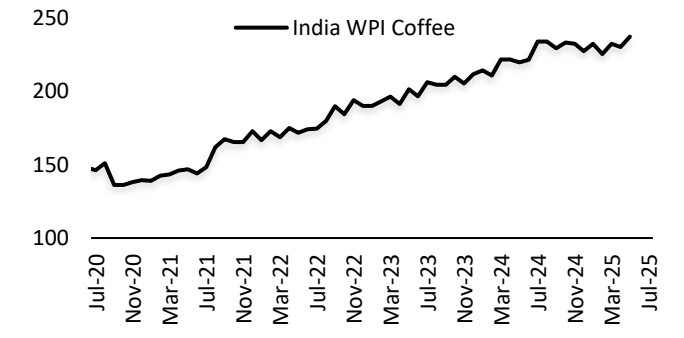
Source: Bloomberg, MOFSL

Exhibit 21: India WPI tea prices rose 5% YoY and 14% QoQ in Jun'25



Source: Bloomberg, MOFSL

Exhibit 22: India coffee prices rose 6% YoY and 2% QoQ in Jun'25



Source: Bloomberg, MOFSL

Exhibit 23: Change in our EPS estimates (%)

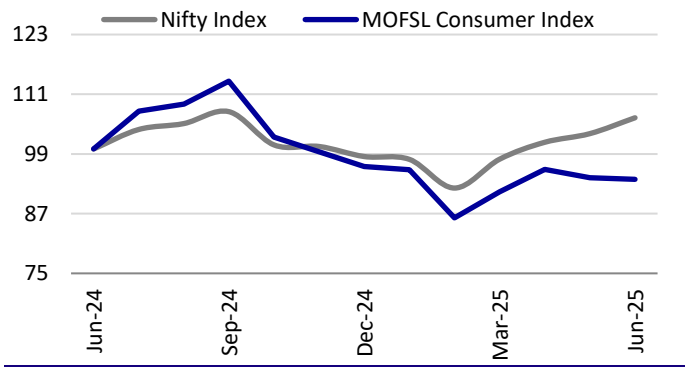
Change in estimates	New		Old		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Staples						
Britannia	102.8	117.8	102.9	116.3	0.0%	1.3%
Colgate	55.6	60.0	56.5	60.7	-1.6%	-1.1%
Dabur	11.0	12.3	11.3	12.4	-2.8%	-1.0%
Emami	21.1	23.0	21.7	23.4	-3.0%	-1.8%
GCPL	23.0	26.9	23.7	27.1	-2.8%	-0.7%
HUL	46.6	51.5	47.8	52.3	-2.4%	-1.6%
ITC	17.0	18.4	17.2	18.6	-0.9%	-1.1%
Jyothy Lab	10.9	12.1	11.1	12.2	-1.1%	-0.4%
LT Foods	23.4	27.9	22.6	28.1	3.7%	-0.7%
Marico	14.4	15.7	14.0	15.4	2.5%	1.7%
Nestle	35.1	39.4	36.0	40.0	-2.4%	-1.6%
P&G	268.6	294.1	273.0	300.0	-1.6%	-2.0%
Tata Consumer	15.3	19.2	17.0	20.0	-9.9%	-4.1%
Varun Beverages	11.5	13.7	12.2	14.6	-5.2%	-6.2%
Paints & Adhesives						
Asian Paints	45.6	54.5	47.7	56.7	-4.3%	-3.8%
Indigo Paints	34.0	39.5	32.9	38.5	3.2%	2.4%
Pidilite	46.9	53.8	46.5	53.4	0.7%	0.7%
Liquor						
UBBL	25.4	34.8	27.2	36.5	-6.4%	-4.8%
UNSP	21.7	24.4	22.4	25.0	-3.1%	-2.6%
RDCK	36.6	47.2	36.7	46.3	-0.1%	2.0%
Innerwear						
Page Industries	749.1	877.2	749.1	877.2	0.0%	0.0%
QSR*						
Barbeque Nation	2.3	2.6	2.4	2.7	-4.3%	-4.7%
Devyani	9.4	11.6	10.5	12.5	-10.7%	-7.2%
Jubilant	18.5	22.4	18.8	22.3	-1.6%	0.3%
RBA	4.1	5.7	4.1	5.7	0.0%	0.0%
Sapphire	5.4	6.5	5.8	6.9	-6.7%	-6.0%
Westlife	3.7	4.5	4.1	5.0	-11.2%	-11.1%
Jewelry						
Kalyan	10.7	13.0	10.7	13.0	0.0%	0.0%
PN Gadgil	21.4	27.5	21.3	27.4	0.5%	0.4%
Senco	14.2	16.7	14.2	16.7	0.0%	0.0%
Titan	53.5	63.3	53.5	63.3	0.0%	0.0%

*For QSR, this represents a change in our EBITDA estimates

Exhibit 24: Comparative valuation

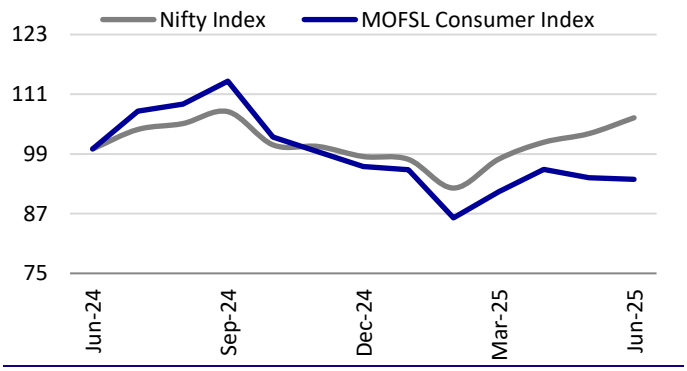
Company	CMP (INR)	TP INR	Reco	EPS (INR)			EPS Growth YoY (%)			P/E (x)			EV/EBITDA (x)			RoE (%)	Div. (%)
				FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY25
Staples																	
BRIT	5,745	5,900	Neutral	91.9	102.8	117.8	4	12	15	63	56	49	43	39	34	53.4	1.3
CLGT	2,409	2,650	Neutral	51.4	55.6	60.0	4	8	8	48	44	41	33	30	28	79.0	2.1
DABUR	482	575	Buy	10.2	11.0	12.3	(4)	8	12	49	45	40	34	31	27	17.4	1.6
HMN	565	700	Buy	20.3	21.1	23.0	12	4	9	28	27	24	24	22	20	34.4	1.8
GCPL	1,168	1,450	Buy	18.5	23.0	26.9	(4)	24	17	64	52	44	40	35	31	15.4	1.7
HUVR	2,296	2,850	Buy	44.3	46.6	51.5	1	5	10	53	50	45	36	34	31	20.7	2.3
ITC	415	515	Buy	16.0	17.0	18.4	(3)	7	8	26	24	22	19	18	16	27.7	3.5
JYL	347	375	Neutral	10.2	10.9	12.1	4	7	11	34	31	28	24	22	20	19.4	1.0
L T Foods	476	600	Buy	17.4	23.4	27.9	2	34	19	28	21	17	17	13	11	16.8	0.5
MRCO	717	825	Buy	12.4	14.4	15.7	8	16	9	59	51	47	42	37	33	40.9	1.6
NESTLE	2,410	2,400	Neutral	32.0	35.1	39.4	(22)	10	12	75	68	61	48	44	39	83.9	1.1
PG	13,322	15,000	Neutral	241.3	268.6	294.1	10	11	9	55	50	45	40	36	33	91.9	1.4
Tata Consumer	1,095	1,300	Buy	14.0	15.3	19.2	(2)	10	25	78	71	57	43	41	34	7.7	0.6
Varun beverages	452	620	Buy	7.7	9.5	11.5	26	24	22	59	48	40	32	28	24	22.0	0.5
Paints																	
APNT	2,369	2,500	Neutral	42.5	45.6	54.5	(27)	7	19	57	53	44	37	34	30	21.4	1.8
INDIGOPN	1,181	1,350	Buy	29.8	34.0	39.5	(4)	14	16	40	35	30	23	20	17	14.7	0.3
PIDI	3,045	3,000	Neutral	41.3	46.9	53.8	17	13	15	75	66	57	50	45	39	23.1	0.6
Liquor																	
UNSP	1,401	1,500	Neutral	19.8	21.7	24.4	26	10	12	70	64	57	48	44	39	18.2	0.6
RDCK	2,570	3,000	Buy	25.8	36.6	47.2	35	42	29	102	72	56	52	41	33	12.8	0.2
UBBL	1,950	2,000	Neutral	17.7	25.4	34.8	14	44	37	112	78	57	61	45	36	10.9	0.3
Innerwear																	
PAGE	48,226	57,500	Buy	652.9	749.1	877.2	28	15	17	75	65	55	50	44	37	51.8	1.8
QSR																	
BBQ	315	325	Neutral	-6.9	-5.5	-4.8	Loss	Loss	Loss	NM	NM	NM	6	6	5	-7.5	0.0
DEVYANI	169	210	Buy	0.2	0.5	1.3	(76)	158	170	926	358	133	28	25	21	2.1	0.0
JUBI	709	750	Neutral	3.6	6.1	9.2	(10)	72	50	199	116	77	32	27	23	11.2	0.2
RBA	83	135	Buy	-4.0	-2.4	-0.4	Loss	Loss	Loss	NM	NM	NM	17	12	8	-30.6	0.0
SAPPHIRE	327	375	Buy	1.0	1.6	3.2	(39)	63	96	339	208	106	22	19	15	2.3	0.0
WESTLIFE	769	775	Neutral	0.8	2.2	4.9	(82)	182	122	966	343	155	41	36	30	2.0	0.0
Jewelry																	
KALYANKJ	570	660	Buy	7.8	10.7	13.0	35	37	21	75	54	45	37	29	25	17.9	0.3
PNG	605	825	Buy	17.4	21.4	27.5	32	23	29	34	28	22	25	19	15	22.6	0.0
SENCO	341	400	Neutral	12.4	14.2	16.7	6	15	18	28	25	21	16	13	13	12.1	0.3
TTAN	3700	4,250	Buy	42.3	53.5	63.3	8	27	18	87	69	58	54	44	38	35.8	0.3

Exhibit 25: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 26: One-year relative performance (%)



Source: MOFSL, Company

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

Asian Paints — Neutral

CMP: INR2,369 | TP: INR2,500 (+6%) — **EPS CHANGE (%): FY26|FY27: -4.3|-3.8**

- We model 1% revenue growth in 1Q, as no meaningful improvement has been observed in the demand environment, particularly in urban markets.
- We expect GP margin expansion of 130bp YoY to 43.8% due to deflation in RM prices. EBITDA margin is expected to contract 40bp YoY to 18.5% due to negative operating leverage and high operating costs.
- Volume growth is expected to be 7% in domestic decorative paints. The gap in volume and value growth is due to downtrading.
- We expect this volume-value gap to narrow going forward as demand improves. The price hike taken by company in FY25 also helps in realization growth.

Quarterly Performance (Consol.) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Est. Dom. Deco. Vol. growth (%)	**7.0**	**-0.5**	**1.6**	**1.8**	**7.0**	**6.0**	**7.0**	**8.0**	**2.5**	**7.0**
Net Sales	**89,697**	**80,275**	**85,494**	**83,589**	**90,594**	**84,289**	**92,334**	**91,681**	**3,39,056**	**3,58,898**
Change (%)	-2.3	-5.3	-6.1	-4.3	1.0	5.0	8.0	9.7	-4.5	5.9
Gross Profit	**38,152**	**32,732**	**36,291**	**36,724**	**39,680**	**35,654**	**39,519**	**39,955**	**1,43,898**	**1,54,808**
Gross Margin (%)	42.5	40.8	42.4	43.9	43.8	42.3	42.8	43.6	42.4	43.1
EBITDA	**16,938**	**12,395**	**16,367**	**14,362**	**16,759**	**14,097**	**18,201**	**16,078**	**60,062**	**65,136**
Margin (%)	18.9	15.4	19.1	17.2	18.5	16.7	19.7	17.5	17.7	18.1
Change (%)	-20.2	-27.8	-20.4	-15.1	-1.1	13.7	11.2	11.9	-20.8	8.4
Interest	554	630	558	528	525	525	500	494	2,270	2,044
Depreciation	2,277	2,420	2,556	3,011	3,000	3,000	3,000	3,038	10,263	12,038
Other Income	1,562	1,736	1,430	999	1,600	1,800	1,800	1,270	5,726	6,470
PBT	**15,669**	**11,081**	**14,683**	**11,822**	**14,834**	**12,372**	**16,501**	**13,817**	**53,255**	**57,525**
Tax	4,168	2,654	3,897	3,214	3,783	3,155	4,208	3,523	13,934	14,669
Effective Tax Rate (%)	26.6	23.9	26.5	27.2	25.5	25.5	25.5	25.5	26.2	25.5
Adjusted PAT	**11,868**	**8,738**	**11,284**	**8,838**	**11,309**	**9,404**	**12,592**	**10,460**	**40,728**	**43,765**
Change (%)	-24.6	-29.1	-23.5	-30.7	-4.7	7.6	11.6	18.3	-26.7	7.5

E: MOFSL Estimates

Britannia Industries — Neutral

CMP: INR5,745 | TP: INR 5,900 (+3%) — **EPS CHANGE (%): FY26|FY27: - |+1.3**

- We expect 8.5% revenue growth YoY, with volume growth of 3% and the remainder driven by price hikes in 1QFY26.
- BRIT continues to focus on innovation and distribution channels to gain market share.
- GP margin is expected to contract 260bp YoY to 40.8%, while EBITDA margin is expected to contract 43bp YoY to 17.3%, primarily due to a rise in agri commodity prices.

Consol. Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Base business volume growth (%)	**8.0**	**8.0**	**6.0**	**3.0**	**3.0**	**4.0**	**5.0**	**6.0**	**6.3**	**4.5**
Total Revenue	**42,503**	**46,676**	**45,926**	**44,322**	**45,833**	**50,785**	**49,908**	**49,355**	**1,79,427**	**1,95,880**
YoY change (%)	6.0	5.3	7.9	8.9	7.8	8.8	8.7	11.4	7.0	9.2
Gross Profit	**18,449**	**19,381**	**17,784**	**17,773**	**18,700**	**20,974**	**20,712**	**20,317**	**73,386**	**80,703**
Margins (%)	43.4	41.5	38.7	40.1	40.8	41.3	41.5	41.2	40.9	41.2
EBITDA	**7,537**	**7,834**	**8,449**	**8,052**	**7,929**	**8,532**	**9,333**	**9,330**	**31,872**	**35,124**
Margins (%)	17.7	16.8	18.4	18.2	17.3	16.8	18.7	18.9	17.8	17.9
YoY growth (%)	9.4	-10.2	2.9	2.3	5.2	8.9	10.5	15.9	0.5	10.2
Depreciation	739	761	824	810	828	837	865	886	3,133	3,416
Interest	290	346	446	307	300	300	300	287	1,388	1,187
Other Income	556	460	625	630	625	625	650	685	2,271	2,585
PBT	**7,064**	**7,187**	**7,804**	**7,566**	**7,426**	**8,020**	**8,818**	**8,841**	**29,621**	**33,105**
Tax	1,762	1,836	1,961	1,928	1,871	2,021	2,222	2,218	7,487	8,333
Rate (%)	24.9	25.5	25.1	25.5	25.2	25.2	25.2	25.1	25.3	25.2
Adjusted PAT	**5,295**	**5,317**	**5,823**	**5,591**	**5,532**	**5,972**	**6,567**	**6,594**	**22,027**	**24,665**
YoY change (%)	16.3	-9.3	4.3	4.2	4.5	12.3	12.8	17.9	3.1	12.0

E: MOFSL Estimates

Colgate — Neutral

CMP: INR2,409 | TP: INR2,650 (+10%) — **EPS CHANGE (%): FY26|FY27: -1.6|-1.1**

- Demand was subdued for oral care. We expect 1.5% revenue growth, led by 1.5% volume growth in toothpaste in 1QFY26.
- GP margin is expected to expand 35bp YoY to 71%, while EBITDA margin is expected to contract 140bp YoY to 32.6%, given higher ad spends and operating activities.
- The company is focused on expanding distribution reach and improving product penetration in the rural market through LUPs.
- Promotions in the GT channel and the quantum of discounting in alternate channels will be the key monitorables.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume Gr %	**7.0**	**8.0**	**4.0**	**0.0**	**1.5**	**2.5**	**5.0**	**7.0**	**4.8**	**4.0**
Net Sales (incldg. OOI)	**14,967**	**16,191**	**14,618**	**14,625**	**15,190**	**17,167**	**15,795**	**16,014**	**60,402**	**64,165**
YoY change (%)	13.1	10.1	4.7	-1.8	1.5	6.0	8.0	9.5	6.3	6.2
Gross Profit	**10,574**	**11,098**	**10,220**	**10,327**	**10,785**	**11,845**	**11,135**	**11,471**	**42,219**	**45,237**
Gross margin (%)	70.6	68.5	69.9	70.6	71.0	69.0	70.5	71.6	69.9	70.5
EBITDA	**5,083**	**4,974**	**4,544**	**4,980**	**4,952**	**5,373**	**5,054**	**5,795**	**19,581**	**21,175**
Margins (%)	34.0	30.7	31.1	34.1	32.6	31.3	32.0	36.2	32.4	33.0
YoY growth (%)	21.6	3.2	-3.0	-6.4	-2.6	8.0	11.2	16.4	3.0	8.1
Depreciation	415	417	411	384	440	444	448	452	1,627	1,785
Interest	10	12	11	11	11	13	12	12	43	48
Financial other Income	234	195	204	191	218	219	220	221	824	878
PBT	**4,893**	**4,740**	**4,325**	**4,776**	**4,719**	**5,135**	**4,814**	**5,553**	**18,734**	**20,221**
Tax	1,253	1,354	1,097	1,226	1,189	1,294	1,213	1,393	4,930	5,090
Rate (%)	25.6	28.6	25.4	25.7	25.2	25.2	25.2	25.1	26.3	25.2
Adj PAT	**3,640**	**3,555**	**3,228**	**3,550**	**3,530**	**3,841**	**3,601**	**4,160**	**13,973**	**15,131**
YoY change (%)	26.2	4.6	-2.2	-6.5	-3.0	8.0	11.6	17.2	4.4	8.3
Reported PAT	**3,640**	**3,951**	**3,228**	**3,550**	**3,530**	**3,841**	**3,601**	**4,160**	**14,368**	**15,131**

E: MOFSL Estimates

Dabur — Buy

CMP: INR482 | TP: INR575 (+19%) — **EPS CHANGE (%): FY26|FY27: -2.8|-1.0**

- We expect ~2% revenue growth, led by the 3% volume growth in the India business. We expect some sequential improvement in demand.
- The Beverage portfolio was impacted during the quarter due to unseasonal rains and a short summer. However, Activ Juices and Activ Coconut water saw good momentum, with growth expected in mid-teens.
- Home and Personal Care (HPC) division is expected to perform well, driven by the oral, home, and skin care categories. Within healthcare, brands such as Dabur Honey, Hajmola, Dabur Honitus, and Dabur Health Juices are expected to post robust double-digit growth.
- International business is expected to post double-digit constant currency growth.

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic FMCG vol. growth (%)	**5.2**	**-7.0**	**1.2**	**-5.0**	**3.0**	**8.0**	**8.0**	**9.0**	**-1.4**	**7.0**
Net sales	**33,491**	**30,286**	**33,553**	**28,301**	**34,302**	**32,744**	**36,682**	**30,812**	**1,25,631**	**1,34,540**
YoY change (%)	7.0	-5.5	3.1	0.6	2.4	8.1	9.3	8.9	1.3	7.1
Gross profit	**16,005**	**14,943**	**16,124**	**13,211**	**16,191**	**16,045**	**17,974**	**14,908**	**60,282**	**65,117**
Margin (%)	47.8	49.3	48.1	46.7	47.2	49.0	49.0	48.4	48.0	48.4
EBITDA	**6,550**	**5,526**	**6,819**	**4,269**	**6,552**	**6,221**	**7,483**	**4,835**	**23,163**	**25,092**
Margins (%)	19.6	18.2	20.3	15.1	19.1	19.0	20.4	15.7	18.4	18.7
YoY growth (%)	8.3	-16.4	2.1	-8.6	0.0	12.6	9.7	13.3	-3.5	8.3
Depreciation	1,091	1,110	1,086	1,169	1,189	1,130	1,194	1,148	4,456	4,661
Interest	327	474	442	393	375	375	350	325	1,635	1,425
Other income	1,294	1,515	1,280	1,412	1,398	1,439	1,472	1,519	5,501	5,828
PBT	**6,427**	**5,457**	**6,571**	**4,119**	**6,385**	**6,156**	**7,412**	**4,881**	**22,573**	**24,834**
Tax	1,481	1,284	1,418	992	1,564	1,508	1,816	1,196	5,175	6,084
Rate (%)	23.0	23.5	21.6	24.1	24.5	24.5	24.5	24.5	22.9	24.5
Adjusted PAT	**5,084**	**4,333**	**5,306**	**3,284**	**4,983**	**4,810**	**5,758**	**3,857**	**18,006**	**19,407**
YoY change (%)	7.7	-17.2	1.6	-8.2	-2.0	11.0	8.5	17.5	-4.0	7.8

E: MOFSL Estimates

Emami

Buy

CMP: INR565 | TP: INR700 (+24%) | **EPS CHANGE (%): FY26|FY27: -3.0|-1.8**

- Demand in 1Q was adversely impacted by the onset of monsoon. We model 3% revenue decline, led by a 3% domestic volume decline.
- The company is focusing on LUPs targeting middle-income consumers, which contribute ~20% of its revenue.
- GM is expected to remain steady (-50bp YoY) despite macro inflation. EBITDA is likely to witness a decline of 145bp YoY on negative operating leverage.
- Performance of D2C brands like The Man Company and Brillare will be a key monitorable.

Consol. Quarterly performance (INR m)

Y/E MARCH	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic volume growth (%)	8.7	1.7	4.0	5.0	-3.0	5.0	5.5	5.0	4.9	3.1
Net Sales	**9,061**	**8,906**	**10,495**	**9,631**	**8,752**	**9,567**	**11,410**	**10,357**	**38,092**	**40,087**
YoY change (%)	9.7	3.0	5.3	8.1	-3.4	7.4	8.7	7.5	6.5	5.2
Gross Profit	**6,131**	**6,296**	**7,377**	**6,346**	**5,881**	**6,822**	**8,067**	**6,890**	**26,150**	**27,660**
Gross margin (%)	67.7	70.7	70.3	65.9	67.2	71.3	70.7	66.5	68.6	69.0
EBITDA	**2,165**	**2,505**	**3,387**	**2,194**	**1,965**	**2,754**	**3,747**	**2,367**	**10,251**	**10,832**
Margins (%)	23.9	28.1	32.3	22.8	22.4	28.8	32.8	22.9	26.9	27.0
YoY change	13.9	7.2	7.6	4.0	-9.3	9.9	10.6	7.9	8.0	5.7
Depreciation	444	447	456	435	445	445	445	473	1,782	1,808
Interest	21	23	22	28	23	23	23	23	93	90
Other Income	105	216	149	212	135	220	160	188	681	703
PBT	**1,805**	**2,251**	**3,059**	**1,943**	**1,632**	**2,506**	**3,439**	**2,059**	**9,057**	**9,637**
Tax	278	94	224	315	245	125	413	374	911	1,156
Rate (%)	15.4	4.2	7.3	16.2	15.0	5.0	12.0	18.1	10.1	12.0
Adj. PAT	**1,702**	**2,333**	**3,006**	**1,812**	**1,560**	**2,577**	**3,206**	**1,848**	**8,853**	**9,197**
YoY change (%)	20.5	18.6	6.3	8.6	-8.4	10.5	6.7	2.0	12.4	3.9

E: MOFSL Estimates

Godrej Consumer

Buy

CMP: INR1,168 | TP: INR1,450 (+24%) | **EPS CHANGE (%): FY26|FY27: -2.8|-0.7**

- Domestic demand continued to mirror 4Q trends, with rural outpacing urban demand. We model 8% standalone revenue growth and 5% volume growth. Price hikes likely persisted in 1Q, especially in soaps.
- High inflation continues to put pressure on margins. We model a 330bp YoY contraction in the GP margin and a 130bp YoY contraction in EBITDA margins. The benefit of lower palm oil prices will materialize from 2QFY26 onwards.
- The company highlighted in its pre-quarter update that the Personal Care segment is expected to deliver low-single digit value growth, impacted by soaps. The Home Care business is likely to deliver double-digit value growth and UVG.
- The Indonesia business expected to deliver flattish UVG while GAUM business is likely to deliver strong double-digit value growth and UVG.

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Domestic volume Growth (%)	**8**	**7**	**0**	**4**	**5**	**7**	**6**	**8**	**5**	**7**
Net Sales (including OOI)	**33,316**	**36,663**	**37,684**	**35,980**	**36,759**	**40,381**	**42,135**	**39,989**	**1,43,643**	**1,59,264**
YoY change (%)	-3.4	1.8	3.0	6.3	10.3	10.1	11.8	11.1	1.9	10.9
Gross Profit	**18,608**	**20,381**	**20,402**	**18,890**	**19,301**	**21,789**	**23,302**	**22,289**	**78,282**	**86,680**
Margin (%)	55.9	55.6	54.1	52.5	52.5	54.0	55.3	55.7	54.5	54.4
EBITDA	7,262	7,617	7,559	7,592	7,538	8,257	9,178	9,186	30,031	34,158
Margins (%)	21.8	20.8	20.1	21.1	20.5	20.4	21.8	23.0	20.9	21.4
YoY growth (%)	6.5	5.3	-16.4	-0.2	3.8	8.4	21.4	21.0	-2.2	13.7
Depreciation	495	501	619	726	700	725	725	746	2,340	2,896
Interest	878	831	897	896	850	825	825	817	3,501	3,317
Other Income	751	843	831	737	817	903	873	821	3,161	3,414
PBT	**6,623**	**7,107**	**6,874**	**6,708**	**6,805**	**7,610**	**8,500**	**8,445**	**27,312**	**31,360**
Tax	1,933	2,154	1,834	2,275	1,701	1,902	2,125	2,111	8,196	7,840
Rate (%)	29.2	30.3	26.7	33.9	25.0	25.0	25.0	25.0	30.0	25.0
Adj PAT	**4,649**	**4,953**	**5,025**	**4,321**	**5,104**	**5,707**	**6,375**	**6,334**	**18,948**	**23,520**
YoY change (%)	23.6	12.2	-14.3	-24.8	9.8	15.2	26.9	46.6	-4.2	24.1

E: MOFSL Estimate

Hindustan Unilever

Buy

CMP: INR2,296 | TP: INR2,850 (+24%) | **EPS CHANGE (%): FY26|FY27: -2.4|-1.6**

- Demand trends remained consistent QoQ with muted growth, and rural areas continued to outperform urban areas. We expect a 4.6% revenue growth in 1QFY26.
- GP margins are expected to face some pressure (contracting 140bp YoY to 50.6%) due to an increase in consumer offers and other initiatives undertaken to drive volume growth. The company revised its EBITDA margin guidance last quarter to 22-23%, down from the earlier guidance of the lower end of 23-24%.
- HUL's growth was impacted by several factors, including adverse mix dynamics, input cost inflation, and subdued seasonal demand, collectively moderating the overall growth trajectory.
- We model a 3% volume growth. The company has implemented calibrated price increases in Skin Cleansing and Foods, which were partially offset by deflation in the Home Care portfolio.

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

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic volume growth (%)	**4.0**	**3.0**	**0.0**	**2.0**	**3.0**	**4.5**	**6.0**	**7.0**	**2.0**	**5.1**
Total revenue	**157.1**	**159.3**	**158.2**	**156.7**	**164.2**	**168.2**	**169.8**	**169.1**	**631.2**	**671.3**
YoY change (%)	1.4	1.9	1.6	3.0	4.5	5.6	7.3	7.9	2.0	6.4
Gross Profit	**81.6**	**82.2**	**81.2**	**80.5**	**83.1**	**84.9**	**86.4**	**86.6**	**325.4**	**341.0**
Margin %	52.0	51.6	51.3	51.4	50.6	50.5	50.9	51.2	51.6	50.8
EBITDA	**37.4**	**37.9**	**37.0**	**36.2**	**36.9**	**38.8**	**39.7**	**39.9**	**148.5**	**155.2**
YoY change (%)	2.2	-0.1	0.8	2.4	-1.6	2.3	7.3	10.2	1.3	4.5
Margins (%)	23.8	23.8	23.4	23.1	22.4	23.1	23.4	23.6	23.5	23.1
Depreciation	3.3	3.4	3.4	3.5	3.5	3.5	3.5	3.5	13.6	14.0
Interest	0.9	1.1	1.1	0.8	1.0	1.0	1.1	1.0	4.0	4.0
Other income	2.6	2.2	2.3	3.1	2.4	2.3	2.4	2.4	10.2	9.5
PBT	**35.8**	**35.6**	**34.7**	**35.0**	**34.8**	**36.6**	**37.6**	**37.7**	**141.2**	**146.7**
Tax	9.2	9.5	9.9	8.9	8.8	9.2	9.5	9.5	37.4	36.9
Rate (%)	25.6	26.6	28.6	25.3	25.2	25.2	25.2	25.1	26.5	25.2
PAT bei	**26.5**	**26.0**	**26.0**	**25.7**	**26.0**	**27.4**	**28.1**	**28.1**	**104.2**	**109.6**
YoY change (%)	2.5	-2.1	2.9	2.6	-1.7	5.2	7.8	9.6	1.4	5.2

E: MOFSL Estimates

Indigo Paints

Buy

CMP: INR1,181 | TP: INR1,350 (+15%) | **EPS CHANGE (%): FY26|FY27: +3.2|+2.4**

- We expect 4% revenue growth in 1QFY26 as the demand environment remains subdued.
- Strong competition and pressure on profits are expected in the near future as new competitors enter the market.
- GP margin is expected to expand marginally 20bp YoY to 46.8%. Margins remained stable despite a decline in raw material prices, as increased consumer offerings have offset the input cost benefits.

Consolidated Quarterly Performance **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**3,110**	**2,995**	**3,426**	**3,876**	**3,234**	**3,295**	**3,872**	**4,347**	**13,407**	**14,747**
Change (%)	7.8	7.4	-3.2	0.7	4.0	10.0	13.0	12.2	2.6	10.0
Gross Profit	**1,449**	**1,309**	**1,597**	**1,815**	**1,514**	**1,450**	**1,812**	**2,067**	**6,170**	**6,843**
Gross Margin (%)	46.6	43.7	46.6	46.8	46.8	44.0	46.8	47.5	46.0	46.4
EBITDA	**474**	**415**	**572**	**874**	**499**	**465**	**643**	**990**	**2,335**	**2,596**
Margin (%)	15.2	13.9	16.7	22.6	15.4	14.1	16.6	22.8	17.4	17.6
Change (%)	-3.5	-1.5	-8.1	3.3	5.3	11.9	12.4	13.3	-1.9	11.2
Interest	6	7	6	15	8	18	10	9	35	45
Depreciation	152	154	147	132	150	150	150	136	585	586
Other Income	42	51	31	60	45	55	45	53	185	198
PBT	**357**	**306**	**450**	**787**	**386**	**352**	**528**	**899**	**1,900**	**2,164**
Tax	90	83	92	213	97	89	133	225	478	544
Effective Tax Rate (%)	25.3	27.2	20.4	27.0	25.2	25.2	25.2	25.1	25.2	25.2
Adjusted PAT	**262**	**226**	**360**	**569**	**288**	**262**	**394**	**672**	**1,418**	**1,615**
Change (%)	-15.6	-10.6	-3.3	6.0	9.8	15.7	9.3	18.1	-3.8	13.9

E: MOFSL Estimates

ITC — Buy

CMP: INR415 | TP: INR515 (+24%) — **EPS CHANGE (%): FY26|FY27: -0.9|-1.1**

- The cigarette business is expected to show stable volumes and pricing, with the portfolio continuing to grow, aided by improvements in the product mix. We model 5% volume growth in the business in 1QFY26.
- We expect 6% YoY sales growth in the cigarette business and 4% YoY sales growth in the FMCG business.
- We expect a 5% YoY growth in cigarette EBIT, though margins may contract 40bp due to rising leaf tobacco prices. In the FMCG business, we expect a 16% decline in EBIT, with a 170bp margin contraction as price hikes lag RM inflation.
- The paper segment remained weak while agriculture segment performed well during the quarter.

Consol. Quarterly Performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q*	4Q*	1QE*	2QE*	3QE	4QE		
Est. cigarette vol. gr. (%)	**3.0**	**3.5**	**6.0**	**5.0**	**5.0**	**5.0**	**4.0**	**4.5**	**4.4**	**4.5**
Net Sales	**184.6**	**207.4**	**187.9**	**187.7**	**194.0**	**215.3**	**202.5**	**202.5**	**767.5**	**814.2**
YoY change (%)	7.5	16.7	4.3	4.7	5.1	3.8	7.8	7.9	8.3	6.1
Gross Profit	**111.7**	**115.9**	**108.3**	**110.3**	**113.9**	**125.9**	**121.5**	**123.2**	**446.2**	**484.5**
Margin (%)	60.5	55.9	57.6	58.8	58.7	58.5	60.0	60.8	58.1	59.5
EBITDA	**67.5**	**67.6**	**63.6**	**65.2**	**67.8**	**69.6**	**70.2**	**71.8**	**263.9**	**279.4**
Growth (%)	1.2	4.8	-2.2	-1.6	0.5	2.9	10.3	10.2	0.5	5.9
Margins (%)	36.6	32.6	33.9	34.7	34.9	32.3	34.7	35.5	34.4	34.3
Depreciation	5.0	5.2	4.2	4.1	4.4	4.4	4.6	4.7	18.5	18.1
Interest	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.5	0.5
Other Income	6.9	6.2	6.0	6.4	7.2	6.7	6.6	6.8	25.5	27.3
PBT	**69.3**	**68.4**	**65.3**	**67.4**	**70.5**	**71.7**	**72.0**	**73.8**	**270.4**	**288.0**
Tax	17.6	17.9	17.3	16.8	17.8	18.1	18.2	18.5	69.6	72.5
Rate (%)	25.4	26.2	26.4	24.9	25.2	25.2	25.2	25.1	25.7	25.2
Adj PAT	**50.9**	**49.9**	**47.3**	**50.7**	**52.2**	**53.1**	**53.3**	**54.7**	**198.9**	**213.3**
YoY change (%)	-0.2	2.0	-11.4	-0.9	2.5	6.3	12.7	7.7	-2.8	7.2

E: MOFSL estimate; *Growth is not comparable as base quarters include hotel business numbers

Jyothy Labs. — Neutral

CMP: INR347 | TP: INR375 (+8%) — **EPS CHANGE (%): FY26|FY27: -1.1|-0.4**

- We expect consolidated net sales to grow 3% YoY, led by volume growth of 5% in 1QFY26.
- We expect gross margin contraction of 130bp YoY to 50% due to increased palm oil prices.
- In segment revenue, Fabric Care and Dishwashing are expected to increase 5% each YoY, while HI is expected to decline 6% due to weak season. Personal Care is also expected to decline 4%.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E					
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
Volume growth (%)	11%	3%	8%	4%	5%	6%	9%	9%	6%	8%
Net Sales	**7,418**	**7,338**	**7,045**	**6,670**	**7,674**	**7,833**	**7,685**	**7,284**	**28,470**	**30,476**
YoY change (%)	8.0	0.2	4.0	1.1	3.4	6.7	9.1	9.2	3.3	7.0
Gross Profit	**3,805**	**3,683**	**3,506**	**3,281**	**3,837**	**3,940**	**3,889**	**3,725**	**14,275**	**15,390**
Margins (%)	51.3	50.2	49.8	49.2	50.0	50.3	50.6	51.1	50.1	50.5
EBITDA	**1,335**	**1,385**	**1,158**	**1,119**	**1,352**	**1,432**	**1,329**	**1,230**	**4,996**	**5,342**
EBITDA growth %	13.7	2.3	-2.4	3.3	1.3	3.4	14.8	9.9	4.1	6.9
Margins (%)	18.0	18.9	16.4	16.8	17.6	18.3	17.3	16.9	17.5	17.5
Depreciation	134	139	143	146	145	149	151	156	561	601
Interest	14	14	15	17	15	15	16	16	59	62
Other Income	137	125	139	155	155	140	155	161	556	611
PBT	**1,324**	**1,357**	**1,138**	**1,112**	**1,347**	**1,408**	**1,317**	**1,220**	**4,931**	**5,291**
Tax	307	307	264	306	337	352	329	253	1,184	1,271
Rate (%)	23.2	22.6	23.2	27.6	25.0	25.0	25.0	20.7	24.0	24.0
Adjusted PAT	**1,017**	**1,050**	**874**	**806**	**1,010**	**1,056**	**988**	**967**	**3,747**	**4,020**
YoY change (%)	16.6	1.0	-3.9	3.1	-0.7	0.6	13.0	20.0	4.0	7.3

E: MOFSL Estimates

LT Foods

Buy

CMP: INR476 | TP: INR600 (+26%) | **EPS CHANGE (%): FY26|FY27: +4|-1**

- We expect consolidated sales to grow ~14% YoY, led by volume growth.
- We anticipate the Basmati rice segment to witness volume growth of ~8-10% in both the domestic and international markets.
- EBITDA margin expected to expand 30bp YoY to 11.9% in 1QFY26.
- We expect the organic segment to report a revenue growth of ~15% YoY in 1Q, with strong traction to continue during the year.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**20,705**	**21,078**	**22,748**	**22,284**	**23,505**	**25,780**	**27,480**	**27,510**	**86,815**	**104,276**
YoY Change (%)	16.4	6.6	17.2	7.4	13.5	22.3	20.8	23.5	11.7	20.1
Total Expenditure	18,296	18,785	20,250	19,701	20,707	22,663	24,099	24,072	77,032	91,542
EBITDA	**2,409**	**2,293**	**2,498**	**2,583**	**2,798**	**3,117**	**3,381**	**3,437**	**9,783**	**12,734**
Margins (%)	11.6	10.9	11.0	11.6	11.9	12.1	12.3	12.5	11.3	12.2
Depreciation	420	448	458	531	489	495	483	505	1,857	1,972
Interest	187	196	236	257	200	190	150	113	877	653
Other Income	175	263	134	313	150	100	250	230	885	730
PBT before EO expense	**1,977**	**1,911**	**1,938**	**2,107**	**2,259**	**2,532**	**2,998**	**3,049**	**7,934**	**10,839**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,977**	**1,911**	**1,938**	**2,107**	**2,259**	**2,532**	**2,998**	**3,049**	**7,934**	**10,839**
Tax	530	494	525	554	569	637	755	768	2,102	2,728
Rate (%)	26.8	25.8	27.1	26.3	25.2	25.2	25.2	25.2	26.5	25.2
Minority Interest & Profit/Loss of Asso. Cos.	-84	-66	-19	-52	-26	0	0	0	-222	-26
Reported PAT	**1,532**	**1,484**	**1,433**	**1,605**	**1,716**	**1,895**	**2,244**	**2,282**	**6,053**	**8,137**
Adj PAT	**1,532**	**1,484**	**1,433**	**1,605**	**1,716**	**1,895**	**2,244**	**2,282**	**6,053**	**8,137**
YoY Change (%)	11.4	-7.2	-5.2	7.9	12.1	27.7	56.6	42.2	1.3	34.4
Margins (%)	7.4	7.0	6.3	7.2	7.3	7.3	8.2	8.3	7.0	7.8

Marico

Buy

CMP: INR717 | TP: INR825 (+15%) | **EPS CHANGE (%): FY26|FY27: +2.5|+1.7**

- The domestic business is experiencing steady improvement. We expect 21% consol. revenue growth and ~8% domestic volume growth. The high pricing contribution is driven largely by price hikes in Parachute.
- Gross margins expected to contract 355bp YoY to 48.7%, given the high base and rise in RM prices. Operating margins are expected to contract 250bp YoY to 21.2%.
- Parachute oil is expected to deliver >20% revenue growth, aided by pricing interventions as the company incorporated another round of price hike in Jun'25. Saffola oil is expected to deliver revenue growth in the high twenties, backed by mid-single digit volume growth. Moreover, VAHO revenue grew in low double digits.
- The International business is expected to deliver revenue CC growth in high teens, with positive contributions from all markets.

Quarterly Performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Domestic volume growth (%)	4.0	5.0	6.0	7.0	7.9	8.2	8.5	5.1	**5.5**	6.5
Net Sales	**26,430**	**26,640**	**27,940**	**27,300**	**32,033**	**31,874**	**32,106**	**29,173**	**1,08,310**	**1,25,186**
YoY Change (%)	6.7	7.6	15.4	19.8	21.2	19.6	14.9	6.9	12.2	15.6
Gross Profit	**13,810**	**13,530**	**13,830**	**13,260**	**15,600**	**15,523**	**16,213**	**15,006**	**54,430**	**62,343**
Gross margin (%)	52.3	50.8	49.5	48.6	48.7	48.7	50.5	51.4	50.3	49.8
EBITDA	**6,260**	**5,220**	**5,330**	**4,580**	**6,789**	**5,932**	**6,535**	**5,558**	**21,390**	**24,813**
Margins (%)	23.7	19.6	19.1	16.8	21.2	18.6	20.4	19.1	19.7	19.8
YoY Change (%)	9.1	5.0	3.9	3.6	8.4	13.6	22.6	21.3	5.6	16.0
Depreciation	410	410	440	520	475	475	475	514	1,780	1,939
Interest	170	110	130	120	125	120	120	112	530	477
Other Income	370	400	420	470	450	450	450	496	1,660	1,846
PBT	**6,050**	**5,100**	**5,180**	**4,410**	**6,639**	**5,787**	**6,390**	**5,428**	**20,740**	**24,244**
Tax	1,310	1,190	1,120	960	1,494	1,302	1,438	1,221	4,580	5,455
Rate (%)	21.7	23.3	21.6	21.8	22.5	22.5	22.5	22.5	22.1	22.5
Adjusted PAT	**4,640**	**3,915**	**3,990**	**3,430**	**5,080**	**4,419**	**4,887**	**4,141**	**15,975**	**18,528**
YoY Change (%)	8.7	10.9	4.2	7.9	9.5	12.9	22.5	20.7	7.9	16.0

E: MOFSL Estimates

Nestlé India — Neutral

CMP: INR2,410 | TP: INR2,400 (-1%) — **EPS CHANGE (%): FY25|FY26|FY27: -2.4|-1.6**

- We expect overall sales growth of 5.7% YoY, led by 5.5% growth in domestic sales and 10% growth in export sales. However, while demand recovery is underway, a higher dependency on urban markets may weigh on NEST volumes.
- The company has likely implemented a price hike in response to rising commodity prices.
- We expect GP margin contraction of 60bp YoY to 57%, impacted by a rise in RM prices like coffee and edible oil, while we model a stable EBITDA margin of 23.3% in 1QFY26.
- Nestle focuses on expanding its distribution reach, premiumization, and innovations.

Quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**48,140**	**51,040**	**47,797**	**55,039**	**50,890**	**55,441**	**52,095**	**59,583**	**2,02,016**	**2,18,010**
YoY Change (%)	3.3	1.3	3.9	4.5	5.7	8.6	9.0	8.3	3.5	7.9
Gross Profit	**27,751**	**28,901**	**26,951**	**30,914**	**29,007**	**31,712**	**29,903**	**34,079**	**1,14,518**	**1,24,701**
Margin (%)	57.6	56.6	56.4	56.2	57.0	57.2	57.4	57.2	56.7	57.2
EBITDA	**11,239**	**11,918**	**11,223**	**14,124**	**11,849**	**13,218**	**12,677**	**15,389**	**48,503**	**53,133**
Margins (%)	23.3	23.3	23.5	25.7	23.3	23.8	24.3	25.8	24.0	24.4
YoY Growth (%)	5.4	-4.4	-0.6	5.2	5.4	10.9	13.0	9.0	2.6	9.5
Depreciation	1,127	1,216	1,503	1,553	1,550	1,550	1,550	1,596	5,399	6,246
Interest	317	322	346	375	306	306	306	306	1,360	1,224
Other income	391	69	44	84	250	250	300	299	589	1,099
PBT	**10,186**	**10,448**	**9,419**	**12,280**	**10,243**	**11,612**	**11,121**	**13,785**	**42,333**	**46,762**
Tax	2,625	3,010	2,264	3,192	2,687	3,037	2,915	3,750	11,085	12,389
Rate (%)	25.8	28.8	24.0	26.0	26.2	26.2	26.2	27.2	26.2	26.5
Adjusted PAT	**7,467**	**7,792**	**6,836**	**8,730**	**7,456**	**8,425**	**8,086**	**9,880**	**30,827**	**33,848**
YoY Change (%)	6.4	-3.3	-12.4	-4.5	-0.2	8.1	18.3	13.2	-2.6	9.8

E: MOFSL Estimates

Page Industries — BUY

CMP: INR48,226 | TP: INR57,500 (+19%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect ~12% YoY revenue growth, led by volume growth of 9% and the remainder driven by a change in the mix. No price hikes are expected in 1Q.
- Gross margin is expected to expand 290bp YoY to 57%, supported by stable input prices. EBITDA margin is likely to expand 150bp YoY to 20.5%.
- Weak urban consumption remains a headwind, but normalized trade inventory can enable better primary growth.
- Primary and secondary sales are now expected to be aligned, reversing the trend observed in the last few quarters.

Quarterly Statement (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume growth (%)	**2.6**	**6.7**	**4.7**	**8.5**	**9.0**	**11.0**	**11.5**	**11.6**	**5.0**	**10.4**
Net Sales	**12,775**	**12,454**	**13,131**	**10,981**	**14,343**	**14,238**	**15,080**	**12,627**	**49,340**	**56,287**
YoY change (%)	3.9	10.7	6.9	10.6	12.3	14.3	14.8	15.0	8.0	14.1
Gross Profit	**6,918**	**7,031**	**7,399**	**6,689**	**8,175**	**8,329**	**8,671**	**7,539**	**28,036**	**32,715**
Gross margin (%)	54.1	56.5	56.3	60.9	57.0	58.5	57.5	59.7	56.8	58.1
EBITDA	**2,433**	**2,806**	**3,025**	**2,352**	**2,940**	**3,204**	**3,393**	**2,684**	**10,617**	**12,221**
Margins (%)	19.0	22.5	23.0	21.4	20.5	22.5	22.5	21.3	21.5	21.7
YoY change	2.0	20.1	31.7	43.1	20.8	14.2	12.2	14.1	23.5	15.1
Depreciation	221	226	297	249	265	294	311	333	992	1,203
Interest	117	109	119	118	120	120	122	125	464	487
Other Income	129	146	140	201	142	160	155	169	616	625
PBT	**2,225**	**2,616**	**2,750**	**2,187**	**2,697**	**2,950**	**3,114**	**2,395**	**9,777**	**11,156**
Tax	572	672	703	547	677	740	782	601	2,494	2,800
Rate (%)	25.7	25.7	25.6	25.0	25.1	25.1	25.1	25.1	25.5	25.1
PAT	**1,652**	**1,944**	**2,047**	**1,640**	**2,020**	**2,209**	**2,332**	**1,794**	**7,282**	**8,356**
YoY change (%)	4.3	29.3	34.3	51.6	22.3	13.7	14.0	9.4	27.9	14.7

E: MOFSL Estimates

P&G Hygiene — Neutral

CMP: INR13,322 | TP: INR15,000 (+13%) — **EPS CHANGE (%): FY25|FY26: -2.1|-1.6**

- Sales are expected to grow ~6% YoY in 4QFY25 (June quarter year ending).
- Gross margin is expected to expand 270bp YoY to 61.9%.
- EBITDA margin is expected to expand 410bp YoY to 18.2%.
- A&P spending and demand outlook are the key monitorables.

Standalone - Quarterly Earnings (INR m)

Y/E June	FY24				FY25E				FY24	FY25E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Net Sales	**11,384**	**11,334**	**10,022**	**9,318**	**11,352**	**12,476**	**9,916**	**9,857**	**42,057**	**43,601**
YoY Change (%)	9.2	-0.3	13.5	9.7	-0.3	10.1	-1.1	5.8	7.5	3.7
Gross profit	**6,932**	**6,825**	**6,644**	**5,514**	**7,139**	**8,085**	**5,969**	**6,101**	**25,915**	**27,294**
Margin (%)	60.9	60.2	66.3	59.2	62.9	64.8	60.2	61.9	61.6	62.6
EBITDA	**2,849**	**3,097**	**2,573**	**1,313**	**2,905**	**3,709**	**2,097**	**1,797**	**9,833**	**10,508**
Growth	33.1	6.6	72.4	-37.9	2.0	19.8	-18.5	36.9	13.2	6.9
Margins (%)	25.0	27.3	25.7	14.1	25.6	29.7	21.1	18.2	23.4	24.1
Depreciation	143	143	145	134	117	99	104	116	565	435
Interest	19	26	224	-1	19	66	58	12	268	155
Other Income	158	156	136	73	85	97	191	194	523	567
PBT	**2,845**	**3,085**	**2,339**	**1,253**	**2,854**	**3,641**	**2,127**	**1,863**	**9,522**	**10,485**
PBT after EO expense	**2,845**	**3,085**	**2,029**	**1,123**	**2,854**	**3,641**	**2,127**	**1,863**	**9,082**	**10,485**
Tax	738	796	796	345	735	955	566	386	2,674	2,642
Rate (%)	25.9	25.8	39.2	30.7	25.7	26.2	26.6	20.7	29.4	25.2
Adj PAT	**2,107**	**2,289**	**1,854**	**908**	**2,119**	**2,686**	**1,561**	**1,477**	**7,159**	**7,843**
YoY Change (%)	36.4	10.1	72.5	-38.5	0.6	17.3	-15.8	62.6	15.3	9.6
Margins (%)	18.5	20.2	18.5	9.7	18.7	21.5	15.7	15.0	17.0	18.0

E: MOFSL Estimates

Pidilite Industries — Neutral

CMP: INR3,045 | TP: INR3,000 (-1%) — **EPS CHANGE (%): FY26|FY27: +0.7|+0.7**

- We expect demand recovery in 1Q, though rural growth continues to outperform urban growth. Pidilite's core category can witness some headwinds due to the subdued demand environment at the macro level.
- We expect consolidated revenue to grow 10% YoY and volume to grow 12% during the quarter.
- We expect gross margin to expand 120bp YoY to 55%, driven by a YoY decline in VAM prices.
- Outlook on domestic and international demand is a key monitorable.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume growth (%)	**9.6**	**8.0**	**9.7**	**9.8**	**12.0**	**10.0**	**10.0**	**10.0**	**9.3**	**10.5**
Net Sales	**33,954**	**32,349**	**33,689**	**31,411**	**37,364**	**35,497**	**38,145**	**35,919**	**1,31,403**	**1,46,925**
YoY change (%)	3.7	5.2	7.6	8.2	10.0	9.7	13.2	14.3	6.1	11.8
Gross Profit	**18,268**	**17,583**	**18,301**	**17,288**	**20,550**	**19,453**	**20,903**	**19,638**	**71,440**	**80,545**
Margin (%)	53.8	54.4	54.3	55.0	55.0	54.8	54.8	54.7	54.4	54.8
Total Expenditure	25,826	24,661	25,705	25,086	28,571	27,077	29,022	28,677	**41,315**	**46,966**
EBITDA	**8,127**	**7,688**	**7,984**	**6,326**	**8,793**	**8,421**	**9,123**	**7,242**	**30,125**	**33,579**
YoY change (%)	15.0	13.1	7.5	9.6	8.2	9.5	14.3	14.5	11.3	11.5
Margins (%)	23.9	23.8	23.7	20.1	23.5	23.7	23.9	20.2	22.9	22.9
Depreciation	844	879	895	967	967	967	970	971	3,585	3,875
Interest	118	117	125	144	130	129	137	136	504	532
Other Income	539	571	558	804	674	714	697	828	2,472	2,914
PBT	**7,704**	**7,263**	**7,522**	**6,019**	**8,370**	**8,039**	**8,713**	**6,962**	**28,509**	**32,084**
Tax	1,984	1,848	1,947	1,487	2,093	2,010	2,178	1,740	7,265	8,021
Rate (%)	25.7	25.4	25.9	24.7	25.0	25.0	25.0	25.0	25.7	25.0
Reported PAT	**5,669**	**5,346**	**5,524**	**4,223**	**6,223**	**5,974**	**6,480**	**5,166**	**20,762**	**23,842**
Adj PAT	**5,669**	**5,346**	**5,524**	**4,473**	**6,223**	**5,974**	**6,480**	**5,166**	**21,012**	**23,842**
YoY change (%)	21.1	18.7	8.2	20.2	9.8	11.8	17.3	15.5	16.7	13.5
Margins (%)	16.7	16.5	16.4	14.2	16.7	16.8	17.0	14.4	16.0	16.2

E: MOFSL Estimates

Radico Khaitan — BUY

CMP: INR2,570 | TP: INR3,000 (+17%) — **EPS CHANGE (%): FY26|FY27: -0.1|2.0**

- We expect 22% revenue growth. In P&A, we model 17% volume growth and 23% revenue growth. In popular, we expect 40% revenue growth and 35% growth in volume.
- We expect GM to expand 200bp YoY to 43.5% on stable RM prices and improving product mix. EBITDA margin is expected to expand 120bp YoY to 14.3%.
- Radico has a mid- to high-single-digit revenue contribution from Maharashtra, so the impact of the increase in excise duty will be lower compared to other branded players.
- The success of new launches will be a key monitorable for the company's performance.

Quarterly Earning Model (Standalone) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
IMFL volume growth %	**-4.1**	**-2.4**	**15.5**	**27.5**	**22.6**	**11.6**	**8.0**	**7.2**	**9.2**	**11.8**
P&A volume growth (%)	**14.2**	**12.7**	**18.0**	**16.4**	**17.0**	**15.0**	**18.0**	**18.3**	**15.5**	**17.1**
Regular volume growth (%)	**-14.0**	**-11.9**	**13.5**	**78.1**	**35.0**	**15.0**	**5.0**	**-4.0**	**13.3**	**10.7**
Total revenues	**11,365**	**11,163**	**12,942**	**13,041**	**13,830**	**13,173**	**15,022**	**15,380**	**48,512**	**57,405**
YoY change (%)	19.1	20.7	11.5	20.9	21.7	18.0	16.1	17.9	17.8	18.3
Gross Profit	**4,720**	**4,870**	**5,568**	**5,669**	**6,016**	**5,730**	**6,535**	**6,731**	**20,773**	**25,012**
Margin (%)	41.5	43.6	43.0	43.5	43.5	43.5	43.5	43.8	42.8	43.6
EBITDA	**1,490**	**1,632**	**1,840**	**1,776**	**1,978**	**2,042**	**2,253**	**2,235**	**6,737**	**8,508**
Margins (%)	13.1	14.6	14.2	13.6	14.3	15.5	15.0	14.5	13.9	14.8
EBITDA growth (%)	24.7	34.6	28.8	45.0	32.7	25.1	22.5	25.8	33.1	26.3
Depreciation	329	357	356	360	360	360	360	366	1,401	1,446
Interest	185	167	195	215	180	175	150	116	738	621
Other income	37	11	11	14	25	25	25	25	49	100
PBT	**1,014**	**1,118**	**1,299**	**1,215**	**1,463**	**1,532**	**1,768**	**1,778**	**4,646**	**6,541**
Tax	251	297	339	308	367	384	444	446	1,194	1,642
Rate (%)	24.7	26.5	26.1	25.3	25.1	25.1	25.1	25.1	25.7	25.1
Extraordinary inc/(Exp)	0	0	0	0	0	0	0	0	0	0
Reported PAT	**763**	**822**	**960**	**907**	**1,096**	**1,147**	**1,324**	**1,332**	**3,452**	**4,899**
Adj.PAT	**763**	**822**	**960**	**907**	**1,096**	**1,147**	**1,324**	**1,332**	**3,452**	**4,899**
YoY change (%)	20.7	32.8	30.0	59.7	43.5	39.6	38.0	46.8	35.0	41.9

E: MOFSL Estimate

Tata Consumer Products — Buy

CMP: INR1,095 | TP: INR1,300(+19%) — **EPS CHANGE (%):FY26|FY27: -10|-4**

- We expect revenue to grow ~8% YoY, led by growth from domestic businesses.
- EBITDA margin is likely to contract to ~13% in 1QFY26 vs. 15.3% in 1QFY25.
- We expect tea volumes to grow at the same rate as 4QFY25 at ~4%.
- We expect the salt segment to witness a good quarter, driven by higher volumes and price hikes.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**43,521**	**42,145**	**44,436**	**46,082**	**47,115**	**46,082**	**46,983**	**49,997**	**176,183**	**190,178**
YoY Change (%)	16.3	12.9	16.8	17.3	8.3	9.3	5.7	8.5	15.9	7.9
Total Expenditure	36,847	35,882	38,788	39,873	41,001	39,900	40,576	42,974	151,390	164,451
EBITDA	**6,674**	**6,263**	**5,647**	**6,210**	**6,115**	**6,182**	**6,407**	**7,022**	**24,794**	**25,726**
Margins (%)	15.3	14.9	12.7	13.5	13.0	13.4	13.6	14.0	14.1	13.5
Depreciation	1,480	1,493	1,503	1,531	1,550	1,560	1,570	1,580	6,007	6,260
Interest	936	987	579	400	400	400	380	350	2,902	1,530
Other Income	392	460	516	565	550	575	600	635	1,933	2,360
PBT before EO expense	**4,650**	**4,242**	**4,081**	**4,844**	**4,715**	**4,797**	**5,057**	**5,727**	**17,817**	**20,296**
Extra-Ord expense	-171	-272	-62	453	0	0	0	0	-51	0
PBT	**4,479**	**3,971**	**4,019**	**5,297**	**4,715**	**4,797**	**5,057**	**5,727**	**17,766**	**20,296**
Tax	1,337	377	1,022	1,226	1,187	1,207	1,273	1,442	3,962	5,109
Rate (%)	29.9	9.5	25.4	23.2	25.2	25.2	25.2	25.2	22.3	25.2
Minority Interest	-11	28	30	39	-12	31	33	43	86	95
Profit/Loss of Asso. Cos.	-249	79	-178	-584	-237	75	-169	-554	-932	-885
Reported PAT	**2,903**	**3,644**	**2,789**	**3,449**	**3,303**	**3,634**	**3,582**	**3,689**	**12,785**	**14,207**
Adj PAT	**3,031**	**3,848**	**2,835**	**3,109**	**3,303**	**3,634**	**3,582**	**3,689**	**12,823**	**14,207**
YoY Change (%)	-5.4	10.2	-18.4	-17.9	9.0	-5.6	26.3	18.7	-8.1	10.8
Margins (%)	7.0	9.1	6.4	6.7	7.0	7.9	7.6	7.4	7.3	7.5

United Breweries — Neutral

CMP: INR1,950 | TP: INR2,000 (+3%) — **EPS CHANGE (%): FY26|FY27: -6.4|-4.8**

- We expect 10% revenue growth and 4% volume growth YoY in 1QFY26, impacted by a weak summer. Realization growth is expected to be in mid-single-digit, led by a better product mix and price hikes in Telangana and Karnataka.
- We expect GM to expand 70bp YoY to 43.7% on stable RM prices.
- EBITDA margin is expected to expand 60bp YoY to 12.1%. The company continues to undertake various cost-saving initiatives.
- The outlook on state mix and realization growth remains a key monitorable.

Standalone Quarterly Performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume growth (%)	**5**	**5**	**8**	**5**	**4**	**4**	**5**	**5**	**6**	**6**
Net Sales	**24,730**	**21,147**	**19,984**	**23,214**	**27,202**	**23,684**	**22,382**	**26,329**	**89,074**	**99,598**
YoY Change (%)	8.8	12.0	9.6	8.9	10.0	12.0	12.0	13.4	9.7	11.8
Gross Profit	**10,642**	**9,272**	**8,619**	**9,772**	**11,887**	**10,540**	**9,915**	**11,481**	**38,305**	**43,823**
Margin (%)	43.0	43.8	43.1	42.1	43.7	44.5	44.3	43.6	43.0	44.0
EBITDA	**2,847**	**2,268**	**1,411**	**1,862**	**3,291**	**2,842**	**1,992**	**2,880**	**8,390**	**11,006**
YoY Change (%)	27.8	22.9	-3.0	31.2	15.6	25.3	41.1	54.7	20.5	31.2
Margins (%)	11.5	10.7	7.1	8.0	12.1	12.0	8.9	10.9	9.4	11.1
Depreciation	577	571	613	567	582	594	613	617	2,327	2,405
Interest	16	22	32	59	24	26	26	24	129	100
Other Income	73	105	101	79	109	116	119	121	357	464
PBT before EO expense	**2,327**	**1,781**	**867**	**1,316**	**2,794**	**2,338**	**1,472**	**2,360**	**6,291**	**8,965**
Tax	595	458	227	342	699	584	368	590	1,622	2,241
Rate (%)	25.5	25.7	26.2	26.0	25.0	25.0	25.0	25.0	26.9	25.0
Adj PAT	**1,733**	**1,322**	**640**	**974**	**2,096**	**1,753**	**1,104**	**1,770**	**4,669**	**6,723**
YoY Change (%)	27.3	22.9	-24.5	20.5	20.9	32.6	72.5	81.8	13.6	44.0
Margins (%)	7.0	6.3	3.2	4.2	7.7	7.4	4.9	6.7	5.2	6.8

E: MOFSL Estimates

United Spirits — Neutral

CMP: INR1,401 | TP: INR1,500 (+7%) — **EPS CHANGE (%): FY26|FY27: -3.1|-2.6**

- The P&A segment's volume growth remained subdued in 1QFY26, partly due to a high base in 1QFY25, which had benefited from election-related inventory stocking. We model 5% volume growth and 7% revenue growth in the P&A segment.
- We model 5% volume growth and 8% revenue growth in the popular segment.
- Gross margins are expected to remain stable at 44.5%, given the stabilization in input prices. EBITDA margin is expected to contract 270bp YoY, impacted by elevated expenses and some degree of operating deleverage during the quarter.
- The impact of Maharashtra's import duty changes, primarily affecting the lower- to mid-prestige segments, will be more visible in 2QFY26. However, the upper prestige segment remains largely unaffected.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
(Standalone)	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Volume growth %	**3.5**	**-4.4**	**10.2**	**6.9**	**4.9**	**5.0**	**4.5**	**5.3**	**4.1**	**4.9**
Total revenues	**23,520**	**28,430**	**34,320**	**29,460**	**24,986**	**30,555**	**37,185**	**32,170**	**1,15,730**	**1,24,897**
YoY change (%)	8.3	-0.8	14.8	10.5	6.2	7.5	8.3	9.2	8.2	7.9
Gross Profit	**10,460**	**12,850**	**15,350**	**13,100**	**11,119**	**13,872**	**16,733**	**14,729**	**51,760**	**56,453**
Margin (%)	44.5	45.2	44.7	44.5	44.5	45.4	45.0	45.8	44.7	45.2
EBITDA	**4,580**	**5,070**	**5,880**	**5,050**	**4,185**	**5,439**	**6,470**	**6,075**	**20,580**	**22,169**
Margins (%)	19.5	17.8	17.1	17.1	16.8	17.8	17.4	18.9	17.8	17.8
EBITDA growth (%)	18.9	7.8	19.7	39.5	-8.6	7.3	10.0	20.3	20.5	7.7
Depreciation	650	690	720	680	689	697	713	649	2,740	2,748
Interest	220	250	200	220	220	225	210	220	890	875
Other income	320	340	720	750	550	550	700	650	2,130	2,450
PBT	**4,030**	**4,470**	**5,680**	**4,900**	**3,826**	**5,067**	**6,247**	**5,856**	**19,080**	**20,996**
Tax	1,040	1,120	1,480	1,340	964	1,277	1,574	1,469	4,980	5,285
Rate (%)	25.8	25.1	26.1	27.3	25.2	25.2	25.2	25.1	26.1	25.2
Adj. PAT	**2,990**	**3,350**	**4,203**	**3,798**	**2,862**	**3,790**	**4,673**	**4,387**	**14,341**	**15,712**
YoY change (%)	24.8	5.3	20.7	62.3	-4.3	13.1	11.2	15.5	25.8	9.6

E: MOFSL Estimate

Varun Beverages

Buy

CMP: INR452| TP: INR620 (+37%)

EPS CHANGE (%): CY25|CY26|CY27: -9|-5|-6

- We expect Net sales to remain flat YoY in 2QCY25.
- We expect overall volumes to remain flat due to the onset of early monsoon.
- We expect EBITDA margin to contract ~40bp YoY to 27.3% in 2QCY25.
- We expect DRC to ramp up by 2HCY25.

Consolidated - Quarterly Earning Model (INR m)

Y/E December	CY24				CY25				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Net Sales	**43,173**	**71,969**	**48,047**	**36,888**	**55,669**	**71,969**	**55,254**	**41,938**	**200,077**	**224,830**
YoY Change (%)	10.9	28.3	24.1	38.3	28.9	0.0	15.0	13.7	24.7	12.4
Total Expenditure	33,286	52,056	36,536	31,088	43,030	52,336	41,489	35,101	152,966	171,955
EBITDA	**9,888**	**19,912**	**11,511**	**5,800**	**12,640**	**19,633**	**13,765**	**6,837**	**47,111**	**52,875**
Margins (%)	22.9	27.7	24.0	15.7	22.7	27.3	24.9	16.3	23.5	23.5
Depreciation	1,875	2,425	2,566	2,608	2,725	2,850	2,950	3,105	9,474	11,630
Interest	937	1,292	1,185	1,090	411	400	300	250	4,504	1,361
Other Income	84	440	243	446	281	500	600	700	1,213	2,081
PBT before EO expense	**7,159**	**16,636**	**8,002**	**2,548**	**9,784**	**16,883**	**11,115**	**4,182**	**34,346**	**41,964**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**7,159**	**16,636**	**8,002**	**2,548**	**9,784**	**16,883**	**11,115**	**4,182**	**34,346**	**41,964**
Tax	1,678	4,012	1,713	585	2,465	3,714	2,445	893	7,988	9,517
Rate (%)	23.4	24.1	21.4	23.0	25.2	22.0	22.0	21.4	23.3	22.7
Minority Interest & Profit/Loss of Asso. Cos.	109	98	93	112	54	102	101	115	411	373
Reported PAT	**5,373**	**12,526**	**6,196**	**1,851**	**7,265**	**13,067**	**8,569**	**3,173**	**25,946**	**32,074**
Adj PAT	**5,373**	**12,526**	**6,196**	**1,851**	**7,265**	**13,067**	**8,569**	**3,173**	**25,946**	**32,074**
YoY Change (%)	25.2	26.0	23.6	40.5	35.2	4.3	38.3	71.4	26.2	23.6
Margins (%)	12.4	17.4	12.9	5.0	13.1	18.2	15.5	7.6	13.0	14.3

Company
Barbeque Nation
Devyani Intl.
Jubilant Foodworks
Restaurant Brands Asia
Sapphire Foods
Westlife Foodworld

QSR: Muted demand trends; margin to remain under pressure

- The demand environment for QSR companies remained muted in 1QFY26. While demand sentiments remained healthy in Apr'25, they remained weak in May'25 and the second half of Jun'25. Weak underlying growth, combined with negative operating leverage and continued store expansion, is likely to keep operating margins under pressure. This will weigh on restaurant and EBITDA margins for most brands. The dine-in channel performance and the revenue gap between dine-in and delivery will be key monitorables for the quarter. Enhancing the menu and rolling out activation drives for dine-in could be crucial for improving footfall/orders going forward. We expect sales/EBITDA growth of 11%/10%, while APAT is likely to decline 17% for our coverage QSR companies in 1QFY26.
- Jubilant FoodWorks is expected to continue being an outlier among QSR companies in the near term (driven by delivery moat), but its valuations are rich. Though dine-in companies are struggling, their operating growth metrics are likely to improve significantly once recovery begins.

Outliers: Jubilant Foodworks
Underperformers: Devyani, Sapphire

Exhibit 27: QSR quarterly trends

Particulars	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
Revenue Growth (%)									
Barbeque Nation	3%	-3%	1%	6%	-6%	1%	-1%	-2%	-1%
Devyani (Consol)	20%	10%	7%	39%	44%	49%	54%	16%	9%
-KFC	22%	15%	14%	11%	7%	7%	9%	3%	8%
-Pizza hut	11%	2%	-2%	-4%	-1%	0%	6%	8%	10%
Jubilant (Standalone)	6%	5%	3%	15%	10%	9%	19%	10%	19%
Sapphire	20%	14%	12%	13%	10%	8%	14%	13%	9%
-KFC	21%	19%	16%	16%	11%	9%	12%	12%	11%
-Pizza hut	12%	-6%	-4%	-3%	3%	3%	10%	5%	-2%
Restaurant Brands (Consol)	25%	19%	15%	16%	6%	1%	6%	6%	9%
Restaurant Brands (Standalone)	25%	23%	20%	20%	16%	9%	11%	12%	12%
Westlife	14%	7%	-2%	1%	0%	1%	9%	7%	8%
SSSG									
Barbeque Nation	-8%	-11%	-5%	1%	-7%	-3%	-2%	-2%	-3%
Devyani - KFC	-1%	-4%	-5%	-7%	-7%	-7%	-4%	-6%	-2%
Devyani - PH	-5%	-10%	-13%	-14%	-9%	-6%	-1%	1%	0%
Jubilant (LFL)	-1%	-1%	-3%	0%	3%	3%	13%	12%	12%
Sapphire - KFC	0%	0%	-2%	-3%	-6%	-8%	-3%	-1%	0%
Sapphire - PH	-9%	-20%	-19%	-15%	-7%	-3%	5%	1%	-6%
Restaurant Brands	4%	4%	3%	2%	3%	-3%	-1%	5%	3%
Westlife	7%	1%	-9%	-5%	-7%	-7%	3%	1%	2%
Gross profit margin (%)									
Barbeque Nation	64.0%	65.9%	67.9%	68.9%	68.1%	68.1%	68.2%	68.5%	68.5%
Devyani (Consol)	70.8%	70.8%	70.6%	69.2%	69.2%	69.3%	68.7%	68.5%	69.5%
-KFC	69.7%	69.0%	69.4%	69.9%	69.5%	69.0%	68.6%	68.3%	69.5%
-Pizza hut	74.9%	75.7%	75.8%	77.3%	76.8%	76.7%	76.2%	75.6%	76.7%
Jubilant (Standalone)	76.0%	76.4%	76.7%	76.6%	76.1%	76.1%	75.1%	74.5%	74.7%
Sapphire	68.5%	68.7%	68.9%	68.9%	68.6%	68.8%	68.6%	68.2%	68.3%
-KFC	68.1%	67.9%	68.4%	68.3%	68.2%	68.3%	68.2%	68.0%	68.4%
-Pizza hut	75.1%	76.1%	75.7%	75.5%	76.1%	76.5%	75.6%	74.8%	76.2%
Restaurant Brands (Consol)	64.0%	64.2%	64.4%	64.2%	64.5%	64.9%	65.6%	65.3%	65.5%
Restaurant Brands (Standalone)	66.5%	66.8%	67.1%	67.7%	67.6%	67.5%	67.8%	67.8%	68.0%
Westlife	70.6%	70.1%	70.3%	70.2%	70.6%	69.7%	70.1%	70.0%	70.3%
RoM % (pre-Ind AS)									
Barbeque Nation									
Devyani (Consol)	18.2%	15.4%	15.4%	13.6%	15.3%	13.6%	14.3%	13.8%	13.8%

Particulars	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E
-KFC	21.1%	19.4%	19.0%	19.0%	19.5%	16.6%	17.2%	16.2%	16.7%
-Pizza hut	10.1%	7.7%	6.1%	4.4%	4.9%	3.1%	2.1%	0.7%	1.0%
Jubilant (Standalone)									
Sapphire	17.2%	16.1%	16.0%	13.8%	15.2%	13.8%	15.5%	12.0%	12.5%
-KFC	20.8%	19.2%	20.1%	18.7%	18.8%	16.5%	18.2%	15.7%	15.5%
-Pizza hut	9.0%	7.6%	4.6%	-2.7%	4.6%	4.1%	4.7%	-4.6%	0.0%
Restaurant Brands (Consol)	5.6%	7.5%	9.3%	6.0%	7.1%	7.2%	8.2%	7.7%	8.3%
Restaurant Brands (Standalone)	8.0%	10.7%	12.2%	7.8%	8.9%	10.6%	12.0%	10.5%	10.3%
Westlife									
EBITDA Pre-Ind AS margins (%)									
Barbeque Nation	4.6%	4.5%	11.0%	6.4%	6.9%	5.4%	10.3%	6.5%	8.0%
Devyani (Consol)	13.2%	11.5%	9.3%	9.2%	11.6%	9.4%	10.1%	8.9%	9.9%
Jubilant	13.4%	13.3%	12.9%	10.9%	11.6%	11.7%	12.4%	11.8%	11.7%
Sapphire	11.8%	10.6%	10.8%	8.6%	9.8%	8.5%	10.7%	7.1%	7.2%
Restaurant Brands (Consol)	-0.3%	1.5%	2.8%	-0.5%	1.3%	0.6%	2.1%	2.3%	2.6%
Restaurant Brands (India)	2.4%	5.4%	6.8%	2.4%	3.6%	5.0%	6.2%	5.4%	4.7%
Westlife	12.9%	11.9%	11.4%	8.7%	8.1%	7.7%	9.1%	7.6%	8.2%
ADS ('000')									
Barbeque Nation	170	158	175	153	155	153	162	141	142
Devyani									
-KFC	117	109	104	93	104	96	96	83	92
-Pizza hut	40	39	37	32	36	35	35	31	35
Jubilant (Standalone)	79	78	78	75	79	78	84	82	85
Sapphire									
-KFC	138	125	125	114	122	111	115	108	115
-Pizza hut	52	48	45	41	48	47	48	42	45
Restaurant Brands (India)	120	126	119	105	119	118	114	108	118
Westlife	189	185	176	157	170	168	173	153	165
Store (India)									
Barbeque Nation	212	212	210	217	219	222	226	230	236
Devyani India	1,230	1,298	1,387	1,429	1,473	1,557	1,658	1,664	1,715
-KFC	510	540	590	596	617	645	689	696	724
-Pizza hut	521	535	565	567	570	593	644	630	642
Jubilant	1,891	1,949	2,007	2,096	2,148	2,199	2,266	2,304	2,234
Sapphire	660	692	725	748	762	784	835	836	848
-KFC	358	381	406	429	442	461	496	502	512
-Pizza hut	302	311	319	319	320	323	339	334	336
Restaurant Brands	396	404	441	455	456	464	510	513	519
Westlife	361	370	380	397	403	408	421	438	448
PBT Margins									
Barbeque Nation	-1.7%	-5.0%	2.3%	-0.3%	-1.8%	-3.3%	1.4%	-5.6%	-2.0%
Devyani (Consol)	7.1%	4.0%	1.1%	0.4%	3.1%	-0.1%	0.4%	-1.7%	0.7%
Jubilant (Standalone)	7.7%	7.2%	6.0%	3.8%	4.7%	4.8%	4.9%	4.3%	5.2%
Sapphire	5.1%	3.3%	2.1%	0.1%	1.6%	0.8%	2.2%	0.6%	0.0%
Restaurant Brands (Consol)	-8.8%	-7.3%	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%	-6.9%
Restaurant Brands (Standalone)	-5.2%	-2.1%	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%	-3.2%
Westlife	6.6%	4.9%	3.9%	0.4%	0.7%	0.1%	1.0%	0.2%	1.3%

Barbeque Nation Hospitality — Neutral

CMP: INR315 | TP: INR325 (+3%) — **EBITDA CHANGE (%): FY26|FY27: -4.3|-4.7**

- Demand environment remained subdued as there was no meaningful improvement. We model a revenue decline of 1%.
- We expect same store sales decline of 3% and expect six store additions during the quarter, bringing the store count to 236.
- ADS is expected to decline 8% YoY and stand at 140-142k.
- Gross margins are expected to expand marginally 40bp YoY to 68.5%. EBITDA margin is expected to expand 120bp YoY to 17.8% due to effective cost efficiencies.

Cons. Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
SSSG (%)	**-7.4**	**-2.5**	**-2.0**	**-2.0**	**-3.0**	**-1.0**	**2.0**	**6.0**	**-3.8**	**1.0**
No. of stores	**219**	**222**	**226**	**230**	**236**	**243**	**250**	**257**	**230**	**257**
Net Sales	**3,057**	**3,057**	**3,289**	**2,928**	**3,020**	**3,236**	**3,499**	**3,293**	**12,330**	**13,048**
YoY change (%)	-5.6	1.3	-0.6	-1.8	-1.2	5.9	6.4	12.5	-1.7	5.8
Gross Profit	**2,081**	**2,081**	**2,244**	**2,006**	**2,069**	**2,217**	**2,397**	**2,255**	**8,412**	**8,938**
Margin (%)	68.1	68.1	68.2	68.5	68.5	68.5	68.5	68.5	68.2	68.5
EBITDA	**509**	**456**	**615**	**533**	**538**	**524**	**658**	**577**	**2,113**	**2,296**
EBITDA growth %	8.8	2.7	-7.2	-2.6	5.6	15.0	6.9	8.2	-0.4	8.7
Margin (%)	16.6	14.9	18.7	18.2	17.8	16.2	18.8	17.5	17.1	17.6
Depreciation	405	409	428	523	430	450	500	513	1,765	1,893
Interest	186	189	195	209	198	198	198	241	779	835
Other Income	27	43	55	34	30	50	50	35	158	165
PBT	**-55**	**-100**	**47**	**-165**	**-60**	**-74**	**10**	**-142**	**-272**	**-267**
Tax	-11	-28	-3	42	0	-18	2	-36	-1	-52
Rate (%)	20.9	28.4	-6.5	-25.2	0.0	25.0	25.2	25.0	0.5	19.3
Adjusted PAT	**-43**	**-71**	**51**	**-207**	**-60**	**-55**	**7**	**-107**	**-271**	**-215**
YoY change (%)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M

E: MOFSL Estimates

Devyani International — Buy

CMP: INR169 | TP: INR210 (+24%) — **EBITDA CHANGE (%): FY26|FY27: -10.7|-7.2**

- Consolidated revenue is expected to grow 9%.
- PH SSSG is likely to remain flat despite a weak base. We model 12 new store additions in PH, resulting in 10% YoY revenue growth.
- KFC revenue is expected to grow 8% YoY, led by store additions. We model 28 store additions (+17% YoY), while same-store sales are expected to decline by 2%.
- Margin pressure will persist due to lower demand and negative operating leverage.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
KFC - No. of stores	617	645	689	696	724	752	780	806	696	806
PH - No. of stores	570	593	644	630	642	654	667	680	630	680
KFC - SSSG (%)	-7.0	-7.0	-4.4	-6.1	-2.0	3.5	5.0	9.5	-6.4	4.0
PH - SSSG (%)	-8.6	-5.7	-0.8	1.0	0.0	2.0	5.0	5.0	-3.8	3.0
Net Sales	**12,219**	**12,222**	**12,944**	**12,126**	**13,334**	**13,635**	**14,391**	**13,867**	**49,511**	**55,228**
YoY change (%)	44.3	49.1	53.5	15.8	9.1	11.6	11.2	14.4	39.2	11.5
Gross Profit	**8,450**	**8,474**	**8,892**	**8,306**	**9,267**	**9,476**	**9,930**	**9,593**	**34,122**	**38,266**
Margin (%)	69.2	69.3	68.7	68.5	69.5	69.5	69.0	69.2	68.9	69.3
EBITDA	**2,234**	**1,987**	**2,192**	**2,008**	**2,267**	**2,303**	**2,555**	**2,299**	**8,422**	**9,423**
EBITDA growth %	28.8	25.2	49.9	15.5	1.5	15.9	16.5	14.5	29.1	11.9
Margin (%)	18.3	16.3	16.9	16.6	17.0	16.9	17.8	16.6	17.0	17.1
Depreciation	1,322	1,391	1,557	1,653	1,611	1,650	1,689	1,729	6,332	6,679
Interest	630	653	670	695	661	686	683	678	2,648	2,708
Other Income	99	48	91	132	100	105	105	103	370	413
PBT	**381**	**-9**	**56**	**-208**	**94**	**72**	**287**	**-6**	**-188**	**448**
Tax	81	10	162	-56	19	14	57	-1	197	90
Rate (%)	21.2	-113.1	286.8	26.8	20.0	20.0	20.0	20.0	-104.7	20.0
Adjusted PAT	**281**	**-27**	**-9**	**-20**	**131**	**113**	**285**	**55**	**226**	**583**
Margin (%)	2.3	-0.2	-0.1	-0.2	1.0	0.8	2.0	0.4	0.5	1.1
YoY change (%)	-17.2	NM	NM	-161.2	-53.5	NM	NM	-373.0	-75.7	158.4

E: MOFSL Estimates

Jubilant FoodWorks — Neutral

CMP: INR709 | TP: INR750 (+6%) — **EBITDA CHANGE (%): FY26|FY27: -1.6|+0.3**

- JUBI is expected to grow 19% YoY, with ~12% LFL growth, sustaining the growth momentum seen in 2HFY25.
- Gross margins are expected to contract 140bp YoY to 74.7% on higher discounts and focus on value offerings. EBITDA (pre-Ind AS) is expected to remain flat YoY at 11.7%.
- The company continues to focus on store additions. It added 55 net Domino's India stores during the quarter.
- The company's focus has been on value-driven innovations, emphasizing new product developments. It has not implemented price hikes in the past 10-11 quarters.

Quarterly Standalone Perf. (INR m)

Y/E March	FY25				FY26E					
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE	FY25	FY26E
No of stores (Dominos)	**2,029**	**2,079**	**2,139**	**2,179**	**2,234**	**2,299**	**2,369**	**2,429**	**2,179**	**2,429**
LFL growth (%)	**3.0**	**2.8**	**12.5**	**12.1**	**12.0**	**9.0**	**8.0**	**7.0**	**7.6**	**9.0**
Net Sales	**14,396**	**14,669**	**16,111**	**15,872**	**17,131**	**17,016**	**18,608**	**18,670**	**61,047**	**71,425**
YoY change (%)	9.9	9.1	18.9	19.2	19.0	16.0	15.5	17.6	14.3	17.0
Gross Profit	**10,955**	**11,157**	**12,092**	**11,828**	**12,797**	**12,830**	**14,142**	**14,014**	**46,032**	**53,783**
Gross margin (%)	76.1	76.1	75.1	74.5	74.7	75.4	76.0	75.1	75.4	75.3
EBITDA	**2,782**	**2,842**	**3,128**	**3,056**	**3,321**	**3,328**	**3,690**	**3,598**	**11,807**	**13,937**
EBITDA growth %	0.6	1.3	10.6	20.2	19.4	17.1	18.0	17.7	7.9	18.0
Margins (%)	19.3	19.4	19.4	19.3	19.4	19.6	19.8	19.3	19.3	19.5
Depreciation	1,552	1,654	1,741	1,777	1,867	1,861	1,898	1,976	6,724	7,602
Interest	619	640	682	667	675	700	700	716	2,609	2,791
Other Income	73	150	83	66	110	110	110	116	371	446
PBT	**683**	**698**	**788**	**677**	**888**	**877**	**1,202**	**1,021**	**2,846**	**3,989**
YoY Change (%)	-32.6	-27.5	-3.8	33.2	30.0	25.8	52.6	50.8	-13.9	40.2
Tax	168	177	192	182	224	221	303	255	719	1,002
Rate (%)	24.6	25.4	24.3	26.9	25.2	25.2	25.2	25.0	25.3	25.1
Adjusted PAT	**515**	**521**	**596**	**495**	**665**	**657**	**900**	**766**	**2,126**	**2,987**
YoY change (%)	-31.5	-27.8	-2.2	43.3	29.1	26.1	50.9	54.9	-12.4	40.5

E: MOFSL Estimates

Sapphire Foods — Buy

CMP: INR327 | TP: INR375 (+15%) — **EBITDA CHANGE (%): FY26|FY27: -6.7|-6.0**

- We model 9% revenue growth, mainly led by store additions.
- PH SSSG is expected to decline 6% YoY despite a weak base. We expect two new store additions for PH, bringing the total count to 336 stores in 1Q (5% YoY), and model a revenue decline of 2% YoY.
- KFC revenue is expected to grow 11% YoY, led by store additions (16% YoY). We model 10 store additions, with SSSG remaining flat YoY. However, we expect same-store transaction growth to be positive, led by the value portfolio.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
KFC - No. of stores	442	461	496	502	512	530	548	577	502	577
PH - No. of stores	320	323	339	334	336	340	347	354	334	354
KFC - SSSG (%)	-6.0	-8.0	-3.0	-1.0	0.0	3.0	7.0	8.0	-4.0	4.5
PH - SSSG (%)	-7.0	-3.0	5.0	1.0	-6.0	2.5	4.0	9.5	-1.0	2.5
Net Sales	**7,183**	**6,957**	**7,565**	**7,113**	**7,823**	**7,880**	**8,535**	**8,571**	**28,819**	**32,809**
YoY change (%)	9.8	8.3	13.7	12.6	8.9	13.3	12.8	20.5	11.1	13.8
Gross Profit	**4,927**	**4,786**	**5,189**	**4,848**	**5,345**	**5,407**	**5,843**	**5,833**	**19,750**	**22,428**
Margin (%)	68.6	68.8	68.6	68.2	68.3	68.6	68.5	68.1	68.5	68.4
EBITDA	**1,242**	**1,120**	**1,343**	**1,062**	**1,182**	**1,283**	**1,513**	**1,447**	**4,768**	**5,423**
EBITDA growth %	2.3	-2.7	10.3	3.2	-4.9	14.5	12.6	36.2	3.4	13.8
Margin (%)	17.3	16.1	17.8	14.9	15.1	16.3	17.7	16.9	16.5	16.5
Depreciation	904	881	1,005	850	994	969	1,105	922	3,639	3,991
Interest	273	271	275	298	300	298	303	329	1,116	1,230
Other Income	53	85	105	130	110	115	125	145	372	495
PBT	**118**	**53**	**168**	**45**	**-2**	**131**	**229**	**340**	**384**	**698**
Tax	36	1	41	-14	-1	33	58	85	64	176
Rate (%)	30.8	2.2	24.3	-31.7	25.2	25.2	25.2	25.1	16.7	25.2
Adjusted PAT	**82**	**52**	**127**	**59**	**-2**	**98**	**172**	**255**	**320**	**522**
YoY change (%)	-67.1	-65.9	29.5	189.3	-102.1	88.5	34.8	331.4	-38.4	63.2

E: MOFSL Estimates

Restaurant Brands Asia — Buy

CMP: INR83 | TP: INR135 (+63%) — **EBITDA CHANGE (%): FY26|FY27: -|-**

- The India business is expected to grow 12%. We build 2-3% SSSG as there is not much improvement in the underlying demand. Demand was good in Apr'25 but weak in May'25. The second half of Jun'25 was also not good.
- ADS is expected to decline 1% YoY to 118k.
- We model six store additions in India, bringing the total store count to 519 (14% YoY).
- We expect a 40bp expansion in GP margin to 68% due to stable RM prices. Additionally, we expect a 140bp YoY expansion of EBITDA margin to 14% due to cost efficiency.

Quarterly Standalone Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
SSSG (%)	**3.1%**	**-3.0%**	**-0.5%**	**5.1%**	**2.5%**	**6.0%**	**8.0%**	**7.5%**	**1.1%**	**6.0%**
No. of stores	**456**	**464**	**510**	**513**	**519**	**534**	**556**	**573**	**513**	**573**
Net Sales	**4,905**	**4,921**	**4,954**	**4,898**	**5,502**	**5,885**	**5,774**	**6,205**	**19,678**	**23,366**
YoY change (%)	16.2	8.5	11.2	11.6	12.2	19.6	16.6	26.7	11.8	18.7
Gross Profit	**3,318**	**3,322**	**3,361**	**3,322**	**3,741**	**3,990**	**3,927**	**4,231**	**13,322**	**15,889**
Margin (%)	67.6	67.5	67.8	67.8	68.0	67.8	68.0	68.2	67.7	68.0
EBITDA	**618**	**700**	**789**	**777**	**772**	**881**	**992**	**1,028**	**2,890**	**3,672**
EBITDA growth %	27.5	10.3	11.5	41.1	24.9	25.9	25.7	32.2	784.1	307.2
Margin (%)	12.6	14.2	15.9	15.9	14.0	15.0	17.2	16.6	14.7	15.7
Depreciation	633	611	632	670	680	687	694	712	2,546	2,772
Interest	319	326	364	403	350	358	400	470	1,411	1,578
Other Income	64	71	21	42	85	70	65	72	192	292
PBT	**-269**	**-166**	**-186**	**-254**	**-174**	**-94**	**-37**	**-82**	**-876**	**-387**
Tax	0	0	0	0	0	0	0	0	0	0
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted PAT	**-269**	**-166**	**-186**	**-254**	**-174**	**-94**	**-37**	**-82**	**-876**	**-387**
YoY change (%)	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM

E: MOFSL Estimates

Westlife Development — Neutral

CMP: INR769 | TP: INR775 (+1%) — **EBITDA CHANGE (%): FY26|FY27: -11.2|-11.1**

- We expect 8% revenue growth, led by 11% store growth (10 store addition). SSSG is expected to be 1-2% on a weak base. There was no material change in the demand environment, which remained subdued.
- ADS is expected to decline 3% YoY to INR165k in 1QFY26.
- Gross margin is expected to remain at 70.3%, contracting 30bp. Operating margin is expected to decline marginally 20bp YoY to 12.8%.
- We model EBITDA Pre-Ind AS margins at 8.2% for 1QFY26, flat YoY.

Consolidated quarterly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
SSSG %	(6.7)	(6.5)	2.8	0.7	1.5	2.5	5.0	7.0	-2.9	4.0
No. of McDonald's restaurants	403	408	421	438	448	458	468	478	438	478
Net Sales	**6,163**	**6,180**	**6,537**	**6,031**	**6,669**	**6,789**	**7,302**	**6,943**	**24,912**	**27,702**
YoY Change (%)	0.3	0.5	8.9	7.3	8.2	9.9	11.7	15.1	4.2	11.2
Gross profit	**4,351**	**4,306**	**4,581**	**4,221**	**4,688**	**4,766**	**5,148**	**4,928**	**17,459**	**19,530**
Margin (%)	70.6	69.7	70.1	70.0	70.3	70.2	70.5	71.0	70.1	70.5
EBITDA	**799**	**786**	**914**	**794**	**856**	**886**	**1,027**	**911**	**3,293**	**3,679**
YoY Change (%)	-24.1	-21.1	-4.8	3.0	7.1	12.7	12.4	14.7	-12.9	11.7
Margins (%)	13.0	12.7	14.0	13.2	12.8	13.0	14.1	13.1	13.2	13.3
Depreciation	506	528	549	550	559	565	570	573	2,133	2,266
Interest	298	316	330	328	313	331	346	388	1,272	1,379
Other Income	51	65	29	98	105	105	105	109	242	424
PBT	**45**	**7**	**65**	**13**	**89**	**95**	**216**	**59**	**131**	**459**
Tax	13	3	-5	-2	22	24	54	15	9	115
Rate (%)	27.9	48.1	-8.0	-13.9	25.0	25.0	25.0	25.0	6.9	25.0
Adj PAT	**33**	**4**	**71**	**15**	**67**	**71**	**162**	**44**	**122**	**344**
YoY Change (%)	-88.7	-98.3	-59.1	96.5	104.8	1,800.5	129.8	190.9	-82.4	181.7
Margins (%)	0.5	0.1	1.1	0.3	1.0	1.0	2.2	0.6	0.5	1.2

E: MOFSL Estimates

Company
Kalyan
PN Gadgil
Senco Gold
Titan

Jewelry: Softness in demand due to sharp rise in gold prices

- In 1QFY26, gold prices surged ~30-35% YoY and ~15% QoQ, breaching the INR100,000 mark (per 10gm) in the retail market, driven by ongoing geopolitical tensions. This sharp and rapid increase has led to consumer budget constraints, with many customers choosing to delay purchases in anticipation of a price correction or stabilization, leading to demand softness in 1QFY26. SSSG is expected to grow in low-double-digit to mid-teens SSSG, primarily driven by pricing growth.
- Finance costs are expected to stabilize as the GML rate has normalized, following a spike in 4QFY25 due to the imposition of US tariffs. We expect sales/EBITDA/PAT growth of 20%/27%/35% for our coverage jewelry companies in 1QFY26.

Outliers: Kalyan Jewellers

Kalyan Jewellers — Buy

CMP: INR 570| TP: INR660 (+16%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We expect 30% revenue growth in the India business. We model 15% SSSG, led by an increase in gold prices. We expect nine store additions for India Kalyan, 20 for Candere, and two in the Middle East, bringing the total count to 419 stores in 1Q.
- We expect a 90bp contraction in GP margin to 13.4%, impacted by promotional schemes offered to offset the sharp rise in gold prices. We model a 70bp contraction in EBITDA margin to 6.8% in 1QFY26.
- In the Middle East, we expect 14% YoY revenue growth and moderation in EBITDA margin.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Stores	**277**	**303**	**349**	**388**	**419**	**466**	**509**	**560**	**388**	**560**
Net Sales	**55,355**	**60,655**	**72,869**	**61,815**	**70,772**	**79,207**	**93,423**	**80,498**	**2,50,451**	**3,23,901**
Change (%)	26.5	37.4	39.5	36.6	27.9	30.6	28.2	30.2	35.0	29.3
Raw Material/PM	47,419	52,313	63,323	53,314	61,299	69,114	81,873	69,918	2,16,370	2,82,204
Gross Profit	**7,935**	**8,342**	**9,546**	**8,501**	**9,473**	**10,094**	**11,550**	**10,580**	**34,081**	**41,697**
Gross Margin (%)	14.3	13.8	13.1	13.8	13.4	12.7	12.4	13.1	13.6	12.9
Operating Expenses	4,175	4,379	4,609	4,507	4,828	5,171	5,285	5,733	17,671	21,017
% of Sales	7.5	7.2	6.3	7.3	6.8	6.5	5.7	7.1	7.1	6.5
EBITDA	**3,760**	**3,962**	**4,936**	**3,994**	**4,645**	**4,923**	**6,266**	**4,847**	**16,410**	**20,680**
Margin (%)	6.8	6.5	6.8	6.5	6.6	6.2	6.7	6.0	6.6	6.4
Change (%)	16.4	26.3	33.5	34.8	23.5	24.2	26.9	21.4	25.0	26.0
Interest	852	903	876	962	895	903	876	946	3,595	3,621
Depreciation	755	850	890	933	952	971	981	998	3,427	3,901
Other Income	222	260	313	408	321	377	454	571	1,446	1,724
PBT	**2,375**	**2,469**	**3,484**	**2,507**	**3,119**	**3,426**	**4,863**	**3,474**	**10,834**	**14,882**
Tax	599	649	886	630	795	874	1,240	887	2,764	3,796
Effective Tax Rate (%)	25.2	26.3	25.4	25.1	25.5	25.5	25.5	25.5	25.5	25.5
Adjusted PAT	**1,776**	**1,821**	**2,598**	**1,877**	**2,324**	**2,552**	**3,623**	**2,587**	**8,070**	**11,085**
Change (%)	23.4	34.6	43.8	36.4	30.9	40.2	39.5	37.8	35.1	37.4
Reported PAT	**1,776**	**1,303**	**2,187**	**1,877**	**2,324**	**2,552**	**3,623**	**2,587**	**7,142**	**11,085**

E: MOFSL Estimates

PN Gadgil — Buy

CMP: INR605| TP: INR825 (+36%) — **EPS CHANGE (%): FY26|FY27: 0.5|0.4**

- We expect retail revenue to grow 35% YoY. However, reported revenue growth will be limited to 5% due to the discontinuation of HO bullion sales.
- Gross profit margin is projected to expand 170bp YoY to 10%, driven by the cessation of bullion transfers being reported as sales and an improving mix from higher studded jewelry contribution.
- Finance costs will stabilize to some extent as the GML rate has reduced to 4%.
- We expect five store additions, bringing the total store count to 58.

Consol. Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**16,682**	**20,013**	**24,358**	**15,882**	**17,431**	**21,823**	**30,603**	**23,213**	**76,935**	**93,070**
YoY change (%)	32.7	45.9	23.5	5.0	4.5	9.0	25.6	46.2	25.9	21.0
Gross Profit	**1,386**	**1,531**	**2,391**	**1,909**	**1,743**	**1,964**	**3,121**	**2,819**	**7,216**	**9,648**
Margins (%)	8.3	7.6	9.8	12.0	10.0	9.0	10.2	12.1	9.4	10.4
EBITDA	**643**	**721**	**1,228**	**941**	**767**	**911**	**1,609**	**1,476**	**3,538**	**4,763**
Margins (%)	3.9	3.6	5.0	5.9	4.4	4.2	5.3	6.4	4.6	5.1
YoY growth (%)	44.2	59.4	33.3	5.8	19.3	26.4	31.1	56.8	30.5	34.6
Depreciation	63	72	84	130	120	120	120	126	348	486
Finance Cost	123	129	63	115	120	145	165	177	430	607
Other Income	19	118	70	149	75	75	75	75	351	200
PBT	**477**	**638**	**1,150**	**846**	**602**	**721**	**1,399**	**1,248**	**3,111**	**3,870**
YoY growth (%)	57.3	110.2	48.6	15.2	26.2	13.0	21.7	47.6	48.6	24.4
APAT	**353**	**529**	**860**	**620**	**451**	**540**	**1,048**	**960**	**2,363**	**2,899**
Margins (%)	2.1	2.6	3.5	3.9	2.6	2.5	3.4	4.1	3.1	3.1
YoY change (%)	59.5	141.1	49.4	12.9	27.7	2.1	21.8	54.8	52.4	22.7

E: MOFSL estimates

Senco Gold — Neutral

CMP: INR341| TP: INR400 (+17%) — **EPS CHANGE (%): FY26|FY27: -|-**

- Senco highlighted in its pre-quarter update that total revenue growth was 28%, with retail revenue growth at 24% and SSSG at 19%, led by Akshay Tritiya and key regional festivals.
- We expect EBITDA margin to sustain YoY at 7.6%.
- The company increased its store count to 186 in 1Q from 175 in 4QFY25.
- Gross margins are expected to contract 50bp YoY to 16.8%.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Stores	**165**	**166**	**171**	**175**	**186**	**189**	**192**	**194**	**175**	**194**
Net Sales	**14,039**	**15,005**	**20,460**	**13,777**	**17,970**	**16,655**	**23,938**	**15,626**	**63,281**	**74,189**
Change (%)	7.5	30.9	23.8	21.1	28.0	11.0	17.0	13.4	20.7	17.2
Gross Profit	**2,428**	**1,976**	**2,373**	**2,313**	**3,019**	**2,215**	**2,753**	**2,608**	**9,090**	**10,595**
Gross Margin (%)	17.3	13.2	11.6	16.8	16.8	13.3	11.5	16.7	14.4	14.3
Operating Expenses	1,341	1,159	1,297	1,042	1,653	1,316	1,412	1,235	4,839	5,616
% of Sales	9.5	7.7	6.3	7.6	9.2	7.9	5.9	7.9	7.6	7.6
EBITDA	**1,087**	**818**	**1,076**	**1,270**	**1,366**	**899**	**1,341**	**1,373**	**4,251**	**4,979**
Margin (%)	7.7	5.4	5.3	9.2	7.6	5.4	5.6	8.8	6.7	6.7
Change (%)	61.8	107.1	-40.6	44.8	25.6	10.0	24.6	8.1	13.2	17.1
Interest	322	326	339	375	400	410	425	463	1,362	1,698
Depreciation	181	178	131	191	190	194	197	200	681	781
Other Income	123	149	127	147	150	150	150	150	546	600
PBT	**708**	**462**	**732**	**851**	**926**	**446**	**868**	**861**	**2,754**	**3,101**
Tax	195	117	190	226	233	112	219	217	729	781
Effective Tax Rate (%)	27.6	25.3	26.0	26.6	25.2	25.2	25.2	25.2	26.5	25.2
Adjusted PAT	**513**	**345**	**542**	**624**	**693**	**334**	**649**	**644**	**2,024**	**2,319**
Change (%)	85.3	188.7	-50.4	94.0	35.1	-3.3	19.8	3.1	11.8	14.6
PAT	**513**	**121**	**335**	**624**	**693**	**334**	**649**	**644**	**1,593**	**2,319**

E: MOFSL Estimates

Titan Company — Buy

CMP: INR3,700 | TP: INR4,250 (+15%) — **EPS CHANGE (%): FY26|FY27: -|-**

- We model 22% standalone revenue growth (excl. bullion) and Tanishq LTL growth of 14% in 1QFY26.
- Standalone Jewelry EBIT (ex-bullion) margin is expected to remain stable YoY at 11.2%.
- Caratlane business's revenue is expected to grow >20% and EBIT margin is expected to expand 200bp YoY to 7% in 1QFY26.
- We expect healthy double-digit growth in watches, eyewear, and other businesses.

Consolidated Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**1,32,660**	**1,45,340**	**1,77,400**	**1,49,160**	**1,56,868**	**1,67,225**	**2,15,352**	**1,71,158**	**6,04,560**	**7,10,603**
YoY change (%)	11.5	16.0	25.2	19.4	18.2	15.1	21.4	14.7	18.3	17.5
Gross Profit	**29,300**	**33,020**	**39,100**	**34,010**	**36,864**	**38,462**	**50,608**	**41,058**	**1,35,430**	**1,66,992**
Margin (%)	22.1	22.7	22.0	22.8	23.5	23.0	23.5	24.0	22.4	23.5
Total Exp	1,20,190	1,30,080	1,58,130	1,33,790	1,40,919	1,49,481	1,91,889	1,52,992	5,42,190	6,35,281
EBITDA	**12,470**	**15,260**	**19,270**	**15,370**	**15,950**	**17,743**	**23,463**	**18,167**	**62,370**	**75,322**
EBITDA growth %	10.8	8.2	23.1	29.1	27.9	16.3	21.8	18.2	17.9	20.8
Margin (%)	9.4	10.5	10.9	10.3	10.2	10.6	10.9	10.6	10.3	10.6
Depreciation	1,640	1,710	1,750	1,830	1,832	1,834	1,835	1,728	6,930	7,229
Interest	2,300	2,400	2,310	2,520	2,415	2,424	2,426	2,449	9,530	9,713
Other Income	1,200	1,220	1,280	1,160	1,380	1,403	1,408	1,398	4,860	5,589
PBT	**9,730**	**12,370**	**16,490**	**12,180**	**13,083**	**14,888**	**20,610**	**15,388**	**50,770**	**63,969**
Tax	2,580	3,064	4,034	3,470	3,336	3,797	5,256	3,924	13,147	16,312
Rate (%)	26.5	24.8	24.5	28.5	25.5	25.5	25.5	25.5	25.9	25.5
Adjusted PAT	**7,150**	**9,307**	**12,456**	**8,710**	**9,747**	**11,092**	**15,354**	**11,464**	**37,623**	**47,657**
YoY change (%)	-5.4	1.7	18.3	13.0	36.3	19.2	23.3	31.6	7.6	26.7
Extraordinary Income	0	2,277	1,986	0	0	0	0	0	4,263	0
Reported PAT	7,150	7,030	10,470	8,710	9,747	11,092	15,354	11,464	33,360	47,657

E: MOFSL Estimates

Consumer Durables

Company
Havells India
KEI Industries
Polycab India
R R Kabel
Voltas

Cooling products lag; cables continue to lead

Estimate modest earnings growth

- Consumer durable companies are expected to post mixed growth trends in 1QFY26E. The cable and wire (C&W) segment witnessed robust growth, led by strong volume growth (in mid-teens) and price hikes (~2-3% in May'25). The RAC segment was affected by a weak summer season (initially low temperature followed by early arrival of monsoon) and a higher base.
- For our coverage companies, we estimate aggregate revenue/EBITDA growth of ~5% YoY (each) and PAT growth of ~4% YoY. We estimate average OPM to remain flat YoY at 9.8%. We estimate aggregate revenue growth of ~17% YoY for the C&W segment, whereas UCP segment revenue is estimated to decline ~15% YoY. We estimate ~15% YoY revenue growth in FMEG for POLYCAB and ~2-6% YoY growth in other categories (like switchgear, ECD, and lighting) for HAVL. For RRKABEL, FMEG revenue is estimated to decline ~5% YoY due to weak demand in the fan segment.
- Our preferred pick in the consumer durable space remains POLYCAB, given robust growth in its C&W segment and industry-leading margins.

C&W: Strong growth momentum continues; export pickup expected

- C&W volume growth is expected in mid-teens, indicating a solid start to FY26. Strong execution of government-led projects (power, infra), steady demand from real estate projects and a pickup in exports should drive robust growth during the quarter. B2C demand was relatively modest. We estimate the C&W segment's revenue to grow ~19%/18% YoY for POLYCAB/KEII, followed by ~15% growth (each) for RRKABEL/HAVL.
- In Apr'25, prices of copper/aluminum fell ~7%/11% MoM amid tariff threats by the US. However, prices surged in May-Jun'25 by ~6%/7% from the Apr'25 average. Our discussion with channel partners suggests that due to the increase in commodity prices, industry players have increased prices by ~2-3% in May'25 and that high prices have led to the restocking of materials.
- Given volatility in commodity prices during the quarter, we estimate C&W segment margins (average) to be flat YoY (down 1.6pp QoQ) at 11.3%. We estimate C&W segment margins at ~13% for POLYCAB, ~11% for HAVL/KEII (each), and 7.6% for RRKABEL.

Weak summer drags down RAC Performance in 1QFY26

- A weak summer season amid low temperature initially, followed by an early onset of monsoon in the south and west regions, affected demand for RAC and other summer products. Industry demand for RAC is estimated to decline ~25% YoY in 1QFY26, aided by a high base. Despite weak demand, no material price correction has been observed in the market in 1QFY26. We estimate UCP segment revenue to decline ~16%/14% YoY for VOLT/HAVL. We estimate UCP segment margin (average) to contract 70bp YoY to 6.1%.

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- In the switchgear segment, industrial demand remained tepid and margins were under pressure. Lighting also witnessed subdued demand growth due to a slow pace of consumption and price erosion (although the price erosion is already in base). Demand for fans/air coolers was affected by a weak summer season.
- For POLYCAB, we estimate FMEG segment to be EBIT positive vs. segment loss in 1QFY25. For RRKABEL, we estimate FMEG segment loss to reduce to INR109m from INR207m in 1QFY25. We factor in a margin dip of 120bp/65bp/40bp YoY in Lighting/Switchgear/ECD segments.

Outlook and recommendation

- In C&W, we estimate demand momentum to remain strong, led by the power T&D sector, higher government spending on infrastructure projects, and the real estate segment. We estimate that given the strong demand outlook, aggregate incremental demand will outpace aggregate incremental supply in the medium to long term. However, we estimate that increased capex and competition would limit margin expansions in the near to medium term.
- FY25 was a strong year for the RAC segment with robust volume growth and healthy margins. However, a weaker-than-expected summer season in FY26 may result in a volume decline during the year. Though industry players estimate ~10-15% revenue growth in FY26, demand recovery during the festive season and amid a change in energy norms (effective from Jan'25) would be crucial.
- POLYCAB remains our preferred pick in this space given its market leadership and industry-leading margins.

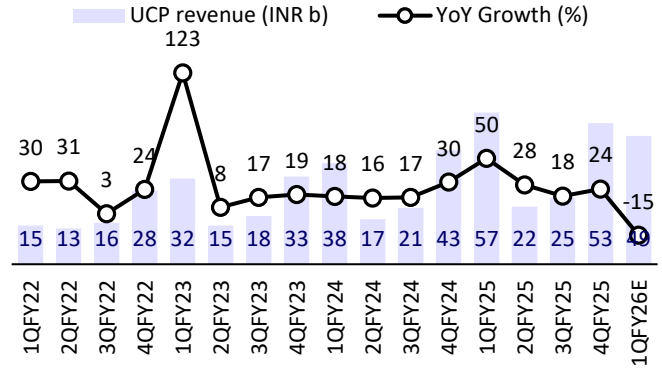
Exhibit 1: Summary of 1QFY26 estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Havells India	1548	Neutral	58,395	0.6	-10.8	5,629	-1.6	-25.6	3,916	-3.9	-24.3
KEI Industries	3811	Neutral	23,685	14.9	-18.7	2,311	7.7	-23.3	1,743	16.0	-23.1
Polycab India	6665	Buy	56,364	20.0	-19.3	7,372	26.4	-28.1	5,043	27.4	-30.6
R R Kabel	1386	Neutral	20,334	12.5	-8.3	1,401	47.5	-27.9	874	35.8	-32.3
Voltas	1326	Neutral	43,553	-11.5	-8.6	3,152	-25.6	-5.3	2,422	-27.5	0.5
Consumer Durables			**2,02,331**	**4.9**	**-13.6**	**19,865**	**5.2**	**-23.9**	**13,998**	**3.5**	**-23.9**

Exhibit 2: Comparative valuations

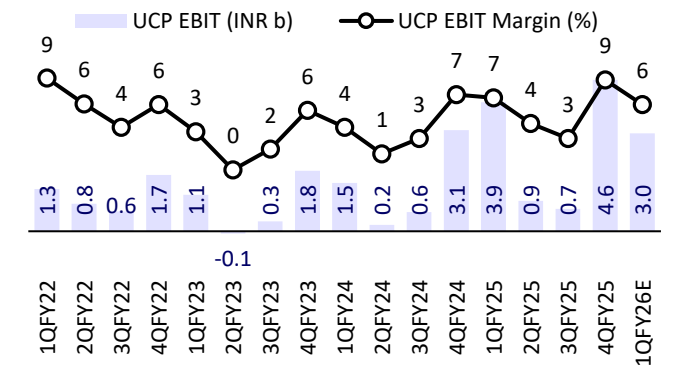
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Consumer Durables						**48.7**	**47.3**	**38.9**	**8.0**	**7.9**	**6.8**	**16.4**	**16.6**	**17.5**
Havells India	1,548	Neutral	23.5	27.8	34.2	66.0	55.6	45.2	11.7	10.3	8.9	17.7	18.5	19.8
KEI Industries	3,811	Neutral	72.9	86.6	103.2	52.3	44.0	36.9	6.3	5.6	4.9	15.6	13.4	14.0
Polycab India	6,665	Buy	134.3	157.7	188.2	49.6	42.3	35.4	10.2	8.6	7.3	20.6	20.3	20.6
R R Kabel	1,386	Neutral	27.6	34.9	41.3	50.3	39.7	33.5	7.3	6.4	5.6	15.7	17.2	17.8
Voltas	1,326	Neutral	25.4	25.8	33.5	52.1	51.3	39.6	6.7	6.1	5.4	12.9	11.9	13.8

Exhibit 3: Aggregate* UCP – revenue and growth



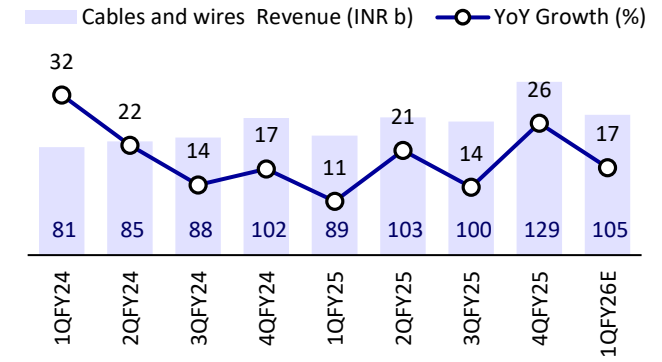
Source: MOFSL; E: MOFSL estimate; Note: *UCP revenue of VOLT and HAVL (Lloyd)

Exhibit 4: Aggregate* UCP – EBIT and margin



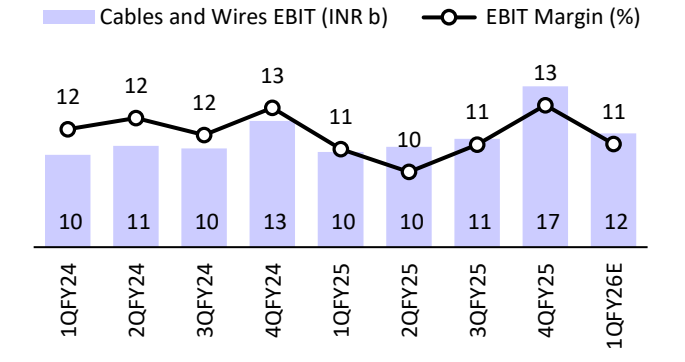
Source: MOFSL; E: MOFSL estimate; Note: *UCP EBIT of VOLT and HAVL (Lloyd)

Exhibit 5: Aggregate* C&W – revenue and growth



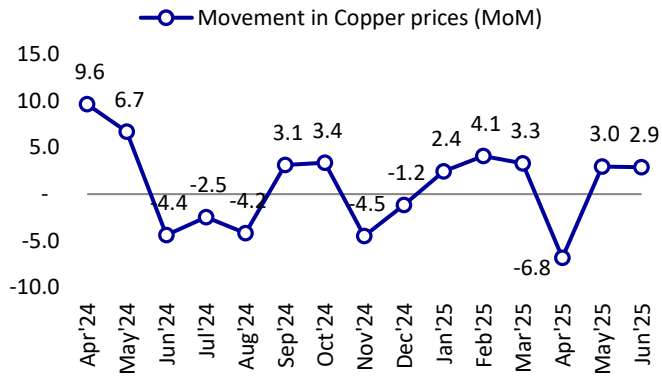
Source: MOFSL; E: MOFSL estimate; Note: *Cables and wires revenue of POLYCAB, HAVL, KEII and RRKABEL

Exhibit 6: Aggregate* C&W – EBIT and margin



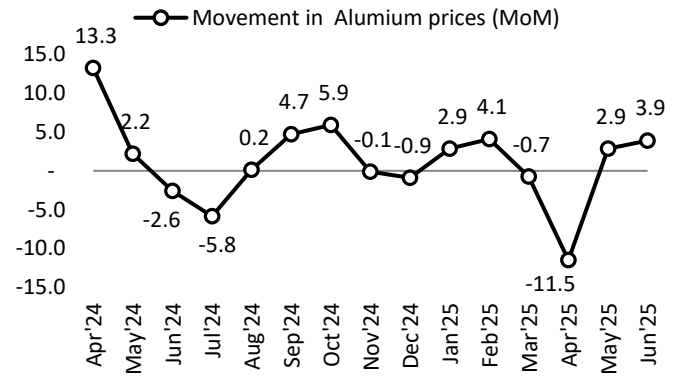
Source: MOFSL; E: MOFSL estimate; Note: *Cables and wires EBIT of POLYCAB, HAVL, KEII and RRKABEL

Exhibit 7: Copper prices trend monthly



Source: Bloomberg; MOFSL; Note: prices are monthly average

Exhibit 8: Aluminum prices trend monthly



Source: Bloomberg; MOFSL; Note: prices are monthly average

The tables below provide a snapshot of the actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Havells India — Neutral

CMP: INR1,548 | TP: INR1,710 (+10%) — **EPS CHANGE (%): FY26|27: +1.1|+0.7**

- Estimate revenue to grow ~1% YoY in 1QFY26.
- Revenue from C&W/Switchgear/Lighting/ECD is estimated to grow 15%/6%/5%/2% YoY. Lloyd's revenue is expected to decline ~14% YoY.
- EBITDA is estimated to decline ~2% YoY to INR5.6b. Expect EBITDA margin to contract 20bp YoY to 9.6%.
- Depreciation is estimated to be flat YoY. Adj. PAT is estimated to decline ~4% YoY.

Consolidated quarterly performance (INR m)

	FY25				FY26E				FY25	FY26E
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1QE**	**2QE**	**3QE**	**4QE**		
Sales	**58,062**	**45,393**	**48,890**	**65,436**	**58,395**	**51,174**	**1,09,569**	**55,489**	**2,17,781**	**2,38,911**
Change (%)	20.1	16.4	10.8	20.2	0.6	12.7	124.1	-15.2	17.1	9.7
Adj EBITDA	**5,722**	**3,751**	**4,265**	**7,570**	**5,629**	**5,014**	**10,643**	**5,409**	**21,309**	**25,560**
Change (%)	42.4	0.5	-1.4	19.3	-1.6	33.7	149.6	-28.5	15.6	20.0
Adj EBITDA Margin (%)	9.9	8.3	8.7	11.6	9.6	9.8	9.7	9.7	9.8	10.7
Depreciation	920	946	1,041	1,097	920	955	1,875	965	4,004	4,658
Interest	86	101	94	152	90	98	188	110	432	476
Other Income	773	929	643	687	712	762	1,474	820	3,033	3,209
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
PBT	**5,490**	**3,633**	**3,773**	**7,009**	**5,331**	**4,723**	**10,054**	**5,154**	**19,905**	**23,636**
Tax	1,415	955	994	1,839	1,415	1,204	2,619	1,314	5,203	6,178
Effective Tax Rate (%)	25.8	26.3	26.3	26.2	26.5	25.5	26.1	25.5	26.1	26.1
Reported PAT	**4,075**	**2,678**	**2,780**	**5,170**	**3,916**	**3,519**	**7,435**	**3,840**	**14,702**	**17,458**
Change (%)	42.0	7.5	(3.5)	15.7	(3.9)	31.4	167.5	(25.7)	15.7	18.7
Adj PAT	**4,075**	**2,678**	**2,780**	**5,170**	**3,916**	**3,519**	**7,435**	**3,840**	**14,702**	**17,458**
Change (%)	42.0	7.5	(3.5)	15.7	(3.9)	31.4	167.5	(25.7)	15.7	18.7

KEI Industries — Neutral

CMP: INR3,811 | TP: INR3,900 (+2%) — **EPS CHANGE (%): FY26|27: +3.1|+3.2**

- Estimate revenue to grow ~15% YoY in 1QFY26.
- Revenue from C&W/SSW is estimated to increase 18%/8% YoY, while EPC revenue is expected to decline 15%.
- EBITDA is estimated to grow 8% YoY to INR2.3b. OPM is estimated to be dipped by 70bp to 9.8%.
- Depreciation is estimated to increase ~26% YoY and interest cost is estimated to decline ~15% YoY.
- Other income is estimated to surge ~96% YoY due to excess cash on the books (unutilized QIP funds on the books).
- Adj. PAT is estimated to increase ~16% YoY to INR1.7b.

Consolidated quarterly performance **(INR m)**

	FY25				FY26E				FY25	FY26E
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1QE**	**2QE**	**3QE**	**4QE**		
Sales	**20,605**	**22,796**	**24,673**	**29,148**	**23,685**	**25,433**	**27,823**	**34,146**	**97,359**	**1,11,086**
Change (%)	15.6	17.1	19.8	25.7	14.9	11.6	12.8	17.1	20.1	14.1
Adj EBITDA	**2,146**	**2,206**	**2,408**	**3,013**	**2,311**	**2,611**	**3,106**	**3,641**	**9,910**	**11,669**
Change (%)	20.4	8.2	12.3	23.2	7.7	18.4	29.0	20.9	18.3	17.8
Adj EBITDA Margin (%)	10.4	9.7	9.8	10.3	9.8	10.3	11.2	10.7	10.2	10.5
Depreciation	155	163	190	193	195	220	236	397	701	1,047
Interest	142	133	143	139	120	130	135	151	556	536
Other Income	178	169	136	371	350	250	220	229	718	1,049
Extraordinary Items	-	-	-	-	-	-	-	-	-	-
PBT	**2,027**	**2,079**	**2,212**	**3,052**	**2,346**	**2,511**	**2,955**	**3,323**	**9,370**	**11,135**
Tax	525	531	564	786	603	645	760	851	2,406	2,859
Effective Tax Rate (%)	25.9	25.5	25.5	25.8	25.7	25.7	25.7	25.6	25.7	25.7
Reported PAT	**1,502**	**1,548**	**1,648**	**2,265**	**1,743**	**1,866**	**2,196**	**2,472**	**6,964**	**8,276**
Change (%)	23.8	10.4	9.4	34.4	16.0	20.5	33.2	9.1	19.9	18.8
Adj PAT	**1,502**	**1,548**	**1,648**	**2,265**	**1,743**	**1,866**	**2,196**	**2,472**	**6,964**	**8,276**
Change (%)	23.8	10.4	9.4	34.2	16.0	20.5	33.2	9.1	19.9	18.8

Polycab India — Buy

CMP: INR6,665 | TP: INR7,900 (+19%) — **EPS CHANGE (%): FY26|27: +3.0|+3.5**

- Revenue is estimated to increase 20% YoY in 1QFY26. Revenue from C&W/FMEG is estimated to increase 19%/15% YoY. Revenue for EPC and others to increase 36% YoY.
- Estimate C&W EBIT margin to improve ~40bp YoY to ~13%.
- EBITDA is estimated to increase ~26% YoY, while OPM is expected to increase 70bp YoY to ~13%. FMEG EBIT is estimated at INR44m vs. loss of INR28m in 1QFY25.
- Adj. PAT is estimated to increase ~27% YoY to INR5.0b.

Consolidated performance (INR m)

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales	**46,980**	**54,984**	**52,261**	**69,858**	**56,364**	**63,345**	**60,178**	**84,955**	**2,24,083**	**2,64,842**
Change (%)	20.8	30.4	20.4	24.9	20.0	15.2	15.2	21.6	24.2	18.2
EBITDA	**5,834**	**6,316**	**7,199**	**10,254**	**7,372**	**7,580**	**7,953**	**11,954**	**29,602**	**34,860**
Change (%)	6.3	3.7	26.4	34.6	26.4	20.0	10.5	16.6	18.8	17.8
EBITDA Margin (%)	12.4	11.5	13.8	14.7	13.1	12.0	13.2	14.1	13.2	13.2
Depreciation	671	721	786	804	820	861	910	1,103	2,981	3,694
Interest	413	453	498	325	340	350	390	454	1,689	1,534
Other Income	584	762	250	481	580	580	550	574	2,076	2,284
Share of JV's loss	-	-	-	-	-	-	-	-	-	-
PBT	**5,334**	**5,903**	**6,166**	**9,606**	**6,792**	**6,949**	**7,203**	**10,971**	**27,008**	**31,916**
Tax	1,317	1,451	1,522	2,262	1,685	1,723	1,786	2,721	6,553	7,915
Tax Rate (%)	24.7	24.6	24.7	23.5	24.8	24.8	24.8	24.8	24.3	24.8
MI	57	54	68	77	65	62	70	79	255	276
Exceptional Items	-	-	-	-	-	-	-	-	0	0
Reported PAT	**3,960**	**4,398**	**4,576**	**7,267**	**5,043**	**5,164**	**5,347**	**8,171**	**20,200**	**23,725**
Change (%)	-0.9	3.3	10.8	33.1	27.4	17.4	16.9	12.4	13.2	17.4
Adj. PAT	**3,960**	**4,398**	**4,576**	**7,267**	**5,043**	**5,164**	**5,347**	**8,171**	**20,200**	**23,725**
Change (%)	-0.9	3.3	10.8	33.1	27.4	17.4	16.9	12.4	13.2	17.4

R R KABEL — Neutral

CMP: INR1,386 | TP: INR1,450 (+5%) — **EPS CHANGE (%): FY26|27: +2.0|+1.0**

- Estimate revenue to grow ~12% YoY in 1QFY26.
- Revenue from C&W segment is expected to increase ~15% YoY, while revenue from the FMEG segment is expected to decline ~5% YoY.
- EBITDA is estimated to increase ~48% YoY to INR1.4b, albeit on a low base. OPM is likely to increase 1.6pp YoY to 6.9%.
- Depreciation/interest may increase 23%/28% YoY. Adj. PAT is estimated to increase ~36% YoY to INR874m.

Consolidated quarterly performance (INR m)

	FY25				FY26E				FY25	FY26E
Y/E March	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales	**18,081**	**18,101**	**17,822**	**22,178**	**20,334**	**20,656**	**21,005**	**25,555**	**76,182**	**87,550**
YoY Change (%)	13.2	12.5	9.1	26.4	12.5	14.1	17.9	15.2	15.5	14.9
EBITDA	**949**	**858**	**1,105**	**1,944**	**1,401**	**1,442**	**1,436**	**2,048**	**4,856**	**6,326**
YoY Change (%)	(15.9)	(29.1)	(1.8)	68.6	47.5	68.1	29.9	13.3	5.2	30.3
EBITDA Margin (%)	5.3	4.7	6.2	8.8	6.9	7.0	6.8	8.0	6.4	7.2
Depreciation	162	175	178	190	200	204	214	231	705	848
Interest	116	156	162	155	160	175	180	187	589	702
Other Income	185	72	134	119	135	120	145	148	511	548
PBT	**857**	**599**	**900**	**1,718**	**1,176**	**1,183**	**1,187**	**1,778**	**4,074**	**5,324**
Tax	218	101	219	441	306	308	304	467	978	1,384
Effective Tax Rate (%)	25.4	16.9	24.3	25.6	26.0	26.0	25.6	26.3	24.0	26.0
JV Share	5	(2)	4	14	4	1	2	3	21	10
Reported PAT	**644**	**495**	**686**	**1,291**	**874**	**876**	**885**	**1,314**	**3,116**	**3,950**
YoY Change (%)	(13.4)	(33.2)	(3.4)	64.0	35.8	76.9	78.7	15.4	4.5	513.5
Adj. PAT	**644**	**495**	**686**	**1,291**	**874**	**876**	**885**	**1,314**	**3,116**	**3,950**
YoY Change (%)	(13.4)	(33.2)	(3.4)	64.0	35.8	76.9	29.0	15.4	4.5	513.5
Margin (%)	3.6	2.7	3.8	5.8	4.3	4.2	4.2	5.1	4.1	4.5

Voltas

Neutral

CMP: INR1,326 | TP: INR1,350 (+2%)

EPS CHANGE (%): FY26|27: 0.0|+0.0

- Estimate revenue to decline ~11% YoY in 1QFY26.
- Revenue from UCP/EMPS is estimated to decline ~16%/8% YoY. PES revenue is estimated to grow ~5% YoY.
- EBITDA is estimated to decline ~26% YoY to INR3.2b. OPM is estimated to contract by 1.4pp YoY to 7.2%.
- Adj PAT is estimated to decline ~ 28% YoY to INR2.4b.

Consolidated quarterly performance (INR m)

	FY25				FY26E				FY25	FY26E
Y/E March	**1Q**	**2Q**	**3Q**	**4Q**	**1QE**	**2QE**	**3QE**	**4QE**		
Sales	**49,210**	**26,191**	**31,051**	**47,676**	**43,553**	**27,796**	**33,557**	**50,874**	**1,54,128**	**1,55,780**
Change (%)	46.5	14.2	18.3	13.4	(11.5)	6.1	8.1	6.7	23.5	1.1
EBITDA	**4,238**	**1,622**	**1,974**	**3,328**	**3,152**	**1,918**	**2,181**	**4,011**	**11,162**	**11,262**
Change (%)	128.6	130.8	594.5	74.6	(25.6)	18.2	10.5	20.5	135.2	0.9
As of % Sales	8.6	6.2	6.4	7.0	7.2	6.9	6.5	7.9	7.2	7.2
Depreciation	134	164	179	141	182	189	204	195	618	770
Interest	98	136	155	233	110	140	135	215	621	600
Other Income	803	1,055	591	797	815	850	600	991	3,245	3,256
Extraordinary Items	0	0	0	-	-	-	-	-	0	0
PBT	**4,809**	**2,377**	**2,231**	**3,751**	**3,675**	**2,439**	**2,442**	**4,592**	**13,168**	**13,148**
Tax	1,165	726	599	1,075	985	654	654	1,257	3,565	3,550
Effective Tax Rate (%)	24.2	30.5	26.8	28.7	26.8	26.8	26.8	27.4	27.1	27.0
Share of Profit of Associates/JVs	(294)	(323)	(324)	(320)	(260)	(290)	(300)	(271)	(1,260)	(1,121)
Reported PAT	**3,350**	**1,328**	**1,308**	**2,357**	**2,430**	**1,495**	**1,487**	**3,064**	**8,343**	**8,477**
Change (%)	159.1	262.1	NA	102.4	(27.5)	12.6	13.8	30.0	231.1	1.6
Minority Interest	8	(12)	(14)	(53)	8	(12)	(14)	(53)	(71)	(71)
Adj PAT	**3,342**	**1,340**	**1,321**	**2,410**	**2,422**	**1,507**	**1,501**	**3,117**	**8,414**	**8,548**
Change (%)	158.5	265.3	NM	132.2	(27.5)	12.5	13.6	29.3	251.5	1.6

EMS

Company under Coverage

Amber Enterprises
Avalon Technologies
Cyient DLM
Data Patterns
Dixon Technologies
Kaynes Technologies
Syrma SGS

Demand tailwinds continue to drive growth

Revenue/EBITDA to grow ~51%/47% YoY in 1QFY26

- The EMS industry maintains its strong growth path, propelled by rising global orders, expanding export opportunities, and solid demand across segments. This momentum is underpinned by **increasing orders in high-margin areas**, an enhanced global presence, and a sustained competitive edge in producing complex products.
- EMS companies under our coverage universe are likely to continue their strong revenue growth trajectory. Aggregate revenue for our coverage is likely to grow 51% YoY in 1QFY26, aided by healthy demand across end-user industries and the execution of a strong order book at hand.
- Dixon is likely to report the highest revenue growth of ~82% YoY, followed by KAYNES/AVALON/DATAPATT /CYIENTDL and AMBER at 50%/22%/20%/7% and 6%. We estimate a 16% revenue decline for SYRMA due to product mix change.
- The sector's order book is anticipated to expand, with particularly strong traction in high-margin sectors such as aerospace, industrials, automotive, and critical infrastructure applications. Companies will also focus on gaining a higher wallet share and an improved product mix. Companies project an acceleration in order inflows in 1QFY26, with the momentum likely to sustain in FY26.
- In addition, most of the companies under our coverage are expected to see stable margins, driven by strong operating leverage and high traction from high-margin sectors. EBITDA margin for our EMS coverage universe may contract ~10bp YoY, primarily due to 70bp/30bp/30bp YoY margin contraction in CYIENTDL/DATAPATT/AMBER. Conversely, KAYNES/AVALON/SYRMA are likely to see margin expansions of 50bp/420bp/350bp. DIXON may post flat margins.

Dixon continues to lead the pack with strong anticipated revenue growth

- **AMBER:** We expect revenue to grow 6% YoY, driven by strong growth in the electronics division, while the AC segment's performance is expected to be impacted by a weak summer. EBITDA margin is expected to contract 40bp YoY on a high base, while PAT is expected to decrease 6% YoY.
- **Avalon:** Revenue is expected to grow 22% YoY, led by healthy growth across all business segments. Margins are likely to expand 350bp YoY to ~5.7%. The production of new products is on track with a growing order book, driven by recent order wins for backup power systems, transmission systems, aerospace cabin products, and locomotive engine systems.
- **CYIENTDL:** We anticipate the company to report 7% YoY consolidated revenue growth in 1QFY26. EBITDA margins may remain flat at 7% on account of operating deleverage. We anticipate a healthy 2HFY26, driven by good traction in the order book and an improving book-to-bill ratio.
- **DATAPATT:** We expect revenue/EBITDA to grow 20%/18% YoY as the company will book revenue for the orders that will end in FY26 and the additional orders under Brahmos, which are expected to materialize in the near term.

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- **DIXON:** We expect revenue growth to remain strong YoY at 82%, led by a robust ramp-up in mobile volumes. Sequentially, we expect demand to ramp up for all segments. EBITDA margin is expected to contract 60bp QoQ and be broadly flat YoY.
- **KAYNES:** We expect strong revenue growth of ~50% YoY this quarter, driven by healthy traction across sectors. Margins are expected to expand ~50bp YoY, led by margin-accretive orders.
- **SYRMA:** We expect revenue to decline by 16% YoY, with a decline in the consumer and medical segments likely to offset growth in the industrial and auto segments. EBITDA margin is anticipated to expand ~420bp YoY, led by operating leverage.

Exhibit 1: Summary of 1QFY26 estimates

Companies	CMP (INR)	Rating	Revenue (INR m)			EBITDA (INR m)			Net profit (INR m)		
			Jun'25	YoY (%)	QoQ (%)	Jun'25	YoY (%)	QoQ (%)	Jun'25	YoY (%)	QoQ (%)
Kaynes	6,141	Buy	7,560	50%	-23%	1,042	56%	-38%	793	56%	-32%
Avalon	823	Buy	2,434	22%	-29%	138	216%	-67%	70	NA	-71%
Cyient DLM	475	Buy	2,759	7%	-36%	194	-3%	-66%	85	-20%	-73%
Syrma SGS	586	Buy	9,743	-16%	5%	784	76%	-27%	457	137%	-30%
Data Patterns	2,929	Neutral	1,249	20%	-68%	442	19%	-70%	372	14%	-67%
Dixon	14,712	Buy	119,983	82%	17%	4,480	81%	1%	2,166	62%	17%
Amber	7,083	Buy	25,474	6%	-32%	1,994	11%	55%	683	-6%	-41%
Coverage aggregate			**169,202**	**51%**	**-1%**	**9,073**	**47%**	**-28%**	**4,627**	**46%**	**-29%**

Exhibit 2: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
EMS						**90.3**	**70.6**	**48.1**	**12.4**	**12.1**	**9.7**	**13.7**	**17.1**	**20.2**
Amber Enterp.	7,083	Buy	72.0	105.3	162.6	98.4	67.3	43.6	10.5	9.1	7.5	11.2	14.5	18.9
Avalon Tech	823	Buy	9.6	14.9	25.2	85.9	55.4	32.6	8.9	7.7	6.2	10.9	14.9	20.9
Cyient DLM	475	Buy	9.3	13.7	20.0	51.0	34.8	23.7	4.0	3.6	3.1	8.0	10.8	14.0
Data Pattern	2,929	Neutral	39.6	49.7	64.5	74.0	58.9	45.4	10.9	9.2	7.7	15.7	16.9	18.4
Dixon Tech.	14,712	Buy	117.2	168.7	241.6	125.6	87.2	60.9	29.4	22.3	16.5	30.0	29.1	31.1
Kaynes Tech	6,141	Buy	45.8	84.3	132.4	134.1	72.8	46.4	13.9	11.6	9.3	11.0	17.4	22.3
Syrma SGS Tech.	586	Buy	9.7	14.7	21.1	60.7	39.8	27.7	6.0	5.3	4.5	10.2	14.0	17.4

Exhibit 3: Relative performance – three months (%)

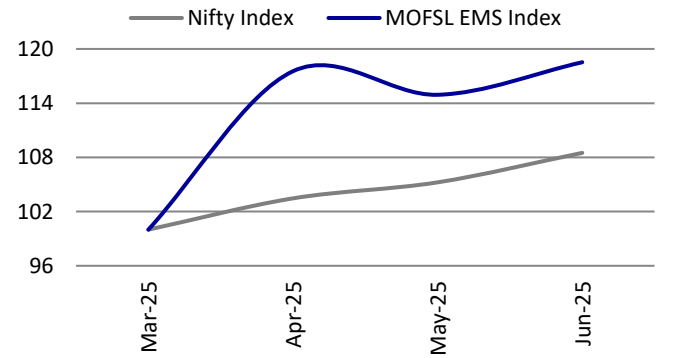
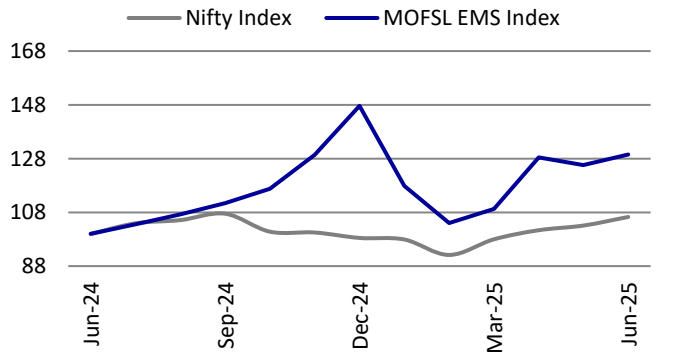


Exhibit 4: Relative performance – one year (%)



Source: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Amber Enterprises — Buy

CMP: INR7,083 | TP: INR7,700 (+9%) — **EPS CHANGE (%): FY25|26: +1|+1**

- We expect revenue to grow 6% YoY, driven by strong growth in electronics division, while AC segment is expected to be impacted by weak summer.
- Key monitorables – Demand scenario and margin trajectory in both RAC and non-RAC, electronics and railways division.
- EBITDA margin is expected to contract 40bp YoY on a high base, while PAT is expected to decrease 6% YoY.
- TP increased to INR7,700 on roll-forward to Sep'27
- We will watch out for an update on railways segment, planned expansion, and commercial-AC business.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**24,013**	**16,847**	**21,333**	**37,537**	**25,474**	**19,579**	**24,883**	**42,538**	**99,730**	**1,12,474**
YoY Change (%)	41.1	81.7	64.8	33.8	6.1	16.2	16.6	13.3	48.2	12.8
Total Expenditure	22,051	15,710	19,746	34,590	23,480	18,198	22,954	38,597	92,096	1,03,229
EBITDA	**1,962**	**1,137**	**1,587**	**2,947**	**1,994**	**1,381**	**1,930**	**3,941**	**7,634**	**9,245**
Margins (%)	8.2	6.8	7.4	7.9	7.8	7.1	7.8	9.3	7.7	8.2
Depreciation	549	566	588	580	582	596	611	655	2,283	2,443
Interest	518	486	537	546	572	586	601	644	2,087	2,403
Other Income	207	178	160	191	189	193	203	207	736	792
PBT before EO expense	**1,101**	**263**	**623**	**2,013**	**1,029**	**392**	**921**	**2,849**	**3,999**	**5,192**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,101**	**263**	**623**	**2,013**	**1,029**	**392**	**921**	**2,849**	**3,999**	**5,192**
Tax	298	26	162	702	274	96	244	733	1,188	1,348
Rate (%)	27.0	10.1	26.1	34.9	26.6	24.6	26.5	25.7	29.7	26.0
MI & Profit/Loss of Asso. Cos.	79	44	102	151	72	69	70	73	376	284
Reported PAT	**724**	**192**	**359**	**1,160**	**683**	**227**	**607**	**2,043**	**2,436**	**3,560**
Adj PAT	**724**	**192**	**359**	**1,160**	**683**	**227**	**607**	**2,043**	**2,436**	**3,560**
YoY Change (%)	58.6	NM	NM	22.6	-5.7	18.0	69.3	76.0	83.3	46.2
Margins (%)	3.0	1.1	1.7	3.1	2.7	1.2	2.4	4.8	2.4	3.2

Avalon Technologies — Buy

CMP INR823 | TP: INR1,030 (+25%) — **EPS CHANGE (%): FY26|FY27: -7|-4**

- Revenue is anticipated to grow 22% YoY, with an EBITDA margin of ~5.7% in 1QFY26.
- We expect the company to clock revenue of over INR13.6b in FY26.
- We expect growth in the order book to be led by recent order wins.
- We expect margin expansion from 2HFY26, when the pilot project done in 1H starts to contribute.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**1,995**	**2,750**	**2,809**	**3,428**	**2,434**	**3,245**	**3,651**	**4,285**	**10,981**	**13,615**
YoY Change (%)	-15.2	36.8	31.1	58.1	22.0	18.0	30.0	25.0	26.6	24.0
Total Expenditure	1,951	2,449	2,462	3,014	2,296	2,965	3,170	3,692	9,876	12,123
EBITDA	**44**	**301**	**346**	**414**	**138**	**280**	**481**	**593**	**1,105**	**1,492**
Margins (%)	2.2	11.0	12.3	12.1	5.7	8.6	13.2	13.8	10.1	11.0
Depreciation	66	69	74	77	80	85	87	88	286	340
Interest	42	37	45	42	35	30	20	19	167	104
Other Income	44	39	100	32	71	65	75	61	215	272
PBT before EO expense	**-20**	**234**	**327**	**326**	**94**	**230**	**449**	**547**	**867**	**1,320**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**-20**	**234**	**327**	**326**	**94**	**230**	**449**	**547**	**867**	**1,320**
Tax	3	60	87	83	24	59	115	140	233	337
Rate (%)	-14.5	25.4	26.7	25.5	25.5	25.5	25.5	25.5	26.8	25.5
Reported PAT	**-23**	**175**	**240**	**243**	**70**	**171**	**335**	**408**	**634**	**984**
Adj PAT	**-23**	**175**	**240**	**243**	**70**	**171**	**335**	**408**	**634**	**984**
YoY Change (%)	NA	140.1	264.7	243.8	NA	-2.0	39.5	67.9	126.7	55.1
Margins (%)	-1.2	6.4	8.5	7.1	2.9	5.3	9.2	9.5	5.8	7.2

Cyient DLM — Buy

CMP INR475| TP: INR570 (+20%) — **EPS CHANGE (%):FY26|FY27: -10|-9**

- Revenue is expected to grow ~7% YoY. Base quarter had higher BEL order execution.
- We anticipate healthy order inflow with an improvement in the book-to-bill ratio.
- Margin is anticipated to contract by ~70bp YoY to 7% due to operating deleverage, despite no BEL order.
- New client additions and order inflows will be the key monitorables.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**2,579**	**3,895**	**4,442**	**4,281**	**2,759**	**4,323**	**4,753**	**4,794**	**15,196**	**16,630**
YoY Change (%)	18.8	33.4	38.4	18.3	7.0	11.0	7.0	12.0	27.5	9.4
Total Expenditure	2,379	3,578	4,081	3,706	2,566	3,907	4,241	4,134	13,745	14,848
EBITDA	**200**	**316**	**361**	**574**	**194**	**416**	**512**	**660**	**1,452**	**1,782**
Margins (%)	7.8	8.1	8.1	13.4	7.0	9.6	10.8	13.8	9.6	10.7
Depreciation	67	69	100	105	95	90	86	90	341	361
Interest	80	110	100	86	70	65	60	65	375	260
Other Income	89	71	69	33	85	72	72	59	262	288
PBT before EO expense	**142**	**209**	**230**	**417**	**114**	**333**	**438**	**564**	**997**	**1,449**
Extra-Ord expense	0	0	80	0	0	0	0	0	80	0
PBT	**142**	**209**	**150**	**417**	**114**	**333**	**438**	**564**	**917**	**1,449**
Tax	36	54	40	106	29	84	110	142	236	365
Rate (%)	25.2	26.0	26.8	25.5	25.2	25.2	25.2	25.2	25.8	25.2
Reported PAT	**106**	**155**	**110**	**310**	**85**	**249**	**328**	**422**	**681**	**1,084**
Adj PAT	**106**	**155**	**168**	**310**	**85**	**249**	**328**	**422**	**739**	**1,084**
YoY Change (%)	97.7	5.5	-8.7	36.5	-19.7	61.2	94.7	36.0	20.8	46.7
Margins (%)	4.1	4.0	3.8	7.3	3.1	5.8	6.9	8.8	4.9	6.5

Data Pattern — Neutral

CMP INR2,929 | TP: INR2,700 (-8%) — **EPS CHANGE (%): FY26|FY27: 0|+1**

- Revenue is expected to grow 20% YoY in 1QFY26.
- Movement in working capital requirements will remain the key monitorable.
- New product development will be the key focus area for the company.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**1,041**	**910**	**1,170**	**3,962**	**1,249**	**1,165**	**1,580**	**4,882**	**7,084**	**8,876**
YoY Change (%)	16.0	-16.0	-16.1	117.4	20.0	28.0	35.0	23.2	36.3	25.3
Total Expenditure	669	567	630	2,467	807	732	868	3,105	4,334	5,512
EBITDA	**372**	**343**	**540**	**1,495**	**442**	**433**	**712**	**1,777**	**2,750**	**3,364**
Margins (%)	35.7	37.7	46.2	37.7	35.4	37.2	45.1	36.4	38.8	37.9
Depreciation	31	35	35	39	45	48	56	58	139	207
Interest	30	28	32	31	31	30	28	26	121	115
Other Income	123	120	114	106	130	150	190	196	463	666
PBT before EO expense	**435**	**400**	**588**	**1,531**	**496**	**505**	**818**	**1,889**	**2,953**	**3,708**
PBT	**435**	**400**	**588**	**1,531**	**496**	**505**	**818**	**1,889**	**2,953**	**3,708**
Tax	107	98	141	390	123	126	204	470	735	923
Rate (%)	24.5	24.4	24.0	25.5	24.9	24.9	24.9	24.9	24.9	24.9
Reported PAT	**328**	**303**	**447**	**1,141**	**372**	**379**	**614**	**1,419**	**2,218**	**2,785**
Adj PAT	**328**	**303**	**447**	**1,141**	**372**	**379**	**614**	**1,419**	**2,218**	**2,785**
YoY Change (%)	26.9	-10.4	-12.4	60.5	13.6	25.3	37.6	24.3	22.1	25.5
Margins (%)	31.5	33.3	38.2	28.8	29.8	32.6	38.9	29.1	31.3	31.4

Dixon Technologies — Buy

CMP: INR14,712 | TP: INR20,500 (+39%) — **EPS CHANGE (%): FY25|26: -|-**

- We expect revenue growth to remain strong YoY at 82%, led by a sharp ramp-up in mobile volumes. Sequentially, we expect demand to ramp up for all segments.
- Key monitorables – Incremental client addition, margin trajectory across segments, and NWC days.
- EBITDA margin to contract 60bp QoQ and be broadly flat YoY. PAT to grow sharply by 62% YoY, while PAT margin to contract 20bp YoY.
- We will watch out for update on mobile volumes, JV with Signify, and sequential revival of consumer electronics division.

Consolidated - Quarterly Snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**65,798**	**1,15,341**	**1,04,537**	**1,02,925**	**1,19,983**	**1,51,165**	**1,34,466**	**1,26,743**	**3,88,601**	**5,32,357**
YoY Change (%)	101.1	133.3	117.0	121.0	82.4	31.1	28.6	23.1	119.7	37.0
Total Expenditure	63,319	1,11,077	1,00,632	98,498	1,15,503	1,45,406	1,29,436	1,21,816	3,73,525	5,12,161
EBITDA	**2,479**	**4,264**	**3,905**	**4,428**	**4,480**	**5,758**	**5,031**	**4,927**	**15,076**	**20,196**
Margins (%)	3.8	3.7	3.7	4.3	3.7	3.8	3.7	3.9	3.9	3.8
Depreciation	545	660	746	859	858	878	900	965	2,810	3,602
Interest	293	379	409	463	397	406	417	447	1,544	1,667
Other Income	82	-57	65	113	203	218	234	259	202	914
PBT before EO expense	**1,723**	**3,167**	**2,816**	**3,219**	**3,429**	**4,691**	**3,948**	**3,774**	**10,924**	**15,841**
Extra-Ord expense	0	2,096	0	2,504	0	0	0	0	4,600	0
PBT	**1,723**	**5,263**	**2,816**	**5,723**	**3,429**	**4,691**	**3,948**	**3,774**	**15,524**	**15,841**
Tax	400	1,172	689	1,111	835	1,137	959	934	3,372	3,864
Rate (%)	23.2	22.3	24.5	19.4	24.4	24.2	24.3	24.7	21.7	24.4
MI & Profit/Loss of Asso. Cos.	-14	193	415	604	427	444	455	489	1,197	1,815
Reported PAT	**1,337**	**3,899**	**1,712**	**4,008**	**2,166**	**3,110**	**2,534**	**2,352**	**10,955**	**10,162**
Adj PAT	**1,337**	**2,143**	**1,712**	**1,845**	**2,166**	**3,110**	**2,534**	**2,352**	**7,059**	**10,162**
YoY Change (%)	94.3	99.7	77.5	93.9	62.0	45.2	48.0	27.4	92.0	44.0
Margins (%)	2.0	1.9	1.6	1.8	1.8	2.1	1.9	1.9	1.8	1.9

Kaynes Technologies — Buy

CMP INR6,141| TP: INR7,300 (+19%) — **EPS CHANGE (%):FY26|FY27: +1|0**

- Revenue is expected to grow 50% YoY, driven by growth across segments, with significant traction in EV and Aerospace segments.
- EBITDA margin is expected to expand 51bp YoY to 13.8%
- The company is actively targeting one large global EMS client through its Canada-based entity (August Electronics)- Key monitorable
- Its long-standing relationship with ISRO continues to strengthen, with an ongoing focus on high-tech and high-margin manufacturing opportunities.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**5,040**	**5,721**	**6,612**	**9,845**	**7,560**	**8,401**	**10,865**	**16,087**	**27,218**	**42,913**
YoY Change (%)	69.6	58.5	29.8	54.5	50.0	46.8	64.3	63.4	50.8	57.7
Total Expenditure	4,371	4,900	5,671	8,166	6,518	7,186	9,212	13,278	23,108	36,193
EBITDA	**669**	**821**	**940**	**1,679**	**1,042**	**1,215**	**1,652**	**2,810**	**4,109**	**6,719**
Margins (%)	13.3	14.4	14.2	17.1	13.8	14.5	15.2	17.5	15.1	15.7
Depreciation	84	86	108	169	100	150	165	170	447	585
Interest	227	221	270	295	200	150	75	75	1,013	500
Other Income	283	336	246	205	275	300	350	369	1,070	1,294
PBT before EO expense	**641**	**849**	**808**	**1,419**	**1,017**	**1,215**	**1,762**	**2,934**	**3,718**	**6,928**
PBT	**641**	**849**	**808**	**1,419**	**1,017**	**1,215**	**1,762**	**2,934**	**3,718**	**6,928**
Tax	133	247	144	257	224	267	388	645	782	1,524
Rate (%)	20.8	29.1	17.8	18.1	22.0	22.0	22.0	22.0	21.0	22.0
Reported PAT	**508**	**602**	**665**	**1,162**	**793**	**948**	**1,375**	**2,288**	**2,936**	**5,404**
Adj PAT	**508**	**602**	**665**	**1,162**	**793**	**948**	**1,375**	**2,288**	**2,936**	**5,404**
YoY Change (%)	106.0	86.4	47.1	43.0	56.2	57.4	106.8	96.9	60.1	84.0
Margins (%)	10.1	10.5	10.1	11.8	10.5	11.3	12.7	14.2	10.8	12.6

Syrma SGS

Buy

CMP INR586| TP: INR700 (+19%)

EPS CHANGE (%):FY26|FY27: +1|+2

- We expect revenue to decline by 16% due to a change in mix (low consumer mix YoY).
- We expect margins to expand by 420bp to 8% in 1QFY26.
- Industrials and auto are expected to drive future revenue growth, while medical is expected to be marginally positive and consumer to be flat.
- New client addition, order inflow and product mix remain key monitorables.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**11,599**	**8,327**	**8,692**	**9,244**	**9,743**	**12,075**	**13,473**	**14,877**	**37,862**	**50,167**
YoY Change (%)	92.9	17.0	23.0	-18.5	-16.0	45.0	55.0	60.9	20.1	32.5
Total Expenditure	11,153	7,618	7,901	8,169	8,959	11,083	12,335	13,615	34,841	45,992
EBITDA	**446**	**710**	**791**	**1,075**	**784**	**992**	**1,138**	**1,261**	**3,021**	**4,175**
Margins (%)	3.8	8.5	9.1	11.6	8.0	8.2	8.4	8.5	8.0	8.3
Depreciation	174	167	202	208	204	206	206	207	751	823
Interest	130	136	154	156	150	120	109	99	577	478
Other Income	153	100	223	223	200	230	250	223	699	903
PBT before EO expense	**295**	**507**	**657**	**934**	**630**	**896**	**1,073**	**1,178**	**2,392**	**3,777**
Extra-Ord expense	0	0	21	0	0	0	0	0	21	0
PBT	**295**	**507**	**635**	**934**	**630**	**896**	**1,073**	**1,178**	**2,371**	**3,777**
Tax	91	110	105	219	159	226	270	296	526	951
Rate (%)	31.0	21.8	16.6	23.5	25.2	25.2	25.2	25.2	22.2	25.2
MI & Profit/Loss of Asso. Cos.	10	34	42	60	15	48	59	84	147	206
Reported PAT	**193**	**362**	**488**	**654**	**457**	**623**	**744**	**797**	**1,698**	**2,621**
Adj PAT	**193**	**362**	**509**	**654**	**457**	**623**	**744**	**797**	**1,719**	**2,621**
YoY Change (%)	-32.3	22.0	228.2	87.3	136.7	71.8	46.0	21.8	58.2	52.4
Margins (%)	1.7	4.4	5.9	7.1	4.7	5.2	5.5	5.4	4.5	5.2

Financials: Banks

Margin pressure to weigh on earnings

Loan growth muted; treasury remains the key profitability driver

1QFY26 earnings estimates (INR b)

PAT	1Q FY26E	YoY (%)	QoQ (%)
Private Banks			
AUBANK	5.5	10.1	9.8
AXSB	59.7	-1.0	-16.1
BANDHAN	4.6	-57.0	43.8
DCBB	1.7	31.3	-2.6
EQUITAS	0.2	-14.7	-47.8
FB	9.2	-8.8	-10.7
HDFCB	171.3	5.9	0.0
ICICIBC	120.0	8.5	-5.0
IDFCFB	2.5	-63.7	-18.8
IIB	5.7	NA	NA
KMB	34.8	-1.1	-2.0
RBK	1.4	-62.0	105.7
Private Total	**416.7**	**-2.5**	**2.8**
PSU Banks			
BOB	41.7	-6.4	-17.3
CBK	41.4	6.1	-17.2
INBK	28.4	18.1	-4.0
PNB	41.4	27.5	-9.3
SBIN	170.1	-0.1	-8.8
UNBK	40.8	10.9	-18.1
PSU Total	**363.9**	**4.8**	**-11.7**
Banks Total	**780.6**	**0.8**	**-4.5**
SBICARD	5.7	-3.4	7.5
PAYTM	0.0	NA	NA

- **Credit growth remains muted; expect recovery in 2HFY26:** Systemic credit growth slowed to ~9.6% as of 13th Jun'25 amid demand moderation in the retail segment and a cautious growth strategy followed by banks in unsecured loans. With moderation in loan growth, the incremental CD ratio has eased to 74%, though the outstanding CD ratio remains elevated at ~79%. We expect credit growth to sustain at 11.5% YoY in FY26, led by a recovery in 2HFY26.
- **Deposit growth stable at 10.4% in Jun'25; funding cost to ease gradually:** System deposit growth was stable at 10.4% in Jun'25, although banks continue to face challenges in mobilizing low-cost CASA deposits. With a sharp decline in policy rates, banks are reducing both SA and TD rates. SA rates have declined by 25-100bp since Apr'25 and TD rates have fallen by 20-100bp in the past two months. We expect muted deposit growth in 1QFY26, as the seasonal flow of 4Q unwinds. Deposit costs should begin to ease gradually as liability repricing happens.
- **NIMs to decline sharply during 1H; expect trends to improve from 2H onward:** With a reduction in benchmark rates, we estimate lending yields to compress across banks, while the moderation in funding costs happens with a lag even as most banks have reduced SA/TD rates. Banking sector NIMs are thus expected to remain under pressure in 1HFY26, with some variation across banks depending upon the quantum of repo-linked loans and the transmission timelines. **Thus, we expect double-digit NIM decline for all banks under our coverage in 1QFY26E.** However, a phased reduction in deposit rates and a 100bp CRR cut, effective from Sep'25, will enhance liquidity and bring some relief to margins.
- **Asset quality broadly stable; unsecured retail (MFI) to witness continued stress:** Asset quality trends remain stable for large lenders; however, unsecured retail (MFI) continues to witness elevated stress levels. We thus expect the credit cost differential to persist. Large private/PSU banks should continue to report controlled credit costs, while mid-size lenders with higher exposure to Retail/MFI segments are expected to report elevated provisioning levels, mainly during 1H.
- **Estimate 11.1% PAT CAGR over FY25-27E:** We estimate NII for our banking coverage universe to report a muted growth at 1.7% YoY (down 0.6% QoQ). PPoP is expected to decline by 2.4% QoQ (up 3.3% YoY). We estimate private banks' PAT to decline 2.5% YoY (up 2.8% QoQ) and PSU banks to report PAT growth of 4.8% YoY (down 11.7% QoQ). For our coverage universe, we estimate PAT to stay broadly flat YoY (down 4.5% QoQ). Overall, we estimate an 11% CAGR in earnings over FY25-27E.

Private Banks: Earnings to decline 2.5% YoY (9% YoY PAT growth in FY26E)

- **For the private banks under our coverage**, we estimate PPoP to grow 4.2% YoY/ 3.8% QoQ and PAT to decline 2.5% YoY (up 2.8% QoQ). We estimate ~15% CAGR in earnings over FY25-27E for private banks.

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- **Estimate NII to grow 3.1% YoY/flat QoQ in 1QFY26**: Among large private banks under our coverage, HDFCB's NII growth is estimated at 6.9% YoY (flat QoQ), ICICI at 7.0% YoY (down 1.3% QoQ), Axis at 1.5% YoY (down 1.2% QoQ), KMB at 5.6% YoY (down 0.8% QoQ), and Federal at 0.2% YoY (down 3.4% QoQ).
- **Overall slippages are expected to inch up amid agri seasonality,** especially for large private banks. Bureau data indicates that there are signs of easing in early stress and that peak slippages are likely behind, though unsecured retail NPA should remain elevated. We expect credit costs to rise marginally over the year.

PSU Banks: PAT growth to moderate sharply to 4.8% YoY

- **We estimate PSU banks to report a modest PAT growth of 4.8% YoY (down 11.7% QoQ)** amid a decline in NIMs, normalized opex, and higher provisions QoQ due to the benefits of the one-time reversal in provisions on SRs reported in 4Q.
- NII is likely to remain flat YoY (down 1.8% QoQ) owing to a decline in NIMs. We estimate PSU banks to report a 6% CAGR in PAT over FY25-27E.
- **Opex is likely to be under control** and should follow a normalized trajectory for PSU banks. **Treasury performance is likely to be better** QoQ amid a sharp decline in G-sec yields.
- **Asset quality outlook stable:** We expect stable asset quality trends for PSU banks, aided by controlled slippages and robust PCR.

Small Finance Banks: NIMs to fall further; asset quality stress continues

- **AUBANK**'s PAT is likely to improve by 9.8% QoQ (10.1% YoY) to INR5.5b, aided by a decline in credit costs (down 23% QoQ) as the bank improved PCR during 4Q. NII is expected to grow by 1.9% QoQ (up 11.1% YoY), while NIMs are estimated to decline ~28bp QoQ. Delinquencies in MFI+Cards portfolio are likely to remain elevated, keeping credit cost at higher levels.
- **EQUITASB** is estimated to report another muted quarter, with PAT likely to decline by 15% YoY (down ~48% QoQ), dragged down by higher provisions and 25bp QoQ decline in margins to 6.88%. Business growth is likely to remain modest at 17.6% YoY/3.0% QoQ.

Payments/Fintech: SBI Cards – Credit cost to stay elevated | Paytm – PAT nearing breakeven

- **SBICARDS:** Retail spending is likely to see a modest growth, while some pickup in corporate spending is expected. NIMs are likely to improve on the back of rate cuts. Asset quality stress is likely to persist, driving up credit costs. We thus estimate PAT to grow 7.5% QoQ (down 3.4% YoY).
- **PAYTM:** We estimate 3% QoQ growth in GMV to INR5.3t in 1QFY26. Revenue from operations is likely to remain flat QoQ (up 26% YoY) at INR18.96b, while contribution profit is expected to decline marginally (largely due to UPI incentives in 4QFY25) to INR10.5b. Contribution margin is expected to improve to 55.6%. We expect the company to report marginal profits during 1Q.

Top picks – ICICIBC, HDFCB and SBI

ICICIBC: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	812	879	1,043
OP	673	741	893
NP	472	507	606
NIM (%)	4.5	4.3	4.4
EPS (INR)	66.8	71.2	85.1
EPS Gr (%)	14.4	6.6	19.5
ABV/Sh (INR)	387	429	504
Cons. BV/Sh (INR)	427	506	598
Ratios			
RoA (%)	2.4	2.2	2.3
RoE (%)	18.0	16.7	17.5
Valuations			
P/BV (x) (Cons)	3.3	2.8	2.4
P/ABV (x)*	3.0	2.7	2.3
P/E (x)	21.4	20.0	16.8
Adj P/E (x)*	17.4	16.3	13.6

*Adi for Investment in Subs

ICICIBC (BUY)

- ICICIBC has sustained strong momentum, delivering ~16% CAGR in loans over FY22-25, led by Retail, SME, and strong growth in the BB segment.
- Asset quality remains robust, with GNPA/NNPA at 1.67%/0.39% and PCR at ~77%. A healthy contingency buffer of INR131b (~1% of loans) provides cushion amid cyclical risks. While unsecured loans (~13.3% of loans) show elevated stress, slippages have moderated and credit costs are expected to remain contained at ~40-50bp over FY26-27E.
- NIMs surprised positively, rising 16bp QoQ to 4.41% in 4QFY25, supported by higher yields and the absence of KCC reversals. While margins may face near-term pressure due to rate cuts, the bank expects relative stability in NIMs.
- Deposits grew 14% YoY, with strong growth in CA deposits. CASA ratio improved to 41.8% (Q-end), though average CASA stayed flat at 38.4%. The bank's digital and branch-led strategy continues to drive deposit franchise. We expect a 14% CAGR in deposits over FY25-27E.
- ICICIBC is set for top performance, with robust loan growth, solid asset quality, and leading returns, with estimated RoA/RoE of 2.3%/17.5% by FY27E. The standalone bank trades at 2.3x FY27E ABV, adjusted for subsidiaries.

HDFCB: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	1,227	1,340	1,560
OP	1,001	1,103	1,299
NP	673	730	857
NIM (%)	3.5	3.5	3.7
EPS (INR)	88.7	96.1	112.8
EPS Gr. (%)	10.7	8.4	17.4
BV/Sh. (INR)	660	723	815
ABV/Sh. (INR)	630	690	778
Ratios			
RoA (%)	1.8	1.8	1.9
RoE (%)	14.3	13.9	14.7
Valuations			
P/E(X)	22.4	20.7	17.6
P/E(X)*	18.9	17.5	14.9
P/BV (X)	3.0	2.7	2.4
P/ABV (X)*	2.7	2.4	2.2

*Adj for Investment in Subs

HDFCB (BUY)

- HDFCB continues to navigate post-merger adjustments with a focus on liability management and a calibrated reduction in its CD ratio, which improved to 96.5% in 4QFY25. Deposit growth remained strong at 14% YoY, outpacing loan growth (5.4% YoY), aided by network expansion and a digital-first strategy.
- Loan growth was led by Retail and Commercial & Rural Banking, which together form over 78% of the book. We estimate a CAGR of ~11%/15% in loans/deposits over FY25-27. The share of retail loans stood at ~49.6% in 4QFY25.
- NIM improved 11bp QoQ to 3.54% (adj NIMs at 3.46%) in 4QFY25 and is expected to reach 3.7% by FY27E, driven by asset repricing and a shift toward higher-yielding segments.
- Asset quality remained stable, with GNPA/NNPA at 1.33%/0.43% and PCR at ~68%. Credit costs are projected to remain around 50bp.
- Operationally, the cost-to-income ratio improved to 39.8%, aided by scale benefits and improved efficiency. The bank continues to invest in tech and talent to drive productivity gains.
- With margin normalization, improved asset quality, and strategic rebalancing, HDFCB is well-positioned to deliver RoA/RoE of 1.9%/14.7% by FY27E. It currently trades at 2.2x FY27E ABV, adjusting for subsidiaries.

SBI: Financial snapshot (INR b)

Y/E March	FY25	FY26E	FY27E
NII	1,670	1,752	1,982
OP	1,106	1,108	1,268
NP	709	698	776
NIM (%)	2.9	2.8	2.9
EPS (INR)	79.4	78.2	86.9
EPS Gr. (%)	16.1	-1.6	11.1
ABV (INR)	437	498	566
Cons. BV (INR)	529	602	699
Ratios			
RoA (%)	1.1	1.0	1.0
RoE (%)	18.6	15.8	15.6
Valuations			
P/BV (x) (Cons.)	1.5	1.3	1.2
P/ABV (x)*	1.3	1.1	1.0
P/E (x)	9.3	9.2	8.0
P/E (x)*	7.1	7.2	6.5

*Adj for Investment in Subs

SBI (BUY)

- SBIN posted healthy 12.4% YoY loan growth in FY25, led by Retail (11.4%), SME (16.9%), and Corporate (9%). Retail loans now account for ~36% of the portfolio.
- With a robust INR3.4t credit pipeline and a conservative CD ratio of 69.7%, the bank is well-placed to deliver 12-13% credit growth over FY26-27E, ahead of systemic trends.
- Asset quality improved, with GNPA/NNPA at 1.82%/0.47% and PCR at 74.4% (92.1% including write-offs). The restructured book remains low at 0.31% of loans. Credit costs were benign at 38bp in FY25 and are expected to remain in the 40-50bp range, supporting a healthy asset quality outlook.
- Deposits rose 9.5% YoY with a CASA ratio of ~40%. SBIN maintains a dominant 24% market share and targets ~10% deposit CAGR over FY25-27, aided by a focus on granular retail liabilities.
- NIMs stood stable at 3.0%, backed by a ~35% MCLR-linked book. Though some margin pressure is expected in a falling rate cycle, improved yield management should help maintain NIMs near current levels.
- Digital leadership via YONO (88m users) and operational efficiencies are driving down the C/I ratio, which is expected to improve to ~52.5% by FY27E.
- SBIN remains well-positioned for sustainable growth, underpinned by strong credit expansion and controlled asset quality risks. We estimate 5% earnings CAGR over FY25-27E, with RoA/RoE expected at 1.0%/15.6% by FY27E. The standalone bank currently trades at 1.0x FY27E ABV.

Exhibit 1: Banks: Summary of 1QFY26 earnings estimates

		NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
	Rating	Jun'25	YoY (%)	QoQ (%)	Jun'25	YoY (%)	QoQ (%)	Jun'25	YoY (%)	QoQ (%)
Financials										
AU Small Finance	Buy	21,345	11.1	1.9	12,300	29.2	-4.8	5,531	10.1	9.8
Axis Bank	Neutral	1,36,472	1.5	-1.2	1,06,373	5.3	-1.1	59,722	-1.0	-16.1
Bandhan Bank	Neutral	27,153	-9.6	-1.5	16,827	-13.3	7.1	4,571	-57.0	43.8
DCB Bank	Buy	5,720	15.2	2.5	3,075	49.7	0.7	1,724	31.3	-2.6
Equitas Small Finance	Buy	8,102	1.1	-2.3	3,046	-10.5	-2.1	220	-14.7	-47.8
Federal Bank	Buy	22,972	0.2	-3.4	14,478	-3.5	-1.2	9,202	-8.8	-10.7
HDFC Bank	Buy	3,18,961	6.9	0.0	2,61,122	9.3	0.0	1,71,269	5.9	0.0
ICICI Bank	Buy	2,09,235	7.0	-1.3	1,77,283	10.6	0.4	1,20,038	8.5	-5.0
IDFC First Bank	Neutral	49,095	4.6	0.0	18,493	-1.8	2.1	2,468	-63.7	-18.8
IndusInd Bank	Neutral	41,567	-23.1	36.4	22,705	NA	NA	5,719	NA	NA
Kotak Mahindra Bank	Buy	72,258	5.6	-0.8	53,715	2.2	-1.8	34,792	-1.1	-2.0
RBL Bank	Buy	14,848	-12.7	-5.0	7,605	-11.5	-11.7	1,413	-62.0	105.7
Banks – Private		**9,27,728**	**3.1**	**0.5**	**6,97,023**	**4.2**	**3.8**	**4,16,669**	**-2.5**	**2.8**
Bank of Baroda	Neutral	1,07,886	-7.0	-2.1	71,345	-0.4	-12.3	41,744	-6.4	-17.3
Canara Bank	Buy	91,448	-0.2	-3.1	79,021	3.8	-4.6	41,444	6.1	-17.2
Indian Bank	Buy	64,200	3.9	0.5	50,633	12.5	0.9	28,392	18.1	-4.0
Punjab National Bank	Buy	1,05,856	1.0	-1.6	66,913	1.7	-1.2	41,441	27.5	-9.3
State Bank of India	Buy	4,20,417	2.2	-1.7	2,72,278	2.9	-13.0	1,70,101	-0.1	-8.8
Union Bank	Buy	92,751	-1.5	-2.5	74,375	-4.5	-3.4	40,808	10.9	-18.1
Banks – PSU		**8,82,558**	**0.3**	**-1.8**	**6,14,566**	**2.3**	**-8.5**	**3,63,930**	**4.8**	**-11.7**
Total Banks		**18,10,285**	**1.7**	**-0.6**	**13,11,589**	**3.3**	**-2.4**	**7,80,599**	**0.8**	**-4.5**
SBI Cards	Neutral	16,706	13.1	3.1	20,922	10.1	6.5	**5,744**	-3.4	7.5
PAYTM	Neutral	18,962	26.3	-0.8	275	NA	NA	**24**	NA	NA

Exhibit 2: We cut our aggregate banks' earnings estimates by ~3.2% for FY26E; FY27E earnings broadly unchanged

INR b	Old Estimates		Revised Estimates		Introduced	% Change	
	FY26E	FY27E	FY26E	FY27E	FY28E	FY26E	FY27E
Private Banks							
AXSB	280.5	330.5	273	338.1	412.2	-2.7	2.3
BANDHAN	31.9	38.6	29.1	39.6	48.3	-8.6	2.6
DCBB	7.6	9.8	7.8	10.4	15	2.8	6.2
HDFCB	734.7	855.1	729.8	857.1	992	-0.7	0.2
ICICIBC	519.6	609.3	507	606.1	741.5	-2.4	-0.5
IDFCFB	27.7	49.7	24.3	47.8	66.3	-12.2	-3.8
IIB	34.5	44.4	30.8	43.5	63.1	-10.7	-2
KMB	152.3	178.2	153.3	180.4	215.6	0.6	1.2
FB	43.9	54.9	41.5	52.4	68.4	-5.5	-4.6
RBK	13.7	21.5	10.6	18.8	25.1	-23	-12.5
AUBANK	27.5	37.1	26.7	37.5	47.9	-3	1.1
EQUITASB	4.5	10.1	3.6	8.9	13	-20.5	-11.9
Total Pvt	**1,878.40**	**2,239.30**	**1,837.50**	**2,240.50**	**2,708.30**	**-2.2**	**0.1**
- YoY growth (%)	**11.1**	**19.2**	**8.6**	**21.9**	**20.9**		
PSU Banks							
BOB	204.2	225.6	184.2	233.4	292.6	-9.8	3.5
CBK	178.5	197.5	169.1	190.7	223.2	-5.2	-3.5
INBK	113.7	127	111.8	123.5	137.4	-1.7	-2.7
PNB	194.5	223.5	176.5	211.9	250	-9.2	-5.2
SBIN	711.2	796.1	697.8	775.5	891.4	-1.9	-2.6
UNBK	184.9	197.4	178.7	193.7	223.1	-3.4	-1.9
Total PSU	**1,587.00**	**1,767.00**	**1,518.20**	**1,728.70**	**2,017.70**	**-4.3**	**-2.2**
- YoY growth (%)	**3.7**	**11.3**	**-0.8**	**13.9**	**16.7**	**3.7**	
Total Banks	**3,465.50**	**4,006.40**	**3,355.70**	**3,969.20**	**4,726.00**	**-3.2**	**-0.9**
- YoY growth (%)	**7.6**	**15.6**	**4.2**	**18.3**	**19.1**		

Exhibit 3: Loan growth has decelerated to 9.6% in Jun'25

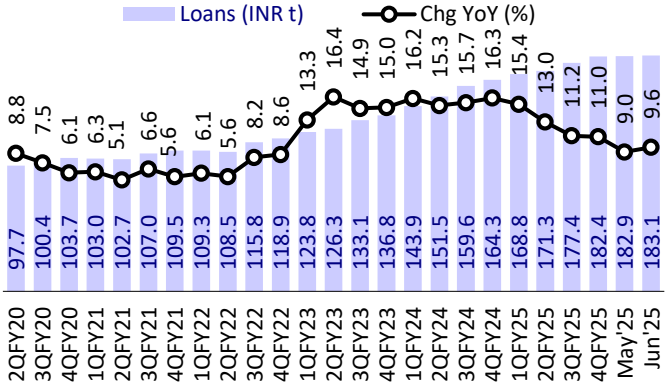


Exhibit 4: Deposit growth broadly stable at 10.4%

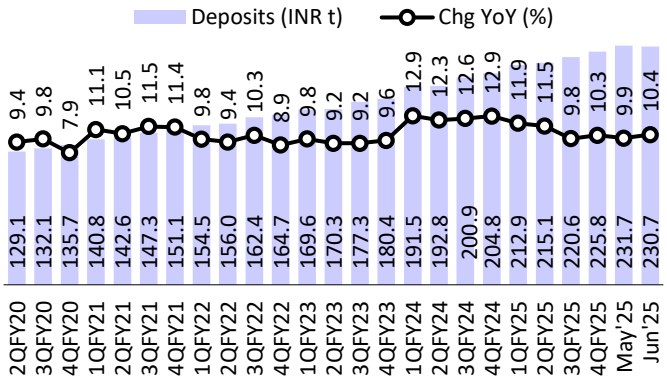
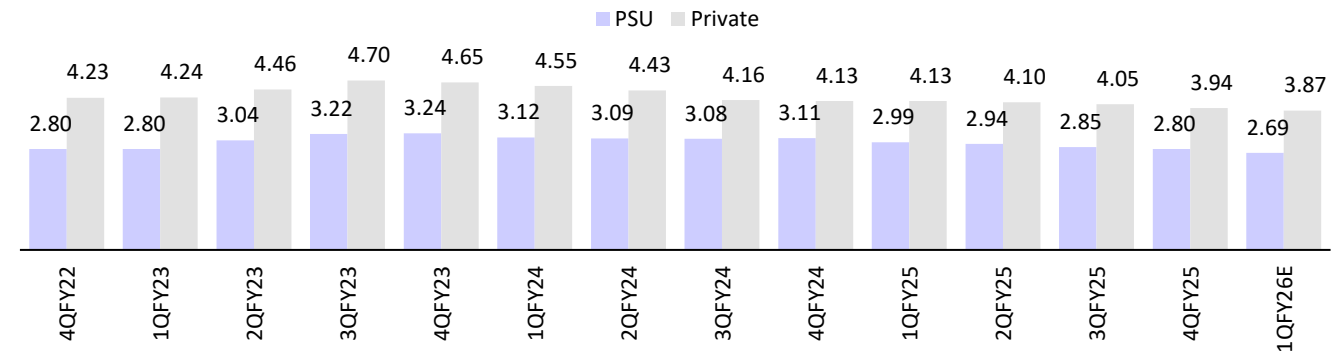


Exhibit 5: Estimate NIMs to decline in double digits amid rate cuts



Source: MOFSL, Company

Exhibit 6: NIMs to see a double-digit decline across all banks in our coverage universe

NIM (%)	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26E
AXSB	4.11	4.01	4.06	4.05	3.99	3.93	3.97	3.83
HDFCB	3.40	3.40	3.44	3.47	3.46	3.43	3.54	3.38
ICICIBC	4.53	4.43	4.40	4.36	4.27	4.25	4.41	4.27
IDFCFB	6.32	6.42	6.35	6.22	6.18	6.04	5.95	5.73
IIB	4.29	4.29	4.26	4.25	4.08	3.93	3.47	3.22
KMB	5.22	5.22	5.28	5.02	4.91	4.93	4.97	4.79
FB	3.22	3.19	3.21	3.16	3.12	3.11	3.12	2.96
BoB	3.07	3.10	3.27	3.18	3.10	2.94	2.86	2.72
CBK	3.00	3.03	3.07	2.90	2.86	2.71	2.73	2.60
PNB	3.11	3.15	3.10	3.07	2.92	2.93	2.81	2.68
SBIN	3.29	3.22	3.30	3.22	3.14	3.01	3.00	2.88
UNBK	3.18	3.08	3.09	3.05	2.90	2.91	2.87	2.72
INBK	3.52	3.49	3.52	3.53	3.49	3.57	3.48	3.33
AUBANK	5.50	5.50	5.10	6.00	6.05	5.90	5.80	5.55
RBK	5.54	5.52	5.45	5.67	5.04	4.90	4.89	4.52
BANDHAN	7.20	7.20	7.60	7.60	7.40	6.90	6.70	6.43
DCBB	3.69	3.48	3.62	3.39	3.27	3.30	3.29	3.18

Exhibit 7: Trend in margin movement alongside the change in repo rate (bp)

NIM change QoQ	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
AXSB	11	36	30	-4	-12	1	-10	5	-1	-6	-6	4
HDFCB	-	10	-	-	-	-70	-	4	3	-1	-3	11
ICICIBC	1	30	34	25	-12	-25	-10	-3	-4	-9	-2	16
IDFCFB	-38	9	38	5	-8	-1	10	-7	-13	-4	-14	-9
IIB	1	3	3	1	1	-	-	-3	-1	-17	-15	-46
KMB	14	23	32	28	-18	-35	-	6	-26	-11	2	4
FB	6	13	20	-19	-16	2	-3	2	-5	-4	-1	1
BoB	-6	31	4	16	-26	-20	3	17	-9	-8	-16	-8
CBK	-15	8	19	2	-2	-5	3	4	-17	-4	-15	2
PNB	3	21	16	8	-16	3	4	-5	-3	-15	1	-12
SBIN	-10	30	18	10	-27	-4	-7	8	-8	-8	-13	-1
UNBK	25	15	6	-23	15	5	-10	1	-4	-15	1	-4
INBK	23	10	54	-15	2	-9	-3	3	1	-4	8	-9
AUBANK	-40	30	-	-10	-38	-22	-	-40	90	5	-15	-10
RBK	-	-2	25	35	-9	1	-2	-7	22	-63	-14	-1
BANDHAN	-70	-100	-50	80	-	-10	-	40	-	-20	-50	-20
DCBB	-32	27	14	16	-35	-14	-21	14	-23	-12	3	-1
REPO RATE	**90**	**100**	**35**	**25**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-25**

Exhibit 8: Trend in lending yield alongside the change in repo rate (bp)

Yield change QoQ	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
AXSB	54	58	56	-15	90	12	12	-24	0	-9	-10	-32
HDFCB	34	46	64	-12	50	130	9	-10	13	-167	-19	-19
ICICIBC	-19	51	50	62	11	-5	-2	9	-8	-7	-8	21
IDFCFB	21	136	7	11	22	31	40	-34	-2	-51	7	-59
IIB	10	12	24	27	22	6	15	21	-9	-26	-10	-276
KMB	65	58	46	39	37	-10	19	-10	-0	-5	-14	-26
FB	2	35	49	35	8	14	2	11	-5	-8	4	-8
BoB	-23	64	56	69	-7	3	8	24	-20	-7	-13	-14
CBK	-19	21	21	25	73	13	4	11	-5	11	2	4
PNB	-15	42	32	67	15	10	30	-1	-11	-2	7	-2
SBIN	-15	23	21	23	68	8	2	9	-8	4	1	4
UNBK	16	51	19	19	40	38	-6	12	-15	-2	8	-6
INBK	16	32	71	-2	36	22	3	3	-12	8	15	-28
AUBANK	76	55	-25	-38	-3	-12	-39	-25	258	28	5	-77
RBK	13	-14	57	76	33	16	-3	12	5	-63	-24	-30
BANDHAN	-40	-90	-	70	60	-	10	40	10	-20	-40	-20
DCBB	-35	16	18	68	-12	1	-12	27	-21	-11	5	10
REPO RATE	**90**	**100**	**35**	**25**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-25**

Source: MOFSL, Company

Most of the banks have cut their savings rates in the range of 25-100bp across buckets

Exhibit 9: Changes in SA rates since Apr'25 for major banks (%)

Name of Bank	Slabs	Apr-25	Jun-25	Difference
HDFC Bank	< 50 Lakhs	3.00	2.50	-0.50
	50 lakhs & above	3.50	2.50	-1.00
Axis Bank	< 50 Lakhs	3.00	2.50	-0.50
	50 lakhs to 2000 crore	3.50	2.50	-1.00
	2000 crore & above	7.03	6.00	-1.03
DCB Bank	< 10 lakhs	4.75	4.50	-0.25
	10 lakhs to < 1 crore	7.75	6.00	-1.75
	1 crore to < 10 crore	8.00	7.50	-0.50
	10 crore and above	8.00	7.25	-0.75
ICICI Bank	< 50 Lakhs	3.00	2.50	-0.50
	50 lakhs or more	3.50	2.50	-1.00
Indusind Bank	< 10 lakhs	5.00	3.00	-2.00
	10 lakhs to < 1 crore	7.00	4.00	-3.00
	1 crore & above	7.00	5.00	-2.00
KMB	< 50 Lakhs	3.00	2.75	-0.25
	50 lakhs or more	3.50	2.75	-0.75
SBI	< 10 crore	2.70	2.50	-0.20
	10 crore or more	3.00	2.50	-0.50
PNB	< 10 Lakhs	2.70	2.50	-0.20
	10 lakhs to < 100 crore	2.75	2.50	-0.25
	100 crore & above	3.00	2.70	-0.30
BOB	< 50 lakhs	2.75	2.70	-0.05
	50 lakhs to < 100 crore	3.00	3.00	0.00
	100 crore to < 1000 crore	4.10	4.00	-0.10
	1000 crore and above	4.50	4.25	-0.25
Indian Bank	< 10 lakhs	2.75	2.75	0.00
	10 lakhs to < 200 crore	2.80	2.80	0.00
	200 crore & above	2.90	2.90	0.00
RBL Bank	< 10 lakhs	5.50	5.00	-0.50
	10 lakhs to < 3 crore	7.50	6.75	-0.75
	3 crore to < 200 crore	6.00	6.00	0.00
	200 crore & above	7.33	6.05	-1.28
Federal Bank	< 5 crore	3.50	2.50	-1.00
	5 crore to < 50 crore	5.25	4.75	-0.50
	50 crore to < 150 crore	6.90	6.25	-0.65
	150 crore & above	3.00	2.50	-0.50
AU SFB	< 10 lakhs	5.00	4.00	-1.00
	10 lakhs to < 25 lakhs	7.00	6.50	-0.50
	25 lakhs to < 25 crore	7.25	6.75	-0.50
IDFC First Bank	< 5 lakhs	3.00	3.00	0.00
	5 lakhs to < 10 crores	7.25	7.00	-0.25
	10 crores to < 200 crores	7.25	6.50	-0.75
	more than 200 crores	3.50	3.50	0.00
Bandhan Bank	< 10 lakhs	5.00	5.00	0.00
	10 lakhs to < 5 crore	7.00	6.00	-1.00
	5 crore to < 250 crore	7.00	6.50	-0.50
	more than 250 crore	8.15	7.00	-1.15
Equitas SFB	< 10 lakhs	5.00	5.00	0.00
	10 lakhs to < 1 crore	7.25	7.00	-0.25
	1 crore to < 25 crore	7.50	7.25	-0.25
	more than 25 crore	7.80	7.50	-0.30

Source: MOFSL, Company

TD rates have declined by 20bp to 100bp for most banks across varying maturities

Exhibit 10: Change in TD rates since Apr'25 across banks (%)

Name of Bank	Slabs	Apr-25	Jun-25	Difference
HDFC Bank	0 to < 90 days	4.50	4.25	-0.25
	90 days to < 1 year	6.00	5.75	-0.25
	1 year to < 5 years	7.40	6.60	-0.80
	more than 5 year	7.00	6.15	-0.85
Axis Bank	0 to < 90 days	4.75	4.50	-0.25
	90 days to < 1 year	6.00	5.75	-0.25
	1 year to < 5 years	7.25	6.60	-0.65
	more than 5 year	7.00	6.50	-0.50
DCB Bank	0 to < 90 days	4.00	4.50	0.50
	90 days to < 1 year	7.10	6.50	-0.60
	1 year to < 5 years	8.00	7.40	-0.60
	more than 5 year	7.65	7.00	-0.65
ICICI Bank	0 to < 90 days	4.50	4.00	-0.50
	90 days to < 1 year	6.00	5.75	-0.25
	1 year to < 5 years	7.25	6.60	-0.65
	more than 5 year	6.90	6.60	-0.30
Indusind Bank	0 to < 90 days	4.75	4.75	0.00
	90 days to < 1 year	6.50	6.50	0.00
	1 year to < 5 years	7.75	7.00	-0.75
	more than 5 year	7.00	6.50	-0.50
KMB	0 to < 90 days	3.50	3.50	0.00
	90 days to < 1 year	7.00	6.00	-1.00
	1 year to < 5 years	7.40	6.60	-0.80
	more than 5 year	6.20	6.25	0.05
SBI	0 to < 90 days	5.50	5.05	-0.45
	90 days to < 1 year	6.50	6.05	-0.45
	1 year to < 5 years	7.00	6.45	-0.55
	more than 5 year	6.50	6.05	-0.45
PNB	0 to < 90 days	4.50	4.50	0.00
	90 days to < 1 year	6.80	6.00	-0.80
	1 year to < 5 years	7.25	6.70	-0.55
	more than 5 year	6.50	6.00	-0.50
BOB	0 to < 90 days	5.50	5.00	-0.50
	90 days to < 1 year	6.50	6.00	-0.50
	1 year to < 5 years	7.30	6.50	-0.80
	more than 5 year	6.50	6.00	-0.50
Union Bank	0 to < 90 days	4.50	4.40	-0.10
	90 days to < 1 year	6.35	6.15	-0.20
	1 year to < 5 years	7.30	6.85	-0.45
	more than 5 year	6.50	6.40	-0.10
Indian Bank	0 to < 90 days	3.25	3.25	0.00
	90 days to < 1 year	4.75	4.75	0.00
	1 year to < 5 years	7.15	6.90	-0.25
	more than 5 year	6.25	6.00	-0.25
RBL Bank	0 to < 90 days	4.50	4.50	0.00
	90 days to < 1 year	6.05	6.05	0.00
	1 year to < 5 years	8.00	7.30	-0.70
	more than 5 year	7.00	7.00	0.00
AU Small finance Bank	0 to < 90 days	5.50	5.00	-0.50
	90 days to < 1 year	7.25	6.50	-0.75
	1 year to < 5 years	8.00	7.25	-0.75
	more than 5 year	7.25	6.75	-0.50
Bandhan Bank	0 to < 90 days	4.50	4.50	0.00
	90 days to < 1 year	4.50	4.50	0.00
	1 year to < 5 years	8.05	7.75	-0.30
	more than 5 year	5.85	5.85	0.00
Equitas Small Finance Bank	0 to < 90 days	5.50	5.50	0.00
	90 days to < 1 year	7.20	7.00	-0.20
	1 year to < 5 years	8.05	7.80	-0.25
	more than 5 year	7.25	7.25	0.00

Source: MOFSL, Company

Large banks continue to carry healthy contingency buffers; IndusInd utilized its contingency buffer in 4QFY25

Exhibit 11: Snapshot of additional provision buffers as of 4QFY25

As on 4QFY25	Loans (INR b)	COVID/contingent provisions	Floating/additional provisions	Total provisions	As a percentage of loans (%)
AXSB	10,408	120		120	1.2
HDFCB	26,196	135	124	259	1.0
ICICIBC	13,418	131	-	131	1.0
IIB	3,450	-	-	-	-
AUBANK	1,071	0.2	0.4	0.6	0.1

Source: MOFSL, Company

Exhibit 12: AXSB, FB, KMB, ICICIBC, and HDFCB have higher EBLR/Repo-linked loans; PSBs have higher linkage to MCLR (%)

Loans Mix (%) - 4QFY25	MCLR	EBLR	Repo Linked	Others (Fixed, base rate, foreign currency-floating)
AUBANK	30		7	63
AXSB	9	4	57	30
CBK	56	44		0
FB	9		51	40
HDFCB*	25		45	30
ICICIBC	15	1	53	31
INBK*	57		37	5
KMB**	13	60		27
PNB	31	15	44	11
RBL	9		46	45
SBIN	35		29	36
BOB	47		35	18
Equitas*			20	80

*as on 1QFY25 **as on 4QFY24; Source: MOFSL, Company

Exhibit 13: Restructured book across banks has moderated significantly over past few quarters (INR b)

INR b	Restructured book									
	Absolute	Mar'23	Jun'23	Sep'23	Dec'23	Mar'24	Jun'24	Sep'24	Dec'24	Mar'25
AXSB	12.1	0.22	0.21	0.20	0.18	0.16	0.14	0.13	0.12	0.12
BANDHAN	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
DCBB	8.2	4.51	3.97	3.40	3.00	2.62	2.34	2.07	1.81	1.60
HDFCB	NA	0.31	NA	0.22	NA	NA	NA	NA	NA	NA
ICICIBC	19.6	0.40	NA	0.32	0.29	0.26	0.22	0.20	0.16	0.15
IIB	4.1	0.84	0.66	0.54	0.48	0.40	0.34	0.29	0.18	0.12
KMB	2.0	0.22	0.19	0.15	0.13	0.10	0.08	0.06	0.05	0.05
FB	14.3	1.62	1.40	1.30	1.10	0.97	0.83	0.71	0.68	0.61
RBK	2.7	1.21	1.05	0.89	0.63	0.51	0.44	0.38	0.32	0.29
AUBANK	3.2	1.20	1.00	0.80	0.70	0.60	0.40	0.40	0.30	0.30
BOB	NA	1.5	1.31	NA	1.0	NA	NA	NA	NA	NA
SBIN	129.2	0.8	0.69	0.62	0.54	0.47	0.38	0.38	0.34	0.31
INBK	48.8	2.51	2.19	2.12	1.93	1.67	1.51	1.34	1.23	0.85
PNB	NA	1.32	NA	NA	NA	NA	NA	NA	NA	NA
UNBK	89.3	2.20	2.00	1.71	1.57	1.48	1.30	1.21	1.08	0.91
CBK	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

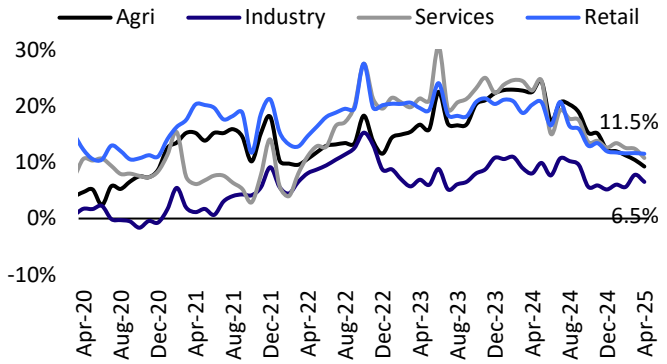
Source: MOFSL, Company

Exhibit 14: SMA mix across banks as of 4QFY25

SMA (bp of loans)	SMA 0	SMA 1	SMA 2
BOB	NA	33bp	
CBK	26bp	39bp	30bp
INBK	NA	75bp	12bp
PNB	NA	NA	2bp
SBIN	NA	5bp	3bp
UNBK	8bp	20bp	13bp
BANDHAN	150bp	90bp	90bp
KMB	NA	NA	3bp

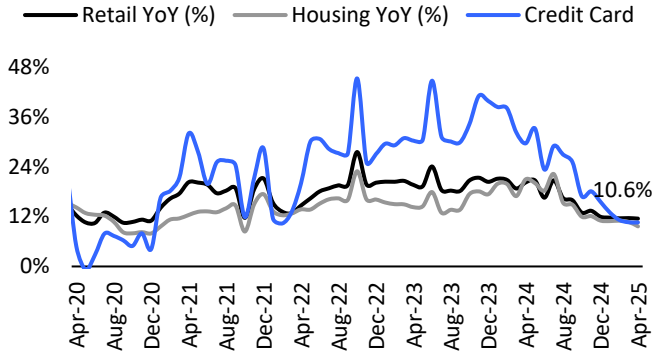
Source: MOFSL, Company

Exhibit 15: Retail loan growth stood at 11.5% YoY; retail loan mix has increased to ~35%



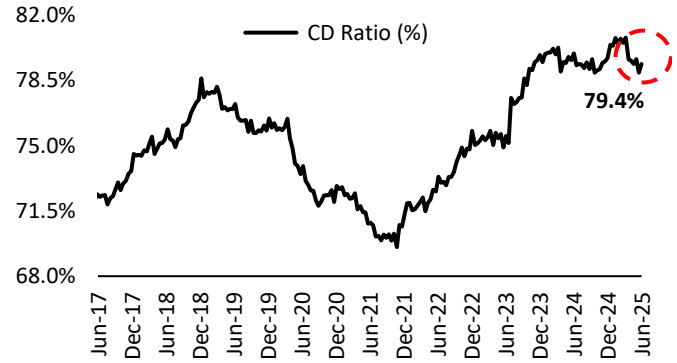
Source: MOFSL, RBI

Exhibit 16: Credit cards' growth decelerated to 11% YoY; Housing loan growth moderated to 10% YoY in Apr'25



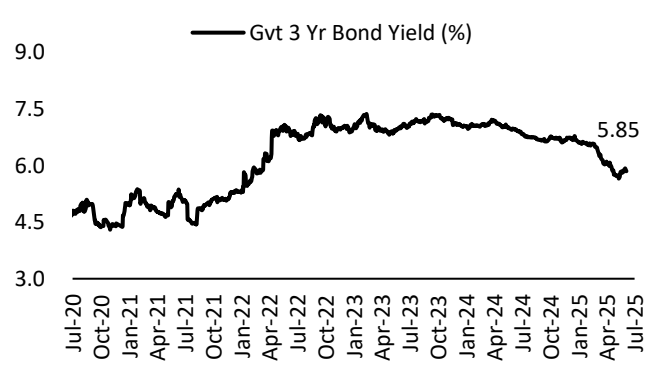
Source: MOFSL, RBI

Exhibit 17: CD ratio eased slightly to 79.4% in Jun'25



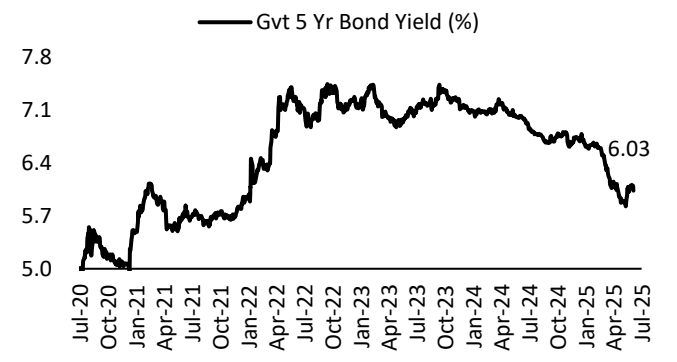
Source: MOFSL, RBI

Exhibit 18: 3-year G-Sec yield moderated to 5.85% in Jul'25



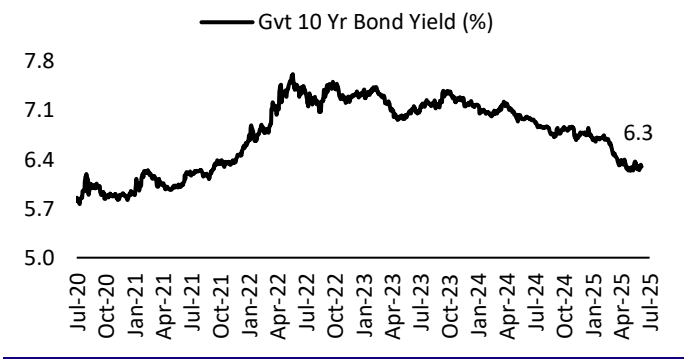
Source: MOFSL, BBG

Exhibit 19: Five-year G-Sec yield stood at 6.03% in Jul'25



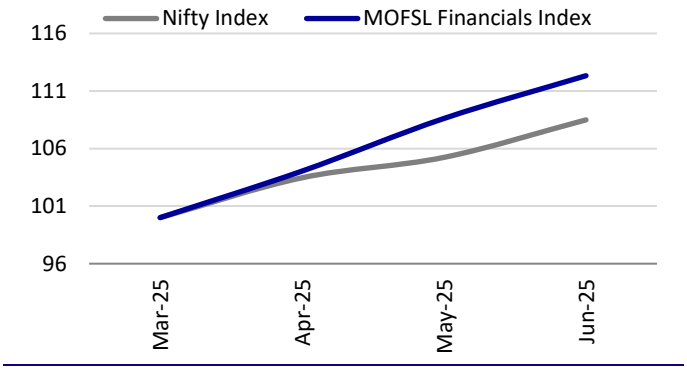
Source: MOFSL, BBG

Exhibit 20: 10-year G-Sec yield has eased to 6.3% in Jul'25



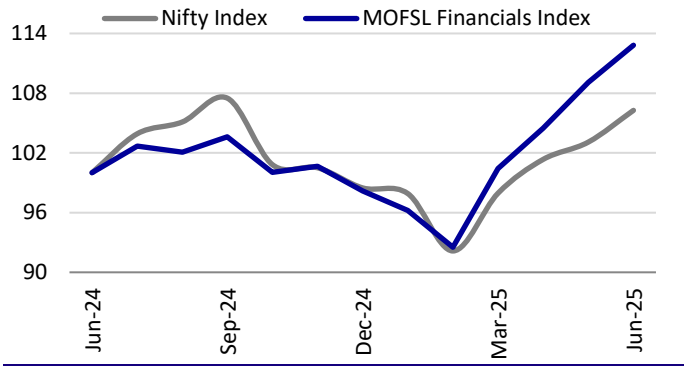
Source: MOFSL, BBG

Exhibit 21: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 22: One-year relative performance (%)



Source: MOFSL, Company

Exhibit 23: Valuation summary

Company	CMP (INR)	Rating	EPS (INR)			P/E (x)			P/B (x)			RoE (%)		
			FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Financials														
Banks-Private														
ICICIBC	1,432	Buy	66.8	72.2	84.9	17.5	16.2	13.7	3.5	3.2	2.7	18.0	16.9	17.4
HDFCB	2,012	Buy	88.7	95.6	112.0	19.2	17.8	15.2	3.0	2.8	2.5	14.3	13.8	14.6
AXSB	1,173	Neutral	85.3	84.6	103.4	12.3	12.4	10.1	2.0	1.8	1.5	15.9	13.6	14.3
BANDHAN	187	Neutral	17.0	19.7	23.9	11.0	9.5	7.8	1.2	1.2	1.1	11.9	12.7	14.2
KMB	2,184	Buy	69.0	75.9	88.8	20.4	18.6	15.9	3.7	3.5	3.1	12.8	12.5	13.2
IIB	879	Neutral	33.1	43.8	59.4	26.6	20.1	14.8	1.1	1.0	1.0	4.0	5.2	6.7
FB	219	Buy	16.6	17.4	22.0	13.1	12.6	9.9	1.6	1.5	1.3	13.0	12.1	13.7
DCBB	147	Buy	19.6	23.8	30.7	7.5	6.2	4.8	0.8	0.8	0.7	12.1	13.1	15.0
IDFCFB	77	Neutral	2.1	3.4	5.7	36.5	22.8	13.4	1.5	1.4	1.3	4.4	6.3	9.9
EQUITASB	69	Buy	1.3	3.9	8.8	53.6	17.7	7.9	1.3	1.3	1.1	2.4	7.3	15.1
AUBANK	836	Buy	29.8	36.4	49.4	28.1	23.0	16.9	3.7	3.3	2.8	14.3	15.0	17.7
RBK	260	Buy	11.5	21.9	35.2	22.6	11.8	7.4	1.0	1.0	0.9	4.6	8.4	12.6
Banks-PSU														
SBIN	820	Buy	79.4	79.7	89.2	7.2	7.2	6.4	1.7	1.5	1.3	18.6	16.1	15.9
PNB	113	Buy	14.8	16.7	19.3	7.6	6.8	5.9	1.1	0.9	0.8	15.3	15.1	15.3
BOB	247	Neutral	37.8	38.6	42.6	6.5	6.4	5.8	1.0	0.9	0.8	16.7	15.1	15.1
CBK	115	Buy	18.8	19.4	21.6	6.1	5.9	5.3	1.1	1.0	0.9	19.9	17.9	17.9
UNBK	155	Buy	23.6	24.0	25.7	6.6	6.4	6.0	1.1	1.0	0.8	18.1	16.1	15.2
INBK	650	Buy	81.1	83.3	93.6	8.0	7.8	6.9	1.3	1.2	1.1	18.9	16.8	16.8
Fintech and payments														
SBICARD	932	Neutral	20.2	32.9	45.1	46.2	28.3	20.7	6.4	5.3	4.3	14.8	20.6	23.0
PAYTM*	930	Neutral	-10.4	1.5	13.7	NA	620.2	68.0	8.6	7.3	6.1	-4.7	0.6	6.0

*For Paytm, P/sales is there instead of P/BV

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

AU Small Finance Bank — Buy

CMP: INR836 | TP: INR775 (-7%) — **EPS CHANGE (%): FY26|27: -3.1|0.9**

- Expect margins to see moderation
- Expect business growth to remain healthy
- Cost ratios to remain elevated
- Asset quality ratios to remain stable

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**19.2**	**19.7**	**20.2**	**20.9**	**21.3**	**21.9**	**23.3**	**24.9**	**80.1**	**91.3**
% Change (Y-o-Y)	54.1	58.1	52.7	56.6	11.1	10.8	15.1	18.7	55.4	14.0
Other Income	5.1	6.4	6.2	7.6	7.3	7.1	7.6	8.6	25.3	30.6
Total Income	**24.3**	**26.1**	**26.4**	**28.5**	**28.6**	**29.0**	**30.9**	**33.4**	**105.4**	**121.9**
Operating Expenses	14.8	14.8	14.4	15.6	16.3	17.0	18.1	19.2	59.6	70.7
Operating Profit	**9.5**	**11.3**	**12.0**	**12.9**	**12.3**	**12.0**	**12.8**	**14.2**	**45.8**	**51.3**
% Change (Y-o-Y)	74.3	80.0	83.4	94.6	29.2	5.7	6.2	9.9	87.9	11.9
Provisions	2.8	3.7	5.0	6.4	4.9	4.3	3.6	3.1	17.9	15.8
Profit before Tax	**6.7**	**7.6**	**7.0**	**6.6**	**7.4**	**7.7**	**9.2**	**11.1**	**27.9**	**35.5**
Tax	1.7	1.9	1.7	1.5	1.9	1.9	2.3	2.6	6.8	8.8
Net Profit	**5.0**	**5.7**	**5.3**	**5.0**	**5.5**	**5.8**	**6.9**	**8.5**	**21.1**	**26.7**
% Change (Y-o-Y)	29.9	42.1	40.8	35.9	10.1	0.7	30.5	68.7	37.2	26.7
Operating Parameters										
Deposit (INR b)	972.9	1,096.9	1,122.6	1,242.7	1,283.0	1,358.0	1,433.0	1,531.0	1,242.7	1,531.0
Loan (INR b)	896.5	948.4	995.6	1,070.9	1,102.2	1,167.7	1,230.7	1,331.2	1,070.9	1,331.2
Deposit Growth (%)	40.4	44.8	40.1	42.5	31.9	23.8	27.6	23.2	42.5	23.2
Loan Growth (%)	42.6	47.8	49.2	46.4	22.9	23.1	23.6	24.3	46.4	24.3
Asset Quality										
GNPA (%)	1.8	2.0	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
NNPA (%)	0.6	0.8	0.9	0.7	0.8	0.7	0.7	0.6	0.7	0.6
PCR (%)	65.1	62.8	61.2	68.1	68.3	69.4	70.2	71.4	68.0	71.4

E: MOFSL Estimates

Axis Bank — Neutral

CMP: INR1,173 | TP: INR1,300 (+11%) — **EPS CHANGE (%): FY26|27: -3.0|1.9**

- Expect margins to remain under pressure
- Credit cost expected to remain high
- Expect cost ratios to remain under control
- Slippages expected to remain elevated due to stringent provisioning policies

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**134.5**	**134.8**	**136.1**	**138.1**	**136.5**	**137.6**	**146.8**	**161.6**	**543.5**	**582.4**
% Change (Y-o-Y)	12.5	9.5	8.6	5.5	1.5	2.0	7.9	17.0	8.9	7.2
Other Income	57.8	67.2	59.7	67.8	66.8	71.5	73.5	78.7	252.6	290.5
Total Income	**192.3**	**202.1**	**195.8**	**205.9**	**203.3**	**209.0**	**220.2**	**240.3**	**796.0**	**872.8**
Operating Expenses	91.3	94.9	90.4	98.4	96.9	100.6	103.1	110.0	375.0	410.6
Operating Profit	**101.1**	**107.1**	**105.3**	**107.5**	**106.4**	**108.4**	**117.2**	**130.3**	**421.0**	**462.2**
% Change (Y-o-Y)	14.7	24.1	15.2	2.1	5.3	1.2	11.2	21.2	13.4	9.8
Provisions	20.4	22.0	21.6	13.6	26.5	25.6	23.2	22.9	77.6	98.3
Profit before Tax	**80.7**	**85.1**	**83.8**	**93.9**	**79.8**	**82.8**	**94.0**	**107.4**	**343.5**	**364.0**
Tax	20.3	15.9	20.7	22.8	20.1	20.9	23.7	26.3	79.7	91.0
Net Profits	**60.3**	**69.2**	**63.0**	**71.2**	**59.7**	**61.9**	**70.3**	**81.0**	**263.7**	**273.0**
% Change (Y-o-Y)	4.1	18.0	3.8	-0.2	-1.0	-10.5	11.5	13.9	6.1	3.5
Operating Parameters										
Deposit (INR t)	10.6	10.9	11.0	11.7	12.0	12.3	12.6	13.1	11.7	13.1
Loan (INR t)	9.8	10.0	10.1	10.4	10.6	10.9	11.2	11.6	10.4	11.6
Deposit Growth (%)	12.8	13.7	9.1	9.8	12.5	12.9	15.0	11.5	9.8	11.5
Loan Growth (%)	14.2	11.4	8.8	7.8	7.8	8.8	10.0	11.0	7.8	11.0
Asset Quality										
Gross NPA (%)	1.5	1.4	1.5	1.3	1.4	1.4	1.5	1.4	1.4	1.4
Net NPA (%)	0.3	0.3	0.4	0.3	0.4	0.4	0.4	0.3	0.4	0.3
PCR (%)	78.1	76.6	76.2	74.6	75.1	75.3	75.4	75.5	74.5	75.5

Bandhan Bank — Neutral

CMP: INR187 | TP: INR170 (-9%) — **EPS CHANGE (%): FY26|27: -8.7|2.7**

- Expect NIM to witness a decline
- Asset quality likely to remain stable
- Expect loan growth to remain modest
- Cost ratios are likely to stay elevated

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**30.1**	**29.5**	**28.3**	**27.6**	**27.2**	**28.6**	**30.0**	**33.9**	**114.9**	**119.6**
% Change (YoY)	20.7	20.7	12.1	-3.9	-9.6	-3.0	6.1	22.8	11.3	4.1
Other Income	5.3	5.9	11.0	7.0	8.7	7.4	7.5	8.1	29.7	31.7
Total Income	**35.3**	**35.4**	**39.3**	**34.6**	**35.9**	**36.0**	**37.5**	**42.0**	**144.6**	**151.4**
Operating Expenses	15.9	16.9	19.0	18.8	19.0	19.4	20.1	20.8	70.7	79.3
Operating Profit	**19.4**	**18.6**	**20.2**	**15.7**	**16.8**	**16.6**	**17.5**	**21.2**	**73.9**	**72.1**
% Change (YoY)	24.2	17.2	22.1	-14.5	-13.3	-10.7	-13.5	35.0	11.3	-2.4
Provisions	5.2	6.1	13.8	12.6	10.7	9.0	7.7	6.1	37.7	33.5
Profit Before Tax	**14.2**	**12.5**	**6.5**	**3.1**	**6.1**	**7.5**	**9.8**	**15.1**	**36.2**	**38.6**
Tax	3.5	3.1	2.2	-0.1	1.5	1.7	2.5	3.7	8.8	9.5
Net Profit	**10.6**	**9.4**	**4.3**	**3.2**	**4.6**	**5.8**	**7.3**	**11.4**	**27.5**	**29.1**
% Change (YoY)	47.5	30.0	-41.8	482.0	-57.0	-37.7	71.1	259.8	23.1	6.2
Operating Parameters										
Deposits (INR b)	1,332	1,425	1,410	1,512	1,544	1,582	1,644	1,725	1,512	1,725
Loans (INR b)	1,216	1,261	1,274	1,320	1,336	1,371	1,421	1,484	1,320	1,484
Deposit Growth (%)	22.8	27.2	20.1	11.8	15.9	11.0	16.6	14.1	11.8	14.1
Loan Growth (%)	23.8	23.6	15.6	9.0	9.9	8.7	11.6	12.4	9.0	12.4
Asset Quality										
Gross NPA (%)	4.2	4.7	4.7	4.7	4.7	4.7	4.6	4.5	4.7	4.5
Net NPA (%)	1.2	1.3	1.3	1.3	1.3	1.3	1.2	1.2	1.3	1.2
PCR (%)	73.7	73.5	73.5	73.7	73.0	73.3	73.8	74.9	73.8	74.9

E: MOFSL Estimates

Bank of Baroda — Neutral

CMP: INR247 | TP: INR250 (+1%) — **EPS CHANGE (%): FY26|27: -9.8|3.4**

- Expect cost ratios to remain under control
- Expect asset quality to improve
- Margins to see a moderation
- Business growth to be a key monitorable

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**116.0**	**116.2**	**114.2**	**110.2**	**107.9**	**109.7**	**118.6**	**133.6**	**456.6**	**469.8**
% Change (YoY)	5.5	7.3	2.8	-6.6	-7.0	-5.6	3.9	21.3	2.1	2.9
Other Income	24.9	51.8	37.7	52.1	40.0	37.8	41.9	48.4	166.5	168.1
Total Income	**140.9**	**168.0**	**151.9**	**162.3**	**147.9**	**147.5**	**160.5**	**182.0**	**623.1**	**637.9**
Operating Expenses	69.3	73.3	75.2	81.0	76.6	79.0	81.4	86.0	298.7	323.0
Operating Profit	**71.6**	**94.8**	**76.6**	**81.3**	**71.3**	**68.5**	**79.1**	**96.0**	**324.3**	**314.9**
% Change (YoY)	-8.5	18.2	9.3	0.3	-0.4	-27.8	3.1	18.1	4.7	-2.9
Provisions	10.1	23.4	10.8	15.5	15.5	14.1	17.2	20.4	59.8	67.3
Profit before Tax	**61.5**	**71.4**	**65.8**	**65.8**	**55.8**	**54.3**	**61.9**	**75.6**	**264.5**	**247.6**
Tax	16.9	19.0	17.4	15.3	14.1	13.7	15.6	20.0	68.7	63.4
Net Profit	**44.6**	**52.4**	**48.4**	**50.5**	**41.7**	**40.6**	**46.3**	**55.5**	**195.8**	**184.2**
% Change (YoY)	9.5	23.2	5.6	3.3	-6.4	-22.4	-4.3	10.0	10.1	-5.9
Operating Parameters										
Deposit (INR b)	13,070	13,635	13,925	14,720	14,631	15,486	15,967	16,502	14,720	16,502
Loan (INR b)	10,479	11,212	11,513	12,096	12,175	12,746	13,154	13,608	12,096	13,608
Deposit Growth (%)	8.9	9.1	11.8	10.9	11.9	13.6	14.7	12.1	10.3	12.1
Loan Growth (%)	8.8	12.3	12.4	13.5	16.2	13.7	14.3	12.5	13.5	12.5
Asset Quality										
Gross NPA (%)	2.9	2.5	2.4	2.3	2.3	2.2	2.1	2.0	2.3	2.0
Net NPA (%)	0.7	0.6	0.6	0.6	0.5	0.5	0.5	0.6	0.6	0.6
PCR (%)	76.6	76.3	76.0	74.9	76.9	77.0	77.1	70.5	73.1	70.5

E: MOFSL Estimates

Canara Bank — Buy

CMP: INR115 | TP: INR120 (+4%) — **EPS CHANGE (%): FY26|27: -5.3|-3.5**

- Expect margins to see moderation
- Asset quality likely to remain stable
- Advances and deposit growth to be modest
- Expect cost to remain broadly under control

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**91.7**	**93.2**	**91.5**	**94.4**	**91.4**	**93.3**	**98.5**	**106.4**	**370.7**	**389.7**
% Change (Y-o-Y)	5.8	4.6	-2.9	-1.4	-0.2	0.2	7.7	12.7	1.4	5.1
Other Income	53.2	49.8	58.0	63.5	58.8	55.1	56.7	62.8	224.5	233.5
Total Income	**144.9**	**143.0**	**149.5**	**157.9**	**150.3**	**148.4**	**155.3**	**169.2**	**595.2**	**623.2**
Operating Expenses	68.7	66.4	71.1	75.1	71.3	72.2	74.3	80.5	281.3	298.2
Operating Profit	**76.2**	**76.5**	**78.4**	**82.8**	**79.0**	**76.3**	**81.0**	**88.7**	**313.9**	**325.0**
% Change (Y-o-Y)	0.2	0.5	15.2	12.1	3.8	-0.4	3.4	7.1	6.7	3.5
Other Provisions	22.8	22.5	24.0	18.3	23.4	24.1	24.7	26.1	87.6	98.3
Profit before Tax	**53.3**	**54.0**	**54.4**	**64.5**	**55.6**	**52.2**	**56.3**	**62.6**	**226.3**	**226.7**
Tax	14.3	13.9	13.3	14.5	14.2	13.3	14.4	15.7	56.0	57.6
Net Profit	**39.1**	**40.1**	**41.0**	**50.0**	**41.4**	**38.9**	**42.0**	**46.9**	**170.3**	**169.1**
% Change (Y-o-Y)	10.5	11.3	12.3	33.1	6.1	-3.2	2.3	-6.3	17.0	-0.7
Operating Parameters										
Deposit (INR b)	13,352	13,473	13,695	14,569	14,768	15,165	15,510	15,895	14,569	15,895
Loan ((INR b)	9,464	9,840	10,237	10,492	10,659	10,970	11,305	11,688	10,492	11,688
Deposit Growth (%)	12.0	9.3	8.4	11.0	10.6	12.6	13.3	9.1	11.0	9.1
Loan Growth (%)	10.7	10.3	11.2	12.6	12.6	11.5	10.4	11.4	12.6	11.4
Asset Quality										
Gross NPA (%)	4.1	3.7	3.3	2.9	2.9	2.8	2.8	2.7	2.9	2.7
Net NPA (%)	1.2	1.0	0.9	0.7	0.7	0.7	0.7	0.6	0.7	0.6
PCR (%)	71.0	74.1	74.1	76.7	76.4	76.5	76.3	76.5	76.6	76.5

E: MOFSL Estimates

DCB Bank — Buy

CMP: INR147 | TP: INR175 (+19%) — **EPS CHANGE (%): FY26|27: 2.7|6.7**

- Expect business growth to remain healthy
- Expect cost ratios to remain elevated
- Asset quality to remain under control
- Margins to decline due to repo rate cuts

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**4.97**	**5.09**	**5.43**	**5.58**	**5.72**	**6.13**	**6.36**	**6.82**	**21.07**	**25.03**
% Change (Y-o-Y)	5.49	7.03	14.53	9.95	15.19	20.46	17.13	22.27	9.27	18.84
Other Income	1.43	2.05	1.84	2.19	2.27	2.22	2.30	2.37	7.51	9.16
Total Income	**6.40**	**7.14**	**7.27**	**7.77**	**7.99**	**8.35**	**8.66**	**9.19**	**28.57**	**34.19**
Operating Expenses	4.34	4.59	4.56	4.71	4.92	5.08	5.18	5.39	18.20	20.57
Operating Profit	**2.05**	**2.55**	**2.71**	**3.05**	**3.08**	**3.27**	**3.47**	**3.81**	**10.37**	**13.62**
% Change (Y-o-Y)	(1.58)	21.19	28.18	30.66	49.75	28.14	28.14	24.59	19.96	31.37
Provisions	0.28	0.46	0.67	0.67	0.75	0.72	0.79	0.83	2.08	3.09
Profit before Tax	**1.77**	**2.10**	**2.04**	**2.38**	**2.32**	**2.55**	**2.69**	**2.97**	**8.29**	**10.53**
Tax	0.46	0.54	0.52	0.61	0.60	0.62	0.71	0.80	2.13	2.72
Net Profit	**1.31**	**1.55**	**1.51**	**1.77**	**1.72**	**1.93**	**1.98**	**2.18**	**6.15**	**7.81**
% Change (Y-o-Y)	3.5	22.6	19.6	13.8	31.3	24.0	31.0	23.0	14.8	26.98
Operating Parameters										
Deposit (INR b)	516.9	545.3	566.8	600.3	623.1	656.0	686.4	727.0	600.3	727.0
Loan (INR b)	421.8	444.7	477.8	510.5	529.9	558.1	584.1	618.7	510.5	618.7
Deposit Growth (%)	20.2	19.9	20.3	21.6	20.5	20.3	21.1	21.1	21.6	21.1
Loan Growth (%)	18.9	19.3	22.7	24.7	25.6	25.5	22.2	21.2	24.7	21.2
Asset Quality										
Gross NPA (%)	3.33	3.29	3.11	2.99	2.97	2.91	2.86	2.78	2.99	2.78
Net NPA (%)	1.18	1.17	1.18	1.12	1.10	1.06	1.03	0.97	1.12	0.97
PCR (%)	65.2	65.2	62.9	63.2	63.6	64.3	64.8	65.5	63.2	65.5

E: MOFSL Estimates

Equitas Small Finance Bank — Buy

CMP: INR69 | TP: INR80 (+15%) — **EPS CHANGE (%): FY26|27: -21.3|-12.3**

- Expect margins to decline
- Asset quality likely to slightly improve
- Expect credit cost and cost ratios to remain elevated
- Business momentum will be a key monitorable

Quarterly Performance — INRb

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	15.0	15.5	16.1	16.4	16.9	17.2	18.3	19.6	63.1	72.0
Interest Expense	7.0	7.5	7.9	8.1	8.8	9.0	9.5	9.8	30.6	37.2
Net Interest Income	**8.0**	**8.0**	**8.2**	**8.3**	**8.1**	**8.2**	**8.7**	**9.7**	**32.5**	**34.8**
% Change (YoY)	7.9	4.8	4.2	5.5	1.1	2.5	6.8	17.3	5.6	7.0
Other Income	2.1	2.4	2.4	2.3	2.6	2.5	2.6	2.7	9.1	10.5
Total Income	**10.1**	**10.4**	**10.6**	**10.5**	**10.7**	**10.8**	**11.4**	**12.5**	**41.6**	**45.3**
Operating Expenses	6.7	6.9	7.2	7.4	7.7	7.8	8.1	8.3	28.3	31.9
Operating Profit	**3.4**	**3.5**	**3.3**	**3.1**	**3.0**	**2.9**	**3.3**	**4.1**	**13.3**	**13.4**
% Change (YoY)	9.1	5.9	-7.6	-16.9	-10.5	-15.7	-1.6	32.1	-3.1	0.3
Provisions	3.0	3.3	2.4	2.6	2.8	2.2	1.9	1.7	11.4	8.6
Profit before Tax	**0.4**	**0.2**	**0.9**	**0.5**	**0.3**	**0.7**	**1.4**	**2.4**	**2.0**	**4.8**
Tax	0.1	0.1	0.2	0.1	0.1	0.2	0.3	0.6	0.5	1.2
Net Profit	**0.3**	**0.1**	**0.7**	**0.4**	**0.2**	**0.5**	**1.0**	**1.8**	**1.5**	**3.6**
% Change (YoY)	-86.5	-93.5	-67.2	-79.7	-14.7	313.4	56.2	325.2	-81.6	143.3
Operating Parameters										
AUM	349	361	373	380	349	361	446	478	402	478
Deposits	375	399	407	431	444	464	487	512	431	512
Loans	319	340	354	362	373	390	409	431	362	431
AUM Growth (%)	17.8	15.4	13.9	10.6	0.0	0.0	19.6	25.8	16.9	19.0
Deposit Growth (%)	35.4	29.2	25.8	19.3	18.3	16.4	19.5	18.7	19.3	18.7
Loan Growth (%)	16.0	18.1	21.1	16.9	16.9	14.7	15.5	19.0	16.9	19.0
Asset Quality										
Gross NPA (%)	2.73	2.95	2.97	2.89	2.78	2.75	2.71	2.64	2.89	2.64
Net NPA (%)	0.83	0.97	0.96	0.98	0.90	0.88	0.87	0.84	0.98	0.84
PCR (%)	70.3	67.7	68.3	66.8	68.2	68.6	68.4	68.8	66.8	68.8

E: MOFSL Estimates

Federal Bank — Buy

CMP: INR219| TP: INR250 (+14%) — **EPS CHANGE (%): 26|27: -5.5|-4.5**

- Expect cost ratios to remain broadly under control
- Business momentum to be a key monitorable
- Margins to remain under pressure
- Asset quality ratios to remain stable

Quarterly Performance — (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**22.9**	**23.7**	**24.3**	**23.8**	**23.0**	**23.5**	**25.5**	**29.2**	**94.7**	**101.2**
% Change (YoY)	19.5	15.1	14.5	8.3	0.2	-0.8	4.9	23.0	14.2	6.9
Other Income	9.2	9.6	9.2	10.1	10.9	11.3	11.1	11.6	38.0	44.9
Total Income	**32.1**	**33.3**	**33.5**	**33.8**	**33.9**	**34.7**	**36.6**	**40.8**	**132.7**	**146.1**
Operating Expenses	17.1	17.7	17.8	19.2	19.4	19.8	20.2	21.2	71.7	80.7
Operating Profit	**15.0**	**15.7**	**15.7**	**14.7**	**14.5**	**15.0**	**16.3**	**19.6**	**61.0**	**65.4**
% Change (YoY)	15.2	18.2	9.2	32.0	-3.5	-4.3	4.1	33.8	17.9	7.2
Provisions	1.4	1.6	2.9	1.4	2.2	2.4	2.6	2.7	7.3	9.8
Profit before Tax	**13.6**	**14.1**	**12.8**	**13.3**	**12.3**	**12.6**	**13.8**	**16.9**	**53.7**	**55.6**
Tax	3.5	3.5	3.2	3.0	3.1	3.2	3.5	4.3	13.2	14.1
Net Profit	**10.1**	**10.6**	**9.6**	**10.3**	**9.2**	**9.4**	**10.3**	**12.6**	**40.5**	**41.5**
% Change (YoY)	18.2	10.8	-5.1	13.7	-8.8	-10.7	7.8	21.9	8.9	2.4
Operating Parameters										
Deposit (INR b)	2,661	2,691	2,664	2,836	2,891	2,972	3,089	3,225	2,836	3,225
Loan (INR b)	2,208	2,303	2,304	2,348	2,379	2,469	2,573	2,694	2,348	2,694
Deposit Growth (%)	19.6	15.6	11.2	12.3	8.7	10.5	16.0	13.7	12.3	13.7
Loan Growth (%)	20.3	19.4	15.7	12.1	7.8	7.2	11.7	14.7	12.1	14.7
Asset Quality										
Gross NPA (%)	2.1	2.1	2.0	1.8	1.8	1.8	1.8	1.7	1.8	1.7
Net NPA (%)	0.6	0.6	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4
PCR (%)	71.9	72.9	75.2	76.2	76.4	76.3	76.2	76.6	76.2	76.6

E: MOFSL Estimates

HDFC Bank — Buy

CMP: INR2,012 | TP: INR2,300 (+14%) — **EPS CHANGE (%): FY26|27: -0.7|0.2**

- Expect cost ratios to remain under control
- Asset quality is likely to remain stable
- Expect margins to witness moderation
- Expect CD ratio to reduce; guidance for credit growth a key monitorable

Quarterly Performance

	FY25E				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**298.4**	**301.1**	**306.5**	**320.7**	**319.0**	**323.7**	**337.6**	**359.4**	**1,226.7**	**1,339.6**
% Change (Y-o-Y)	26.4	10.0	7.7	10.3	6.9	7.5	10.1	12.1	13.0	9.2
Other Income	106.7	114.8	114.5	120.3	121.6	125.7	130.9	139.2	456.3	517.5
Total Income	**405.1**	**416.0**	**421.1**	**440.9**	**440.6**	**449.4**	**468.5**	**498.6**	**1,683.0**	**1,857.1**
Operating Expenses	166.2	168.9	171.1	175.6	179.4	182.6	190.8	201.2	681.7	754.0
Operating Profit	**238.8**	**247.1**	**250.0**	**265.4**	**261.1**	**266.8**	**277.7**	**297.5**	**1,001.3**	**1,103.1**
% Change (Y-o-Y)	27.2	8.9	5.7	-9.4	9.3	8.0	11.1	12.1	6.1	10.2
Provisions	26.0	27.0	31.5	31.9	33.7	34.8	35.5	36.3	116.5	140.3
Profit before Tax	**212.8**	**220.1**	**218.5**	**233.4**	**227.4**	**232.0**	**242.3**	**261.1**	**884.8**	**962.8**
Tax	51.1	51.8	51.1	57.3	56.2	56.8	58.9	61.1	211.3	233.0
Net Profit	**161.7**	**168.2**	**167.4**	**176.2**	**171.3**	**175.2**	**183.4**	**200.0**	**673.5**	**729.8**
% Change (Y-o-Y)	35.3	5.3	2.2	6.7	5.9	4.1	9.6	13.5	10.7	8.4
Operating Parameters										
Deposit	23,791	25,001	25,638	27,147	27,794	28,810	29,712	31,029	27,147	31,029
Loan	24,635	24,951	25,182	26,196	26,725	27,228	27,757	28,842	26,196	28,842
Deposit Growth (%)	24.4	15.1	15.8	14.1	16.8	15.2	15.9	14.3	14.1	14.3
Loan Growth (%)	52.5	7.0	3.0	5.4	8.5	9.1	10.2	10.1	5.4	10.1
Asset Quality										
Gross NPA (%)	1.3	1.4	1.4	1.3	1.3	1.3	1.4	1.4	1.4	1.4
Net NPA (%)	0.4	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4
PCR (%)	71.2	69.9	67.8	67.9	68.4	68.8	69.4	70.2	67.8	70.2

E: MOFSL Estimates

ICICI Bank — Buy

CMP: INR1432 | TP: INR1,650 (+15%) — **EPS CHANGE (%): FY26|27: -2.4|-0.5**

- Margins to witness decline due to rate cuts
- Credit cost to be a key monitorable
- Expect asset quality to remain stable
- Cost ratios to remain under control

Quarterly Performance

(INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**195.5**	**200.5**	**203.7**	**211.9**	**209.2**	**210.2**	**223.3**	**236.4**	**811.6**	**879.1**
% Change (YoY)	7.3	9.5	9.1	11.0	7.0	4.8	9.6	11.5	9.2	8.3
Other Income	70.0	71.8	70.7	72.6	80.8	79.0	82.3	85.8	285.1	327.8
Total Income	**265.5**	**272.2**	**274.4**	**284.5**	**290.0**	**289.2**	**305.6**	**322.2**	**1,096.7**	**1,207.0**
Operating Expenses	105.3	105.0	105.5	107.9	112.7	114.6	117.1	121.4	423.7	465.8
Operating Profit	**160.2**	**167.2**	**168.9**	**176.6**	**177.3**	**174.6**	**188.5**	**200.8**	**673.0**	**741.1**
% Change (YoY)	13.3	17.5	14.7	17.5	10.6	4.4	11.6	13.7	15.8	10.1
Provisions	13.3	12.3	12.3	8.9	17.9	15.8	18.3	14.9	46.8	66.9
Profit before Tax	**146.9**	**154.9**	**156.6**	**167.7**	**159.4**	**158.8**	**170.1**	**185.8**	**626.2**	**674.2**
Tax	36.3	37.4	38.7	41.4	39.4	39.2	42.0	46.6	153.9	167.2
Net Profit	**110.6**	**117.5**	**117.9**	**126.3**	**120.0**	**119.6**	**128.1**	**139.3**	**472.3**	**507.0**
% Change (YoY)	14.6	14.5	14.8	18.0	8.5	1.8	8.6	10.3	15.5	7.4
Operating Parameters										
Deposit	14,261	14,978	15,203	16,103	15,978	16,887	17,340	18,165	16,103	18,165
Loan	12,232	12,772	13,144	13,418	13,684	14,311	14,828	15,403	13,418	15,403
Deposit Growth (%)	15.1	15.7	14.1	14.0	12.0	12.7	14.1	12.8	14.0	12.8
Loan Growth (%)	15.7	15.0	13.9	13.3	11.9	12.0	12.8	14.8	13.3	14.8
Asset Quality										
Gross NPA (%)	2.2	2.0	2.0	1.7	1.7	1.6	1.6	1.6	1.8	1.6
Net NPA (%)	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
PCR (%)	80.2	79.0	78.7	76.9	76.5	76.8	76.2	77.1	76.9	77.1

E: MOFSL Estimates

IDFC First Bank — Neutral

CMP: INR77 | TP: INR80 (+4%) — **EPS CHANGE (%): FY26|27: -12.4|-3.9**

- Cost ratios likely to remain elevated
- Business growth to be a key monitorable
- Asset quality ratio to remain broadly stable
- Margins expected to see a decline

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**46.9**	**47.9**	**49.0**	**49.1**	**49.1**	**50.9**	**56.4**	**63.8**	**192.9**	**220.2**
% Change (Y-o-Y)	25.4	21.2	14.4	9.8	4.6	6.2	15.0	30.1	17.3	14.1
Other Income	16.2	17.3	17.8	19.0	18.6	19.9	20.6	21.5	70.2	80.6
Total Income	**63.1**	**65.2**	**66.8**	**68.0**	**67.7**	**70.8**	**76.9**	**85.4**	**263.1**	**300.8**
Operating Expenses	44.3	45.5	49.2	49.9	49.2	51.5	54.9	57.1	189.0	212.7
Operating Profit	**18.8**	**19.6**	**17.6**	**18.1**	**18.5**	**19.3**	**22.0**	**28.2**	**74.1**	**88.0**
% Change (Y-o-Y)	25.5	29.9	12.6	8.9	-1.8	-1.7	25.3	55.8	18.9	18.7
Provisions	9.9	17.3	13.4	14.5	15.2	14.6	13.1	13.4	55.1	56.3
Profit before Tax	**8.9**	**2.3**	**4.2**	**3.6**	**3.3**	**4.7**	**9.0**	**14.8**	**19.0**	**31.7**
Tax	2.1	0.3	0.8	0.6	0.8	1.2	2.2	3.2	3.8	7.4
Net Profit	**6.8**	**2.0**	**3.4**	**3.0**	**2.5**	**3.5**	**6.8**	**11.6**	**15.2**	**24.3**
% Change (Y-o-Y)	-11.0	-73.3	-52.6	-58.0	-63.7	73.3	99.0	281.9	-48.4	59.5
Operating Parameters										
Deposit (INR b)	2,097	2,236	2,369	2,521	2,618	2,755	2,905	3,078	2,521	3,078
Deposit Growth (%)	35.8	30.6	29.8	25.7	24.9	23.2	22.6	22.1	25.7	22.1
Loan (INR b)	2,026	2,151	2,231	2,331	2,422	2,529	2,676	2,853	2,331	2,809
Loan Growth (%)	21.0	20.7	20.3	19.8	19.6	17.6	19.9	22.4	19.8	20.5
Asset Quality										
Gross NPA (%)	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.8	1.9	1.9
Net NPA (%)	0.6	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
PCR (%)	69.4	75.3	73.6	72.3	72.6	72.8	73.1	73.0	72.3	73.0

E: MOFSL Estimates

IndusInd Bank — Neutral

CMP: INR879 | TP: INR800 (-9%) — **EPS CHANGE (%): FY26|27: -10.6|-2.1**

- Expect business growth to remain modest
- Expect margins to remain under pressure
- Expect asset quality to deteriorate further
- Credit costs trend will be monitored

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**54.1**	**53.5**	**52.3**	**30.5**	**41.6**	**42.7**	**45.4**	**50.3**	**190.3**	**180.0**
% Change (YoY)	11.1	5.3	-1.3	-43.3	-23.1	-20.2	-13.1	65.1	-7.7	-5.4
Other Income	24.4	21.8	23.6	7.1	24.2	22.2	22.9	23.7	76.9	93.1
Total Income	**78.5**	**75.3**	**75.8**	**37.6**	**65.8**	**64.9**	**68.3**	**74.0**	**267.2**	**273.1**
Operating Expenses	39.0	39.3	39.8	42.5	43.1	43.6	44.1	45.0	160.6	175.7
Operating Profit	**39.5**	**36.0**	**36.0**	**-4.9**	**22.7**	**21.3**	**24.2**	**29.1**	**106.6**	**97.3**
% Change (YoY)	3.1	-7.9	-10.9	-112.0	-42.5	-40.7	-32.7	-691.9	-32.8	-8.7
Provisions	10.5	18.2	17.4	25.2	15.1	13.5	13.4	14.3	71.4	56.2
Profit before Tax	**29.0**	**17.8**	**18.6**	**-30.1**	**7.6**	**7.9**	**10.8**	**14.8**	**35.3**	**41.1**
Tax	7.3	4.5	4.5	-6.8	1.9	2.0	2.7	3.7	9.5	10.3
Net Profit	**21.7**	**13.3**	**14.0**	**-23.3**	**5.7**	**5.9**	**8.1**	**11.1**	**25.8**	**30.8**
% Change (YoY)	2.2	-39.5	-39.1	-199.1	-73.7	-55.9	-42.1	-147.6	-71.3	19.6
Operating Parameters										
Deposit (INR b)	3,985	4,124	4,094	4,109	4,002	4,135	4,256	4,376	4,109	4,376
Loan (INR b)	3,479	3,572	3,669	3,450	3,354	3,486	3,583	3,692	3,450	3,692
Deposit Growth (%)	14.8	14.7	11.0	6.8	0.4	0.3	3.9	6.5	6.8	6.5
Loan Growth (%)	15.5	13.2	12.2	0.5	-3.6	-2.4	-2.3	7.0	0.5	7.0
Asset Quality										
Gross NPA (%)	2.0	2.1	2.3	3.1	3.4	3.5	3.6	2.8	3.1	2.8
Net NPA (%)	0.6	0.6	0.7	1.0	1.0	1.0	1.1	0.8	1.0	0.8
PCR (%)	70.6	70.1	70.2	70.2	70.5	70.8	71.2	71.0	70.2	71.0

E: MOFSL Estimates

Indian Bank — Buy

CMP: INR650 | TP: INR700 (+8%) — **EPS CHANGE (%): FY26|27: -1.6|-2.7**

- Expect cost ratios to remain broadly under control
- Expect NIMs to witness a decline
- Earnings business growth to remain modest
- Expect asset quality ratios to remain stable

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**61.8**	**61.9**	**64.1**	**63.9**	**64.2**	**65.1**	**66.7**	**69.1**	**251.8**	**265.1**
% Change (YoY)	8.3	7.9	10.3	6.2	3.9	5.2	4.0	8.1	8.2	5.3
Other Income	19.1	24.2	21.5	27.4	25.3	22.7	24.2	26.5	92.2	98.7
Total Income	**80.8**	**86.2**	**85.7**	**91.3**	**89.5**	**87.8**	**90.9**	**95.6**	**344.0**	**363.8**
Operating Expenses	35.8	38.9	38.2	41.1	38.8	39.8	41.2	46.1	154.0	165.9
Operating Profit	**45.0**	**47.3**	**47.5**	**50.2**	**50.6**	**48.0**	**49.7**	**49.5**	**190.0**	**197.8**
% Change (YoY)	8.9	9.9	15.9	16.6	12.5	1.5	4.7	-1.4	12.8	4.1
Provisions	12.6	11.0	10.6	7.9	12.7	11.7	12.6	11.4	42.1	48.4
Profit before Tax	**32.4**	**36.3**	**36.9**	**42.2**	**38.0**	**36.3**	**37.1**	**38.1**	**147.9**	**149.5**
Tax	8.4	9.2	8.4	12.7	9.6	9.2	9.3	9.6	38.7	37.7
Net Profit	**24.0**	**27.1**	**28.5**	**29.6**	**28.4**	**27.2**	**27.7**	**28.5**	**109.2**	**111.8**
% Change (YoY)	40.6	36.2	34.6	31.6	18.1	0.5	-2.7	-3.7	35.4	2.4
Operating Parameters										
Deposits (INR b)	6,812	6,931	7,023	7,372	7,484	7,628	7,791	7,998	7,372	7,998
Loans (INR b)	5,208	5,329	5,421	5,711	5,819	5,957	6,112	6,310	5,711	6,310
Deposit Growth (%)	9.6	8.2	7.4	7.1	9.9	10.1	10.9	8.5	7.1	8.5
Loan Growth (%)	14.1	13.2	10.7	10.9	11.7	11.8	12.8	10.5	10.9	10.5
Asset Quality										
Gross NPA (%)	3.8	3.5	3.3	3.1	3.1	3.0	3.0	2.8	4.0	2.8
Net NPA (%)	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.4	0.2
PCR (%)	90.0	92.5	93.8	93.9	93.1	92.8	93.0	93.2	89.5	93.2

E: MOFSL Estimates

Kotak Mahindra Bank — Buy

CMP: INR2,184 | TP: INR2,500 (+14%) — **EPS CHANGE (%): FY26|27: 0.7|1.2**

- Expect cost ratios to remain under control
- Margins to remain under pressure
- Asset quality to deteriorate slightly
- Business growth to be healthy; guidance will be a key monitorable

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**68.4**	**70.2**	**72.0**	**72.8**	**72.3**	**74.3**	**80.2**	**89.5**	**283.4**	**316.2**
% Change (Y-o-Y)	9.8	11.5	9.8	5.4	5.6	5.8	11.4	22.9	9.0	11.6
Other Income	29.3	26.8	26.2	31.8	32.7	31.8	32.0	34.8	114.2	131.2
Total Income	**97.7**	**97.0**	**98.2**	**104.7**	**104.9**	**106.0**	**112.2**	**124.3**	**397.6**	**447.4**
Operating Expenses	45.2	46.0	46.4	49.9	51.2	52.3	53.8	56.1	187.5	213.4
Operating Profit	**52.5**	**51.0**	**51.8**	**54.7**	**53.7**	**53.8**	**58.4**	**68.1**	**210.1**	**234.0**
% Change (Y-o-Y)	6.2	10.6	13.5	0.2	2.2	5.4	12.7	24.5	7.2	11.4
Provisions	5.8	6.6	7.9	9.1	7.6	7.7	8.0	8.6	29.4	31.8
Profit before Tax	**46.8**	**44.4**	**43.9**	**45.6**	**46.1**	**46.1**	**50.4**	**59.6**	**180.6**	**202.2**
Tax	11.6	11.0	10.8	10.1	11.4	11.3	12.4	13.8	43.4	48.9
Net Profit	**35.2**	**33.4**	**33.0**	**35.5**	**34.8**	**34.8**	**38.0**	**45.7**	**137.2**	**153.3**
% Change (Y-o-Y)	2.0	4.8	10.0	-14.1	-1.1	4.0	15.0	28.7	-0.4	11.7
Exceptional item	27.3				0.0				27.3	0.0
PAT including exceptionals	**62.5**	**33.4**	**33.0**	**35.5**	**34.8**	**34.8**	**38.0**	**45.7**	**164.5**	**153.3**
% Change (Y-o-Y)	2.0	4.8	10.0	-14.1	-1.1	4.0	15.0	28.7	19.4	-6.8
Deposits (INRb)	4,474	4,615	4,735	4,991	5,115	5,266	5,445	5,679	4,991	5,679
Loans (INRb)	3,900	3,995	4,138	4,269	4,382	4,521	4,699	4,931	4,269	4,931
Deposit growth (%)	15.8	15.1	15.9	11.2	14.3	14.1	15.0	13.8	11.2	13.8
Loan growth (%)	18.7	14.7	15.1	13.5	12.4	13.1	13.6	15.5	13.5	15.5
Asset Quality										
Gross NPA (%)	1.39	1.49	1.50	1.42	1.44	1.45	1.45	1.45	1.42	1.45
Net NPA (%)	0.35	0.43	0.41	0.31	0.33	0.33	0.33	0.33	0.31	0.33
PCR (%)	74.9	71.4	73.2	78.1	77.6	77.4	77.2	77.4	78.1	77.4

E: MOFSL Estimates

Punjab National Bank — Buy

CMP: INR113 | TP: INR125 (+11%) — **EPS CHANGE (%): FY26|27: -9.3|-5.1**

- Expect margins to see some moderation
- Expect asset quality to improve; credit cost to remain contained
- Cost ratios to remain broadly stable
- Business growth trajectory to remain the key monitorable

Quarterly Performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**104.8**	**105.2**	**110.3**	**107.6**	**105.9**	**108.1**	**114.9**	**123.5**	**427.8**	**452.4**
% Change (YoY)	10.2	6.0	7.2	3.8	1.0	2.8	4.2	14.8	6.7	5.7
Other Income	36.1	45.7	34.1	47.2	43.6	41.6	44.5	49.7	163.1	179.4
Total Income	**140.9**	**150.9**	**144.4**	**154.7**	**149.5**	**149.7**	**159.4**	**173.2**	**590.9**	**631.8**
Operating Expenses	75.0	82.4	78.2	87.0	82.5	85.0	87.1	93.7	322.6	348.3
Operating Profit	**65.8**	**68.5**	**66.2**	**67.8**	**66.9**	**64.8**	**72.3**	**79.5**	**268.3**	**283.5**
% Change (YoY)	10.3	10.2	4.6	5.6	1.7	-5.5	9.3	17.3	7.6	5.7
Provisions	13.1	2.9	-2.9	3.6	9.4	9.2	9.9	9.8	16.7	38.3
Profit before Tax	**52.7**	**65.7**	**69.1**	**64.2**	**57.6**	**55.5**	**62.4**	**69.7**	**251.6**	**245.2**
Tax	20.2	22.6	24.0	18.5	16.1	15.5	17.5	19.5	85.3	68.6
Net Profit	**32.5**	**43.0**	**45.1**	**45.7**	**41.4**	**40.0**	**44.9**	**50.2**	**166.3**	**176.5**
% Change (YoY)	159.0	145.1	102.8	51.7	27.5	-7.1	-0.3	9.9	101.7	6.1
Operating Parameters										
Deposits	14,082	14,583	15,297	15,666	15,985	16,427	16,905	17,437	15,666	17,437
Loans	9,840	10,196	10,700	10,775	11,019	11,359	11,725	12,132	10,775	12,132
Deposit Growth (%)	8.5	11.3	15.6	14.4	13.5	12.6	10.5	11.3	14.4	11.3
Loan Growth (%)	13.9	14.6	16.8	15.3	12.0	11.4	9.6	12.6	15.3	12.6
Asset Quality										
Gross NPA (%)	5.0	4.5	4.1	4.0	3.7	3.5	3.2	3.0	4.0	3.0
Net NPA (%)	0.6	0.5	0.4	0.4	0.4	0.3	0.3	0.3	0.4	0.3
PCR (%)	88.4	90.2	90.2	90.3	90.2	90.5	90.6	90.3	90.3	90.3

E: MOFSL Estimates

RBL Bank — Buy

CMP: INR251 | TP: INR250 — **EPS CHANGE (%): FY26|27: -22.7|-12.7**

- Earnings impacted by lower NII and higher credit cost
- Cost ratios likely to remain elevated
- Expect asset quality ratios to remain under pressure
- Margin to witness major decline

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
INRb	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	17.0	16.1	15.9	15.6	14.8	15.8	17.3	18.9	64.6	66.9
% Change (Y-o-Y)	19.5	9.5	2.5	-2.3	-12.7	-2.3	9.3	21.1	7.0	3.5
Other Income	8.1	9.3	10.7	10.0	10.1	9.9	10.9	11.3	38.1	42.2
Total Income	**25.1**	**25.4**	**26.6**	**25.6**	**25.0**	**25.7**	**28.2**	**30.2**	**102.7**	**109.1**
Operating Expenses	16.5	16.3	16.6	17.0	17.4	17.8	18.3	18.9	66.4	72.4
Operating Profit	**8.6**	**9.1**	**10.0**	**8.6**	**7.6**	**7.9**	**9.9**	**11.4**	**36.3**	**36.7**
% Change (Y-o-Y)	32.7	24.5	30.2	-2.9	-11.5	-13.5	-1.0	31.9	19.7	1.2
Provisions	3.7	6.2	11.9	7.9	5.7	5.6	5.5	5.9	29.6	22.7
Profit before Tax	**4.9**	**2.9**	**-1.9**	**0.8**	**1.9**	**2.3**	**4.3**	**5.5**	**6.7**	**14.0**
Tax	1.2	0.7	-2.2	0.1	0.5	0.6	1.1	1.3	-0.3	3.5
Net Profit	**3.7**	**2.2**	**0.3**	**0.7**	**1.4**	**1.7**	**3.2**	**4.2**	**7.0**	**10.6**
% Change (Y-o-Y)	29.0	-24.3	-86.0	-80.5	-62.0	-22.2	892.5	507.0	-40.5	51.7
Operating Parameters										
Deposit	1,013.5	1,079.6	1,067.5	1,109.4	1,133.6	1,157.8	1,194.8	1,255.9	1,109.4	1,255.9
Loan	867.0	878.8	904.1	926.2	949.0	971.9	1,006.9	1,053.1	926.2	1,053.1
Deposit Growth (%)	18.4	20.2	15.1	7.2	11.8	7.2	11.9	13.2	7.2	13.2
Loan Growth (%)	18.6	15.1	13.1	10.3	9.5	10.6	11.4	13.7	10.3	13.7
Asset Quality										
Gross NPA (%)	2.7	2.9	2.9	2.6	2.7	2.6	2.7	2.8	2.6	2.8
Net NPA (%)	0.7	0.8	0.5	0.3	0.3	0.3	0.3	0.4	0.3	0.4
PCR (%)	73.1	73.0	82.2	89.0	88.4	88.1	87.8	87.6	89.0	87.6

E: MOFSL Estimates

State Bank of India — Buy

CMP: INR820 | TP: INR925 (+13%) — **EPS CHANGE (%): 26|27: -1.9|-2.6**

- Expect cost ratios to remain under control
- Business growth trajectory to be a key monitorable
- Asset quality expected to improve
- Margin expected to see moderation

Quarterly Performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**411.3**	**416.2**	**414.5**	**427.7**	**420.4**	**423.9**	**443.2**	**464.2**	**1,669.7**	**1,751.7**
% Change (YoY)	5.7	5.4	4.1	2.7	2.2	1.9	6.9	8.5	4.4	4.9
Other Income	111.6	152.7	110.4	242.1	152.7	133.4	148.2	207.2	616.8	641.5
Total Income	**522.9**	**568.9**	**524.9**	**669.8**	**573.1**	**557.4**	**591.4**	**671.4**	**2,286.5**	**2,393.2**
Operating Expenses	258.4	276.0	289.4	357.0	300.8	308.5	315.0	361.2	1,109.7	1,285.5
Operating Profit	**264.5**	**292.9**	**235.5**	**312.9**	**272.3**	**248.8**	**276.4**	**310.2**	**1,176.8**	**1,107.7**
% Change (YoY)	4.6	50.9	15.8	8.8	2.9	-15.1	17.4	-0.9	27.5	0.2
Provisions	34.5	45.1	9.1	64.4	43.0	38.3	40.6	51.5	153.1	173.5
Exceptional items (exp)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before Tax	**230.0**	**247.9**	**226.4**	**248.4**	**229.2**	**210.5**	**235.8**	**258.6**	**1,023.7**	**934.2**
Tax Provisions	59.6	64.6	57.5	62.0	59.1	54.3	60.8	62.1	243.7	236.3
Net Profit	**170.4**	**183.3**	**168.9**	**186.4**	**170.1**	**156.2**	**175.0**	**196.6**	**780.0**	**697.8**
% Change (YoY)	0.9	27.9	84.3	-9.9	-0.1	-14.8	3.6	5.4	27.7	-10.5
Adj. Net profit	170.4	183.3	168.9	186.4	170.1	156.2	175.0	196.6	664.6	
Operating Parameters										
Deposits (INR t)	49.0	51.2	52.3	53.8	54.6	55.9	57.3	59.1	53.8	59.1
Loans (INR t)	37.5	38.6	40.0	41.6	42.4	43.6	44.8	46.5	41.6	46.5
Deposit Growth (%)	8.2	9.1	9.8	9.5	11.4	9.3	9.5	9.8	9.5	9.8
Loan Growth (%)	15.9	15.3	13.8	12.4	13.0	13.0	11.9	11.7	12.4	11.7
Asset Quality										
Gross NPA (%)	2.2	2.1	2.1	1.8	1.8	1.8	1.7	1.7	1.8	1.7
Net NPA (%)	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.5	0.4
PCR (%)	74.4	75.7	74.7	74.4	74.5	74.7	74.8	75.6	74.2	75.6

E: MOFSL Estimates

Union Bank of India — Buy

CMP: INR152 | TP: INR155 (+2%) — **EPS CHANGE (%): FY26|27: -3.4|-1.9**

- Expect cost ratios to remain broadly under control
- Business growth momentum to be the key monitorable
- Margins expected to see a decline
- Expect improvement in asset quality

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**94.1**	**90.5**	**92.4**	**95.1**	**92.8**	**93.9**	**97.4**	**102.6**	**372.1**	**386.6**
% Change (YoY)	6.5	-0.9	0.8	0.8	-1.5	3.8	5.4	7.8	1.8	3.9
Other Income	45.1	53.3	44.2	55.6	47.0	44.7	47.6	54.9	198.1	194.2
Total Income	**139.2**	**143.8**	**136.6**	**150.7**	**139.7**	**138.6**	**145.0**	**157.5**	**570.3**	**580.8**
Operating Expenses	61.4	62.6	61.7	73.7	65.4	65.9	65.6	76.6	259.4	273.5
Operating Profit	**77.9**	**81.1**	**74.9**	**77.0**	**74.4**	**72.7**	**79.3**	**80.9**	**310.9**	**307.3**
% Change (YoY)	8.4	12.4	2.9	17.9	-4.5	-10.4	5.9	5.1	10.2	-1.2
Provisions	27.6	17.1	16.0	15.4	16.1	13.7	17.0	21.6	76.1	68.4
Profit before Tax	**50.3**	**64.0**	**58.9**	**61.6**	**58.3**	**59.0**	**62.3**	**59.3**	**234.8**	**238.9**
Tax	13.5	16.8	12.9	11.7	17.5	17.7	18.7	6.3	54.9	60.2
Net Profit	**36.8**	**47.2**	**46.0**	**49.8**	**40.8**	**41.3**	**43.6**	**53.0**	**179.9**	**178.7**
% Change (YoY)	13.7	34.4	28.2	50.6	10.9	-12.5	-5.3	6.3	31.8	-0.6
Operating Parameters										
Deposit (INR b)	12,242	12,419	12,166	13,097	13,382	13,576	13,884	14,237	13,097	14,237
Loan (INR b)	8,787	8,971	9,202	9,535	9,783	9,952	10,219	10,527	9,535	10,527
Deposit Growth (%)	8.5	9.2	3.8	7.2	9.3	9.3	14.1	8.7	7.2	8.7
Loan Growth (%)	14.0	11.6	6.7	9.5	11.3	10.9	11.1	10.4	9.5	10.4
Asset Quality										
Gross NPA (%)	4.5	4.4	3.9	3.6	3.5	3.4	3.3	3.2	3.6	3.2
Net NPA (%)	0.9	1.0	0.8	0.6	0.6	0.6	0.6	0.6	0.6	0.6
PCR (%)	80.9	78.4	79.3	83.1	82.7	82.5	82.3	83.0	83.1	83.0

E: MOFSL Estimates

SBI Cards and Payment Services — Neutral

CMP: INR932 | TP: INR975 (+5%) — **EPS CHANGE (%): FY26|27: -7.0|-7.5**

- Cost ratios expected to remain stable
- Spending growth to remain stable
- Asset quality to see slight pressure
- Revolver mix/margin outlook are key monitorables

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Interest Income	**14.8**	**15.0**	**15.7**	**16.2**	**16.7**	**17.1**	**17.6**	**18.2**	**59.8**	**69.6**
% Change (Y-o-Y)	19.7	15.8	13.2	14.5	13.1	14.0	12.1	12.2	16.1	16.4
Other Income	22.4	22.7	23.7	24.2	26.0	26.4	27.7	26.5	94.8	106.6
Total Income	**37.2**	**37.7**	**39.4**	**40.4**	**42.7**	**43.5**	**45.3**	**44.7**	**154.6**	**176.2**
Operating Expenses	18.2	20.1	21.1	20.7	21.8	22.4	23.0	22.6	80.1	89.7
Operating Profit	**19.0**	**17.6**	**18.3**	**19.6**	**20.9**	**21.2**	**22.3**	**22.1**	**74.5**	**86.5**
% Change (Y-o-Y)	25.4	13.3	13.0	7.2	10.1	20.5	21.7	12.6	14.3	16.1
Provisions	11.0	12.1	13.1	12.5	13.2	13.1	12.3	11.5	48.7	50.0
Profit before Tax	**8.0**	**5.5**	**5.2**	**7.2**	**7.7**	**8.1**	**10.0**	**10.6**	**25.8**	**36.4**
Tax	2.0	1.4	1.3	1.8	2.0	2.1	2.6	2.7	6.6	9.3
Net Profit	**5.9**	**4.0**	**3.8**	**5.3**	**5.7**	**6.1**	**7.5**	**7.9**	**19.2**	**27.2**
% Change (Y-o-Y)	0.2	-32.9	-30.2	-19.4	-3.4	49.7	94.5	47.9	-20.2	41.4
Operating Parameters										
Loan (INRb)	508.1	536.0	528.1	539.3	556.8	573.0	585.9	604.1	539.3	604.1
Loan Growth (%)	21.5	23.0	12.0	9.9	9.6	6.9	11.0	12.0	9.9	12.0
Borrowings (INRb)	408.7	432.2	439.1	449.5	450.2	461.7	473.7	490.4	430.7	490.4
Borrowing Growth (%)	24.0	26.8	15.5	12.7	10.2	6.8	7.9	9.1	8.0	13.9
Asset Quality										
Gross NPA (%)	3.1	3.3	3.2	3.1	3.2	3.1	3.1	3.0	3.1	3.0
Net NPA (%)	1.1	1.2	1.2	1.5	1.4	1.4	1.3	1.3	1.5	1.3
PCR (%)	64.4	64.4	64.4	53.5	55.5	56.4	57.6	57.5	53.5	57.5

Paytm — Neutral

CMP: INR 930 | TP: INR1000 (+8%) — **Revenue from Ops. CHANGE (%): FY26|27: -1.5|-19.0**

- Expect profitability to improve
- Expect disbursements and GMV to increase sequentially
- Expect total revenue growth to improve
- UPI incentive and EBITDA guidance to be a key monitorable

Quarterly Performance (INR b)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Payment Services to Consumers	0.8	0.9	0.9	1.0	1.0	1.1	1.2	1.4	4.0	4.7
Payment Services to Merchants	8.0	8.6	9.1	9.5	8.9	9.3	10.3	11.4	34.8	39.9
Financial Services and Others	2.8	3.8	5.0	5.5	5.7	5.8	5.9	6.0	17.0	23.4
Payment and Financial Services	**11.6**	**13.2**	**15.1**	**15.9**	**15.6**	**16.2**	**17.4**	**18.8**	**55.8**	**68.0**
% Change (Y-o-Y)	-39.3	-36.2	-34.2	-14.4	34.2	22.8	15.4	18.3	-31.3	21.9
Commerce and Cloud Services	**3.2**	**3.0**	**2.7**	**2.7**	**2.9**	**3.3**	**3.5**	**3.8**	**11.6**	**13.4**
% Change (Y-o-Y)	-20.7	-28.8	-48.1	-32.4	-10.4	8.1	31.8	41.4	-33.4	16.0
Revenue from Operations	**15.0**	**16.6**	**18.3**	**19.1**	**19.0**	**20.0**	**21.4**	**23.1**	**69.0**	**83.4**
% Change (Y-o-Y)	-35.9	-34.1	-35.9	-15.7	26.3	20.2	17.0	20.9	-30.8	20.9
Direct Expenses	7.5	7.7	8.7	8.4	8.4	8.8	9.3	10.2	32.2	36.7
Contribution Profit	**7.5**	**8.9**	**9.6**	**10.7**	**10.5**	**11.2**	**12.1**	**12.9**	**36.8**	**46.7**
% Change (Y-o-Y)	-42.1	-37.3	-36.9	-16.7	39.6	25.0	26.0	20.4	-33.6	27.0
Indirect Expenses	13.0	10.8	10.0	9.9	10.3	10.7	11.4	11.9	43.7	44.3
Adjusted EBITDA	**-5.5**	**-1.9**	**-0.4**	**0.8**	**0.3**	**0.4**	**0.7**	**1.0**	**-6.9**	**2.4**
EBITDA	**-7.9**	**-4.0**	**-2.2**	**-0.9**	**-0.7**	**-0.5**	**-0.3**	**0.1**	**-15.1**	**-1.4**
PAT	**-8.4**	**-4.2**	**-2.1**	**-0.2**	**0.02**	**0.2**	**0.5**	**1.2**	**-6.6**	**1.9**
% Change (Y-o-Y)	134.7	45.5	-5.5	-96.1	-100.3	-103.7	-126.1	-650.9	-53.0	-128.8
Adj. PAT	**-8.4**	**9.3**	**-2.1**	**-5.4**	**0.02**	**0.2**	**0.5**	**1.2**		
Operating Parameters										
GMV (INRt)	4.3	4.5	5.0	5.1	5.3	5.5	5.9	5.9	18.8	22.6
Disbursements (INR b)	50.1	52.8	55.8	57.4	62.5	69.1	76.7	87.8	216.2	296.2
GMV Growth (%)	5.2	-0.7	-1.2	8.7	23.3	23.4	17.1	16.6	3.0	20.0
Disbursements Growth (%)	-66.3	-67.4	-64.1	-1.1	24.9	30.9	37.5	53.1	-58.7	37.0
Profitability										
Contribution Margin (%)	50.3	53.9	52.5	56.1	55.6	56.0	56.5	55.9	53.3	56.0
Adjusted EBITDA Margin (%)	-36.4	-11.2	-2.2	4.2	1.5	2.2	3.3	4.5	-10.0	2.9
EBITDA Margin (%)	-52.8	-24.3	-12.2	-4.6	-3.6	-2.6	-1.2	0.3	-21.8	-1.6

E: MOFSL Estimates

Financials - NBFCs

Company
Aavas Financiers
Bajaj Finance
Can Fin Homes
Chola Inv. & Fin.
CreditAccess Grameen
Five Star Business Finance
Fusion Microfinance
HomeFirst
IIFL Finance
L&T Finance Holdings
LIC Housing Finance
M&M Financial Services
Manappuram Finance
MAS Financial Services
Muthoot Finance
PNB Housing Finance
Poonawalla Fincorp
Power finance Corporation
Repco Home Finance
Rural Electrification Corporation
Shriram Finance
Spandana Sphoorty

Demand trends soft; seasonal weakness visible in asset quality

Limited benefit on MCLR borrowings; expect margin benefits from next quarter

- **Demand momentum exhibits mixed trends:** We expect ~10% YoY growth in AUM for our coverage HFCs, including both affordable and large HFCs. Vehicle financers are projected to report ~18% YoY AUM growth. Gold lenders (despite the weakness in MFI growth) are likely to record ~29% YoY growth (primarily driven by ~43% YoY growth in MUTH). NBFC-MFI AUM is estimated to decline ~22% YoY, while diversified lenders are anticipated to deliver ~24% YoY growth. For our NBFC coverage universe, we estimate a loan growth of ~16% YoY/~4% QoQ as of Jun'25. During the quarter, loan growth exhibited mixed trends across segments: 1) Gold financiers saw *very strong* growth, 2) MFIs (except CREDAG) reported a decline in AUM due to muted disbursements, 3) Vehicle finance growth moderated slightly due to seasonality and weak auto industry volumes, and 4) Home loan disbursements for large HFCs remained relatively weak since they had to let go of some business amid price competition from banks.
- **Lag in transmission of MCLR rate cuts; marginal reduction in borrowing costs:** CoB for most NBFCs has seen a very minor sequential decline because of the repricing of EBLR borrowings. The transmission through bank MCLR has been limited, as not all banks have reduced their MCLR rates. Even among those that have, the benefit to NBFCs has been marginal at only ~10-15 bps. A more meaningful transmission of policy rate cuts through MCLR cuts for NBFCs is likely to begin from Jul'25. NIM trends for NBFCs are expected to be mixed this quarter, varying across sub-segments. Large HFCs and gold financiers are likely to witness margin compression, while affordable HFCs and vehicle financiers would see slight NIM expansion driven by segment-specific nuances. VFs are expected to report healthy NIM expansion in 2HFY26.
- **Weak macro resulting in sustained asset quality weakness; credit costs elevated across the board:** In addition to the weak seasonality of 1Q, macro weakness had a bigger role to play in the asset quality weakness witnessed during the quarter. The stress in Karnataka remains elevated and is now anticipated to normalize by the end of 2QFY26 (vs. the earlier expectation of end-1QFY26). For MFIs, credit costs are likely to moderate sequentially, having peaked in 4QFY25; however, they are expected to remain elevated through 1HFY26 and will normalize only in 2HFY26. Asset quality for HFCs (including affordable HFCs) remains broadly stable, apart from the minor seasonal weakness typically observed during the quarter. For Power financiers, there were no new slippages or stressed asset resolutions during the quarter. Credit costs for vehicle financiers are slightly higher than our earlier expectations, driven by broad-based weakness in asset quality.
- **Earnings likely to grow ~8% YoY but decline 2% QoQ for our coverage universe:** We estimate ~14%/13%/8% YoY growth in NII/PPoP/PAT in 1QFY26 for our NBFC coverage universe. Excluding NBFC-MFI, we estimate ~12% YoY growth in PAT for our coverage universe. Our preference is for Housing Financiers, including select affordable HFCs and diversified lenders (who have navigated the

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unsecured credit cycle and are now looking to grow their unsecured loan book again). Our top picks in the sector are: SHFL, Home First, PNBHF, and LTFH.

Affordable HFCs doing better on NIM compared to their large counterparts

- Large HFCs are facing heightened competition, particularly from PSU banks that are offering home loans at significantly lower rates. Given their inability to match these rates without compromising yields, many large HFCs are opting to forego such business. Large HFCs are expected to report NIM compression, driven by declining yields amidst intensifying competition, while benefits on the liabilities book (ones that are MCLR-linked) have remained limited.
- Despite a 100bp repo rate cut by the RBI, most affordable HFCs did not make any changes to their PLR rates until Jun'25. As a result, affordable HFCs are likely to witness margin expansion, supported by some benefits in their CoB.
- Asset quality for HFCs remains largely stable, but for the typical seasonal flows seen in 1Q. Credit costs are expected to remain benign.
- For LICHF, we expect credit costs at ~20bp (vs. ~15bp in 4QFY25). Margins are likely to dip ~5bp QoQ. We expect LICHF to report ~8% YoY growth in loans.
- We forecast HomeFirst to report a ~12% YoY growth in disbursements, leading to a healthy AUM growth of ~29% YoY. We expect NIMs to expand for HomeFirst primarily due to a decline in leverage driven by capital raise. Aavas is likely to report NIM expansion of ~5bp QoQ. Asset quality for both HomeFirst and Aavas could exhibit seasonal weakness, but credit costs will remain benign.
- We estimate PNBHF to deliver a ~16%-17% YoY growth in total loan book as of Jun'25. For PNBHF, we expect NIM to contract ~5bp QoQ. Asset quality improvement and recoveries from the written-off pool in both Retail/Corporate could potentially again result in provision write-backs (like in the prior quarters).
- For Five Star, loan growth and disbursements remain subdued, as the company has consciously chosen to adopt a cautious stance amid ongoing asset quality and collection trends. The stress in Karnataka continues to be more pronounced for Five Star, with normalization expected in 2HFY26. We expect disbursements to remain flat YoY, translating into ~20%-21% YoY growth in AUM. NIMs are likely to contract ~50bp QoQ, driven by ~200bp cut in lending rates implemented by the company from Nov'24. We expect a deterioration in asset quality, which would lead to a rise in credit costs to ~100bp (vs. ~70bp in 4QFY25).

Vehicle Finance – loan growth remains weak; credit costs to inch up QoQ

- MMFS reported disbursements of ~INR128b in 1QFY26 (up ~1% YoY), leading to business assets growing by ~15% YoY. We expect credit costs (as % of avg. loans) for MMFS to be at ~2% in 1QFY26 (vs. 1.6% in 4QFY25). MMFS also reported deterioration of ~50-60bp QoQ in 30+ dpd.
- For CIFC and SHTF, we expect a disbursement growth of 2%/17% YoY, which should translate into ~23%/17% YoY growth in AUM for CIFC/SHTF as of Jun'25. Disbursements were largely flat YoY for CIFC because the company has stopped doing fintech-originated CSEL, supply chain financing, and flexi loans.
- We estimate NIM expansion for vehicle financiers in FY26, driven by a decline in CoB and a fixed-rate vehicle finance book. Vehicle financiers faced seasonal asset quality deterioration this quarter, which is expected to result in sequentially higher credit costs.

- The broad industry trends remain challenging, particularly in the CV segment. While volumes in the HCV segment are declining, the LCV segment is performing relatively better. The entry-level PV segment also remains weak, with 2W and tractors being the only segments showing relatively better performance from an overall auto industry standpoint.

Gold Finance – robust gold loan growth but with NIM compression

- We expect gold loan financiers to deliver very strong gold loan growth (partly driven by tonnage growth and partly by an increase in portfolio LTV) in 1QFY26. While we expect MGFL to have delivered ~24% YoY gold loan growth, the drag from its MFI and CV business would keep consolidated loan growth muted at just ~2% YoY. We expect ~43% YoY gold loan growth for MUTH.
- Gold financiers are likely to witness NIM compression this quarter, driven by a moderation in lending yields. We expect margins to contract ~40bp QoQ for MUTH and ~15bp QoQ for MGFL.
- While credit costs peaked in 4QFY25 for both Asirvad and Belstar, they are expected to remain elevated over the next two quarters, with normalization likely only in 2HFY26.

MFIs – credit costs decline sequentially but will remain elevated

- Disbursements remained muted across all MFIs (except CREDAG). We expect the loan book to de-grow for Fusion and Spandana, while CREDAG's GLP has largely remained flat QoQ. We expect AUM to decline ~11%/22% QoQ for Fusion/Spandana in 1QFY26.
- The impact of the Karnataka ordinance is yet to fully normalize, with lingering stress still evident in the state. Normalization is now anticipated by 2QFY26, a slight delay from the earlier estimate of 1QFY26. We expect credit costs to remain elevated for the next two quarters, a major proportion of which will be contributed by write-offs that had slipped over Jan-Apr'25. We estimate *annualized* credit costs of ~8%/ ~7%/36% for CREDAG/Fusion/Spandana in this quarter.
- A trend reversal is on the horizon in the MFI sector and is likely to play out over the next couple of quarters, with the sector likely nearing normalization by 2HFY26. That said, we strongly believe that the upcoming three months present an opportunity to separate high-quality franchises from weaker ones, with performance divergence across the MFI sector expected to be increasingly evident.

Diversified Financiers – poised for stronger growth in unsecured segments; credit costs slightly higher due to seasonality

- LTFH reported ~18% YoY/5% QoQ growth in retail loans. Since the company is not growing its wholesale segments (such as real estate and infrastructure), we expect the consolidated loan book to grow ~4% QoQ in 1QFY26. We anticipate credit costs to remain broadly stable QoQ at 2.6%.
- BAF reported AUM growth of ~25% YoY/6% QoQ. We estimate a ~7bp QoQ contraction in NIM for BAF with credit costs at ~205bp (v/s 197bp QoQ).
- Poonawalla posted AUM growth of ~53% YoY/16% QoQ with total AUM of INR413b. We expect credit costs to dip ~45bp QoQ to ~1.45% (vs. 1.9% in 4QFY25).
- For IIFL Finance, we expect strong growth in gold loan AUM to sustain and estimate gold loan book growth of ~25% QoQ. While we expect a sequential decline in its MFI AUM, it would still exhibit a ~7% QoQ growth in its consolidated AUM. We estimate a PAT of INR2.2b in 1QFY26 (vs. INR2.1b in 4QFY25).

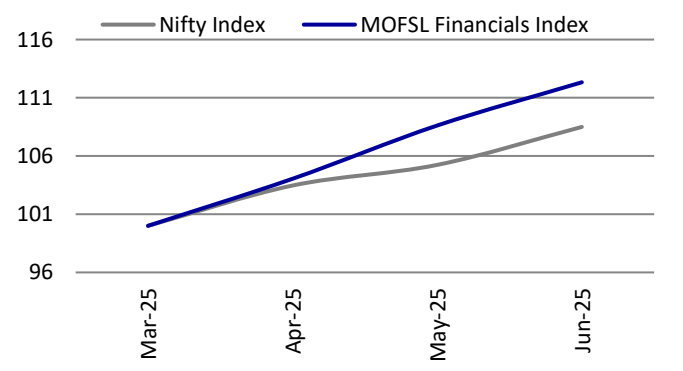
Power Financiers – muted loan growth; asset quality to remain broadly stable

- Disbursements among power financiers showed mixed trends. REC is expected to report healthy disbursement growth, whereas disbursements for PFC are likely to remain muted. Asset quality is expected to remain stable/improve, since there were no new slippages or stressed asset resolutions in the quarter. TRN Energy has been restructured, and we expect the benefit to accrue in provision write-backs in 2QFY26. The final guidelines on project financing have been published by the RBI and will not lead to any material increase in provisioning requirements for either PFC or REC.
- For PFC, we expect disbursements to decline 47% QoQ, leading to loan book growth of ~16% YoY/1.4% QoQ. For REC, we expect disbursement growth of ~26% YoY, which could potentially result in loan book growth of ~10% YoY/2.4% QoQ.

Exhibit 1: Quarterly performance

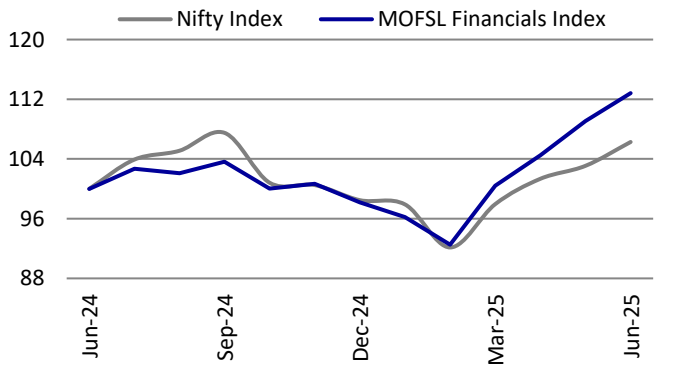
Name	CMP (INR)	Rating	NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
			Jun-25	Variance YoY (%)	Variance QoQ (%)	Jun -25	Variance YoY (%)	Variance QoQ (%)	Jun -25	Variance YoY (%)	Variance QoQ (%)
AAVAS Financiers	2034	Neutral	2,829	15.7	4.6	1,981	16.9	-1.4	1,460	15.8	-5.0
Bajaj Finance	937	Neutral	1,02,517	22.6	4.5	84,300	21.3	5.8	46,297	18.3	1.8
Can Fin Homes	791	Neutral	3,513	9.3	0.8	2,995	7.1	1.7	2,162	8.3	-7.6
Chola. Inv & Fin.	1599	Buy	32,437	26.0	6.2	23,407	26.5	0.4	11,284	19.8	-10.9
CreditAccess	1256	Buy	9,047	-2.4	3.2	6,550	-7.7	3.3	842	-78.8	78.3
Five-Star Business	763	Buy	5,748	19.0	2.7	3,914	10.3	-1.3	2,703	7.5	-3.1
Fusion Finance	200	Neutral	2,711	-31.9	0.7	915	-69.3	1.6	-434	22.0	-73.6
Home First Fin.	1322	Buy	2,009	37.2	16.4	1,596	34.1	9.6	1,152	31.3	10.1
IIFL Finance	469	Buy	13,740	-4.5	4.6	9,363	36.1	42.2	2,201	-23.6	6.0
L&T Finance	208	Buy	21,691	3.2	0.9	15,677	6.8	10.1	7,030	2.6	10.6
LIC Housing Fin	612	Neutral	21,689	9.0	0.1	18,819	6.2	0.2	13,758	5.8	0.6
M & M Financial	267	Buy	20,050	12.4	4.0	13,176	16.1	8.6	5,313	3.6	-5.7
Manappuram Finance	278	Neutral	14,480	-5.8	0.3	6,793	-30.8	-0.6	-631	-111.3	-68.9
MAS Financial	310	Buy	1,635	32.2	0.6	1,541	30.2	1.7	832	18.2	3.0
Muthoot Finance	2643	Neutral	31,610	37.1	8.9	24,217	41.2	12.8	16,953	57.2	12.4
PFC	424	Buy	48,474	12.0	-18.0	54,258	17.9	-17.1	43,843	17.9	-14.2
PNB Housing	1103	Buy	7,415	15.5	1.9	6,406	18.1	-0.9	5,057	16.8	-8.1
Poonawalla Fincorp	464	Buy	6,818	18.3	11.7	2,805	-35.1	17.6	1,051	-64.0	68.6
REC	401	Buy	54,106	15.9	-12.2	52,658	9.7	-14.6	41,264	19.9	-2.6
Repco Home Fin	439	Neutral	1,754	4.6	2.7	1,346	-2.5	2.9	1,021	-3.1	-11.1
Shriram Finance	696	Buy	58,228	11.3	4.6	43,388	12.6	0.1	20,681	4.4	-3.3
Spandana Sphoorty	281	Buy	1,409	-67.5	-31.3	-155	-105.4	-161.5	-3,466	-722.2	-20.2
NBFC			**4,63,909**	**13.73**	**-0.8**	**3,75,951**	**13.0**	**-1.9**	**2,20,374**	**8.0**	**-1.6**

Exhibit 2: Relative performance — three months (%)



Source: Bloomberg, MOFSL

Exhibit 3: Relative performance — one year (%)



Source: Bloomberg, MOFSL

Exhibit 4: EPS estimate changes for FY26/FY27

Company	Old Estimates		New Estimates		Change (%)	
	FY26	FY27	FY26	FY27	FY26	FY27
AAVAS	86.6	102.7	85.2	101.0	*-1.6*	*-1.6*
BAF	33.9	42.5	33.4	42.4	*-1.5*	*-0.3*
CANF	70.4	79.9	69.1	78.9	*-1.8*	*-1.2*
CIFC	63.7	82.4	63.7	81.6	*0.1*	*-1.0*
CREDAG	54.7	103.3	58.1	105.2	*6.1*	*1.8*
Five Star Business	40.4	47.0	41.3	46.9	*2.1*	*-0.2*
FUSION	13.2	25.5	3.8	18.3	*-71.1*	*-28.3*
HomeFirst	51.4	62.8	50.7	64.4	*-1.5*	*2.5*
IIFL Fin	37.8	49.5	40.8	54.2	*7.9*	*9.4*
LTFH	12.4	16.0	12.5	16.5	*0.9*	*2.7*
LICHF	95.7	102.9	95.7	102.7	*-0.1*	*-0.1*
MMFSL	20.2	25.0	20.2	25.0	*-0.2*	*-0.1*
MASFIN	21.0	25.9	20.2	25.7	*-3.8*	*-0.7*
Muthoot	171.3	193.0	177.9	211.0	*3.8*	*9.4*
MGFL	21.5	26.0	12.6	23.8	*-41.3*	*-8.2*
PNBHF	87.8	102.9	87.8	102.1	*0.0*	*-0.8*
PFC	54.7	60.9	56.9	60.1	*4.1*	*-1.3*
PFL	12.6	22.7	12.8	22.7	*1.9*	*-0.0*
REC	66.4	73.6	66.2	73.2	*-0.2*	*-0.6*
REPCO	69.6	74.9	67.5	73.9	*-3.0*	*-1.4*
SHFL	52.9	62.7	51.2	61.0	*-3.1*	*-2.8*
SPANDANA	-21.0	28.5	-116.7	23.3	-	*-18.2*

Exhibit 5: Margin trends for MOFSL NBFC Coverage Universe (%)

Name of the company	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY (bp)	QoQ (bp)
AAVAS	6.9	6.6	6.7	6.9	6.9	3	5
BAF	9.8	9.7	9.7	9.6	9.6	-21	-7
CANF	3.6	3.8	3.7	3.7	3.6	0	-5
CIFC	6.8	6.8	6.8	6.8	6.9	5	9
CREDAG	14.0	14.5	13.8	13.8	13.9	-7	10
Five Star	19.3	19.4	19.5	19.4	18.9	-43	-51
Fusion	15.0	15.1	9.1	12.2	13.4	-166	114
HomeFirst	5.8	5.2	4.9	5.1	5.2	-57	12
IIFL Fin	7.7	7.8	7.1	7.0	6.6	-118	-45
LTHF	11.2	11.2	10.8	10.0	10.2	-95	17
LICHF	2.8	2.7	2.7	2.9	2.8	3	-6
MMFSL	6.8	6.6	6.7	6.6	6.6	-19	7
MGFL	14.5	14.8	14.4	13.5	13.3	-118	-15
MASFIN	6.8	7.2	7.2	7.6	7.5	71	-6
Muthoot	11.8	11.8	11.9	11.7	11.3	-53	-42
PNBHF	3.6	3.6	3.6	3.7	3.6	7	-6
PFC	3.6	3.6	3.8	4.6	3.6	6	-99
PFL	10.0	9.2	9.3	8.0	7.7	-228	-34
REC	3.5	3.7	3.7	4.3	3.7	18	-59
REPCO	5.4	5.4	5.6	5.3	5.3	-12	-1
SFL	9.1	9.2	9.0	8.6	8.7	-44	9
Spandana	15.9	14.0	13.1	12.3	11.0	-492	-132

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Aavas Financiers — Neutral

CMP: INR2,034| TP: INR2,065 (+2%) — **EPS CHANGE (%): FY26|27: -1.6|-1.6**

- AUM/disbursements are likely to grow ~17%/1% YoY.
- We expect NIM to expand ~5bp QoQ. Upfront assignment income is estimated at ~INR510m.
- Asset quality is expected to remain largely stable, and credit costs are likely to remain benign.
- Commentaries on loan growth and margin trajectory are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	4,797	4,906	5,121	5,353	5,529	5,651	5,857	6,157	20,177	23,194
Interest Expenses	2,352	2,489	2,587	2,647	2,700	2,738	2,848	3,019	10,075	11,305
Net Income	**2,446**	**2,418**	**2,533**	**2,705**	**2,829**	**2,913**	**3,009**	**3,138**	**10,102**	**11,889**
YoY Growth (%)	8	9	15	14	16	20	19	16	11	18
Other income	628	898	859	1,022	830	931	1,003	1,116	3,407	3,881
Total Income	**3,074**	**3,316**	**3,392**	**3,728**	**3,659**	**3,844**	**4,012**	**4,254**	**13,509**	**15,769**
YoY Growth (%)	10	13	16	15	19	16	18	14	13	17
Operating Expenses	1,379	1,368	1,447	1,719	1,678	1,701	1,719	1,728	5,912	6,826
YoY Growth (%)	3	5	7	20	22	24	19	1	9	15
Operating Profits	**1,695**	**1,948**	**1,945**	**2,009**	**1,981**	**2,143**	**2,293**	**2,526**	**7,597**	**8,943**
YoY Growth (%)	16	19	23	10	17	10	18	26	17.1	17.7
Provisions	86	48	61	76	90	72	76	97	271	335
Profit before Tax	**1,609**	**1,900**	**1,884**	**1,932**	**1,891**	**2,071**	**2,217**	**2,429**	**7,326**	**8,608**
Tax Provisions	348	421	420	395	431	466	484	482	1,585	1,862
Profit after tax	**1,261**	**1,479**	**1,464**	**1,537**	**1,460**	**1,605**	**1,733**	**1,948**	**5,741**	**6,746**
YoY Growth (%)	15	22	26	8	16	9	18	27	17.0	17.5

Bajaj Finance — Neutral

CMP INR911| TP: INR1,000 (+10%) — **EPS CHANGE (%): FY26|27: -1.5|-0.3**

- BAF reported AUM growth of 25% YoY/ 6% QoQ.
- Margin is likely to contract ~5bp QoQ to ~9.60%.
- Credit costs are expected to decline ~20bp QoQ to ~2.1%.
- Commentaries on NIM trajectory and credit costs are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	1,40,492	1,49,870	1,57,682	1,63,591	1,71,117	1,79,672	1,89,734	2,02,585	6,11,636	7,43,108
Interest expenses	56,839	61,493	63,856	65,520	68,599	71,755	75,199	77,202	2,47,708	2,92,755
Net Interest Income	**83,653**	**88,377**	**93,826**	**98,072**	**1,02,517**	**1,07,918**	**1,14,535**	**1,25,384**	**3,63,928**	**4,50,354**
YoY Growth (%)	24.5	22.8	22.6	22.4	22.6	22.1	22.1	27.8	23.0	23.7
Other Operating Income	20,531	21,084	22,901	21,096	23,053	23,971	26,121	24,596	85,612	97,741
Net Income	**1,04,185**	**1,09,461**	**1,16,727**	**1,19,168**	**1,25,570**	**1,31,889**	**1,40,656**	**1,49,980**	**4,49,540**	**5,48,095**
YoY Growth (%)	24.1	23.8	25.5	22.7	20.5	20.5	20.5	25.9	24.0	21.9
Operating Expenses	34,709	36,390	38,670	39,493	41,270	43,251	45,976	50,533	1,49,261	1,81,029
Operating Profit	**69,475**	**73,071**	**78,057**	**79,675**	**84,300**	**88,638**	**94,681**	**99,446**	**3,00,279**	**3,67,065**
YoY Growth (%)	25.3	25.2	27.1	24.3	21.3	21.3	21.3	24.8	25.5	22.2
Provisions and Cont.	16,847	19,091	20,433	23,289	21,990	22,633	22,142	22,089	79,660	88,854
Profit before Tax	**52,654**	**54,015**	**57,624**	**56,474**	**62,310**	**66,005**	**72,538**	**77,358**	**2,20,796**	**2,78,212**
Tax Provisions	13,534	13,877	14,572	11,018	16,014	17,095	18,787	19,047	53,002	70,944
Net Profit	**39,120**	**40,137**	**43,052**	**45,456**	**46,297**	**48,910**	**53,751**	**58,310**	**1,67,795**	**2,07,268**
YoY Growth (%)	13.8	13.0	18.3	18.9	18.3	21.9	24.9	28.3	16.0	23.7

Can Fin Homes — Neutral

CMP INR791 | TP: INR850 (+7%) — **EPS CHANGE (%): FY26|27: -1.8|-1.2**

- Estimate loan book to grow ~9% YoY.
- Spreads are expected to remain stable QoQ at ~3.05%.
- Margin is expected to contract ~5bp QoQ to 3.65%.
- Commentaries on loan growth and outlook on NIM in a declining rate environment are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	9,242	9,553	9,803	9,829	9,951	10,071	10,222	10,498	38,426	40,742
Interest Expenses	6,027	6,155	6,356	6,343	6,439	6,464	6,561	6,715	24,882	26,179
Net Interest Income	**3,214**	**3,398**	**3,447**	**3,485**	**3,513**	**3,607**	**3,661**	**3,783**	**13,544**	**14,563**
YoY Growth (%)	12.7	7.3	4.8	6.3	9.3	6.2	6.2	8.5	7.6	7.5
Other income	70	74	58	168	77	90	82	177	370	425
Total Income	**3,284**	**3,472**	**3,506**	**3,653**	**3,590**	**3,696**	**3,742**	**3,960**	**13,915**	**14,988**
YoY Growth (%)	12.8	7.6	4.4	6.3	9.3	6.5	6.8	8.4	7.6	7.7
Operating Expenses	488	594	593	707	595	627	667	774	2,382	2,664
YoY Growth (%)	12.3	13.3	20.0	-1.7	21.9	5.6	12.5	9.5	9.6	11.8
Operating Profits	**2,796**	**2,878**	**2,913**	**2,946**	**2,995**	**3,069**	**3,075**	**3,186**	**11,532**	**12,325**
YoY Growth (%)	12.9	6.5	1.7	8.4	7.1	6.6	5.6	8.1	7.2	6.9
Provisions	245	137	221	154	240	140	115	126	758	621
Profit before Tax	**2,551**	**2,741**	**2,691**	**2,792**	**2,755**	**2,929**	**2,960**	**3,060**	**10,775**	**11,704**
Tax Provisions	555	626	570	452	592	627	639	646	2,203	2,505
Profit after tax	**1,996**	**2,115**	**2,121**	**2,339**	**2,162**	**2,302**	**2,321**	**2,414**	**8,572**	**9,199**
YoY Growth (%)	8.8	33.8	6.0	11.9	8.3	8.9	9.4	3.2	14.2	7.3

Cholamandalam Inv. & Fin. — Buy

CMP INR1,599 | | TP: INR1,770 (+11%) — **EPS CHANGE (%): FY26|27: 0.1|-1.0**

- Estimate business AUM to grow at ~23% YoY.
- Margin is likely to expand ~10bp QoQ to 6.9%.
- Credit costs are expected to increase ~35bp QoQ to~1.75%.
- Guidance on margins, loan growth, and asset quality of new businesses is expected to be closely monitored.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	53,695	57,680	61,587	64,180	67,068	69,550	72,819	76,189	2,37,200	2,85,626
Interest Expenses	27,957	30,551	32,718	33,623	34,632	35,324	36,384	37,389	1,24,849	1,43,729
Net Interest Income	**25,738**	**27,128**	**28,869**	**30,557**	**32,437**	**34,226**	**36,435**	**38,800**	**1,12,351**	**1,41,897**
YoY Growth (%)	*39.7*	*34.6*	*33.0*	*29.8*	*26.0*	*26.2*	*26.2*	*27.0*	*34.0*	*26.3*
Other Income	4,595	5,248	6,537	7,027	5,881	7,028	8,063	9,882	23,348	30,854
Total Income	**30,333**	**32,376**	**35,406**	**37,584**	**38,318**	**41,254**	**44,498**	**48,682**	**1,35,699**	**1,72,751**
YoY Growth (%)	*42.6*	*36.8*	*37.2*	*29.0*	*26.3*	*27.4*	*25.7*	*29.5*	*35.9*	*27.3*
Operating Expenses	11,834	13,155	14,130	14,269	14,911	16,312	17,662	18,632	53,388	67,518
Operating Profit	**18,499**	**19,221**	**21,276**	**23,315**	**23,407**	**24,941**	**26,836**	**30,050**	**82,311**	**1,05,234**
YoY Growth (%)	*38.1*	*35.3*	*40.4*	*43.2*	*26.5*	*29.8*	*26.1*	*28.9*	*39.4*	*27.8*
Provisions & Loan Losses	5,814	6,235	6,640	6,253	8,200	8,400	7,700	7,277	24,943	31,577
Profit before Tax	**12,685**	**12,986**	**14,636**	**17,062**	**15,207**	**16,541**	**19,136**	**22,772**	**57,369**	**73,656**
Tax Provisions	3,263	3,355	3,771	4,395	3,923	4,268	4,937	5,852	14,783	18,981
Net Profit	**9,422**	**9,631**	**10,865**	**12,667**	**11,284**	**12,274**	**14,199**	**16,920**	**42,585**	**54,676**
YoY Growth (%)	*29.8*	*26.3*	*24.0*	*19.7*	*19.8*	*27.4*	*30.7*	*33.6*	*24.4*	*28.4*

CreditAccess Grameen Ltd. — Buy

CMP INR1,268 | | TP: INR1,500 (+18%) — **EPS CHANGE (%): FY26|27: 6.1|1.8**

- CREDAG reported flat AUM growth in 1QFY26.
- Margin is likely to expand ~10bp QoQ to 13.9%.
- Credit costs are projected to dip ~100bp QoQ to ~8.3%.
- Guidance on credit costs and GLP growth to be keenly monitored.

CREDAG: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	14,372	14,177	13,376	13,543	13,858	14,048	14,570	15,694	55,468	58,170
Interest Expenses	5,103	4,846	4,749	4,778	4,811	4,840	4,898	5,107	19,476	19,657
Net Interest Income	**9,268**	**9,331**	**8,628**	**8,765**	**9,047**	**9,208**	**9,672**	**10,587**	**35,992**	**38,514**
YoY Growth (%)	*28.7*	*22.2*	*7.5*	*-0.5*	*-2.4*	*-1.3*	*12.1*	*20.8*	*13.6*	*7.0*
Other Income	754	362	443	535	725	759	816	787	2,094	3,087
Total Income	**10,023**	**9,693**	**9,071**	**9,299**	**9,772**	**9,967**	**10,488**	**11,374**	**38,086**	**41,601**
YoY Growth (%)	*27.5*	*17.7*	*6.2*	*-4.8*	*-2.5*	*2.8*	*15.6*	*22.3*	*10.7*	*9.2*
Operating Expenses	2,929	2,972	2,841	2,959	3,222	3,301	3,375	3,557	11,702	13,455
Operating Profit	**7,093**	**6,721**	**6,229**	**6,340**	**6,550**	**6,666**	**7,113**	**7,817**	**26,384**	**28,146**
YoY Growth (%)	*30*	*19*	*4*	*-7*	*-8*	*-1*	*14*	*23*	*10*	*7*
Provisions & Loan Losses	1,746	4,202	7,519	5,829	5,421	5,313	2,656	2,386	19,295	15,776
Profit before Tax	**5,347**	**2,520**	**-1,289**	**511**	**1,129**	**1,353**	**4,457**	**5,431**	**7,089**	**12,370**
Tax Provisions	1,371	659	-294	39	287	344	1,132	1,330	1,775	3,092
Net Profit	**3,977**	**1,861**	**-995**	**472**	**842**	**1,009**	**3,325**	**4,101**	**5,314**	**9,277**
YoY Growth (%)	*14.1*	*-46.4*	*-128.2*	*-88.1*	*-78.8*	*-45.8*	*-434.1*	*768.7*	*-63.2*	*74.6*

Five Star Business Finance — Buy

CMP INR770 | | TP: INR892 (+16%) — **EPS CHANGE (%): FY26|27: 2.1|-0.2**

- Estimate AUM growth of ~20% YoY.
- Margin is likely to contract ~50bp QoQ to 18.9%.
- Credit costs are projected to rise ~25bp QoQ to ~1%.
- Outlook on asset quality, guidance on loan growth, and credit costs are expected to be closely monitored.

FIVE STAR BUSINESS: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	6,411	6,793	7,112	7,347	7,604	7,946	8,304	8,703	27,663	32,558
Interest Expenses	1,582	1,631	1,714	1,753	1,856	1,940	2,056	2,190	6,680	8,043
Net Interest Income	**4,829**	**5,161**	**5,399**	**5,594**	**5,748**	**6,006**	**6,248**	**6,513**	**20,983**	**24,514**
YoY Growth (%)	*31.4*	*29.6*	*28.3*	*21.2*	*19.0*	*16.4*	*15.7*	*16.4*	*27.3*	*16.8*
Other Income	283	266	198	250	161	257	295	331	997	1,045
Total Income	**5,112**	**5,427**	**5,597**	**5,844**	**5,909**	**6,263**	**6,543**	**6,844**	**21,980**	**25,559**
YoY Growth (%)	*32.0*	*30.3*	*26.8*	*21.4*	*15.6*	*15.4*	*16.9*	*17.1*	*27.3*	*16.3*
Operating Expenses	1,565	1,627	1,713	1,880	1,995	2,169	2,319	1,767	6,785	8,250
Operating Profit	**3,547**	**3,800**	**3,884**	**3,964**	**3,914**	**4,095**	**4,224**	**5,077**	**15,196**	**17,309**
YoY Growth (%)	*35.9*	*36.9*	*29.4*	*19.2*	*10.3*	*7.8*	*8.7*	*28.1*	*29.7*	*13.9*
Provisions & Loan Losses	185	218	233	254	299	284	256	239	890	1,079
Profit before Tax	**3,362**	**3,582**	**3,651**	**3,711**	**3,614**	**3,810**	**3,968**	**4,838**	**14,306**	**16,230**
Tax Provisions	846	903	913	919	911	945	984	1,234	3,581	4,074
Net Profit	**2,516**	**2,679**	**2,739**	**2,791**	**2,703**	**2,865**	**2,984**	**3,604**	**10,725**	**12,156**
YoY Growth (%)	37	34	26	18	7	7	9	29	*28.3*	*13.3*

Fusion Microfinance — Neutral

CMP INR190 | TP: INR210 (+11%) — **EPS CHANGE (%): FY26|27: -71.1|-28.3**

- Estimate AUM to decline ~ 35% YoY/11% QoQ.
- Margin is likely to expand ~110bp QoQ to ~13.4%.
- Annualized credit costs are projected at ~6.7% in 1QFY26.
- Guidance on credit costs, margins, and disbursement trajectory is expected to be closely monitored.

Fusion: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	6,213	6,261	4,382	4,487	4,307	4,135	3,846	3,756	21,342	16,044
Interest Expenses	2,234	2,274	2,137	1,794	1,597	1,421	1,329	1,319	8,439	5,666
Net Interest Income	**3,979**	**3,987**	**2,245**	**2,693**	**2,711**	**2,714**	**2,517**	**2,437**	**12,904**	**10,378**
YoY Growth (%)	*34.6*	*30.4*	*-33.7*	*-25.4*	*-31.9*	*-31.9*	*12.1*	*-9.5*	*-0.8*	*-19.6*
Other Income	854	776	443	273	231	351	600	988	2,347	2,170
Total Income	**4,833**	**4,764**	**2,688**	**2,966**	**2,942**	**3,065**	**3,117**	**3,425**	**15,250**	**12,548**
YoY Growth (%)	*30.9*	*25.3*	*-34.7*	*-35.6*	*-39.1*	*-35.7*	*15.9*	*15.5*	*-6.0*	*-17.7*
Operating Expenses	1,855	1,925	2,041	2,065	2,026	1,976	1,889	1,772	7,886	7,663
Operating Profit	**2,978**	**2,838**	**648**	**901**	**915**	**1,089**	**1,228**	**1,653**	**7,365**	**4,885**
YoY Growth (%)	*26.5*	*17.4*	*-75.1*	*-69.0*	*-69.3*	*-61.6*	*89.5*	*83.4*	*-28.4*	*-33.7*
Provisions & Loan Losses	3,485	6,941	5,723	2,547	1,350	1,147	975	823	18,695	4,296
Profit before Tax	**-507**	**-4,102**	**-5,075**	**-1,646**	**-434**	**-58**	**252**	**830**	**-11,330**	**590**
Tax Provisions	-151	-1,052	2,118	0	0	-9	38	59	915	88
Net Profit	**-356**	**-3,050**	**-7,193**	**-1,646**	**-434**	**-50**	**215**	**771**	**-12,245**	**501**
YoY Growth (%)	*-130*	*-343*	*-669*	*-224*	*22*	*-98*	*-103*	*-147*	*-342*	*-104.1*

Home First Finance Company — Buy

CMP INR1,322| TP: INR1,560 (+18%) — **EPS CHANGE (%): FY26|27: -1.5|2.5**

- Estimate a robust AUM growth of ~29% YoY/6% QoQ.
- Margin is projected to expand ~50bp QoQ in 1QFY26 primarily due to a decline in leverage.
- Cost/income ratio is expected to improve ~200bp QoQ to ~33.6%.
- The outlook on margins and credit costs is a key monitorable.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	3,032	3,322	3,558	3,629	3,986	4,154	4,343	4,563	13,540	17,047
Interest expenses	1,568	1,756	1,926	1,903	1,977	2,043	2,090	2,116	7,153	8,225
Net Interest Income	**1,464**	**1,566**	**1,631**	**1,726**	**2,009**	**2,112**	**2,254**	**2,448**	**6,388**	**8,822**
YoY Growth (%)	17.5	18.6	21.4	26.2	37.2	34.8	38.1	41.8	21.0	38.1
Other Income	382	421	517	533	395	485	580	696	1,852	2,156
Net Income	**1,846**	**1,987**	**2,148**	**2,259**	**2,404**	**2,597**	**2,834**	**3,144**	**8,239**	**10,978**
YoY Growth (%)	20.6	23.4	25.8	31.4	30.2	30.7	31.9	39.2	25.5	33.2
Operating Expenses	655	726	752	803	807	905	970	1,006	2,936	3,689
Operating Profit	**1,191**	**1,261**	**1,396**	**1,456**	**1,596**	**1,691**	**1,863**	**2,138**	**5,304**	**7,288**
YoY Growth (%)	21.9	20.7	27.2	28.3	34.1	34.1	33.5	46.8	24.7	37.4
Provisions and Cont.	56	57	98	77	90	95	110	117	288	412
Profit before Tax	**1,135**	**1,204**	**1,298**	**1,379**	**1,506**	**1,596**	**1,753**	**2,020**	**5,016**	**6,876**
Tax Provisions	258	281	324	332	354	356	421	520	1,195	1,650
Net Profit	**878**	**922**	**974**	**1,047**	**1,152**	**1,240**	**1,332**	**1,501**	**3,821**	**5,226**
YoY Growth (%)	27.0	24.1	23.5	25.4	31.3	34.5	36.8	43.3	25.0	36.8

IIFL Finance — Buy

CMP INR469 | TP: INR550 (+17%) — **EPS CHANGE (%): FY26|27: 7.9|9.4**

- Estimate consol. AUM growth of ~21% YoY to INR842b.
- Credit costs are expected to rise ~150bp QoQ to ~4.2%.
- Cost ratios are expected to decline to ~44.3%. (PQ: 52.8%)
- Outlook on the gold loan business, loan growth, and margins is the key monitorable.

IIFL Finance (Consolidated): Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	24,721	23,181	22,308	24,833	27,067	28,421	29,842	22,634	95,043	1,07,964
Interest Expenses	10,340	9,788	9,957	11,694	12,629	13,261	13,791	9,404	41,695	49,085
Net Interest Income	**14,381**	**13,394**	**12,352**	**13,139**	**14,438**	**15,160**	**16,051**	**13,230**	**53,348**	**58,879**
YoY Growth (%)	*9.7*	*-6.0*	*-21.6*	*-20.2*	*0.4*	*13.2*	*29.9*	*0.7*	*-10.4*	*10.4*
Other Income	-43	2,467	1,051	810	3,070	3,254	3,484	4,817	4,202	14,625
Total Income	**14,338**	**15,861**	**13,402**	**13,949**	**17,508**	**18,415**	**19,535**	**18,047**	**57,550**	**73,505**
YoY Growth (%)	*-1*	*-2*	*-21*	*-10*	*22*	*16*	*46*	*29*	*-8.5*	*27.7*
Operating Expenses	7,461	7,329	7,478	7,367	7,448	7,907	8,040	9,064	29,634	32,459
Operating Profit	**6,878**	**8,531**	**5,925**	**6,582**	**9,363**	**9,774**	**10,678**	**11,232**	**27,916**	**41,046**
YoY Growth (%)	*-14.9*	*-8.9*	*-38.2*	*-16.6*	*36.1*	*14.6*	*80.2*	*70.6*	*-19.9*	*47.0*
Provisions & Loan Losses	2,516	4,063	4,914	3,487	5,929	5,039	2,520	2,201	14,980	15,688
Profit before Tax	**4,362**	**4,468**	**1,011**	**3,095**	**3,434**	**4,735**	**8,158**	**9,031**	**7,070**	**25,358**
Exceptional items		**-5,865**				**0**				
Tax Provisions	980	-466	193	581	797	1,098	1,893	2,271	1,289	6,059
PAT (Pre NCI)	**3,382**	**-931**	**818**	**2,514**	**2,637**	**3,636**	**6,265**	**6,759**	**5,782**	**19,298**
NCI	501	646	410	437	437	459	495	609	1,994	2,000
PAT (Post NCI)	**2,881**	**-1,577**	**408**	**2,077**	**2,201**	**3,178**	**5,770**	**6,150**	**3,788**	**17,298**
YoY Growth (%)	*-32*	*-133*	*-92*	*-44*	*-24*	*-302*	*1,315*	*196*	*-79*	*357*

L&T Finance — Buy

CMP INR208| TP: INR250 (+20%) — **EPS CHANGE (%): FY26|27: 0.9 |2.7**

- Expect consolidated loan book growth of 4% QoQ.
- Anticipate credit costs to remain largely stable at ~2.6% (annualized) in 1QFY26.
- NIM is expected to expand ~15bp QoQ to ~10.2%.
- Outlook on the MFI business is the key monitorable.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	34,526	36,544	38,064	37,499	38,249	39,779	41,569	47,530	1,46,633	1,67,127
Interest Expenses	13,514	14,763	15,692	15,998	16,558	16,641	17,057	17,877	59,968	68,133
Net Interest Income	**21,012**	**21,781**	**22,371**	**21,501**	**21,691**	**23,138**	**24,512**	**29,653**	**86,665**	**98,993**
Change YoY (%)	19.9	18.1	14.6	8.2	3.2	6.2	9.6	37.9	15.0	14.2
Other Operating Income	3,318	3,649	2,912	2,730	3,800	3,600	3,850	4,069	12,610	15,319
Net Operating Income	**24,330**	**25,431**	**25,283**	**24,231**	**25,491**	**26,738**	**28,362**	**33,722**	**99,275**	**1,14,312**
Change YoY (%)	30.8	34.6	16.0	3.7	4.8	5.1	12.2	39.2	21.0	15.1
Other income	2	47	76	43	36	42	49	66	167	193
Total Income	**24,332**	**25,477**	**25,359**	**24,274**	**25,526**	**26,780**	**28,411**	**33,788**	**99,442**	**1,14,505**
Change YoY (%)	20.9	18.1	13.8	3.6	4.9	5.1	12.0	39.2	14.6	15.1
Operating Expenses	9,656	9,578	10,578	10,034	9,849	10,248	11,530	13,663	39,846	45,291
Change YoY (%)	24.1	11.4	18.9	2.4	2.0	7.0	9.0	36.2	13.6	13.7
Operating Profits	**14,676**	**15,899**	**14,781**	**14,240**	**15,677**	**16,531**	**16,881**	**20,124**	**59,597**	**69,214**
Change YoY (%)	18.9	22.5	10.5	4.6	6.8	4.0	14.2	41.3	15.3	16.1
Provisions	5,453	6,504	6,542	6,185	6,487	6,752	6,242	8,547	24,684	28,027
Profit before Tax	**9,223**	**9,396**	**8,239**	**8,055**	**9,190**	**9,780**	**10,639**	**11,578**	**34,913**	**41,186**
Tax Provisions	2,370	2,429	1,983	1,697	2,160	2,298	2,660	2,891	8,478	10,008
Profit after tax	**6,855**	**6,967**	**6,257**	**6,358**	**7,030**	**7,481**	**7,979**	**8,687**	**26,434**	**31,178**
Change YoY (%)	29	17	-2	15	3	7	28	37	14	18

LIC Housing Finance — Neutral

CMP INR612 | TP: INR670 (+10%) — **EPS CHANGE (%): FY26|27: -0.1|-0.1**

- Expect loan growth of ~8% YoY with a fairly stable mix.
- Estimate annualized credit costs of ~20bp in 1QFY26.
- Yields and margins are expected to decline on a sequential basis.
- Commentaries on mortgage demand and guidance on margins and loan growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	67,391	68,534	69,516	71,173	71,742	71,240	71,382	71,727	2,76,615	2,86,091
Interest Expenses	47,501	48,796	49,515	49,508	50,053	50,403	50,706	50,591	1,95,320	2,01,753
Net Interest Income	**19,891**	**19,739**	**20,001**	**21,664**	**21,689**	**20,837**	**20,677**	**21,136**	**81,295**	**84,339**
YoY Growth (%)	-10.0	-6.3	-4.6	-3.2	9.0	5.6	3.4	-2.4	-6.0	3.7
Fees and other income	446	784	1,057	1,661	669	940	1,047	1,153	3,948	3,809
Net Income	**20,337**	**20,522**	**21,059**	**23,326**	**22,358**	**21,777**	**21,724**	**22,289**	**85,243**	**88,148**
YoY Growth (%)	-9.7	-4.9	-1.9	2.0	9.9	6.1	3.2	-4.4	-3.6	3.4
Operating Expenses	2,621	3,105	3,564	4,536	3,539	3,680	3,827	4,130	13,826	15,176
Operating Profit	**17,715**	**17,417**	**17,495**	**18,790**	**18,819**	**18,097**	**17,896**	**18,160**	**71,416**	**72,972**
YoY Growth (%)	-11.9	-8.3	-7.2	-1.3	6.2	3.9	2.3	-3.4	-7.2	2.2
Provisions and Cont.	1,431	773	-440	1,094	1,359	1,495	1,645	1,808	2,858	6,308
Profit before Tax	**16,285**	**16,644**	**17,934**	**17,696**	**17,460**	**16,602**	**16,251**	**16,351**	**68,558**	**66,664**
Tax Provisions	3,282	3,355	3,615	4,016	3,701	3,320	3,413	3,565	14,268	13,999
Net Profit	**13,002**	**13,289**	**14,320**	**13,680**	**13,758**	**13,281**	**12,839**	**12,787**	**54,290**	**52,665**
YoY Growth (%)	-2	12	23	25	6	0	-10	-7	14	-3

Mahindra Financial Services — Buy

CMP INR267| TP: INR315 (+18%) — **EPS CHANGE (%): FY26|27: -0.2|-0.1**

- MMFS reported disbursements of ~INR128b, leading to AUM of ~INR1.22t (up 15% YoY/ ~2% QoQ).
- We expect margins to expand ~15bp QoQ to 6.6%.
- Estimate credit costs of ~2% in 1QFY26.
- Commentaries on margins, credit costs, and loan growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest income	36,122	37,448	39,572	40,172	41,458	42,577	44,025	45,574	1,53,314	1,73,634
Interest Expenses	18,286	19,343	20,459	20,896	21,408	21,601	21,881	22,167	78,983	87,057
NII	**17,836**	**18,106**	**19,113**	**19,276**	**20,050**	**20,977**	**22,143**	**23,407**	**74,331**	**86,577**
YoY Growth (%)	12.6	14.1	12.5	6.4	12.4	15.9	15.9	21.4	11.2	16.5
Other income	1,480	1,802	1,872	2,279	2,132	2,455	2,590	3,117	7,433	10,294
Net Total Income	**19,316**	**19,908**	**20,985**	**21,555**	**22,182**	**23,432**	**24,733**	**26,524**	**81,764**	**96,871**
YoY Growth (%)	15.3	18.9	15.6	9.4	14.8	17.7	17.9	23.1	14.6	18.5
Operating Expenses	7,970	7,947	8,768	9,427	9,006	9,139	9,469	10,552	34,113	38,166
Operating Profit	**11,345**	**11,961**	**12,217**	**12,128**	**13,176**	**14,293**	**15,264**	**15,973**	**47,651**	**58,705**
YoY Growth (%)	13.5	26.9	15.0	3.4	16.1	19.5	24.9	31.7	14.0	23.2
Provisions	4,482	7,035	91	4,571	6,035	5,911	5,134	3,970	16,179	21,051
Profit before Tax	**6,864**	**4,927**	**12,126**	**7,557**	**7,141**	**8,381**	**10,129**	**12,002**	**31,473**	**37,654**
Tax Provisions	1,734	1,232	3,131	1,925	1,828	2,146	2,593	3,035	8,022	9,602
Net Profit	**5,130**	**3,695**	**8,995**	**5,631**	**5,313**	**6,236**	**7,536**	**8,967**	**23,450**	**28,052**
YoY Growth (%)	45.5	57.1	62.7	-9.0	3.6	68.8	-16.2	59.2	33.3	19.6

Manappuram Finance — Neutral

CMP INR278 | TP: INR290 (+4%) — **EPS CHANGE (%): FY26|27: -41.3|-8.2**

- Expect gold AUM/consolidated AUM to grow ~15%/2% on a sequential basis.
- Expect margin to contract ~15bp QoQ and spreads to decline ~20bp in the consolidated loan book.
- Expect credit costs to decline ~160bp QoQ to ~6.8%.
- Commentaries on gold loan growth and asset quality in the MFI and PL segments are the key monitorables.

MGFL - Quarterly Performance (Consolidated)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	23,861	25,411	25,163	23,393	23,416	23,861	24,386	25,122	97,997	96,785
Interest Expenses	8,483	9,057	9,253	8,954	8,936	9,097	8,915	8,820	35,747	35,767
Net Interest Income	**15,378**	**16,354**	**15,909**	**14,439**	**14,480**	**14,764**	**15,471**	**16,302**	**62,250**	**61,018**
YoY Growth (%)	19.40	20.8	9.5	-3.4	-5.84	-9.7	-2.8	12.9	11.4	-2.0
Other income	1,259	961	464	240	296	362	429	474	2,752	2,918
Net Income	**16,636**	**17,314**	**16,373**	**14,679**	**14,776**	**15,127**	**15,900**	**16,776**	**65,002**	**63,935**
Operating Expenses	6,823	6,984	7,066	7,845	7,982	8,031	8,091	7,888	28,718	31,992
Operating Profits	**9,814**	**10,331**	**9,307**	**6,833**	**6,793**	**7,096**	**7,809**	**8,889**	**36,285**	**31,944**
YoY Growth (%)	22.4	19.2	-0.6	-26.8	-30.8	-31.3	-16.1	30.1	2.6	-12.0
Provisions	2,286	2,604	5,546	9,192	7,536	4,869	2,026	1,509	19,628	15,940
PBT	**7,528**	**7,727**	**3,761**	**-2,359**	**-743**	**2,227**	**5,783**	**7,380**	**16,656**	**16,004**
Tax Provisions	1,963	2,006	976	-327	-111	334	1,504	2,435	4,618	4,161
PAT	**5,565**	**5,721**	**2,785**	**-2,032**	**-631**	**1,893**	**4,280**	**4,945**	**12,039**	**11,843**
YoY Growth (%)	12	2	-52	-136	-111	-67	54	-343	-45	-2

MAS Financial — Buy

CMP INR310 | TP: INR360 (+16%) — **EPS CHANGE (%): FY26|27: -3.8|-0.7**

- Standalone AUM is likely to grow ~2% QoQ/~19% YoY.
- We expect credit costs to remain largely stable QoQ at ~1.4%.
- Margin is expected to contract ~5bp QoQ to ~7.55%.
- Commentary on branch expansions and an increase in the direct business are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	**3,465**	**3,670**	**3,901**	**4,169**	**4,312**	**4,466**	**4,702**	**4,994**	**15,205**	**18,474**
Interest Income	2,952	3,078	3,332	3,535	3,641	3,772	3,979	4,230	12,896	15,621
Gain on assignments	304	375	356	396	416	433	454	486	1,431	1,789
Other operating Income	210	217	213	239	256	262	269	278	877	1,064
Interest expenses	1,714	1,754	1,845	1,910	2,006	2,086	2,215	2,365	7,224	8,671
Total income	**1,751**	**1,916**	**2,056**	**2,259**	**2,307**	**2,380**	**2,487**	**2,629**	**7,981**	**9,803**
Growth Y-o-Y (%)	*27*	*26*	*31*	*34*	*32*	*24*	*21*	*16*	*31*	*23*
Operating Expenses	567	632	673	744	766	789	813	845	2,615	3,213
Operating Profits	**1,183**	**1,284**	**1,383**	**1,516**	**1,541**	**1,591**	**1,675**	**1,783**	**5,366**	**6,590**
Growth Y-o-Y (%)	*25*	*24*	*25*	*35*	*30*	*24*	*21*	*18*	*27*	*23*
Provisions	239	263	332	427	431	410	430	408	1,261	1,678
Profit before tax	**944**	**1,021**	**1,051**	**1,089**	**1,110**	**1,182**	**1,245**	**1,376**	**4,104**	**4,912**
Growth Y-o-Y (%)	*25*	*28*	*24*	*20*	*18*	*16*	*18*	*26*	*24*	*20*
Tax Provisions	240	255	270	281	277	295	311	354	1,045	1,238
Net Profit	**704**	**766**	**781**	**808**	**832**	**886**	**933**	**1,022**	**3,059**	**3,674**
Growth Y-o-Y (%)	*23*	*28*	*25*	*19*	*18*	*16*	*20*	*26*	*23*	*20*

Muthoot Finance — Neutral

CMP INR 2,643| TP: INR2,790 (+6%) — **EPS CHANGE (%): FY26|27: 3.8|9.4**

- Estimate gold AUM growth of ~43% YoY.
- Margin is likely to contract ~45bp QoQ to ~11.25%.
- We expect credit costs to remain largely stable at ~50bp in 1QFY26
- Commentaries on gold loan growth and margin guidance are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	36,560	40,685	43,690	47,836	52,380	56,047	57,448	58,997	1,68,770	2,24,872
Other operating income	478	489	545	708	550	563	627	704	2,221	2,443
Total Operating income	**37,038**	**41,174**	**44,235**	**48,544**	**52,930**	**56,609**	**58,075**	**59,701**	**1,70,991**	**2,27,315**
YoY Growth (%)	23.5	34.6	39.6	42.4	42.9	37.5	31.3	23.0	35.3	32.9
Other income	63	88	77	341	85	94	89	282	569	550
Total Income	**37,101**	**41,262**	**44,312**	**48,885**	**53,015**	**56,703**	**58,164**	**59,983**	**1,71,560**	**2,27,865**
YoY Growth (%)	22.6	34.2	39.5	43.0	42.9	37.4	31.3	22.7	35.1	32.8
Interest Expenses	13,511	15,505	16,476	18,797	20,770	22,016	22,787	23,884	64,288	89,458
Net Income	**23,590**	**25,758**	**27,836**	**30,088**	**32,245**	**34,687**	**35,377**	**36,099**	**1,07,271**	**1,38,407**
Operating Expenses	6,437	6,608	7,243	8,610	8,028	8,429	8,850	10,665	28,898	35,972
Operating Profit	**17,153**	**19,150**	**20,593**	**21,478**	**24,217**	**26,258**	**26,526**	**25,434**	**78,373**	**1,02,435**
YoY Growth (%)	22.5	42.7	47.7	42.3	41.2	37.1	28.8	18.4	38.8	30.7
Provisions	2,236	2,070	2,088	1,274	1,400	1,300	1,500	1,995	7,667	6,195
Profit before Tax	**14,917**	**17,080**	**18,505**	**20,204**	**22,817**	**24,958**	**25,026**	**23,439**	**70,706**	**96,240**
Tax Provisions	4,130	4,568	4,874	5,126	5,864	6,414	6,432	6,120	18,698	24,830
Net Profit	**10,787**	**12,511**	**13,631**	**15,078**	**16,953**	**18,544**	**18,594**	**17,319**	**52,008**	**71,410**
YoY Growth (%)	10.6	26.3	32.7	42.7	57.2	48.2	36.4	14.9	28.4	37.3

PNB Housing Finance — Buy

CMP INR1,100 | TP: INR1,300 (18%) — **EPS CHANGE (%): FY26|27|: 0|-0.8**

- Loan growth is expected to be ~16.5% YoY.
- Expect provision write-backs from recoveries in both Retail and Corporate written-off pools.
- NIM is expected to contract ~5bp QoQ.
- Commentaries on the asset quality of the retail loan book, NIM, and credit costs are the key monitorables.

Quarterly performance

	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	17,391	17,803	18,484	19,059	19,479	19,965	20,964	22,190	72,737	82,597
Interest Expenses	10,969	11,185	11,579	11,781	12,063	12,365	12,859	13,475	45,514	50,762
Net Interest Income	**6,421**	**6,618**	**6,905**	**7,279**	**7,415**	**7,601**	**8,104**	**8,715**	**27,223**	**31,835**
YoY Growth (%)	3.66	2.5	16.5	16.8	15.48	14.8	17.4	19.7	9.7	16.9
Other income	930	994	947	1,309	1,178	1,284	1,412	1,616	4,179	5,489
Total Income	**7,352**	**7,612**	**7,852**	**8,587**	**8,593**	**8,884**	**9,516**	**10,331**	**31,402**	**37,325**
YoY Growth (%)	11.3	5.4	17.3	15.4	16.9	16.7	21.2	20.3	12.3	18.9
Operating Expenses	1,929	2,020	2,057	2,124	2,187	2,275	2,343	2,497	8,130	9,302
YoY Growth (%)	26.1	18.7	21.0	19.4	13.4	12.6	13.9	17.6	21.2	14.4
Operating Profits	**5,422**	**5,591**	**5,795**	**6,464**	**6,406**	**6,610**	**7,174**	**7,833**	**23,272**	**28,022**
YoY Growth (%)	6.9	1.3	16.0	14.1	18.1	18.2	23.8	21.2	9.5	20.4
Provisions	-120	-456	-361	-648	-162	-243	-340	-491	-1,585	-1,237
Profit before Tax	**5,542**	**6,047**	**6,157**	**7,112**	**6,568**	**6,853**	**7,514**	**8,325**	**24,858**	**29,259**
Tax Provisions	1,214	1,351	1,324	1,608	1,511	1,576	1,728	1,622	5,496	6,437
Profit after tax	**4,328**	**4,697**	**4,833**	**5,504**	**5,057**	**5,277**	**5,786**	**6,703**	**19,361**	**22,822**
YoY Growth (%)	24.6	22.6	42.8	25.3	16.8	12.3	19.7	21.8	28.4	17.9

Power Finance Corporation — Buy

CMP INR424| TP: INR490 (+16%) — **EPS CHANGE (%): FY26|27: 4.1|-1.3**

- Expect AUM/Disbursement growth of ~16%/85% YoY.
- Expect credit costs to remain benign, aided by stressed asset resolutions.
- Expect margins (normalized) to decline ~5bp QoQ in 1QFY26.
- Commentaries on growth in the loan book, margins, and asset quality/credit costs are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
Particulars	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	1,18,270	1,19,090	1,24,172	1,37,215	1,32,463	1,34,847	1,37,274	1,42,982	4,98,747	5,47,566
Interest Expenses	74,990	75,007	77,231	78,109	83,989	85,249	86,527	88,034	3,05,380	3,43,799
Net Interest Income	**43,280**	**44,083**	**46,942**	**59,106**	**48,474**	**49,598**	**50,747**	**54,949**	**1,93,367**	**2,03,768**
YoY Gr %	23.5	18.2	12.9	39.5	12.0	12.5	8.1	-7.0	23.7	5.4
Other Income	**3,160**	**14,655**	**5,971**	**11,309**	**7,812**	**8,975**	**10,116**	**11,092**	35,096	**37,996**
Net Operational Income	**46,440**	**58,738**	**52,913**	**70,415**	**56,286**	**58,574**	**60,863**	**66,041**	**2,28,463**	**2,41,763**
YoY Gr %	41.1	19.4	11.5	42.1	21.2	-0.3	15.0	-6.2	27.6	5.8
Exchange gain/(loss)	589	-3,100	457	-2,614	-300	-500	-500	-700	-4,668	-2,000
Total Net Income	**47,029**	**55,639**	**53,370**	**67,801**	**55,986**	**58,074**	**60,363**	**65,341**	**2,23,795**	**2,39,763**
YoY Gr %	24.6	15.9	18.0	34.9	19.0	4.4	13.1	-3.6	23.5	7.1
Operating Expenses	1,016	2,355	1,832	2,341	1,728	1,978	2,162	2,448	7,500	8,316
Operating Profit	**46,013**	**53,284**	**51,538**	**65,460**	**54,258**	**56,096**	**58,201**	**62,893**	**2,16,295**	**2,31,447**
YoY Gr %	25.3	13.7	16.8	39.8	17.9	5.3	12.9	-3.9	23.9	7.0
Provisions	620	-1,241	745	4,447	791	-900	1,100	771	4,571	1,762
PBT	**45,393**	**54,525**	**50,793**	**61,013**	**53,468**	**56,996**	**57,101**	**62,121**	**2,11,724**	**2,29,685**
Tax	8,214	10,821	9,244	9,924	9,624	10,259	10,278	11,641	38,202	41,803
Tax Rate %	18.1	19.8	18.2	16.3	18.0	18.0	18.0	18.7	18.0	18.2
PAT	**37,179**	**43,704**	**41,549**	**51,090**	**43,843**	**46,736**	**46,823**	**50,480**	**1,73,522**	**1,87,883**
YoY Gr %	23.6	13.6	23.0	23.5	17.9	6.9	12.7	-1.2	20.6	8.3

Poonawalla Fincorp — Buy

CMP INR464 | TP: INR550 (+18%) — **EPS CHANGE (%): FY26|27: 1.9|0**

- PFL reported AUM growth of ~53% YoY/16% QoQ.
- Expect cost ratios to remain elevated at 64.7% in 1QFY26 (PQ: ~66.7% and PY: ~36.1%).
- Expect credit costs to decline ~45bp QoQ to 1.45%.
- Commentaries on growth in personal loans, margin, and asset quality/credit costs are the key monitorables.

Quarterly Performance (Standalone)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	8,962	9,107	9,991	10,685	12,181	13,886	15,552	16,424	38,745	58,042
Interest Expenses	3,201	3,516	3,850	4,584	5,363	5,899	6,607	7,268	15,151	25,138
Net Interest Income	**5,761**	**5,592**	**6,141**	**6,101**	**6,818**	**7,986**	**8,945**	**9,156**	**23,594**	**32,904**
YoY Growth (%)	*36.8*	*17.8*	*25.1*	*8.5*	*18.3*	*42.8*	*45.7*	*50.1*	*20.6*	*39.5*
Other Income	997	858	581	1,048	1,134	1,191	1,236	1,369	3,346	4,930
Total Income	**6,758**	**6,449**	**6,722**	**7,149**	**7,951**	**9,178**	**10,180**	**10,525**	**26,940**	**37,834**
YoY Growth (%)	*35.1*	*22.0*	*22.2*	*11.6*	*35.8*	*42.3*	*51.5*	*47.2*	*22.3*	*40.4*
Operating Expenses	2,436	3,657	2,991	4,765	5,147	5,301	4,241	4,049	13,713	18,737
Operating Profit	**4,321**	**2,792**	**3,731**	**2,384**	**2,805**	**3,877**	**5,940**	**6,476**	**13,228**	**19,097**
YoY Growth (%)	*46.92*	*-16.8*	*6.5*	*-41.8*	*-35.10*	*38.9*	*59.2*	*171.6*	*-5.3*	*44.4*
Provisions & Loan Losses	425	9,096	3,479	1,582	1,392	1,253	1,491	1,730	14,582	5,866
Profit before Tax	**3,897**	**-6,305**	**252**	**802**	**1,413**	**2,624**	**4,449**	**4,746**	**-1,354**	**13,232**
Exceptional items		**0**				**0**			0	**0**
Tax Provisions	980	-1,594	65	179	362	672	1,139	1,136	-371	3,308
PAT (excl. exceptional)	**2,916**	**-4,710**	**187**	**623**	**1,051**	**1,952**	**3,310**	**3,610**	**-983**	**9,924**
PAT (incl. exceptional)	2,916	(4,710)	187	623	1,051	1,952	3,310	3,610	(983)	9,924
YoY Growth (%)	45.7	-	-92.9	-81.2	-64.0	-	1,667.2	479.2	-109.5	-1,109.1

Rural Electrification Corporation — Buy

CMP INR401 | TP: INR460 (15%) — **EPS CHANGE (%): FY26|27: -0.2|-0.6**

- Disbursements/AUM expected to grow ~26%/10% YoY.
- Expect credit costs to remain benign, aided by stress assets resolutions.
- Expect asset quality to remain largely stable in 1QFY26.
- Commentaries around margins and guidance on disbursements/AUM growth are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	1,26,904	1,34,744	1,39,704	1,49,350	1,43,559	1,46,430	1,50,530	1,57,923	5,50,701	5,98,442
Interest Expenses	80,212	85,065	88,373	87,699	89,453	91,690	93,982	98,030	3,41,350	3,73,155
Net Interest Income	**46,692**	**49,678**	**51,331**	**61,651**	**54,106**	**54,740**	**56,548**	**59,893**	**2,09,351**	**2,25,287**
YoY Gr (%)	28.3	22.9	19.6	37.4	15.9	10.2	10.2	-2.9	27	8
Other Operational Income	469	483	757	2,228	0	0	0	0	8,410	9,672
Net Operational Income	**47,161**	**50,161**	**52,088**	**63,879**	**54,106**	**54,740**	**56,548**	**59,893**	**2,15,680**	**2,33,459**
YoY Gr (%)	28.9	22.4	19.9	39.5	14.7	9.1	8.6	-6.2	27	8
Other Income	2,998	731	1,266	163	1,000	2,500	2,700	4,225	685	754
Total Net Income	**50,159**	**50,892**	**53,354**	**64,042**	**55,106**	**57,240**	**59,248**	**64,118**	**2,16,365**	**2,34,212**
YoY Gr (%)	28.1	20.0	22.7	34.9	9.9	12.5	11.0	0.1	27	8
Operating Expenses	**2,175**	**1,936**	**3,147**	**2,396**	**2,447**	**2,337**	**2,702**	**2,847**	**7,436**	**8,833**
YoY Gr (%)	50.6	-0.1	78.2	-23.1	12.5	20.7	-14.2	18.8	13	19
% to Income	4.3	3.8	5.9	3.7	4.4	4.1	4.6	4.4	3	4
Operating Profit	**47,984**	**48,955**	**50,206**	**61,646**	**52,658**	**54,903**	**56,547**	**61,272**	**2,08,929**	**2,25,380**
YoY Gr %	27.3	21.0	20.4	39.0	9.7	12.1	12.6	-0.6	27	8
Provisions	4,726	-1,441	-890	7,800	1,078	1,357	1,456	1,352	10,194	5,243
PBT	**43,258**	**50,396**	**51,097**	**53,847**	**51,580**	**53,546**	**55,091**	**59,920**	**1,98,734**	**2,20,137**
YoY Gr (%)	16.5	4.8	24.2	4.6	19.2	6.3	7.8	11.3	12	11
Tax	**8,834**	**10,342**	**10,806**	**11,485**	**10,316**	**10,977**	**11,844**	**12,651**	**41,466**	**45,788**
Tax Rate (%)	17.6	20.5	21.1	21.3	16.8	20.5	21.5	21.1	21	21
PAT	**34,425**	**40,055**	**40,291**	**42,362**	**41,264**	**42,569**	**43,246**	**47,269**	**1,57,269**	**1,74,348**
YoY Gr (%)	16.3	6.2	23.2	5.5	19.9	6.3	7.3	11.6	12.2	10.9

Repco Home Finance — Neutral

CMP INR439 | TP: INR475 (+8%) — **EPS CHANGE (%): FY26|27: -3.0|-1.4**

- Disbursements/AUM expected to grow ~13%/7% YoY.
- Expect asset quality to continue to improve, resulting in benign credit costs.
- Margins are likely to remain stable QoQ at ~5.3%.
- Commentaries around asset quality and guidance on disbursements/AUM growth are the key monitorables.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	4,007	4,051	4,258	4,166	4,229	4,302	4,361	4,463	16,482	17,356
Interest Expenses	2,330	2,396	2,475	2,458	2,475	2,520	2,553	2,559	9,659	10,106
Net Income	**1,677**	**1,656**	**1,783**	**1,708**	**1,754**	**1,782**	**1,809**	**1,904**	**6,823**	**7,250**
YoY Growth (%)	8.5	-2.3	9.0	4.9	4.6	7.7	1.5	11.5	4.9	6.2
Other income	155	229	196	184	170	210	220	332	764	932
Total Income	**1,833**	**1,884**	**1,978**	**1,892**	**1,924**	**1,992**	**2,029**	**2,236**	**7,587**	**8,181**
YoY Growth (%)	11.8	6.8	11.2	6.9	5.0	5.7	2.6	18.2	9.1	7.8
Operating Expenses	452	517	535	584	578	596	613	620	2,088	2,407
YoY Growth (%)	15.4	21.2	30.5	21.0	27.8	15.2	14.7	6.1	22.1	15.3
Operating Profits	**1,380**	**1,367**	**1,443**	**1,308**	**1,346**	**1,397**	**1,416**	**1,616**	**5,499**	**5,775**
YoY Growth (%)	10.7	2.2	5.4	1.6	-2.5	2.1	-1.9	23.6	4.9	5.0
Provisions	14	-160	3	-233	11	-19	38	97	-376	127
Profit before Tax	**1,366**	**1,528**	**1,440**	**1,541**	**1,335**	**1,415**	**1,378**	**1,520**	**5,875**	**5,648**
Tax Provisions	312	403	375	392	314	354	358	397	1,481	1,423
Profit after tax	**1,054**	**1,125**	**1,066**	**1,149**	**1,021**	**1,061**	**1,019**	**1,122**	**4,394**	**4,224**
YoY Growth (%)	18.4	14.7	7.2	6.4	-3.1	-5.7	-4.3	-2.4	11.3	-3.9

Shriram Finance — Buy

CMP INR696| TP: INR800 (+15%) — **EPS CHANGE (%): FY26|27: -3.1|-2.8**

- Estimate disbursements of ~INR442b, leading to AUM of ~INR2.73t (up 17% YoY/ ~4% QoQ).
- Margin is expected to expand ~10bp QoQ to 8.7%.
- Credit cost is likely to remain largely stable QoQ at 2.4%.
- Commentaries on loan growth in CV and asset quality in the 2W and PL segments are the key monitorables.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	93,628	98,145	1,03,408	1,07,895	1,11,617	1,16,082	1,20,725	1,25,335	4,03,076	4,73,760
Interest Expenses	41,289	43,504	47,513	52,240	53,389	53,923	54,462	55,175	1,84,546	2,16,950
Net Interest Income	**52,339**	**54,641**	**55,896**	**55,655**	**58,228**	**62,159**	**66,263**	**70,160**	**2,18,531**	**2,56,810**
YoY Growth (%)	24.6	18.9	13.8	9.4	11.3	13.8	18.5	26.1	16.3	17.5
Other Income	2,343	2,805	3,646	6,707	3,721	4,011	4,436	5,075	15,518	17,244
Total Income	**54,682**	**57,446**	**59,542**	**62,363**	**61,949**	**66,170**	**70,699**	**75,235**	**2,34,049**	**2,74,054**
YoY Growth (%)	21.1	16.2	14.1	13.2	13.3	15.2	18.7	20.6	15.9	17.1
Operating Expenses	16,140	17,597	18,692	19,010	18,561	20,237	21,496	22,146	71,440	82,441
Operating Profit	**38,541**	**39,848**	**40,850**	**43,353**	**43,388**	**45,933**	**49,203**	**53,089**	**1,62,609**	**1,91,614**
YoY Growth (%)	23.3	14.5	10.7	11.0	12.6	15.3	20.4	22.5	14.5	17.8
Provisions & Loan Losses	11,876	12,350	13,258	15,633	15,740	15,292	15,207	16,554	53,117	62,794
Profit before Tax	**26,666**	**27,498**	**27,592**	**27,720**	**27,648**	**30,641**	**33,996**	**36,534**	**1,09,493**	**1,28,820**
Tax Provisions	6,860	6,803	6,788	6,326	6,967	7,599	8,499	9,397	26,776	32,463
Net Profit	**19,806**	**20,696**	**20,804**	**21,394**	**20,681**	**23,042**	**25,497**	**27,137**	**82,716**	**96,357**
YoY Growth (%)	18.2	18.2	14.4	9.9	4.4	11.3	22.6	26.8	15.0	16.5
Exceptional gain (Post tax)			14,894						14,894	0
PAT (including exceptional gains/loss)			**35,698**						**97,610**	**96,357**

Spandana Sphoorty — Buy

CMP INR281 | TP: INR330 (+17%) — **EPS CHANGE (%): FY26|27: -|-18.2**

- Estimate disbursements of ~INR3.2b, leading to AUM of ~INR53b (AUM declined ~54% YoY/22% QoQ).
- Margin is likely to contract ~130bp QoQ to ~11%.
- Annualized credit costs to increase to 36.4% (PQ: 36.2%).
- Guidance on credit costs, margins, and AUM growth to be closely monitored.

SPANDANA: Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Interest Income	6,935	6,071	5,029	3,907	2,930	2,608	2,712	3,124	21,943	11,374
Interest Expenses	2,594	2,584	2,290	1,855	1,521	1,323	1,376	1,502	9,323	5,722
Net Interest Income	**4,342**	**3,487**	**2,739**	**2,052**	**1,409**	**1,285**	**1,336**	**1,622**	**12,621**	**5,653**
YoY Growth (%)	*48.0*	*10.4*	*-13.4*	*-46.8*	*-67.5*	*-63.2*	*-51.2*	*-21.0*	*-3.8*	*-55.2*
Other Income	435	994	697	282	476	756	680	1,196	2,298	2,554
Total Income	**4,776**	**4,481**	**3,436**	**2,335**	**1,885**	**2,041**	**2,016**	**2,818**	**14,918**	**8,207**
YoY Growth (%)	*45.7*	*8.6*	*-15.5*	*-49.3*	*-60.5*	*-54.5*	*-41.3*	*20.7*	*-5.8*	*-45.0*
Operating Expenses	1,908	2,203	2,651	2,083	2,040	1,959	1,889	1,834	8,843	7,722
Operating Profit	**2,869**	**2,278**	**784**	**251**	**-155**	**81**	**128**	**984**	**6,075**	**484**
YoY Growth (%)	*51.7*	*-11.6*	*-67.4*	*-90.5*	*-105.4*	*-96.4*	*-83.7*	*291.2*	*-34.7*	*-92.0*
Provisions & Loan Losses	2,118	5,164	6,661	6,028	4,660	3,262	2,446	1,222	19,863	11,590
Profit before Tax	**751**	**-2,886**	**-5,876**	**-5,776**	**-4,814**	**-3,180**	**-2,319**	**-239**	**-13,788**	**-11,106**
Tax Provisions	193	-723	-1,474	-1,433	-1,348	-795	-580	-65	-3,436	-2,787
Net Profit	**557**	**-2,163**	**-4,402**	**-4,343**	**-3,466**	**-2,385**	**-1,739**	**-174**	**-10,352**	**-8,318**
YoY Growth (%)	*-53*	*-273*	*-446*	*-438*	*-722*	*10*	*-60*	*-96*	*-307*	*-20*

Financials: Non-Lending

Company
ABSL AMC
HDFC AMC
Nippon AMC
UTI AMC
360ONE WAM
Anand Rathi Wealth
Nuvama Wealth
Prudent Corporate Advisory
Angel One
BSE
MCX
CDSL
CAMS
Kfintech
HDFC Life
ICICI Prudential Life
Max Financial
SBI Life
LIC
ICICI Lombard
Star Health
Niva Bupa

Strong recovery for capital market; steady trend for insurance

- **The non-lending financial industry witnessed a strong recovery across segments in 1QFY26. Positive market sentiment boosted activity in the cash segment and AUM growth for AMCs/wealth managers/distributors. For life insurers, premium growth was subdued, though we expect an improvement in profitability. General insurers witnessed a marginal recovery in underlying demand, but they are expected to face elevated claims.**
- **SIP flows reached a new peak of INR266b+ in Apr'25/May'25 and equity inflows were largely stable, which, coupled with MTM gains, should support AUM of AMCs/CAMS/KFin. We expect yields to decline sequentially, offset by positive MTM contribution in other income.**
- **BSE reported strong MoM growth in premium turnover during Apr'25/May'25, offset by a decline in volumes during Jun'25. MCX continued to witness a surge in notional volumes and premium turnover, driven by crude oil volatility and all-time high prices of precious metals. ANGELONE's order run rate is likely to rise marginally, supported by robust retail cash activity and strong performance in commodities.**
- **Wealth managers are expected to deliver steady inflows and recurring revenues. Transaction-led revenues should also contribute meaningfully, driven by favorable market conditions and high investor participation in unlisted equities.**
- **In life insurance, we expect VNB margin expansion for most players (except IPRU), driven by the rising share of higher-margin products. Within our coverage universe, YoY VNB margin changes are expected in the range of -100bp to +210bp.**
- **General insurers witnessed a slight recovery in the motor segment, while the health segment's growth continued to be weighed down by the transition to 1/n accounting. Despite elevated claims, operational efficiencies should drive improvement in combined ratios.**
- **Non-lending financial companies have seen a healthy recovery after the impact of regulatory changes. With penetration at significantly lower levels, we expect capital market players to sustain their strong performance. For life insurance companies, we expect 1HFY26 to be tepid in terms of premium growth given the high base of 1HFY25, though it is expected to reverse in 2HFY26. In the capital market space, our top picks are UTI AMC, Nuvama and Angel One. Among insurance stocks, our preferred picks are HDFC Life and Niva Bupa.**

Cash activity picks up, F&O loses some steam during the quarter

- Cash volumes witnessed MoM growth during all three months of 1QFY26, backed by strong retail momentum and institutional flows. Cash ADTO grew 2%/12%/2% MoM in Apr'25/May'25/Jun'25.
- F&O ADTO inched up 5% MoM in Apr'25 but then declined 5%/1% MoM in May'25/Jun'25. On the other hand, option premium ADTO saw strong growth of 16%/3% MoM in Apr'25/May'25 but declined 17% MoM in Jun'25 owing to a decline in retail momentum.
- BSE's market share in the options segment continued to scale up in terms of notional/premium turnover, reaching 37.2%/22% in Jun'25 vs. 36.7%/20% in Mar'25.

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- Incremental demat account additions declined slightly to 2m/2.2m in Apr'25/May'25 from average of 2.4m per month in 4QFY25. NSE active client count continued to decline.
- High volatility in crude oil and precious metals due to macroeconomic pressures led to a surge in MCX volumes during the quarter. Futures ADTO was at INR406b in 1QFY26 (INR275b in 4QFY25). On the other hand, options ADTO rose to INR2.7t in 1QFY26 (INR2.2t in 4QFY25). Record-high gold prices and the launch of monthly silver option contracts by MCX led to ~2x surge in bullion options.
- We expect ANGELONE to report marginal revenue growth of 4% QoQ, with a 6% rise in the order run rate, offset by lower trading days. Lower customer acquisitions will slightly offset the impact of IPL costs during the quarter. Strong growth in premium turnover is expected to result in double-digit growth in revenue and operating profit of exchanges. Strong cash activity amid positive market sentiment and a recovery in the IPO pipeline will lead to strong double-digit sequential growth for CDSL.

Mutual Funds: SIP inflows scale to new heights; net equity inflows remain steady sequentially

- Mutual fund AUM grew 22%/23% YoY during Apr'25/May'25, driven by 23%/25% growth in equity AUM. On a sequential basis, net equity flows (incl. hybrid) continued to rise to INR385b/INR398b in Apr'25/May'25 from INR241b in Mar'2025. SIP inflows scaled new heights to INR266b/INR267b in Apr'25/May'25.
- Equity AUM's share dipped ~30bp in Apr'25 but rose ~80bp in May'25 to 57.2%. AUM of HDFC AMC/Nippon AMC/ABSL AMC/UTI AMC grew 24%/28%/17%/17% YoY at the end of May'25, reflecting market shares of 11.5%/8.5%/5.6%/5%.
- We expect AMCs to register decent revenue growth on a sequential basis, affected by a slight decline in yields. Other income is expected to continue on sequential growth trajectory on the back of a favorable market environment, leading to growth in profitability.
- CAMS and KFin are expected to register moderate sequential revenue growth of 5% and 6%, respectively, due to yield pressure, which is likely to be offset by healthy AUM growth.
- For wealth managers, steady inflows and positive MTM impact should drive healthy AUM growth. While recurring revenue is expected to remain stable, transaction revenue is likely to pick up due to favorable market sentiment sequentially.

Life Insurance: Base impact on APE growth; positive outlook for VNB margin

- Private life insurance companies posted 8%/10% YoY growth in APE in Apr'25/ May'25. Individual APE growth was impacted by a slowdown in ULIP momentum and a high base. We expect single-digit to mid-teen growth for our coverage universe, except for IPRU, which is expected to report APE decline of 1% YoY.
- VNB margin should continue to improve owing to an increasing share of non-par and protection products in the mix, as well as a rise in the contribution of high-margin ULIP sales (high sum assured with rider attachments). For our coverage universe, we expect VNB margin to expand by 90bp to 210bp YoY, except for IPRU, which is expected to see a 100bp YoY decline in VNB margin.

General Insurance: Slow quarter; operational leverage to boost combined ratio

- The general insurance segment recorded GWP growth of 12%/5% YoY in Apr'25/ May'25. The health segment reported 11%/8% YoY growth in Apr'25/May'25, impacted by 1/n on retail health growth, offset by mid-teen growth in the group health segment. The motor segment saw a slight recovery, growing 11%/8% in Apr'25/May'25 (6.8% YoY in 4QFY25).
- For ICICIGI, premium was up 7%/2% YoY in Apr'25/May'25. While the motor segment's growth remained weak in single digits, retail health saw strong double-digit growth, which was offset by tepid growth in the group health segment.
- For Apr'25/May'25, STARHEAL continued to post soft premium growth of 5%/3% YoY, with retail growth of 11%/8% offset by group health decline of 49%/46% YoY.
- Niva Bupa's GWP grew 9%/10% YoY in Apr'25/May'25 with retail health growing 9%/11% and group health growing 6%/12% YoY.
- While claims are expected to remain elevated due to medical inflation and high claim frequency, operational efficiencies will offset the impact on combined ratio.

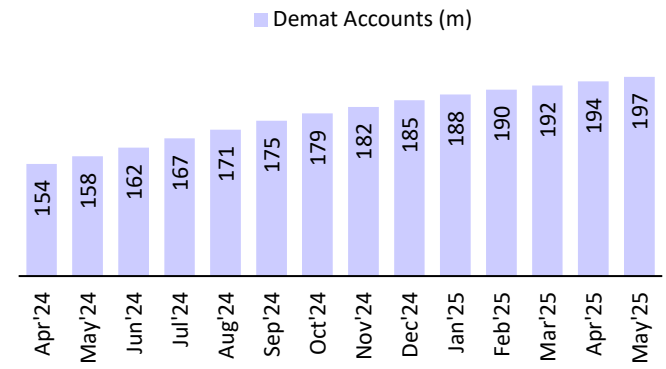
Exhibit 1: Summary of our quarterly estimates

Sector	CMP (INR)	Rating	Jun'25	Variance YoY (%)	Variance QoQ (%)	Jun'25	Variance YoY (%)	Variance QoQ (%)	Jun'25	Variance YoY (%)	Variance QoQ (%)
AMC			**Operating Revenue (INR m)**			**EBITDA (INR m)**			**Net Profit (INR m)**		
HDFC AMC	5,146	BUY	9,454	22	5	7,426	25	2	6,826	13	7
ABSL AMC	789	BUY	4,473	16	4	2,602	18	7	2,578	9	13
Nippon AMC	807	BUY	6,112	21	8	3,943	25	8	3,675	11	23
UTI AMC	1,285	BUY	3,803	13	6	1,874	18	22	2,211	-19	117
Exchanges and Broking											
Angel One	2,965	BUY	7,729	-16	4	1,586	-60	-33	1,174	-60	-33
BSE	2,775	Neutral	9,795	61	16	5,845	106	21	4,771	81	-3
MCX	9,061	Neutral	3,832	63	32	2,504	89	56	2,012	81	49
Intermediaries											
CAMS	4,245	BUY	3,754	13	5	1,708	14	7	1,198	12	6
Kfintech	1,334	Neutral	2,998	26	6	1,265	27	3	889	31	5
CDSL	1,798	Neutral	2,810	9	25	1,567	1	43	1,418	6	41
Wealth Management			**Operating Revenue (INR m)**			**PBT (INR m)**			**Net Profit (INR m)**		
360 One	1,175	BUY	6,425	7	-1	3,128	-7	-2	2,679	10	7
Nuvama	8,276	BUY	8,021	20	4	3,512	20	4	2,654	20	4
Anand Rathi	2,106	Neutral	2,449	3	10	932	-5	3	697	-5	-5
Prudent	2,605	Neutral	2,932	18	4	680	15	-1	516	17	0
Life Insurance			**APE (INR m)**			**VNB (INR m)**			**Net Profit (INR m)**		
HDFC Life	810	BUY	32,688	14	-37	8,499	18	-38	4,939	3	4
Ipru Life	661	BUY	19,513	-1	-44	4,488	-5	-44	2,427	8	-37
SBI Life	1,865	BUY	39,192	8	-28	11,170	15	-33	5,931	14	-27
Max Financial	1,655	Neutral	16,602	14	-45	3,071	21	-64	1,475	-5	288
LIC	971	BUY	1,22,283	6	-35	19,565	22	-45	1,09,545	5	-42
General Insurance			**Gross Premium (INR m)**			**Underwriting Profit (INR m)**			**Net Profit (INR m)**		
Star Health	424	BUY	36,323	4	-29	715	NA	NA	2,903	-9	NA
Niva Bupa	82	BUY	16,032	9	-23	14	NA	NA	-175	NA	NA
ICICI Lombard	2,063	BUY	83,673	5	21	-3,204	NA	NA	5,971	3	17
Non-Lending			**4,40,895**	**8**	**-23**	**82,892**	**17**	**-27**	**1,66,315**	**6**	**-31**

Exhibit 2: Changes to our EPS estimates (*For life insurance companies – absolute VNB in INR b)

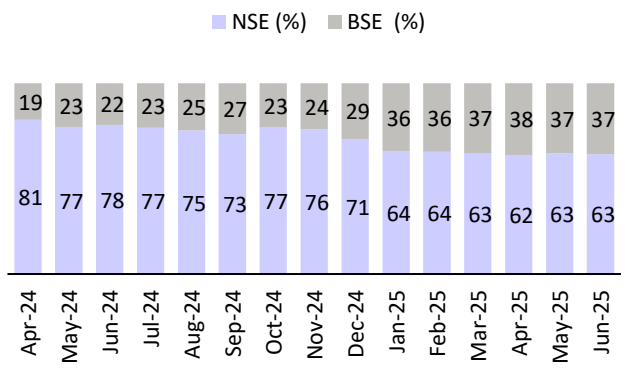
Company	New Estimates (INR)		Old Estimates (INR)		Change (%)	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
HDFC AMC	130.1	148.0	131.3	149.0	-0.9%	-0.6%
ABSL AMC	35.5	39.7	35.2	40.1	0.7%	-0.9%
Nippon AMC	23.5	27.2	22.6	25.5	4.2%	6.8%
UTI AMC	68.1	80.7	71.3	82.4	-4.4%	-2.1%
Angel One	96.5	155.1	107.0	148.8	-9.9%	4.2%
BSE	46.7	53.9	43.7	50.3	6.9%	7.0%
MCX	174.2	212.3	142.2	178.0	22.5%	19.2%
CAMS	103.0	119.8	103.5	120.2	-0.5%	-0.3%
Kfintech	21.9	27.4	22.6	28.5	-3.1%	-3.8%
CDSL	31.3	34.9	25.7	32.1	22.0%	8.7%
360 One	31.0	36.5	32.8	37.3	-5.4%	-2.2%
Nuvama	340.0	401.4	332.0	393.0	2.4%	2.1%
Anand Rathi	40.9	51.4	44.3	51.8	-7.6%	-0.8%
Prudent Corp	53.7	69.7	58.6	74.9	-8.4%	-7.0%
HDFC Life*	47.0	55.9	47.2	56.1	-0.4%	-0.3%
ICICI Pru*	26.2	31.0	28.0	33.1	-6.4%	-6.5%
SBI Life*	70.8	83.7	70.1	81.5	1.1%	2.8%
Max Fin*	25.8	31.3	25.4	30.2	1.7%	3.4%
LIC*	107.4	118.9	109.7	121.5	-2.1%	-2.1%
Star Health	13.4	17.9	13.6	18.4	-2.0%	-2.9%
Niva Bupa	0.7	1.4	0.8	1.6	-15.2%	-12.3%
ICICI Lombard	60.9	71.6	59.9	70.4	1.7%	1.8%

Exhibit 3: Total demat accounts stood at 197m



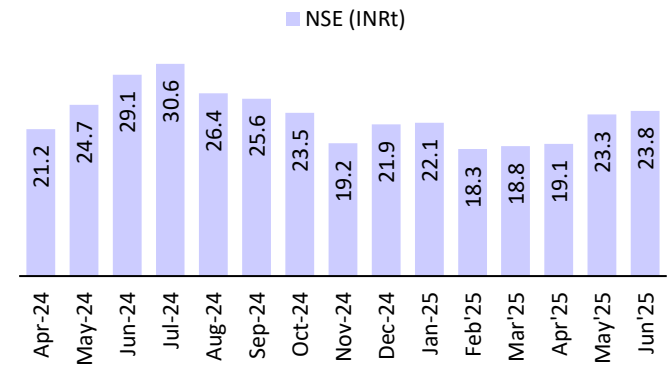
Source: NSDL, CDSL MOFSL

Exhibit 4: BSE's market share in notional turnover is stable



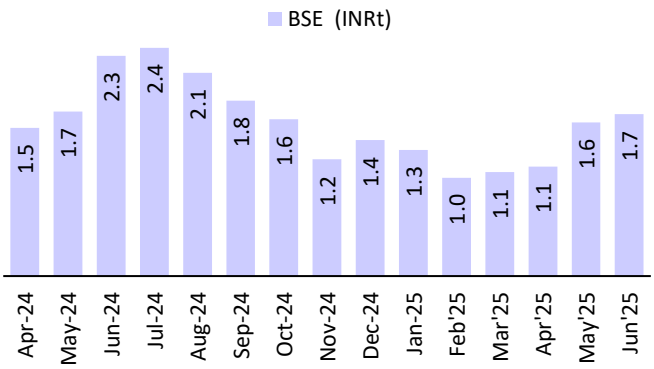
Source: NSE, BSE, MOFSL

Exhibit 5: NSE's cash volume trends



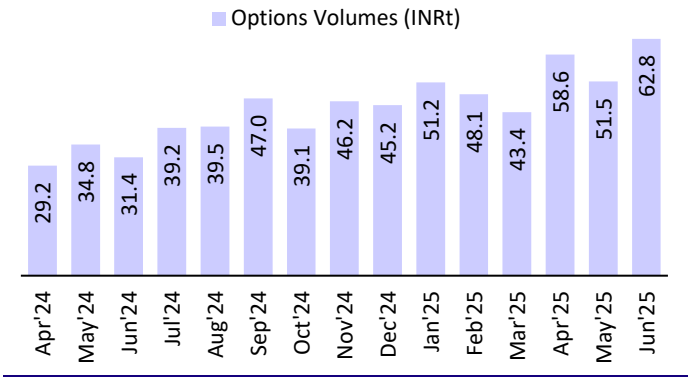
Source: NSE, MOFSL

Exhibit 6: BSE's cash volume trends



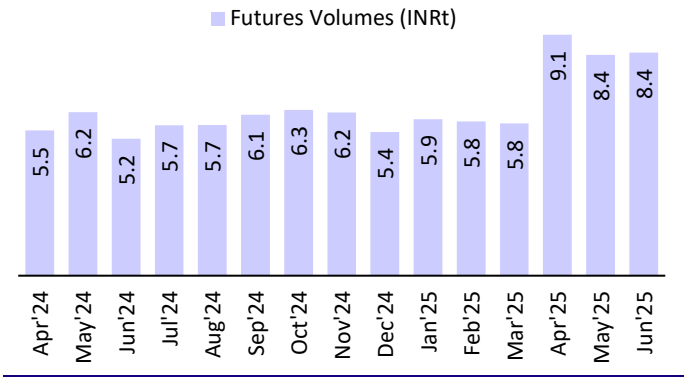
Source: BSE, MOFSL

Exhibit 7: MCX option volumes increase



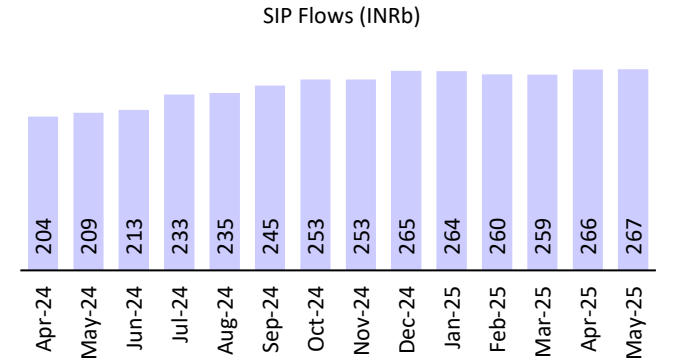
Source: MCX, MOFSL

Exhibit 8: MCX futures volumes stabilize in Jun'25



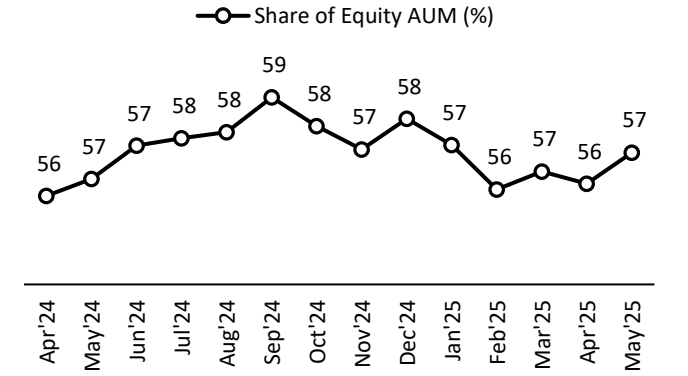
Source: MCX, MOFSL

Exhibit 9: SIP flows scaling to new highs



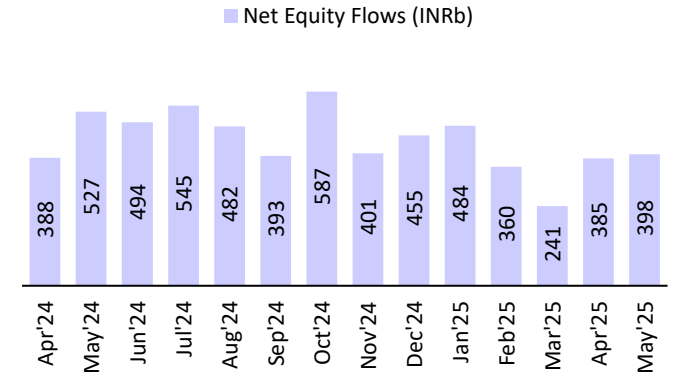
Source: AMFI, MOFSL

Exhibit 10: Share of equity AUM on an uptrend



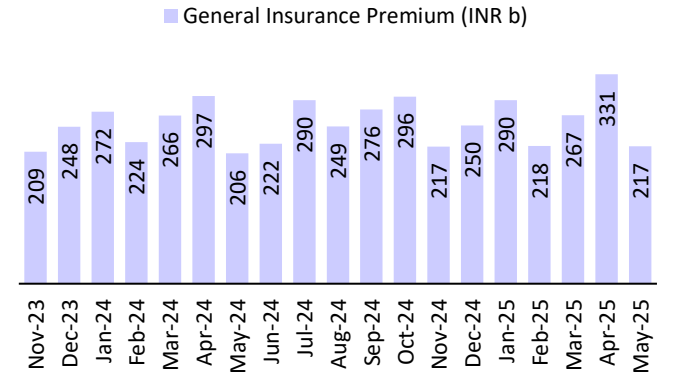
Source: AMFI, MOFSL

Exhibit 11: Net equity flows increased in May'25



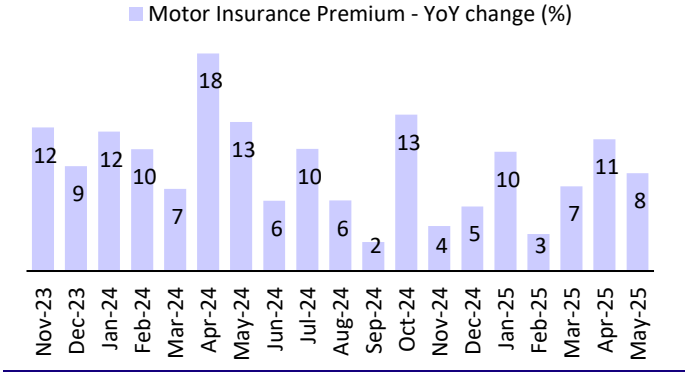
Source: AMFI, MOFSL

Exhibit 12: GI premium impacted by accounting change



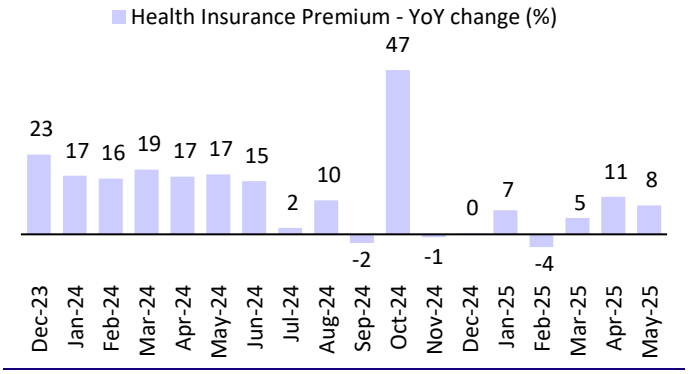
Source: GIC, MOFSL

Exhibit 13: Motor premium growth trend



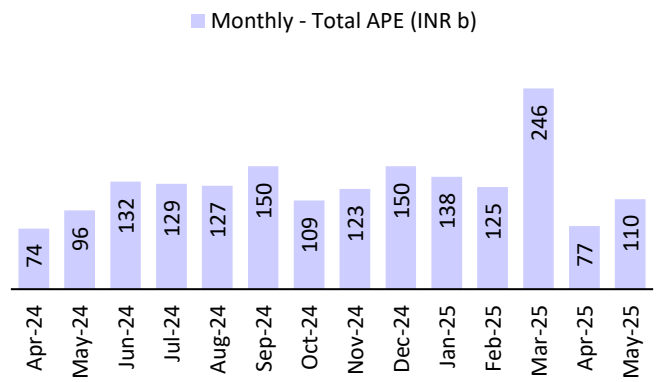
Source: GIC, MOFSL

Exhibit 14: Health segment growth trend



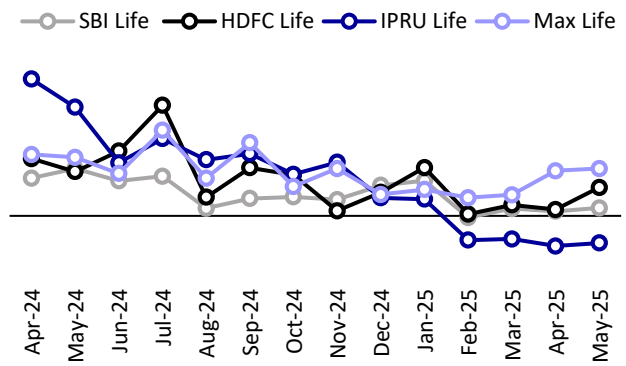
Source: GIC, MOFSL

Exhibit 15: Monthly APE for the life insurance industry



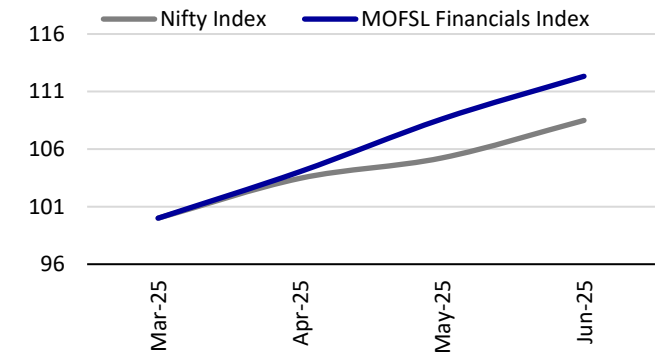
Source: Life Insurance Council, MOFSL

Exhibit 16: Individual APE growth YoY for Pvt. listed players



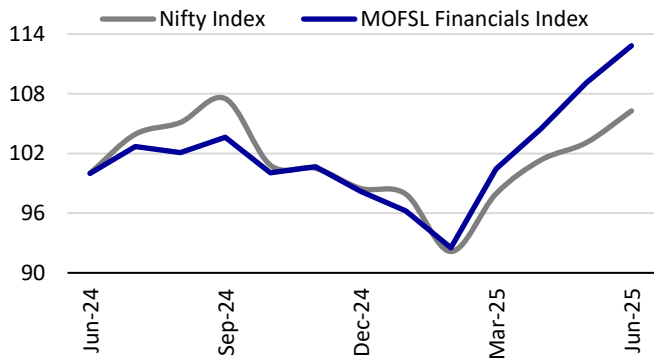
Source: Life Insurance Council, MOFSL

Exhibit 17: Relative performance – three months (%)



Source: MOFSL, Company

Exhibit 18: One-year relative performance (%)



Source: MOFSL, Company

The tables below provide a snapshot of the actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ABSL AMC — Buy

CMP INR789 | TP: INR980 (+24%) — **EPS CHANGE (%): FY26|27: 0.7|-0.9**

- Healthy QAAUM growth is expected, driven by strong equity flows and favorable market sentiment.
- Pressure on yields is expected due to low-yield products despite strong AUM growth.
- Cost-to-income ratio likely to decline sequentially as well as on YoY basis
- Favorable market performance is expected to drive healthy other income

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	**3,866**	**4,242**	**4,451**	**4,288**	**4,473**	**4,560**	**4,649**	**4,692**	**16,848**	**18,374**
Change YoY (%)	24.3	26.6	30.4	17.3	15.7	7.5	4.5	9.4	24.5	9.1
Employee Expenses	892	894	877	988	999	1,001	1,009	1,008	3,652	4,017
Total Operating Expenses	1,664	1,738	1,708	1,849	1,871	1,897	1,919	1,948	6,958	7,635
Change YoY (%)	18	21	16	15	12	9	12	5	17.5	9.7
EBITDA	**2,203**	**2,504**	**2,743**	**2,439**	**2,602**	**2,663**	**2,730**	**2,744**	**9,890**	**10,739**
EBITDA margin (%)	57.0	59.0	61.6	56.9	58.2	58.4	58.7	58.5	58.7	58.4
Other Income	**948**	**958**	**384**	**720**	**950**	**800**	**800**	**803**	3,010	3,353
PBT	**3,045**	**3,351**	**2,999**	**3,050**	**3,438**	**3,346**	**3,411**	**3,424**	**12,445**	**13,619**
Tax Provisions	688	928	754	770	859	837	853	856	3,139	3,405
Net Profit	**2,357**	**2,423**	**2,245**	**2,281**	**2,578**	**2,510**	**2,559**	**2,568**	**9,306**	**10,214**
Change YoY (%)	27.7	36.1	7.2	9.5	9.4	3.6	14.0	12.6	19.2	9.8
Core PAT	**1,623**	**1,730**	**1,957**	**1,743**	**1,866**	**1,910**	**1,959**	**1,965**	**7,055**	**7,699**
Change YoY (%)	30.0	27.0	33.9	15.9	14.9	10.4	0.1	12.8	26.5	9.1

HDFC AMC — Buy

CMP INR5,146 | TP: INR6,000 (+17%) — **EPS CHANGE (%): FY26|27: -0.9|-0.6**

- Equity AUM to maintain growth momentum backed by improving fund performance.
- On sequential basis, yields are projected to decline.
- Cost-to-income ratio to increase sequentially led by variable payout to employees.
- Favorable market performance to improve other income.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	7,752	8,872	9,346	9,014	9,454	9,646	9,842	10,043	34,984	38,985
Change YoY (%)	34.9	38.0	39.2	29.6	22.0	8.7	5.3	11.4	35.4	11.4
Employee Expenses	1,011	959	953	969	1,133	1,075	1,068	1,086	3,894	4,361
Total Operating Expenses	1,809	1,838	1,708	1,712	2,028	2,060	1,912	1,916	7,066	7,916
Change YoY (%)	23.9	14.3	6.8	9.6	12.1	12.1	12.0	11.9	13.4	12.0
EBITDA	5,944	7,034	7,639	7,302	7,426	7,586	7,930	8,127	27,919	31,069
EBITDA Margin (%)	76.7	79.3	81.7	81.0	78.6	78.6	80.6	80.9	79.8	79.7
Other Income	1,735	1,710	931	1,241	1,750	1,500	1,500	1,544	5,617	6,294
PBT	**7,523**	**8,584**	**8,399**	**8,351**	**8,981**	**8,886**	**9,225**	**9,462**	**32,856**	**36,554**
Tax Provisions	1,485	2,818	1,985	1,966	2,156	2,133	2,214	2,271	8,254	8,773
Net Profit	**6,038**	**5,766**	**6,414**	**6,385**	**6,826**	**6,753**	**7,011**	**7,191**	**24,602**	**27,781**
Change YoY (%)	26.4	31.8	31.0	18.0	13.1	17.1	9.3	12.6	26.4	12.9
Core PAT	4,645	4,618	5,703	5,436	5,496	5,613	5,871	6,018	20,396	22,998
Change YoY (%)	34.5	33.1	49.9	30.3	18.3	21.6	3.0	10.7	36.7	12.8

Nippon Life India AMC — Buy

CMP INR807 | TP: INR940 (+16%) — **EPS CHANGE (%): FY26|27: 4.2| 6.8**

- AUM growth is expected to remain healthy, while yields are expected to decline.
- EBITDA margins are expected to remain stable sequentially.
- CIR is projected to remain consistent sequentially, supported by stable growth in operating expenses.
- Favorable market performance to improve other income.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	5,050	5,713	5,879	5,665	6,112	6,255	6,401	6,514	22,307	25,282
Change YoY (%)	42.6	43.7	38.9	21.0	21.0	9.5	8.9	15.0	35.8	13.3
Employee Expenses	1,051	1,069	1,065	1,105	1,209	1,229	1,225	1,206	4,290	4,869
Total Operating Expenses	1,886	1,969	2,022	2,014	2,169	2,229	2,265	2,277	7,891	8,940
Change YoY (%)	24	26	23	13	15	13	12	13	21.5	13.3
EBITDA	3,164	3,744	3,857	3,652	3,943	4,025	4,136	4,237	14,416	16,342
EBITDA Margin	62.7	65.5	65.6	64.5	64.5	64.4	64.6	65.0	64.6	64.6
Other Income	1,308	1,208	154	230	1,000	850	850	893	2,900	3,593
PBT	**4,388**	**4,861**	**3,917**	**3,778**	**4,835**	**4,765**	**4,874**	**5,015**	**16,943**	**19,490**
Tax Provisions	1,066	1,261	965	795	1,160	1,144	1,170	1,204	4,086	4,678
Net Profit	**3,322**	**3,600**	**2,953**	**2,983**	**3,675**	**3,622**	**3,705**	**3,812**	**12,857**	**14,812**
Change YoY (%)	41.1	47.4	4.0	-12.9	10.6	0.6	25.5	27.8	16.2	15.2
Core PAT	2,331	2,705	2,836	2,801	2,915	2,976	3,059	3,133	10,674	12,082
Change YoY (%)	59.0	47.9	42.5	8.5	25.0	10.0	7.8	11.8	36	13

UTI AMC — Buy

CMP INR1,285 | TP: INR1,550 (+21%) — **EPS CHANGE (%): FY26|27: -4.4|-2.1**

- AUM is expected to grow, driven by steady flows and mark-to-market gains impact.
- Yields are expected to decline in 1QFY26.
- EBITDA margins are expected to improve on the back of operational efficiency.
- Other income expected to improve, led by MTM gains.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	3,368	3,730	3,754	3,602	3,803	3,891	3,981	4,042	14,453	15,718
Change YoY (%)	19.1	27.9	29.4	13.4	12.9	4.3	6.0	12.2	22.3	8.8
Employee Expenses	1,137	1,153	1,128	1,162	1,170	1,193	1,217	1,228	4,580	4,808
Total Operating Expenses	1,781	1,901	1,848	2,068	1,929	1,982	2,038	2,075	7,598	8,025
Change YoY (%)	6.0	10.2	4.9	10.2	8.3	4.3	10.3	0.3	7.9	5.6
EBITDA	**1,587**	**1,829**	**1,906**	**1,534**	**1,874**	**1,909**	**1,942**	**1,968**	**6,856**	**7,693**
EBITDA margin (%)	47.1	49.0	50.8	42.6	49.3	49.1	48.8	48.7	47.4	48.9
Other Income	1,970	1,671	451	158	1,150	1,000	1,000	1,015	4,249	4,165
PBT	**3,413**	**3,357**	**2,212**	**1,540**	**2,871**	**2,751**	**2,779**	**2,820**	**10,522**	**11,222**
Tax Provisions	670	726	476	520	660	633	639	649	2,392	2,581
Net Profit	**2,743**	**2,631**	**1,736**	**1,020**	**2,211**	**2,118**	**2,140**	**2,171**	**8,130**	**8,641**
Change YoY (%)	17.0	43.9	-14.6	-43.8	-19.4	-19.5	23.3	112.9	1.4	6.3
Core PAT	**1,160**	**1,321**	**1,382**	**916**	**1,325**	**1,348**	**1,370**	**1,389**	**4,779**	**5,433**
Change YoY (%)	39.1	50.1	76.3	-4.6	14.2	2.0	-0.9	51.7	38.2	13.7

360ONE WAM — Buy

CMP INR1,175 | | TP: INR1,400 (+19%) — **EPS CHANGE (%): FY26|27: -5.4|-2.2**

- On a sequential basis, ARR is expected to decline (carry income booked in 4Q), while TBR is likely to ramp up.
- Decline in ARR yield to impact revenue, while AUM growth expected to remain healthy.
- Cost-to-income ratio is expected to remain stable sequentially.
- Performance and costs of new business ventures and entry into new geographies will be closely monitored.

Quarterly performance — INR m

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Revenues	**6,002**	**5,886**	**6,050**	**6,518**	**6,425**	**6,770**	**7,096**	**7,278**	**24,456**	**27,569**
YoY Change (%)	48.0	37.7	37.7	13.7	7.0	15.0	17.3	11.7	32.5	12.7
ARR Assets Income	3,756	3,973	4,262	5,022	4,779	4,992	5,176	5,178	17,011	20,124
TBR Assets Income	2,247	1,913	1,788	1,497	1,646	1,778	1,920	2,100	7,445	7,445
Operating Expenses	**2,649**	**2,992**	**3,193**	**3,341**	**3,297**	**3,411**	**3,567**	**3,639**	**12,175**	**13,914**
YoY Change (%)	25.9	39.5	37.9	11.3	24.5	14.0	11.7	8.9	27.3	14.3
Cost to Income Ratio (%)	44.1	50.8	52.8	51.3	51.3	50.4	50.3	50.0	49.8	50.5
Operating Profits	**3,354**	**2,893**	**2,856**	**3,177**	**3,128**	**3,359**	**3,529**	**3,639**	**12,281**	**13,655**
YoY Change (%)	71.8	35.8	37.4	16.4	-6.7	16.1	23.6	14.5	38.1	11.2
Other Income	969	298	732	65	420	539	670	847	2,063	2,476
Profit Before Tax	**4,323**	**3,191**	**3,588**	**3,243**	**3,548**	**3,898**	**4,199**	**4,485**	**14,344**	**16,131**
YoY Change (%)	93.1	40.7	52.7	0.4	-17.9	22.2	17.0	38.3	42.2	12.5
PBT (after exceptional item)	**4,323**	**3,191**	**3,588**	**3,243**	**3,548**	**3,898**	**4,199**	**4,485**	**14,344**	**16,131**
Tax	1,889	719	839	744	869	955	1,029	1,099	4,191	3,952
Tax Rate (%)	43.7	22.5	23.4	23.0	24.5	24.5	24.5	24.5	29.2	24.5
PAT	**2,434**	**2,472**	**2,749**	**2,498**	**2,679**	**2,943**	**3,171**	**3,387**	**10,154**	**12,179**
YoY Change (%)	34.2	33.4	41.7	3.6	10.1	19.0	15.3	35.6	26.6	19.9
PAT Margins (%)	40.5	42.0	45.4	38.3	41.7	43.5	44.7	46.5	41.5	44.2

Anand Rathi Wealth — Neutral

CMP INR2,106 | TP: INR1,900 (-10%) — **EPS CHANGE (%): FY26|27: -7.6%|-0.8%**

- Consistent AUM growth to be driven by equity and non-PP/SP products.
- Yields to maintain the YoY improvement trajectory and to remain stable sequentially.
- Cost-to-income ratio is expected to rise in 1QFY26, led by elevated costs.
- RM addition and productivity improvement will be the key growth drivers.

Quarterly Performance — (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
MF – Equity & Debt	890	1,057	1,087	1,030	1,138	1,196	1,284	1,365	4,064	4,983
Distribution of Financial Products	1,471	1,352	1,267	1,174	1,295	1,392	1,459	1,581	5,264	5,727
Other Operating revenue	15	15	16	16	16	17	19	18	62	70
Revenue from Operations	**2,376**	**2,424**	**2,370**	**2,220**	**2,449**	**2,605**	**2,761**	2,965	**9,390**	**10,780**
Change YoY (%)	35.8	32.7	29.9	20.4	3.1	7.5	16.5	33.6	29.6	14.8
Operating Expenses	1,394	1,384	1,300	1,311	1,518	1,531	1,565	1,589	5,388	6,203
Change YoY (%)	37.2	31.6	26.7	18.0	8.9	10.6	20.4	21.2	28	15
EBIDTA	982	1,040	1,070	908	932	1,075	1,196	1,375	4,001	4,577
Depreciation	57	61	65	71	73	77	81	85	255	316
Finance Cost	14	30	35	37	31	37	42	45	115	156
Other Income	78	72	72	194	101	107	118	138	416	465
PBT	990	1,021	1,041	994.6	929	1,068	1,191	1383	4,047	4,571
Change YoY (%)	39.6	31.3	33.5	25.9	-6.1	4.6	14.3	39.1	32	13
Tax Provisions	256	259	269	257	232	267	298	360	1,040	1,157
Net Profit	734	762	773	737	697	801	893	1,024	3,007	3,414
Change YoY (%)	37.9	32.0	33.2	29.6	-5.1	5.0	15.6	38.8	33	14

Nuvama Wealth — Buy

CMP INR8,276 | | TP: INR9,600 (+16%) — **EPS CHANGE (%): FY26|27: 2.4|2.1**

- Revenue growth expected to improve across business segments.
- Yields are expected to decline for the wealth segment but improve for the asset management segment.
- Cost-to-income ratio is likely to improve sequentially due to economies of scale.
- Expansion strategy and further investment areas to be the key monitorable for future growth.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	6,675	7,397	7,229	7,712	8,021	8,599	9,213	9,602	29,013	35,435
Change YoY (%)	60.2	50.2	29.5	29.5	20.2	16.2	27.5	24.5	40.7	22.1
Employee expenses	2,793	2,983	2,946	3,082	3,247	3,419	3,610	3,713	11,804	13,988
Total Operating Expenses	3,741	3,920	3,894	4,349	4,509	4,748	5,013	5,157	15,904	19,428
Change YoY (%)	27.9	30.0	18.8	21.6	20.5	21.1	28.8	18.6	24.3	22.2
PBT before share of profit from associates	**2,934**	**3,477**	**3,335**	**3,363**	**3,512**	**3,850**	**4,200**	**4,445**	**13,109**	**16,007**
Change YoY (%)	136.2	82.2	44.7	41.3	19.7	10.7	25.9	32.2	67.3	22.1
Tax Provisions	760	902	824	848	878	963	1,050	1,111	3,334	4,002
PAT before share of profit from associates	**2,174**	**2,575**	**2,511**	**2,515**	**2,634**	**2,888**	**3,150**	**3,334**	**9,776**	**12,005**
Change YoY (%)	135.0	78.3	42.8	38.5	21.2	12.1	25.4	32.5	64.4	22.8
Share of profit of associates (net of taxes)	37	0	6	37	20	20	20	30	80	90
Net Profit	**2,210**	**2,575**	**2,517**	**2,553**	**2,654**	**2,908**	**3,170**	**3,364**	**9,855**	**12,095**
Change YoY (%)	133.5	77.6	42.9	41.3	20.1	12.9	25.9	31.8	65.2	22.7

Prudent Corporate Advisory — Neutral

CMP INR2,605 | | TP: INR2,300 (-12%) — **EPS CHANGE (%): FY26|27: -8.4%|-7.0%**

- Revenue growth to be driven by the sustained growth momentum in AUM, offset by sequential decline in yields.
- EBITDA margins are expected to decline sequentially due to operational inefficiency.
- Increase in cost-to-income ratio driven by growth in fees and commission expense and employee costs.
- Growth in SIP and market share accretion will be the key growth drivers.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Commission and Fees Income	2,477	2,845	2,827	2,809	2,911	3,058	3,171	3,411	10,958	12,551
Other Operating revenue	17	15	23	20	21	21	21	21	76	84
Revenue from Operations	**2,494**	**2,861**	**2,850**	**2,829**	**2,932**	**3,079**	**3,192**	**3,432**	**11,034**	**12,635**
Change YoY (%)	50.8	50.5	35.8	18.0	17.5	7.6	12.0	21.3	37.1	14.5
Operating Expenses	1,904	2,174	2,191	2,143	2,251	2,370	2,464	2,670	8,412	9,754
Change YoY (%)	50.8	48.0	37.0	19.8	18.2	9.0	12.4	24.6	37.5	16.0
EBIDTA	**590**	**687**	**659**	**686**	**680**	**710**	**728**	**762**	**2,622**	**2,880**
Depreciation	62.9	67.2	73.7	74.8	75.0	75.0	75.0	75.9	279	301
Finance Cost	4.9	5.7	6.4	6.7	7.0	7.0	7.0	5.5	24	27
Other Income	70	78	66	85	90	100	110	111	299	411
PBT	**592**	**693**	**645**	**690**	**688**	**728**	**756**	**791**	**2,619**	**2,964**
Change YoY (%)	57.9	70.6	34.7	15.4	16.3	5.1	17.3	14.7	41.1	13.1
Tax Provisions	149.9	177.9	163.1	173.5	172.1	181.9	189.0	197.8	664	741
Net Profit	**442**	**515**	**482**	**516**	**516**	**546**	**567**	**593**	**1,955**	**2,223**
Change YoY (%)	58.3	69.2	35.0	15.9	16.8	6.0	17.7	15.0	40.9	13.7

Angel One — Buy

CMP INR2,965 | TP: INR3,400 (+15%) — **EPS CHANGE (%): FY26|27: -9.9|4.2**

- Pace of gross client addition remains stable.
- Per-day order run rate improved QoQ, driven by favorable market sentiment and the easing impact of F&O regulations.
- Average MTF book has picked up in Apr'25 & May'25 post the dip in Mar'25.
- Cost-to-income ratio is expected to remain high due to elevated employee costs and IPL expenses.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	9,150	9,774	8,895	7,439	7,729	8,067	8,452	8,891	35,258	33,139
Other Income	1,983	2,210	963	869	869	978	1,040	1,083	6,025	3,970
Total Income	**11,133**	**11,984**	**9,858**	**8,308**	**8,598**	**9,046**	**9,492**	**9,974**	**41,283**	**37,109**
Change YoY (%)	77.1	46.9	19.1	-21.7	-22.8	-24.5	-3.7	20.1	23.9	-10.1
Operating Expenses	6,940	6,007	5,717	5,665	6,717	5,724	5,677	5,985	24,329	24,103
Change YoY (%)	114.8	51.2	23.3	-3.3	-3.2	-4.7	-0.7	5.7	37.5	-0.9
Depreciation	226	256	267	285	295	305	315	325	1,034	1,241
PBT	**3,968**	**5,721**	**3,874**	**2,357**	**1,586**	**3,017**	**3,499**	**3,663**	**15,921**	**11,765**
Change YoY (%)	33.7	40.5	10.4	-48.6	-60.0	-47.3	-9.7	55.4	5.2	-26.1
Tax Provisions	1,041	1,487	1,059	612	412	783	908	951	4,199	3,055
Net Profit	**2,927**	**4,234**	**2,816**	**1,745**	**1,174**	**2,234**	**2,591**	**2,712**	**11,722**	**8,710**
Change YoY (%)	32.5	39.1	8.2	-48.7	-59.9	-47.2	-8.0	55.4	4.1	-25.7

BSE — Neutral

CMP INR2,775| TP: INR2,400 (-14%) — **EPS CHANGE (%) FY26|27: 6.9|7.0**

- BSE's market share continues to rise in F&O notional and option premium turnover, boosting revenue.
- Cash volumes ramp up sequentially in 1QFY26, leading to increase in transaction charges.
- Continued momentum with respect to new listings to boost revenue from service to corporates.
- Decline in regulatory and clearing costs to improve profitability.

Cons. Quarterly perf. (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from operations	**6,077**	**7,463**	**7,681**	**8,467**	**9,795**	**9,821**	**9,347**	**9,717**	**29,688**	**38,679**
YoY Change (%)	181.9	137.3	108.0	74.9	61.2	31.6	21.7	14.8	114.6	30.3
Total Expenditure	3,239	3,573	3,334	3,624	3,950	3,915	3,742	3,914	13,770	15,520
EBITDA	**2,838**	**3,890**	**4,347**	**4,843**	**5,845**	**5,906**	**5,605**	**5,803**	**15,918**	**23,160**
Margins (%)	46.7	52.1	56.6	57.2	59.7	60.1	60.0	59.7	53.6	59.9
Depreciation	240	291	302	298	310	323	336	348	1,131	1,317
Interest	0	0	0	0	0	0	0	0	0	0
Investment income	666	727	613	797	877	833	875	884	2,803	3,469
PBT before EO expense	**3,265**	**4,325**	**4,658**	**5,342**	**6,412**	**6,417**	**6,144**	**6,339**	**17,590**	**25,312**
SGF	0	0	1,992	-1,094	300	300	300	300	898	1,200
Exceptional items	0	-2	0	0	0	0	0	0	-2	0
PBT	**3,265**	**4,323**	**2,666**	**6,435**	**6,112**	**6,117**	**5,844**	**6,039**	**16,690**	**24,112**
Tax	851	1,109	694	1,661	1,528	1,529	1,461	1,510	4,315	6,028
Rate (%)	26	26	26	26	25	25	25	25	26	25
P/L of Asso. Cos.	227	244	199	156	188	206	227	246	826	867
Reported PAT	**2,642**	**3,458**	**2,171**	**4,931**	**4,771**	**4,794**	**4,610**	**4,776**	**13,201**	**18,951**
Adj PAT	**2,642**	**3,459**	**2,171**	**4,931**	**4,771**	**4,794**	**4,610**	**4,776**	**13,202**	**18,951**
YoY Change (%)	-40	192	112	371	81	39	112	-3	73	44
Margins (%)	43.5	46.3	28.3	58.2	48.7	48.8	49.3	49.1	44.5	49.0

MCX — Neutral

CMP INR9,061| TP: INR 8,500(-6%) — **EPS CHANGE (%): FY26|27: 22.5|19.2**

- Growth momentum maintained for volumes, driven by high volatility in crude and precious metals.
- EBITDA margin is expected to improve in 1QFY26, led by higher revenue growth and stable costs.
- Futures ADTO/Options ADTO increased sequentially to INR405b/INR2.7t.
- Cost-to-income ratio is expected to improve, driven by growth in revenue.

Quarterly Performance (INRm)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales	**2,344**	**2,856**	**3,014**	**2,913**	**3,832**	**4,075**	**4,281**	**4,474**	11,127	16,662
YoY Gr. (%)	60.8	73.0	57.4	60.9	63.5	42.7	42.1	53.6	62.8	49.7
Staff Costs	321	327	332	463	379	385	392	402	1,443	1,558
Other expenses	697	735	750	849	949	964	989	1,048	3,031	3,949
EBITDA	1,326	1,794	1,931	1,602	2,504	2,726	2,900	3,025	6,653	11,155
Margins (%)	56.6	62.8	64.1	55.0	65.4	66.9	67.7	67.6	59.8	66.9
Depreciation	134	140	146	217	221	226	230	257	638	934
EBIT	**1,191**	**1,654**	**1,785**	**1,385**	**2,283**	**2,500**	**2,670**	**2,767**	**6,016**	**10,221**
Interest Costs	1	1	2	1	1	1	1	2	5	5
Other Income	188	252	230	292	297	283	283	285	962	1,147
PBT bef. Exceptional items	**1,379**	**1,906**	**2,013**	**1,675**	**2,580**	**2,781**	**2,952**	**3,050**	**6,973**	**11,363**
Tax	273	374	418	328	568	612	649	671	1,394	2,500
Rate (%)	19.8	19.6	20.8	19.6	22.0	22.0	22.0	22.0	20.0	22.0
Profit from associate	4	4	5	8	0	0	0	0	21	0
PAT	**1,109**	**1,536**	**1,600**	**1,355**	**2,012**	**2,170**	**2,302**	**2,379**	**5,600**	**8,863**

CDSL — Neutral

CMP INR1,798 | TP: INR1,570 (-13%) — **EPS CHANGE (%): FY25|26: 22.0|8.7**

- Transaction revenues are expected to rise, supported by higher cash market volumes.
- IPO-linked revenues are expected to be strong, driven by a pickup in the IPO activity.
- KYC revenues are expected to increase QoQ, supported by a rise in demat account additions.
- EBITDA margins are expected to improve sequentially, led by growth in revenues.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	2,574	3,223	2,781	2,244	2,810	3,284	3,429	3,485	10,822	13,009
Change YoY (%)	72.0	55.4	29.7	-6.8	9.2	1.9	23.3	55.3	33.2	20.2
Employee expenses	267	314	323	315	348	362	371	383	1,219	1,463
Other Expenses	762	910	852	836	895	952	1,022	1,097	3,360	3,966
Total Operating Expenses	1,029	1,225	1,175	1,151	1,243	1,313	1,394	1,479	4,580	5,429
Change YoY (%)	49	57	41	24	21	7	19	29	42	19
EBITDA	**1,544**	**1,998**	**1,606**	**1,094**	**1,567**	**1,971**	**2,036**	**2,005**	**6,242**	**7,580**
Other Income	295	362	200	313	326	339	352	359	1,171	1,376
Depreciation	98	119	130	143	146	149	156	162	490	612
PBT	**1,741**	**2,241**	**1,676**	**1,264**	**1,748**	**2,161**	**2,232**	**2,202**	**6,923**	**8,343**
Change YoY (%)	76	54	15	-24	0	-4	33	74	24	21
Tax Provisions	405	627	386	268	330	412	515	536	1,686	1,794
P&L from associate	5	6	7	8	0	0	0	0	26	0
Net Profit	**1,342**	**1,620**	**1,298**	**1,004**	**1,418**	**1,749**	**1,717**	**1,666**	**5,264**	**6,549**
Change YoY (%)	82	49	21	-22	6	8	32	66	25	24

CAMS — Buy

CMP INR4,245 | TP: INR5,000 (+18%) — **EPS CHANGE (%): FY26|27: -0.5|-0.3**

- AUM growth to remain healthy, led by MTM gains and steady net flows.
- Non-MF business revenue traction to remain strong.
- Cost to income ratio to improve sequentially.
- Outlook on non-MF business growth and yields on MF business would be vital.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	3,314	3,652	3,697	3,562	3,754	3,856	3,925	4,000	14,225	15,536
Change YoY (%)	26.8	32.7	27.6	14.7	13.3	5.6	6.2	12.3	25.2	9.2
Employee expenses	1,130	1,186	1,197	1,178	1,231	1,265	1,288	1,282	4,691	5,066
Total Operating Expenses	1,816	1,950	1,969	1,968	2,046	2,094	2,124	2,126	7,703	8,389
Change YoY (%)	20.1	27.5	22.8	17.8	12.7	7.4	7.8	8.0	21.9	8.9
EBITDA	**1,498**	**1,702**	**1,728**	**1,594**	**1,708**	**1,762**	**1,802**	**1,875**	**6,522**	**7,147**
Other Income	117	126	149	134	145	154	163	193	526	655
Depreciation	170	184	195	228	235	242	249	260	777	987
Finance Cost	21	22	21	20	21	21	21	22	85	85
PBT	**1,424**	**1,622**	**1,661**	**1,479**	**1,597**	**1,653**	**1,694**	**1,785**	**6,187**	**6,730**
Change YoY (%)	40.7	44.4	39.9	9.9	12.2	1.9	2.0	20.7	32.5	8.8
Tax Provisions	354	414	420	351	399	413	424	446	1,540	1,682
Net Profit	**1,070**	**1,208**	**1,241**	**1,128**	**1,198**	**1,240**	**1,271**	**1,339**	**4,647**	**5,047**
Change YoY (%)	41.3	44.2	40.2	9.5	12.0	2.6	2.4	18.7	32.4	8.6

Kfintech — Neutral

CMP INR1,334 | TP: INR1,230 (-8%) — **EPS CHANGE (%): FY26|27: -3.1|-3.8**

- Strong flows during the quarter will drive AUM and revenue growth.
- Operational efficiency is expected to improve profitability.
- Contribution from non-MF businesses, especially issuer solutions, to further boost revenue growth.
- Recent international business deal will be keenly watched.

Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue from Operations	2,376	2,805	2,900	2,827	2,998	3,084	3,183	3,275	10,908	12,541
Change YoY (%)	30.9	34.2	32.6	23.8	26.2	10.0	9.7	15.9	30.2	15.0
Employee expenses	958	1,018	1,040	1,017	1,109	1,141	1,178	1,210	4,033	4,638
Operating expenses										
Other Expenses	421	522	555	588	624	642	662	679	2,085	2,606
Total Operating Expenses	1,379	1,539	1,595	1,604	1,733	1,783	1,840	1,888	6,118	7,244
Change YoY (%)	24.1	33.5	32.0	29.7	25.7	15.8	15.4	17.7		
EBITDA	**997**	**1,265**	**1,306**	**1,223**	**1,265**	**1,302**	**1,343**	**1,387**	**4,790**	**5,297**
Other Income	81	105	91	100	105	110	110	109	377	434
Depreciation	148	165	164	167	172	175	177	186	645	709
Finance Cost	12	11	11	13	13	13	13	14	47	52
PBT	**918**	**1,195**	**1,221**	**1,142**	**1,186**	**1,224**	**1,264**	**1,297**	**4,476**	**4,970**
Change YoY (%)	52.1	41.9	36.0	19.6	29.2	2.4	3.5	13.5	35.7	11.0
Tax Provisions	237	301	319	292	296	306	316	326	1,150	1,244
Net Profit	**681**	**893**	**902**	**851**	**889**	**918**	**948**	**971**	**3,326**	**3,725**
Change YoY (%)	56.9	45.5	34.9	14.2	30.6	2.8	5.1	14.1	35.2	12.0

HDFC Life — Buy

CMP: INR810 | TP: INR950 (17%) — **VNB CHANGE (%): FY26|27: -0.4|-0.3**

- APE growth is expected to remain in double digits YoY.
- On YoY basis, VNB margin is expected to improve with shift towards traditional products and improving ULIP margins.
- Product mix is expected to be stable.
- The share of HDFC Bank in the distribution mix and the outlook ahead will be critical monitorables.

Policy holder's A/c	FY25				FY26E				FY25	FY26E
(INR b)	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
First year premium	23.6	32.5	29.7	44.0	26.5	36.4	36.4	52.3	129.8	151.6
Growth (%)	*27.4%*	*26.8%*	*10.8%*	*9.5%*	*12.5%*	*11.8%*	*22.6%*	*19.0%*	*16.8%*	*16.8%*
Renewal premium	64.1	88.3	93.8	130.6	75.0	101.4	110.3	154.4	376.8	441.1
Growth (%)	*10.5%*	*12.7%*	*11.7%*	*14.5%*	*17.0%*	*14.9%*	*17.6%*	*18.2%*	*12.7%*	*17.1%*
Single premium	40.4	48.4	49.3	65.7	52.0	54.4	56.8	73.3	203.9	236.5
Growth (%)	*0.6%*	*6.8%*	*10.8%*	*19.1%*	*28.7%*	*12.3%*	*15.1%*	*11.5%*	*10.1%*	*16.0%*
Gross premium inc.	**128.1**	**169.3**	**172.8**	**240.3**	**153.5**	**192.2**	**203.4**	**280.0**	**710.4**	**829.2**
Growth (%)	*9.7%*	*13.3%*	*11.3%*	*14.8%*	*19.9%*	*13.6%*	*17.8%*	*16.5%*	*12.6%*	*16.7%*
Surplus/(Deficit)	**5.6**	**5.1**	**-1.9**	**1.6**	**2.8**	**3.4**	**2.8**	**2.2**	**10.4**	**11.2**
Growth (%)	*165.7%*	*122.6%*	*-415.7%*	*-40.1%*	*-50.1%*	*-33.9%*	*-245.3%*	*37.7%*	*35%*	*7.8%*
PAT	**4.8**	**4.3**	**4.1**	**4.8**	**4.9**	**5.4**	**5.4**	**5.8**	**18.0**	**21.5**
Growth (%)	*15.0%*	*14.9%*	*13.7%*	*15.9%*	*3.4%*	*24.0%*	*29.4%*	*21.7%*	*14.9%*	*19.2%*
Key metrics (INRb)										
New business APE	28.7	38.6	35.7	51.9	32.7	43.1	43.3	61.6	154.8	180.7
Growth (%)	23.1	26.7	11.8	9.7	14.1	11.7	21.4	18.8	*16.5%*	*16.7%*
VNB	7.2	9.4	9.3	13.8	8.5	11.2	11.3	16.0	39.6	47.0
Growth (%)	17.7	17.1	8.6	11.5	18.4	19.4	21.1	16.4	*13.2%*	*18.6%*
AUM (INR b)	3,102	3,249	3,287	3,363	3,632	3,850	4,081	4,336	3,363	4,336
Growth (%)	22.5	22.7	17.5	15.1	17.1	18.5	24.2	28.9	*15.1%*	*28.9%*
Key Ratios (%)										
VNB Margins (%)	25.1	24.3	26.1	26.5	26.0	26.0	26.0	26.0	25.6	26.0

ICICI Prudential Life — Buy

CMP: INR661 | TP: INR760 (15%) — **VNB CHANGE (%): FY26|27: -6.4|-6.5**

- APE growth is expected to remain flattish on a YoY basis due to high base in the group business.
- VNB growth is projected to decline YoY, while margins are expected to improve sequentially owing to favorable mix.
- Future product mix trends and guidance on growth will be vital.
- Growth in the Non-Linked business is expected to remain healthy and recovery is expected in the Protection business.

Policy holder's A/c	FY25				FY26E				FY25	FY26E
(INR b)	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
First year premium	15.2	20.6	18.2	27.1	14.5	21.9	19.3	32.0	81.1	87.6
Growth (%)	48.8%	34.6%	19.0%	-8.1%	-5.0%	6.4%	5.7%	18.1%	15.4%	8.0%
Renewal premium	43.3	69.9	60.9	92.1	46.9	73.2	70.3	102.5	266.2	292.8
Growth (%)	4.3%	18.6%	0.2%	9.3%	8.1%	4.8%	15.4%	11.3%	8.4%	10.0%
Single premium	24.3	30.3	47.5	49.1	28.1	35.1	54.4	57.9	151.2	175.6
Growth (%)	10.6%	0.9%	77.6%	30.1%	15.8%	15.9%	14.7%	17.9%	29.8%	16.1%
Gross premium income	**82.8**	**120.8**	**126.6**	**168.3**	**89.4**	**130.2**	**144.0**	**192.4**	**498.5**	**556.0**
Growth (%)	12.3%	15.8%	23.1%	11.1%	7.9%	7.9%	13.7%	14.3%	15.3%	11.5%
PAT	**2.3**	**2.5**	**3.2**	**3.9**	**2.4**	**3.0**	**4.0**	**4.9**	**11.9**	**14.3**
Growth (%)	8.9%	3.1%	42.8%	121.7%	7.7%	19.1%	23.0%	26.0%	39.3%	20.2%
Key metrics (INRb)										
New Business APE	19.6	25.0	24.4	35.0	19.5	24.5	26.8	40.7	104.1	111.5
Growth (%)	34.4%	21.4%	27.8%	-3.2%	-0.6%	-2.0%	9.8%	16.2%	15.0%	7.1%
VNB	4.7	5.9	5.2	8.0	4.5	5.7	6.3	9.7	23.7	26.2
Growth (%)	7.8%	1.6%	18.6%	2.4%	-4.9%	-2.0%	22.2%	21.5%	6.4%	10.6%
AUM	3,089	3,205	3,104	3,094	3,248	3,346	3,446	3,532	3,094	3,532
Growth (%)	15.9%	17.9%	8.3%	5.2%	5.2%	4.4%	11.0%	14.2%	5.2%	14.2%
Key Ratios (%)										
VNB Margins (%)	24.0	23.4	21.2	22.7	23.0	23.4	23.6	23.7	22.8	23.5

Max Financial — Neutral

CMP: INR1,655| TP: INR1750 (+6) — **VNB CHANGE (%): FY26|27: 1.7|3.4**

- Strongest APE growth among our coverage names, led by agency channel.
- Across private players in our coverage, VNB growth expected to be strongest in double digits.
- VNB margin is projected to improve with shift towards non-linked products and better ULIP margin.
- Outlook on reverse merger with Max Fin will be keenly watched.

Policy holder's A/c (INR b)	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	FY26E 1QE	FY26E 2QE	FY26E 3QE	FY26E 4QE	FY25	FY26E
First year premium	12.6	20.5	20.4	29.8	15.5	23.6	24.6	34.8	83.3	98.5
Growth (%)	27.1%	33.6%	16.1%	17.3%	22.8%	15.4%	20.6%	16.8%	20.9%	18.3%
Renewal premium	33.2	47.2	52.2	77.8	37.4	54.3	59.9	89.8	210.5	241.6
Growth (%)	10.3%	12.4%	13.3%	16.4%	12.7%	15.1%	14.8%	15.5%	13.7%	14.8%
Single premium	8.2	9.7	9.6	11.1	9.7	11.6	11.5	13.4	38.5	46.2
Growth (%)	-5.7%	8.4%	3.0%	-27.0%	19.0%	20.3%	20.3%	21.2%	-7.0%	20.3%
Gross premium income	**54.0**	**77.4**	**82.2**	**118.6**	**62.6**	**89.6**	**96.1**	**138.0**	332.2	386.3
Growth (%)	10.8%	16.8%	12.7%	10.5%	16.0%	15.8%	16.8%	16.3%	12.5%	16.3%
PAT	**1.6**	**1.4**	**0.7**	**0.4**	**1.5**	**1.5**	**1.0**	**1.0**	4.1	4.9
Growth (%)	51.4%	-11.2%	-53.8%	-174.5%	-5.4%	5.9%	40.9%	158.8%	13.0%	21.0%
Key metrics (INRb)										
New Business APE	14.5	21.7	21.1	30.4	16.6	25.1	26.0	35.4	87.7	103.1
Growth (%)	30.5%	31.3%	17.4%	5.8%	14.3%	15.5%	23.5%	16.6%	20.9%	17.6%
VNB	2.5	5.1	4.9	8.5	3.1	6.1	6.5	10.1	21.1	25.8
Growth (%)	2.8%	23.1%	0.0%	3.8%	20.9%	19.9%	33.1%	18.1%	6.8%	22.4%
AUM	1,611.5	1,701.4	1,717.1	1,750.0	1,837.5	1,892.6	1,949.4	1,967.8	1,750.7	1,967.8
Growth (%)	24.8%	26.8%	20.4%	16.0%	14.0%	11.2%	13.5%	12.4%	16.1%	12.4%
Key Ratios (%)										
VNB Margin (%)	17.5	23.6	23.2	28.0	18.5	24.5	25.0	28.4	24.0	25.0

SBI Life — Buy

CMP: INR1,865 | TP: INR2,140 (+15%) — **VNB CHANGE (%): FY26|27: 1.1|2.8**

- Growth in the new business premium is expected to remain in single digits.
- VNB growth is projected in double digits, while VNB margins are expected to improve on YoY basis.
- Cost leadership is projected to continue
- Outlook on growth in banca channel particularly SBI will be critical.

Policy holder's A/c (INRb)	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	FY26E 1QE	FY26E 2QE	FY26E 3QE	FY26E 4QE	FY25	FY26E
First year premium	31.5	49.2	64.5	48.6	34.0	57.4	76.5	57.1	193.7	224.9
Growth (%)	19%	6%	14%	7%	8%	17%	19%	18%	11%	16%
Renewal premium	85.4	117.2	144.7	146.8	97.6	137.8	166.5	172.2	494.1	574.0
Growth (%)	16%	16%	14%	13%	14%	18%	15%	17%	14%	16%
Single premium	38.9	37.8	40.8	44.6	44.6	44.6	48.3	48.3	162.1	185.9
Growth (%)	9%	-30%	0%	-42%	15%	18%	18%	8%	-22%	15%
Gross premium income	**155.7**	**204.1**	**250.0**	**240.0**	**176.2**	**239.7**	**291.3**	**277.7**	**849.8**	**984.8**
Growth (%)	15%	1%	11%	-5%	13%	17%	17%	16%	4%	16%
PAT	**5.2**	**5.3**	**5.5**	**8.1**	**5.9**	**6.1**	**6.3**	**9.3**	**24.1**	**27.6**
Growth (%)	36%	39%	71%	0%	14%	14%	15%	14%	27%	14%
Key metrics (INRb)										
New Business APE	36.4	53.9	69.4	54.5	39.2	63.1	82.9	63.3	214.2	248.5
Growth (%)	20%	3%	13%	2%	8%	17%	19%	16%	8%	16%
VNB	9.7	14.5	18.7	16.6	11.2	18.0	23.6	18.0	59.5	70.8
Growth (%)	11%	-3%	11%	10%	15%	24%	26%	9%	7%	19%
AUM	4,148	4,390	4,417	4,480	4,794	4,986	5,185	5,378	4,480	5,378
Growth (%)	26%	27%	19%	15%	16%	14%	17%	20%	15%	20%
Key Ratios (%)										
VNB margins (%)	26.8	26.9	26.9	30.5	28.5	28.5	28.5	28.5	27.8	28.5

LIC — Buy

CMP: INR971 | TP: INR1,150 (+18%) — **VNB CHANGE (%): FY26|27: -2.1|-2.1**

- New business growth on a YoY basis is projected to remain in single digits, led by increasing focus on non-par products.
- Share of non-par to inch up, led by full benefits of non-par product launches in 1HFY25.
- VNB margins to improve on the back of favorable product mix and scale.
- Growth outlook and acquisition of a health insurance company key watch areas.

Policy holder's A/c (INRb)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
First year premium	75	112	73	111	78	110	80	123	370	392
Growth (%)	10%	12%	-14%	-20%	5%	-2%	10%	11%	-5%	6%
Renewal premium	564	619	646	791	592	647	674	839	2,621	2,752
Growth (%)	5%	4%	3%	2%	5%	4%	4%	6%	4%	5%
Single premium	500	469	351	577	543	512	379	615	1,898	2,049
Growth (%)	31%	24%	-24%	-6%	9%	9%	8%	7%	3%	8%
Net premium income	**1,138**	**1,199**	**1,069**	**1,476**	**1,192**	**1,296**	**1,141**	**1,555**	**4,881**	**5,184**
Growth (%)	16%	12%	-9%	-3%	5%	8%	7%	5%	3%	6%
PAT	**105**	**76**	**111**	**190**	**110**	**83**	**125**	**203**	**482**	**522**
Growth (%)	10%	-4%	17%	38%	5%	10%	13%	7%	19%	8%
Key metrics (INRb)										
New business APE	116	165	100	189	122	173	107	194	568	597
Growth (%)	21%	26%	-24%	-11%	6%	5%	8%	3%	0%	5%
VNB	16	29	19	35	20	31	20	37	100	107
Growth (%)	23%	47%	-27%	-3%	22%	6%	3%	4%	4%	7%
AUM (INRt)	54	55	55	55	58	60	62	63	55	63
Growth (%)	16%	17%	10%	6%	9%	8%	13%	16%	6%	16%
Key Ratios (%)										
VNB Margins (%)	13.9	17.9	19.4	18.7	16.0	18.0	18.5	19.0	17.6	18.0

ICICI Lombard — Buy

CMP INR2,063| TP: INR2,400 (+16%) — **EPS CHANGE (%) FY26|27: +1.7|+1.8**

- NEP growth is expected to remain in high single digits, due to 1/n accounting and slow recovery in auto sales.
- Market share in auto segment continues to improve.
- Loss ratios expected to see slight YoY improvement but remain elevated; operational leverage to aid opex ratio.
- Combined ratio is projected to improve in 1QFY26.

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net earned premium	45.0	50.3	50.5	52.3	49.1	56.1	54.0	58.6	198.0	217.8
Total Income	**53.5**	**58.5**	**58.8**	**58.5**	**57.3**	**64.6**	**62.7**	**67.5**	**229.3**	**252.0**
Change YoY (%)	17.9	15.9	17.6	13.4	7.0	10.4	6.6	15.3	16.1	9.9
Incurred claims	33.3	35.9	33.2	37.4	35.8	39.6	35.9	40.9	139.9	152.2
Net commission	8.0	8.4	11.6	10.3	9.2	9.4	12.1	11.3	38.4	42.0
Total Operating Expenses	48.5	51.9	52.0	54.4	52.3	57.2	55.2	60.2	206.7	224.9
Change YoY (%)	15.3	16.5	13.3	18.2	7.8	10.3	6.2	10.7	15.8	8.8
Underwriting profit	**-3.5**	**-1.6**	**-1.5**	**-2.1**	**-3.2**	**-1.1**	**-1.2**	**-1.6**	**-8.7**	**-7.0**
Rep Net Profit	**5.8**	**6.9**	**7.2**	**5.1**	**6.0**	**7.9**	**8.0**	**8.2**	**25.1**	**30.0**
Claims ratio	74.0	71.4	65.8	71.6	73.0	70.5	66.5	69.8	70.6	69.9
Commission ratio	15.0	17.5	22.9	18.7	16.0	17.0	22.0	18.7	18.5	18.4
Expense ratio	13.3	15.6	14.0	12.1	12.5	15.0	13.0	13.3	13.7	13.4
Combined ratio	102.3	104.5	102.7	102.5	101.5	102.5	101.5	101.7	102.8	101.7

Star Health — Buy

CMP INR424 | TP: INR500 (+18%) — **EPS CHANGE (%): FY26|27: -2.0|-2.9**

- Both GWP and NEP growth are expected to remain in single digits, impacted by the 1/n accounting.
- Investment income is projected to rise, supported by favorable market movements.
- Loss ratio is expected to remain elevated YoY, offset by operational leverage.
- Future guidance on growth and combined ratio will be critical.

Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net earned premium	35.2	37.0	38.0	38.0	38.4	41.6	45.3	46.6	148.2	171.9
Investment Income	1.7	2.1	2.0	1.9	2.0	2.0	2.0	2.2	7.7	8.2
Total Income	**36.9**	**39.1**	**40.0**	**39.9**	**40.3**	**43.6**	**47.4**	**48.8**	**155.9**	**180.1**
Change YoY (%)	15.7	16.6	15.8	11.5	9.2	11.3	18.4	22.4	14.8	15.5
Incurred claims	23.8	27.0	27.1	26.3	26.7	29.5	31.7	31.5	104.2	119.5
Total Operating Expenses	33.8	39.0	38.5	40.7	37.6	42.9	45.3	48.6	152.0	174.5
Change YoY (%)	16.6	18.7	21.1	16.8	11.4	10.0	17.8	19.4	18.3	14.8
Underwriting profit	1.4	-1.9	-0.5	-2.8	0.7	-1.3	-	-2.0	-3.8	-2.6
Net Profit	**3.2**	**1.1**	**2.2**	**0.0**	**2.9**	**1.4**	**2.4**	**1.1**	**6.5**	**7.9**
Change YoY (%)	10.8	-11.2	-25.7	-99.6	-9.0	27.8	13.1	NA	-24%	22%
Claims ratio	67.6	72.8	71.4	69.2	69.5	71.0	70.0	67.7	70.3	69.5
Commission ratio	13.5	13.8	14.1	15.8	14.5	15.0	15.0	15.3	14.4	15.0
Expense ratio	18.1	16.4	17.7	14.2	17.0	15.0	16.5	14.0	16.4	15.4
Combined ratio	99.2	103.0	103.3	99.2	101.0	101.0	101.5	96.9	101.1	99.9

Niva Bupa — Buy

CMP INR82 | TP: INR100 (+22%) — **EPS CHANGE (%): FY26|27: -15.2|-12.3**

- NEP is projected to register double-digit growth, supported by rising market share and health segment momentum
- Improving operational efficiency is expected to drive a reduction in the expense ratio going forward.
- The loss ratio is expected to remain elevated, impacted by medical inflation and claim severity.
- Future guidance on growth and combined ratio will be critical.

Quarterly Performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net earned premium	10,180	12,132	11,358	15,274	12,187	14,826	14,505	19,833	48,945	61,351
Investment Income	575	682	679	938	934	957	981	1,011	2,874	3,883
Total Income	**11,593**	**13,597**	**12,405**	**15,647**	**13,418**	**16,107**	**15,760**	**21,207**	**53,243**	**66,491**
Change YoY (%)	36.2	37.1	20.1	18.7	15.7	18.5	27.0	35.5	26.9	24.9
Incurred claims	6,518	7,419	7,398	8,616	8,809	9,752	9,534	11,381	29,950	39,476
Total Operating Expenses	4,843	5,594	4,973	6,082	5,525	6,366	6,223	8,194	21,492	26,308
Change YoY (%)	28.2	37.3	14.2	13.5	14.1	13.8	25.1	34.7	7.5	16.0
Underwriting profit	**-1,180**	**-881**	**-1,013**	**576**	**-2,147**	**-1,292**	**-1,252**	**258**	**-2,498**	**-4,433**
Net Profit	**-188**	**130**	**132**	**2,061**	**-525**	**145**	**204**	**1,373**	**2,135**	**1,197**
Change YoY (%)	NA	NA	NA	31.2	NA	NA	NA	-33.4	160.9	-44.0
Claims ratio	64.0	61.1	65.1	56.4	72.3	65.8	65.7	57.4	61.2	64.3
Commission ratio	19.8	20.1	22.6	17.7	19.9	19.9	19.9	19.9	19.8	19.9
Expense ratio	22.3	20.0	20.5	18.7	23.2	20.6	15.7	15.8	20.2	18.2
Combined ratio	106.1	101.3	108.3	92.8	115.4	106.3	101.3	93.1	101.2	102.5

Healthcare

Company
Alembic Pharma.
Ajanta Pharma
Alkem Lab.
Apollo Hospitals
Aurobindo Pharma
Biocon
Cipla
Dr. Agarwal health care
Divi's Lab.
Dr. Reddy's Lab.
Eris Lifesciences
Gland Pharma
Glenmark Pharma.
Global Health
Granules India
GSK Pharma.
IPCA Lab.
Laurus Labs
Lupin
Mankind Pharma
Max Healthcare
Piramal Pharma
Sun Pharma.
Torrent Pharma.
Zydus Lifesciences.

Pharma growth moderates

Hospitals shine on superior execution

After nearly 13 quarters of healthy performance, the pharma companies under our coverage are expected, on an aggregate basis, to report a modest 5% YoY growth in EBITDA for the quarter. Aggregate sales are projected to grow 8.7% YoY, reaching INR790b. Moderation in the domestic formulation (DF) segment, driven by weakness in the acute segment and higher competition in select US generics products, is expected to impact performance in 1QFY26. PAT is expected to grow at a higher rate of 10% YoY due to lower tax rate on an aggregate basis. In the hospital space, we expect strong execution, supported by bed additions, to drive 20% YoY growth in EBITDA for the quarter.

DF: Coverage growth momentum eases for the quarter

Coverage companies outperform IPM despite moderation in YoY growth trend

For companies under our coverage, we expect aggregate sales of the DF segment to grow 9.2% YoY to INR244b in 1QFY26. However, this growth trend is expected to moderate compared to the past four quarters, driven by the reduced benefit of seasonality and a shift in volumes toward the trade generics segment.
That said, compared to IPM growth of ~6.9% YoY, companies under our coverage are well-positioned to outperform the broader market.

Acute therapies dragging overall YoY growth for the quarter on aggregate basis

Chronic therapies (39% of IPM) grew 10% YoY, while acute therapies grew 5% (61% of IPM) for 12M ending May'25. Therapy-wise**,** strong performance in Cardiac, Respiratory, and Anti-Diabetes therapies has contributed to better growth compared to IPM for the quarter. However, to some extent, overall IPM growth was impacted by moderate growth in Derma/Anti-infective/Gynae/Gastro therapy.

ZYDUSLIF/SUNP/TRP to deliver robust YoY sales growth in DF segment for 1QFY26

Company-wise, in the large cap space, we expect ZYDUSLIF/SUNP/TRP to deliver sales growth of 12%/11.5%/11.5% YoY, respectively, backed by new launches, market share gains, and improving MR productivity. Based on IQVIA data, ZYDUSLIF recorded growth across Antineoplastics, Cardiac, and Respiratory therapies. SUNP has demonstrated broad-based growth across most segments, except anti-infectives, while TRP witnessed positive single-digit growth in all therapies except VMN and Pain during the 3M ending May'25.

US: Coverage revenues to contract after 11 quarters of expansion

US sales to witness 4.4% YoY decline in 1QFY26

For **our coverage companies**, we expect US sales to decline 4.4% YoY, reaching USD2.3b for the quarter. After 11 quarters of strong YoY growth, the US business is expected to record a YoY decline at aggregate level.

Tushar Manudhane - Research Analyst (Tushar.Manudhane@MotilalOswal.com)

LPC to outperform on the back of potential product launches

We expect DRRD/Cipla/Alkem Lab to report YoY declines of 13%/13%/8.5% in US revenue for the quarter. This is largely attributed to increased competition in g-Revlimid (DRRD/Cipla) as well as fewer launches/product rationalization in the case of Alkem.

LPC remains promising, with US sales expected to grow 14% YoY for the quarter, led by new launches (g-Tolvaptan, g-Rivaroxaban, and continued sale of g-Mirabegron). SUNP and ARBP are expected to see a marginal decline in US sales due to price reductions in g-Revlimid. A low base is likely to support YoY growth of 11%/6.5% in US sales for ALPM/TRP.

Steady approval pace for the industry and coverage companies

During the quarter, nine *facilities belonging to our coverage companies were inspected by the USFDA*. ***At industry level, total approvals stood at 202 in 1QFY26 (vs. 165 approvals in 4QFY25)***. For companies under our coverage, there were 51 approvals during 1QFY26, in line with the two-year average of 53 approvals.

Hospitals: Capacity ramp-up to sustain healthy growth among coverage companies

For hospitals under our coverage, we expect revenue to grow 17% to INR92b in 1QFY26. Performance is expected to be driven by a surge in operational beds on a YoY basis, rising from 14,083 in 1QFY25 to 15,130 in 1QFY26.

In FY25, Medanta added 210 operating beds across key centers, APHS commissioned 80 beds, while Max Healthcare led with 860 operational bed additions, including acquisitions. For the quarter, we expect EBITDA/PAT to grow 12%/30% YoY on an aggregate basis.

Overall occupancy is expected to improve ~150bp YoY. Realization per patient (ARPOB) is expected to remain stable on an aggregate basis. Hospital companies are focusing on utilizing beds across cash, insurance, and scheme categories to optimize the payor mix. In addition to adding beds, they are also working to expand their doctor teams to cater to a higher number of patients.

Hospitals under our coverage are advancing bed additions through both organic/inorganic means. MAXHEALT plans to add ~1,464 beds by the end of FY26. APHS is working to add 1,740 beds in FY26 following the refurbishment of the acquired Pune/Gurgaon hospitals, as part of its multi-phase plan to add 3,500 beds over the next 3-4 years. Medanta aims to strengthen its presence in Delhi with a planned capacity of 1,150 beds over the next three years. In FY25, Fortis/KIMS recorded robust capacity expansion with the addition of 806/989 beds.

We expect APHS to post 14%/23%/37% YoY growth in sales/EBITDA/PAT for 1QFY26. MEDANTA is expected to deliver moderate performance with sales/EBITDA/PAT growth of 12%/16%/27.6% YoY. MAXHEALT is also expected to deliver sustained performance with sales/EBITDA/PAT posting 26%/26%/39% YoY growth, respectively.

LAURUS/BIOS to outperform in the healthcare pack

- In 1QFY26, we expect Laurus/BIOS/DIVI to post 82%/47%/36% growth in EBITDA on a YoY basis. Improved traction in the CDMO segment and better operating leverage are expected to drive superior performance for the third consecutive quarter. The biologics business, along with new launches in the generics business, is expected to drive robust YoY growth for BIOS. Broad-based execution across the CS and generics segments is likely to support strong performance for DIVI in 1QFY26.
- We expect Alkem/Cipla/DRRD to record a YoY decline of 12%/10%/7%/5% in EBITDA. Muted business in DF for ALKEM/CIPLA and increased competition in g-Revlimid for DRRD/Cipla/ZYDUSLIF are expected to impact their performance in 1QFY26.
- For the quarter, we have increased our estimates for Lupin by 6%/5% for FY26/FY27 to factor in improved prospects for the US generics business. Conversely, we have cut our FY26 estimates by 5% for ALKEM, ARBP, MEDANTA, MAX, and SUNP.
- **Top Ideas**: Max Healthcare (strong pace of bed additions over the next 12-18M), ARBP (growth driven by PENG/niche products), BIOS (improved prospects across the biologics/generics segment), and IPCA Lab (superior execution in DF and revival in US).

Exhibit 1: Summary of quarterly performance

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Ajanta Pharma	2506	Buy	12,564	9.7	7.4	3,505	-2.7	18.0	2,479	-5.5	13.0
Alembic Pharma	1015	Neutral	17,086	9.4	-3.5	2,734	15.4	0.5	1,549	15.0	-1.3
Alkem Lab	4852	Neutral	30,964	2.1	-1.5	5,357	-12.0	36.9	4,411	-19.1	44.2
Apollo Hospitals	7494	Buy	57,362	12.8	2.6	7,801	15.6	1.4	3,836	25.7	-1.5
Aurobindo Pharma	1133	Buy	79,292	4.8	-5.4	17,206	1.5	-7.6	8,952	-0.7	-5.1
Biocon	362	Buy	42,406	23.5	-4.0	9,117	46.8	-15.4	1,090	LP	-66.5
Blue Jet Healthcare	845	Buy	3,689	126.4	8.4	1,534	246.5	9.6	1,206	219.3	9.6
Cipla	1516	Neutral	69,334	3.6	3.0	16,293	-5.0	6.0	12,087	2.6	-1.1
Divis Labs	6851	Neutral	25,233	19.1	-2.4	8,453	35.9	-4.6	6,288	46.5	-3.9
Dr Agarwals Health.	405	Buy	5,245	30.0	14.0	1,762	70.0	32.5	722	496.6	101.4
Dr Reddy' s Labs	1277	Neutral	84,437	10.0	-0.7	19,083	-10.3	-6.9	13,059	-6.2	-15.0
Eris Lifescience	1667	Neutral	7,773	8.0	10.2	2,853	14.1	13.0	1,267	52.3	35.1
Gland Pharma	1877	Buy	15,196	8.4	6.6	3,252	23.0	-6.4	1,862	29.6	-0.2
Glenmark Pharma	1754	Buy	35,945	10.8	10.4	6,733	10.3	20.0	3,679	3.2	25.5
Global Health	1151	Buy	9,643	12.0	3.5	2,218	16.0	-1.3	1,355	27.6	-2.7
Granules India	489	Buy	11,927	1.1	-0.4	2,612	0.7	3.5	1,337	-0.7	4.2
GSK Pharma	3351	Neutral	8,798	8.0	-9.7	2,657	15.3	-20.2	2,047	12.2	-22.1
IPCA Labs.	1372	Buy	23,720	13.4	5.6	4,910	25.0	14.5	2,837	47.6	17.3
Laurus Labs	746	Buy	14,952	25.1	-13.1	3,110	81.7	-26.1	1,234	873.4	-34.3
Lupin	1961	Neutral	60,525	8.1	6.8	14,889	9.4	15.2	9,284	3.3	24.2
Mankind Pharma	2289	Buy	35,611	23.1	15.6	8,903	23.0	25.7	4,638	-18.7	44.4
Max Healthcare	1280	Buy	24,413	26.4	6.1	6,250	26.5	3.0	4,285	38.8	9.7
Piramal Pharma	205	Buy	21,397	9.7	-22.3	2,033	-0.5	-63.8	-796	Loss	PL
Sun Pharma	1667	Buy	1,34,217	7.2	4.7	36,876	4.5	12.4	31,790	15.6	10.0
Torrent Pharma	3416	Neutral	32,103	12.3	8.5	10,690	15.7	9.0	6,024	27.9	13.9
Zydus Lifesciences	1001	Neutral	62,762	1.1	-3.9	19,582	-7.2	-9.5	12,758	-11.4	-6.5
Healthcare			**9,26,593**	**9.9**	**1.1**	**2,20,413**	**7.4**	**1.0**	**1,39,280**	**10.6**	**0.7**

Source: Company, MOFSL

Exhibit 2: Relative performance – three months (%)

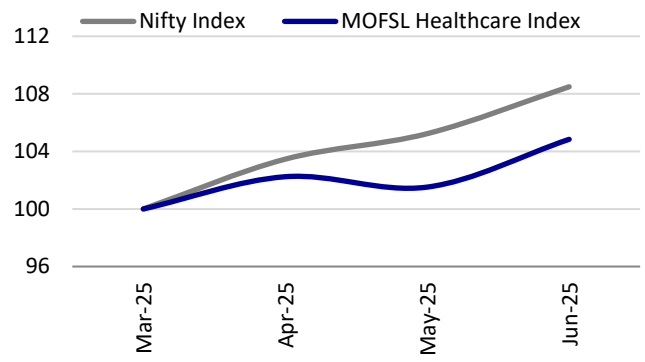
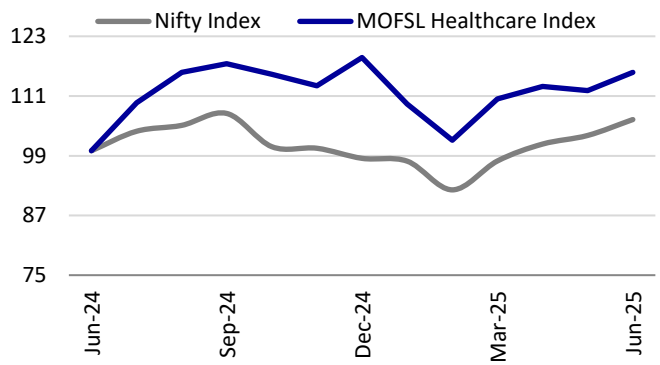
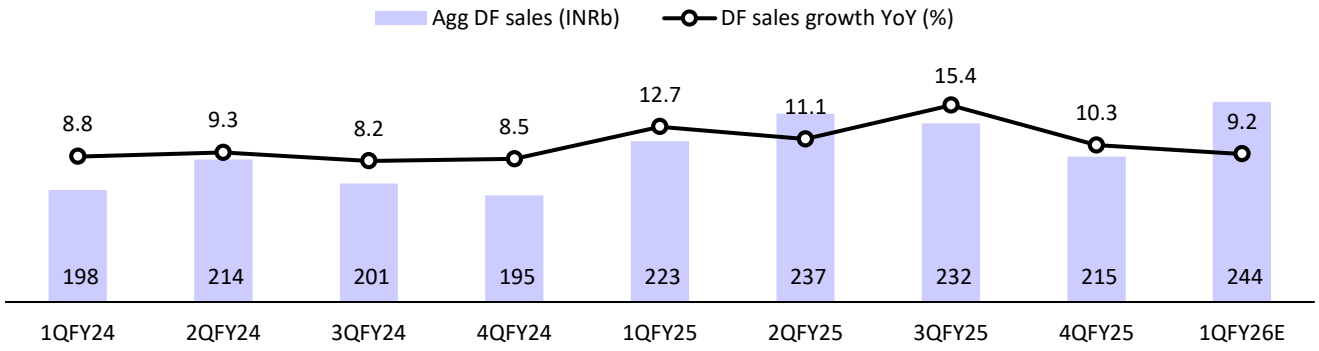


Exhibit 3: Relative performance – one year (%)



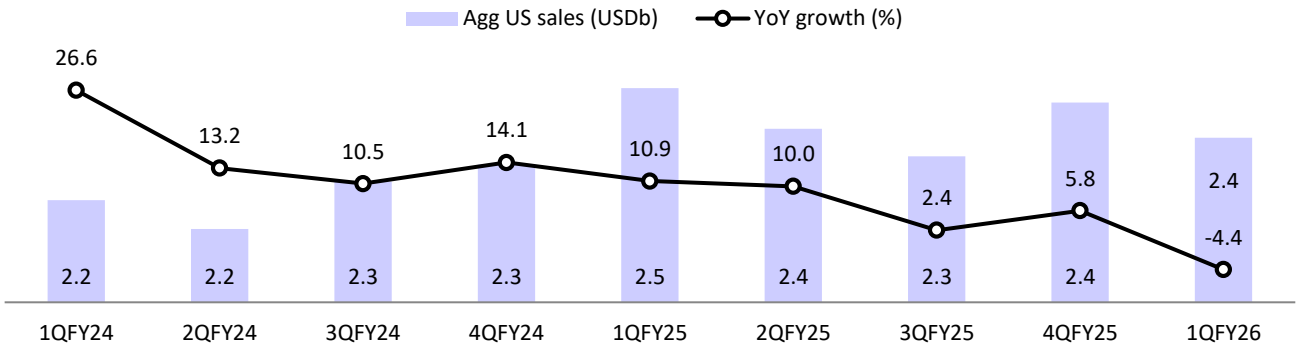
Source: Bloomberg, MOFSL

Exhibit 4: DF sales to witness 9.2% YoY growth in 1QFY26



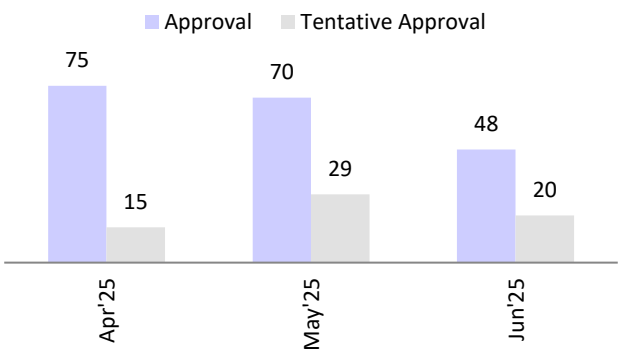
Note: Growth is ex-Mankind, Source: MOFSL, Company

Exhibit 5: US sales to decline 4.4% YoY in 1QFY26



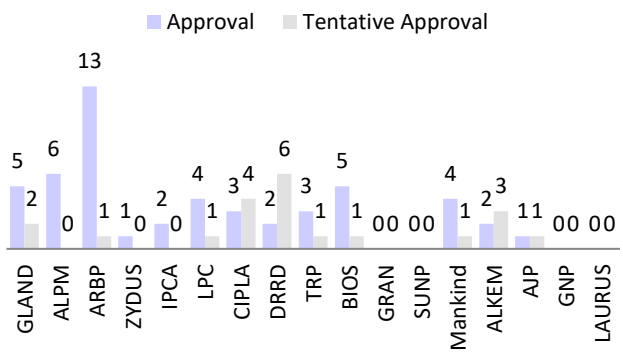
Source: MOFSL, Company

Exhibit 6: 193 approvals in 1QFY26 on an industry-wide basis



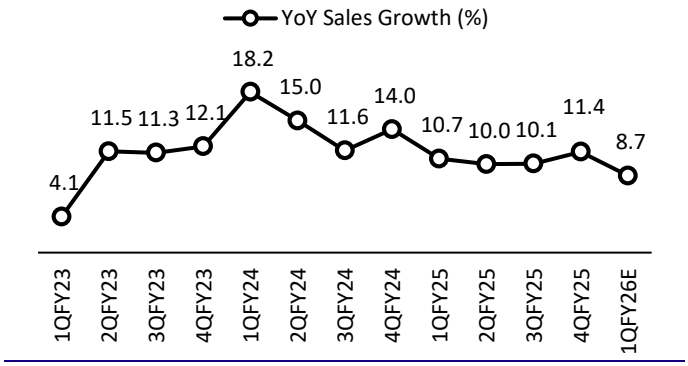
Source: MOFSL, Company

Exhibit 7: 51 ANDAs approved on an aggregate basis for our coverage universe in 1QFY26



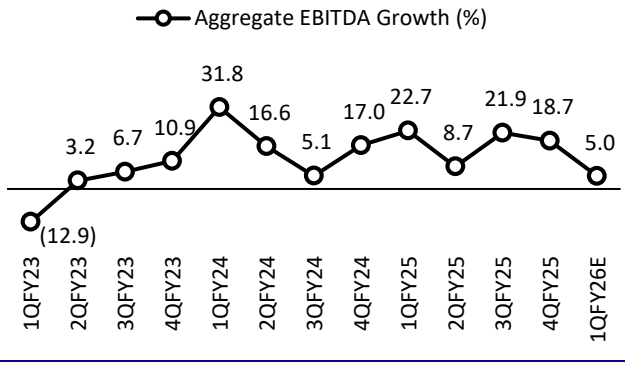
Source: MOFSL, Company

Exhibit 8: Expect sales to grow 9% YoY in 1QFY26E



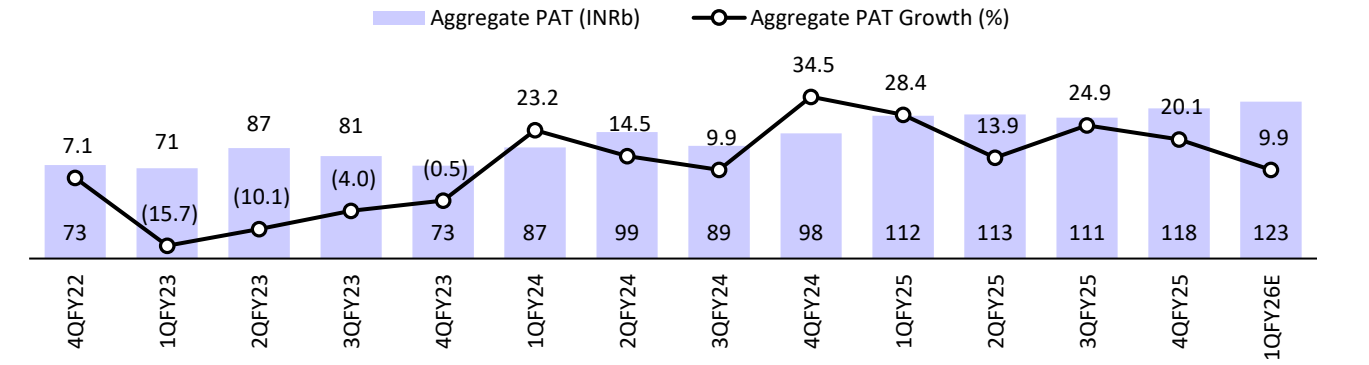
Source: MOFSL, Company

Exhibit 9: EBITDA to grow 5% YoY in 1QFY26E



Source: MOFSL, Company

Exhibit 10: PAT to grow 10% YoY in 1QFY26E



Source: MOFSL, Company

Exhibit 11: USFDA inspection history of our coverage companies for the quarter

Company	Inspection Date	Inspection Facility	Outcome	Observations
Sun Pharmaceuticals	Jun-25	Halol Plant, Gujarat	Form 483	8
Aurobindo Pharma	Apr-25	Raleigh Plant	Form 483	11
Dr Reddy Lab	May-25	Telengana-API Plant	Form 483	2
Zydus	Apr-25	Gujarat-API Plant	Form 483	6
	Apr-25	Dabhasa- API Plant	EIR	VAI
Lupin	Apr-25	Nagpur Injectable Plant	EIR	VAI
Glenmark	Jun-25	Monroe	Form 483	5
Cipla	Jun-25	Bommasandra Plant, Bengaluru	Form 483	1
Alembic Pharma	Jun-25	API Facility, Gujarat	EIR	VAI

Source: MOFSL, Company

Exhibit 12: Comparative valuation

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Healthcare						**36.3**	**33.7**	**29.3**	**5.3**	**4.8**	**4.2**	**14.5**	**14.3**	**14.5**
Ajanta Pharma	2,506	Buy	74.1	81.5	95.9	33.8	30.8	26.1	8.4	7.0	5.8	25.5	24.5	24.2
Alembic Pharma	1,015	Neutral	29.1	35.5	44.0	34.8	28.6	23.0	3.8	3.5	3.1	11.5	12.6	13.9
Alkem Lab	4,852	Neutral	181.1	188.3	189.4	26.8	25.8	25.6	4.8	4.3	3.9	19.4	17.7	15.9
Apollo Hospitals	7,494	Buy	100.6	120.5	153.8	74.5	62.2	48.7	12.7	10.6	8.7	19.1	19.2	20.2
Aurobindo Pharma	1,133	Buy	61.0	69.1	83.3	18.6	16.4	13.6	2.0	1.8	1.6	11.3	11.6	12.5
Biocon	362	Buy	2.0	4.4	9.3	177.4	81.9	39.1	2.0	2.0	1.9	1.2	2.4	4.9
Blue Jet Healthcare	845	Buy	17.6	26.9	34.3	48.0	31.4	24.7	12.9	9.4	6.9	30.9	34.6	32.2
Cipla	1,516	Neutral	62.8	64.1	65.3	24.2	23.7	23.2	3.9	3.4	3.0	16.2	14.4	12.9
Divis Labs	6,851	Neutral	81.2	101.1	124.3	84.4	67.7	55.1	12.1	10.8	9.5	15.1	16.9	18.4
Dr Agarwals Health.	405	Buy	2.6	3.8	5.1	153.1	106.2	79.2	6.8	6.4	5.9	5.2	6.2	7.8
Dr Reddy’ s Labs	1,277	Neutral	67.3	67.5	65.3	19.0	18.9	19.5	3.2	2.7	2.4	18.2	15.5	13.1
Eris Lifescience	1,667	Neutral	25.6	38.1	54.5	65.1	43.7	30.6	8.0	6.9	5.8	12.9	17.0	20.6
Gland Pharma	1,877	Buy	42.4	50.9	66.5	44.3	36.8	28.2	3.4	3.1	2.8	7.8	8.8	10.4
Glenmark Pharma	1,754	Buy	47.7	57.9	72.6	36.8	30.3	24.2	5.6	4.8	4.0	16.1	17.0	18.1
Global Health	1,151	Buy	19.8	22.4	31.2	58.2	51.4	36.9	9.1	8.0	6.8	16.9	16.6	19.8
Granules India	489	Buy	19.7	23.8	31.0	24.8	20.6	15.8	3.2	2.8	2.4	13.8	14.5	16.3
GSK Pharma	3,351	Neutral	54.7	61.8	69.8	61.2	54.2	48.0	29.1	22.4	17.5	47.5	41.4	36.4
IPCA Labs.	1,372	Buy	36.0	44.1	54.2	38.1	31.1	25.3	5.0	4.4	3.8	13.7	15.1	16.2
Laurus Labs	746	Buy	5.8	10.5	14.4	128.5	70.9	51.9	8.7	7.9	7.0	7.2	11.7	14.3
Lupin	1,961	Neutral	71.6	89.2	95.0	27.4	22.0	20.6	5.2	4.1	3.4	20.8	20.9	18.2
Mankind Pharma	2,289	Buy	49.2	47.6	64.8	46.6	48.1	35.3	6.6	6.0	5.3	17.1	13.0	15.9
Max Healthcare	1,280	Buy	15.1	21.0	25.0	84.7	61.0	51.1	11.8	10.0	8.5	14.8	17.7	18.0
Piramal Pharma	205	Buy	0.7	1.1	2.5	297.4	187.4	81.1	3.0	3.0	2.8	1.1	1.8	4.0
Sun Pharma	1,667	Buy	47.1	54.0	63.3	35.4	30.9	26.3	5.5	4.9	4.2	16.6	16.8	17.2
Torrent Pharma	3,416	Neutral	57.8	70.3	87.4	59.1	48.6	39.1	7.6	6.3	5.3	27.1	28.5	29.4
Zydus Lifesciences	1,001	Neutral	46.0	43.6	41.3	21.8	23.0	24.3	4.2	3.6	3.2	21.2	16.9	14.0

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Ajanta Pharma — Buy

CMP: INR2506| TP: INR3,070 (23%) — **EPS CHANGE (%): FY26|27: 0.7|(0.1)**

- Expect DF sales to grow 9% YoY to INR3.9b, led by better performance in ophthalmology, pain, and anti-diabetes.
- US growth momentum to sustain in 1QFY26, with 34% YoY growth driven by new launches and market share gains.
- Asia to witness robust 16% YoY growth, with superior execution across geographies within the Asia region.
- High base of the past year and reduced anti-malaria business to affect Africa sales for the quarter.

Consol. - Quarterly perf. (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**11,449**	**11,866**	**11,461**	**11,704**	**12,564**	**12,984**	**13,177**	**13,125**	**46,481**	**51,850**
YoY Change (%)	12.1	15.4	3.7	11.0	9.7	9.4	15.0	12.1	10.4	11.6
EBITDA	**3,604**	**3,368**	**3,208**	**2,972**	**3,505**	**3,570**	**3,624**	**3,728**	**13,152**	**14,427**
YoY Change (%)	28.1	15.9	-0.3	6.8	-2.7	6.0	12.9	25.4	12.2	9.7
Margins (%)	31.5	28.4	28.0	25.4	27.9	27.5	27.5	28.4	28.3	27.8
Depreciation	340	344	360	398	364	376	382	380	1,441	1,503
EBIT	**3,264**	**3,024**	**2,849**	**2,574**	**3,141**	**3,194**	**3,242**	**3,347**	**11,710**	**12,925**
Interest	7	60	79	61	66	66	66	66	207	263
Other Income	182	195	129	111	123	145	165	172	616	605
PBT before EO expense	**3,439**	**3,159**	**2,898**	**2,624**	**3,199**	**3,273**	**3,341**	**3,453**	**12,119**	**13,266**
Extra-Ord expense	-217	-257	176	71	0	0	0	0	-227	0
PBT	**3,221**	**2,902**	**3,074**	**2,694**	**3,199**	**3,273**	**3,341**	**3,453**	**11,892**	**13,266**
Tax	764	738	745	442	720	743	768	822	2,688	3,053
Effective Rate (%)	23.7	25.4	24.2	16.4	22.5	22.7	23.0	23.8	22.6	23.0
Reported PAT	**2,458**	**2,165**	**2,329**	**2,253**	**2,479**	**2,530**	**2,573**	**2,631**	**9,204**	**10,213**
Adj PAT	**2,624**	**2,356**	**2,196**	**2,194**	**2,479**	**2,530**	**2,573**	**2,631**	**9,369**	**10,213**
YoY Change (%)	30.8	26.5	3.3	16.4	-5.5	7.4	17.2	20.0	18.9	9.0
Margins (%)	22.6	19.5	18.9	18.6	19.5	19.3	19.3	19.8	19.9	19.5

E: MOFSL Estimates

Alembic Pharma — Neutral

CMP: INR1015| TP: INR970 (-4%) — **EPS CHANGE (%): FY26|27: (2.8)|0.2**

- Low base and fewer approvals to drive 12% YoY growth in US sales, reaching USD62m during the quarter.
- Expect impact of inferior product mix to be offset by better operating leverage on a YoY basis for the quarter.
- Expect DF sales to post a weak 3% YoY growth in 1QFY26, impacted by muted show in anti-infectives, respiratory, and gastro-intestinal therapies.
- Expect 6% YoY growth in the API business, led by some stability in API prices at the portfolio level.

Quarterly perf. (Consol.) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**15,617**	**16,480**	**16,927**	**17,696**	**17,086**	**17,922**	**18,313**	**18,645**	**66,721**	**71,966**
YoY Change (%)	5.1	3.3	3.8	16.7	9.4	8.8	8.2	5.4	7.1	7.9
EBITDA	**2,368**	**2,393**	**2,602**	**2,719**	**2,734**	**3,136**	**3,278**	**3,237**	**10,082**	**12,385**
YoY Change (%)	19.2	14.9	-2.4	4.6	15.4	31.1	26.0	19.0	8.0	22.8
Margins (%)	15.2	14.5	15.4	15.4	16.0	17.5	17.9	17.4	15.1	17.2
Depreciation	690	705	700	690	762	799	817	831	2,786	3,209
EBIT	**1,678**	**1,688**	**1,902**	**2,029**	**1,972**	**2,337**	**2,461**	**2,405**	**7,297**	**15,594**
Interest	132	188	223	245	230	215	205	191	788	841
Other Income	21	167	95	142	155	167	171	187	425	680
PBT before EO expense	**1,567**	**1,667**	**1,774**	**1,926**	**1,897**	**2,289**	**2,427**	**2,401**	**6,934**	**9,014**
Extra-Ord expense	0	-129	0	0	0	0	0	0	129	0
PBT	**1,567**	**1,796**	**1,774**	**1,926**	**1,897**	**2,289**	**2,427**	**2,401**	**7,063**	**9,014**
Tax	225	273	401	353	343	417	439	432	1,252	1,631
Rate (%)	14.4	15.2	22.6	18.3	18.1	18.2	18.1	18.0	17.7	18.1
MI & P/L of Asso. Cos.	-5	-11	-11	4	5	7	9	11	-23	32
Reported PAT	**1,347**	**1,534**	**1,384**	**1,569**	**1,549**	**1,866**	**1,979**	**1,958**	**5,834**	**7,351**
Adj PAT	**1,347**	**1,425**	**1,384**	**1,569**	**1,549**	**1,866**	**1,979**	**1,958**	**5,725**	**7,351**
YoY Change (%)	11.6	3.6	-23.5	-12.3	15.0	30.9	43.0	24.8	-7.4	28.4
Margins (%)	8.6	8.6	8.2	8.9	9.1	10.4	10.8	10.5	8.6	10.2

E: MOFSL Estimates

Alkem Labs — Neutral

CMP: INR4,852| TP: INR4,930 (2%) — **EPS CHANGE (%): FY26|27: (4.8)|(0.5)**

- Expect DF sales to grow 6% YoY, impacted by weakness in anti-infectives and gastro-intestinal therapies. VMNs/anti-diabetic to deliver healthy YoY growth.
- Muted sales growth and lower operating leverage likely to drag overall margins for the quarter.
- Expect US sales to decline 12% YoY to INR6.1b, as potential ANDA approvals were received toward the end of the quarter.
- Updates on growth initiatives (biologics/med-tech) and revival in the US outlook.

Quarterly Perf. (Consolidated)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Revenues	**30,318**	**34,147**	**33,743**	**31,438**	**30,964**	**36,413**	**35,840**	**33,930**	**129,645**	**137,147**
YoY Change (%)	2.2	-0.7	1.5	7.1	2.1	6.6	6.2	7.9	2.3	5.8
EBITDA	**6,086**	**7,528**	**7,594**	**3,913**	**5,357**	**8,120**	**7,813**	**6,006**	**25,121**	**27,296**
YoY Change (%)	56.4	0.8	7.3	-2.7	-12.0	7.9	2.9	53.5	11.9	8.7
Margins (%)	20.1	22.0	22.5	12.4	17.3	22.3	21.8	17.7	19.4	19.9
Depreciation	805	789	853	1,125	807	950	935	885	3,572	3,577
EBIT	**5,282**	**6,739**	**6,741**	**2,788**	**4,549**	**7,171**	**6,878**	**5,121**	**21,550**	**23,719**
Interest	291	281	360	284	273	273	273	273	1,217	1,091
Other Income	1,203	1,345	930	1,460	1,000	1,176	1,158	1,096	4,937	4,431
PBT before EO Exp	**6,194**	**7,803**	**7,311**	**3,963**	**5,277**	**8,074**	**7,764**	**5,944**	**25,270**	**27,059**
PBT after EO Exp	**6,194**	**7,803**	**7,311**	**3,963**	**5,277**	**8,074**	**7,764**	**5,944**	**25,270**	**27,059**
Tax	691	783	903	733	686	1,090	1,126	892	3,110	3,793
Rate (%)	11.2	10.0	12.3	18.5	13.0	13.5	14.5	15.0	12.3	14.0
PAT (pre Minority Interest)	**5,502**	**7,020**	**6,408**	**3,230**	**4,591**	**6,984**	**6,638**	**5,053**	**22,160**	**23,266**
Minority Interest	51	133	150	172	180	184	190	195	505	749
Reported PAT	**5,452**	**6,886**	**6,258**	**3,059**	**4,411**	**6,800**	**6,448**	**4,858**	**21,655**	**22,517**
Adj Net Profit	**5,452**	**6,886**	**6,258**	**3,059**	**4,411**	**6,800**	**6,448**	**4,858**	**21,655**	**22,517**

E: MOFSL Estimates

Apollo Hospitals — Buy

CMP: INR7494 | TP: INR8720 (16%) — **EPS CHANGE (%): FY26|27: 0.1|(1.3)**

- Sales and EBITDA expected to grow 13%/16% YoY to INR57b/INR7.8b, supported by steady growth across segments.
- Progress on margin improvement in online pharmacy.
- Some moderation in occupancy on a YoY basis is expected to be offset by improved ARPOB in healthcare services.
- Addition of stores and optimized offerings to drive 16% YoY growth in digital health/pharmacy distribution revenue.
- Progress on adding doctor teams at new hospitals in Pune, Kolkata, Gachibowli.

Quarterly Perf.

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**50,856**	**55,893**	**55,269**	**55,922**	**57,362**	**61,939**	**62,378**	**64,797**	**217,940**	**246,476**
YoY Change (%)	15.1	15.3	13.9	13.1	12.8	10.8	12.9	15.9	14.3	13.1
Total Expenditure	44,105	47,738	47,654	48,225	49,561	53,268	53,458	56,049	187,722	212,336
EBITDA	**6,751**	**8,155**	**7,615**	**7,697**	**7,801**	**8,672**	**8,920**	**8,748**	**30,218**	**34,140**
YoY Change (%)	32.6	30.0	24.1	20.2	15.6	6.3	17.1	13.6	26.4	13.0
Margins (%)	13.3	14.6	13.8	13.8	13.6	14.0	14.3	13.5	13.9	13.9
Depreciation	1,774	1,845	1,846	2,110	1,771	1,913	1,926	2,001	7,575	7,611
Interest	1,164	1,175	1,098	1,148	1,155	1,130	1,120	1,061	4,585	4,466
Other Income	372	382	638	611	550	530	560	625	2,003	2,265
PBT before EO expense	**4,185**	**5,517**	**5,309**	**5,050**	**5,425**	**6,159**	**6,434**	**6,311**	**20,061**	**24,328**
PBT	**4,185**	**5,517**	**5,309**	**5,050**	**5,425**	**6,159**	**6,434**	**6,311**	**20,061**	**24,328**
Tax	1,145	1,617	1,568	1,010	1,519	1,663	1,769	1,754	5,340	6,706
Rate (%)	27.4	29.3	29.5	20.0	28.0	27.0	27.5	27.8	26.6	27.6
Minority Interest & Profit/Loss of Asso. Cos.	-12	112	18	144	70	73	82	71	262	296
Reported PAT	**3,052**	**3,788**	**3,723**	**3,896**	**3,836**	**4,423**	**4,583**	**4,485**	**14,459**	**17,327**
Adj PAT	**3,052**	**3,788**	**3,723**	**3,896**	**3,836**	**4,423**	**4,583**	**4,485**	**14,459**	**17,327**
YoY Change (%)	83.2	63.5	51.8	53.5	25.7	16.8	23.1	15.1	61.1	19.8
Margins (%)	6.0	6.8	6.7	7.0	6.7	7.1	7.3	6.9	6.6	7.0
EPS	**21.2**	**26.3**	**25.9**	**27.1**	**26.7**	**30.8**	**31.9**	**31.2**	**100.6**	**120.5**

E: MOFSL Estimates

Aurobindo Pharma — Buy

CMP: INR1133 | TP: INR1,365 (20%) — **EPS CHANGE (%): FY26|27: (4.9)|(0.2)**

- Expect a marginal 3% YoY decline in US sales to USD413m during the quarter.
- Progress on capacity utilization of the Pen-G plant.
- Expect EU sales growth of 12% YoY to INR22b, driven by new launches and increased reach.
- Progress on limited competition products for regulated markets.

Quarterly performance

i	FY25				FY26E				FY25E	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**75,670**	**77,961**	**79,785**	**83,821**	**79,292**	**82,208**	**85,749**	**88,909**	**317,237**	**336,158**
YoY Change (%)	10.5	8.0	8.5	10.6	4.8	5.4	7.5	6.1	9.4	6.0
EBITDA	**16,947**	**15,661**	**16,278**	**18,619**	**17,206**	**17,428**	**18,350**	**20,271**	**67,505**	**73,256**
YoY Change (%)	47.2	11.6	1.7	10.4	1.5	11.3	12.7	8.9	15.5	8.5
Margins (%)	22.4	20.1	20.4	22.2	21.7	21.2	21.4	22.8	21.3	21.8
Depreciation	4,042	3,823	4,185	4,444	4,391	4,552	4,617	4,787	16,494	18,346
EBIT	**12,905**	**11,839**	**12,093**	**14,175**	**12,815**	**12,876**	**13,734**	**15,485**	**51,011**	**54,910**
Interest	1,110	1,127	1,185	1,150	1,155	977	942	906	4,572	3,981
Other Income	1,199	1,360	1,573	1,232	1,300	1,350	1,380	1,400	5,364	5,430
PBT before EO expense	**12,994**	**12,072**	**12,481**	**14,257**	**12,960**	**13,248**	**14,172**	**15,978**	**51,804**	**56,359**
PBT	**13,254**	**12,072**	**11,983**	**13,673**	**12,960**	**13,248**	**14,172**	**15,978**	**50,981**	**56,359**
Tax	4,057	3,905	3,543	4,323	3,888	3,842	3,826	4,234	18,172	15,791
Rate (%)	30.6	32.3	29.6	31.6	30.0	29.0	27.0	26.5	35.6	28.0
Minority Interest	4	-7	-18	315	120	110	105	111	-294	446
Reported PAT	**9,193**	**8,174**	**8,458**	**9,035**	**8,952**	**9,296**	**10,240**	**11,633**	**33,102**	**40,122**
Adj PAT	**9,013**	**8,174**	**8,809**	**9,434**	**8,952**	**9,296**	**10,240**	**11,633**	**35,430**	**40,122**
YoY Change (%)	51.9	5.1	-2.4	-6.6	-0.7	13.7	16.2	23.3	7.9	13.2
Margins (%)	11.9	10.5	11.0	11.3	11.3	11.3	11.9	13.1	11.2	11.9
EPS	**15.4**	**14.0**	**15.1**	**16.1**	**15.3**	**15.9**	**17.5**	**19.9**	**61.0**	**69.1**

E: MOFSL Estimates

Biocon — Buy

CMP: INR362 | TP: INR430 (18%) — **EPS CHANGE (%): FY26|27: (1.5)|0.9**

- Expect biologics sales to grow 31% YoY to INR25b, supported by low base, new launches, and better traction in existing products
- Expect Syngene sales to grow 11% YoY to INR8.8b, led by research services and CDMO segment.
- New launches and increased reach to drive 37% YoY increase in generics revenue to INR9b for the quarter.
- Update on insulin aspart as well as GLP-1 opportunities.

Quarterly performance (Consolidated)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**34,329**	**35,904**	**38,214**	**44,170**	**42,406**	**43,955**	**46,634**	**47,646**	**152,617**	**180,641**
YoY Change (%)	0.3	3.7	6.0	12.8	23.5	22.4	22.0	7.9	5.9	18.4
EBITDA	**6,209**	**6,864**	**7,857**	**10,780**	**9,117**	**9,011**	**10,166**	**10,339**	**31,710**	**38,634**
YoY Change (%)	-12.9	-7.4	36.2	17.7	46.8	31.3	29.4	-4.1	7.6	21.8
Margins (%)	18.1	19.1	20.6	24.4	21.5	20.5	21.8	21.7	20.8	21.4
Depreciation	4,050	4,200	4,250	4,360	4,358	4,518	4,793	4,897	16,860	18,566
EBIT	**2,159**	**2,664**	**3,607**	**6,420**	**4,759**	**4,493**	**5,373**	**5,442**	**14,850**	**20,068**
Interest	2,360	2,260	2,230	2,120	2,100	2,050	1,950	1,850	8,970	7,950
Other Income	767	330	350	370	410	415	430	445	1,817	1,700
Extraordinary Income	10,893	260	-163	210	0	0	0	0	11,200	0
PBT	**11,459**	**994**	**1,564**	**4,880**	**3,069**	**2,858**	**3,853**	**4,037**	**18,897**	**13,818**
Tax	2,840	710	750	280	859	812	1,110	1,171	4,580	3,952
Rate (%)	24.8	71.4	47.9	5.7	28.0	28.4	28.8	29.0	24.2	28.6
Minority Interest	2,030	430	560	1,150	1,120	1,135	1,140	1,160	4,170	4,555
PAT	**6,589**	**-146**	**254**	**3,450**	**1,090**	**912**	**1,604**	**1,707**	**10,147**	**5,311**
Adj PAT	**-1,604**	**365**	**439**	**3,252**	**1,090**	**912**	**1,604**	**1,707**	**2,452**	**5,311**
YoY Change (%)	-260.4	-74.7	-125.8	128.4	-167.9	149.6	265.1	-47.5	13.2	116.6
Margins (%)	19.2	-0.4	0.7	7.8	2.6	2.1	3.4	3.6	6.6	2.9

E: MOFSL Estimates; Note - Quarterly numbers will not add up to full-year totals due to restatements

Cipla — Neutral

CMP: INR1516 | TP: INR1,500 (-1%) — **EPS CHANGE (%): FY26|27: 3.5|(0.3)**

- US sales to decline 13% YoY to USD218m for 1QFY26, driven by reduced price of g-Revlimid/limited approvals in 1QFY25.
- Expect DF sales to witness moderate growth of 8% YoY due to weakness in respiratory and anti-diabetes therapies.
- Progress on regulatory measures at the Indore site.
- Update on launch activities related to Nilotinib capsules.
- Update on complex/differentiated product filings with developed markets.

Quarterly performance

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Revenues	**66,939**	**70,510**	**70,730**	**67,297**	**69,334**	**73,645**	**73,314**	**70,732**	**275,476**	**287,024**
YoY Change (%)	5.8	5.6	7.1	9.2	3.6	4.4	3.7	5.1	6.9	4.2
EBITDA	**17,158**	**18,856**	**19,889**	**15,376**	**16,293**	**18,043**	**17,815**	**17,895**	**71,279**	**70,047**
YoY Change (%)	14.9	8.8	13.8	16.9	-5.0	-4.3	-10.4	16.4	13.3	-1.7
Margins (%)	25.6	26.7	28.1	22.8	23.5	24.5	24.3	25.3	25.9	24.4
Depreciation	2,467	2,717	2,798	3,087	2,958	3,142	3,127	3,017	11,070	12,244
EBIT	**14,691**	**16,139**	**17,091**	**12,289**	**13,336**	**14,901**	**14,688**	**14,878**	**60,210**	**57,803**
Interest	180	154	146	140	130	120	110	100	620	460
Other Income	1,602	1,906	1,546	2,895	1,750	1,950	2,100	2,149	7,949	7,949
Profit before Tax	**16,114**	**17,891**	**18,491**	**15,043**	**14,956**	**16,731**	**16,678**	**16,926**	**67,538**	**65,292**
PBT after EO expense	**16,114**	**17,891**	**19,161**	**15,043**	**14,956**	**16,731**	**16,678**	**16,926**	**68,208**	**65,292**
Tax	4,351	4,830	3,324	2,793	2,842	3,346	3,669	3,876	15,298	13,733
Rate (%)	27.0	27.0	18.0	18.6	19.0	20.0	22.0	22.9	22.7	21.0
Reported PAT	**11,776**	**13,025**	**15,705**	**12,218**	**12,087**	**13,390**	**13,069**	**13,190**	**52,725**	**51,737**
Adj PAT	**11,776**	**13,025**	**13,644**	**12,218**	**12,087**	**13,390**	**13,069**	**13,190**	**50,664**	**51,737**
YoY Change (%)	18.3	10.9	14.0	40.6	2.6	2.8	-4.2	8.0	19.6	2.1

E: MOFSL Estimates

Dr Agarwal — Buy

CMP: INR405| TP: INR510 (26%) — **EPS CHANGE (%): FY26|27: (1.7)|0.4**

- Expect sales growth of 21%, largely led by volumes
- Increasing share of refractive and other complex surgeries to support better realization.
- Outlook for facility addition under hub and spoke model in Delhi.
- Progress on performance of facilities added over past 12-24M.

Quarterly perf. (Consol.) — **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**4,035**	**4,166**	**4,307**	**4,602**	**4,842**	**5,041**	**5,255**	**5,509**	**17,110**	**20,647**
YoY Change (%)			29.5	31.9	20.0	21.0	22.0	19.7	28.4	20.7
EBITDA	**1,037**	**1,070**	**1,096**	**1,330**	**1,351**	**1,331**	**1,361**	**1,449**	**4,532**	**5,492**
YoY Change (%)			23.2	24.2	30.3	24.4	24.2	9.0	25.1	21.2
Margins (%)	25.7	25.7	25.4	28.9	27.9	26.4	25.9	26.3	26.5	26.6
Depreciation	555	572	582	604	610	630	640	663	2,313	2,543
EBIT	**482**	**498**	**514**	**726**	**741**	**701**	**721**	**786**	**2,220**	**2,949**
Interest	270	284	284	250	270	280	340	361	1,088	1,251
Other Income	60	119	127	154	126	120	131	119	460	496
PBT before EO expense	**272**	**333**	**358**	**630**	**597**	**541**	**512**	**543**	**1,592**	**2,193**
Extra-Ord expense	0	0	-52	45	0	0	0	0	7	0
PBT	**272**	**333**	**409**	**585**	**597**	**541**	**512**	**543**	**1,599**	**2,193**
Tax	89	119	128	160	185	170	166	159	495	680
Rate (%)	32.6	35.9	31.2	27.3	31.0	31.4	32.4	29.3	31.0	31.0
MI & P/L of Asso. Cos.	62	48	59	100	95	97	85	59	269	336
Reported PAT	**121**	**165**	**223**	**326**	**317**	**274**	**261**	**325**	**835**	**1,177**
Adj PAT	**121**	**165**	**187**	**358**	**317**	**274**	**261**	**325**	**832**	**1,177**
YoY Change (%)			-5.6	-7.4	161.8	65.6	39.5	-9.2	0.2	41.5
Margins (%)	3.0	4.0	4.3	7.8	6.5	5.4	5.0	5.9	4.9	5.7
EPS	**0.4**	**0.5**	**0.6**	**1.1**	**1.0**	**0.9**	**0.8**	**1.0**	**2.7**	**3.8**

Divis Labs — Neutral

CMP: INR6851 | TP: INR7,045 (3%) — **EPS CHANGE (%): FY26|27: 0.1|(0.9)**

- DIVI is expected to deliver 19% YoY growth in sales on account of broad-based growth across segments.
- Expect 25%/12% YoY growth in CS/Generics sales for the quarter.
- Watch out for benefits of backward integration following the commencement of the Kakinada plant.
- Scope of opportunities for chemical synthesis and enzymatic route peptides.

Quarterly Performance (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**21,180**	**23,380**	**23,190**	**25,850**	**25,233**	**26,558**	**27,538**	**28,878**	**93,600**	**108,207**
YoY Change (%)	19.1	22.5	25.0	12.2	19.1	13.6	18.7	11.7	19.3	15.6
EBITDA	**6,220**	**7,160**	**7,430**	**8,860**	**8,453**	**8,844**	**9,390**	**9,992**	**29,670**	**36,679**
YoY Change (%)	23.4	43.5	51.9	21.2	35.9	23.5	26.4	12.8	33.5	23.6
Margins (%)	29.4	30.6	32.0	34.3	33.5	33.3	34.1	34.6	31.7	33.9
Depreciation	970	990	990	1,070	991	1,043	1,082	1,134	4,020	4,250
EBIT	**5,250**	**6,170**	**6,440**	**7,790**	**7,462**	**7,801**	**8,309**	**8,858**	**25,650**	**32,429**
Other Income	780	770	720	760	758	758	758	758	3,030	3,030
PBT before EO Income	**6,030**	**6,940**	**7,160**	**8,540**	**8,219**	**8,558**	**9,066**	**9,615**	**28,670**	**35,459**
Forex gain /(Loss)	10	290	100	100	0	0	0	0	500	0
PBT	**6,040**	**7,230**	**7,260**	**8,640**	**8,219**	**8,558**	**9,066**	**9,615**	**29,170**	**35,459**
Tax	1,740	2,120	1,370	2,020	1,932	2,054	2,221	2,404	7,250	8,611
Rate (%)	28.8	29.3	18.9	23.4	23.5	24.0	24.5	25.0	24.9	24.3
PAT	**4,300**	**5,110**	**5,890**	**6,620**	**6,288**	**6,504**	**6,845**	**7,211**	**21,920**	**26,848**
Adj. PAT	**4,293**	**4,905**	**5,809**	**6,543**	**6,288**	**6,504**	**6,845**	**7,211**	**21,550**	**26,848**
YoY Change (%)	20.3	38.3	68.5	22.0	46.5	32.6	17.8	10.2	35.3	24.6
Margins (%)	20.3	21.9	25.4	25.6	24.9	24.5	24.9	25.0	23.4	24.8
Adj. EPS	**16.2**	**18.5**	**21.9**	**24.7**	**23.7**	**24.5**	**25.8**	**27.2**	**81.2**	**101.1**

E: MOFSL Estimates;

Dr Reddy's Labs — Neutral

CMP: INR1277|TP: INR1,215 (-5%) — **EPS CHANGE (%): FY26|27: (3.9)|(0.4)**

- Expect NA sales to decline 10% YoY, led by increased pricing pressure on g-Revlimid.
- Expect India business to grow 9% YoY, led by robust traction in the respiratory/derma segment.
- Progress on regulatory as well as manufacturing readiness for semaglutide opportunity.
- Regulatory update on abatacept for the US market.
- Progress on integrating NRT business and enhancing growth prospects of DRRD on an overall basis.

Quarterly Performance

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales	**76,727**	**80,162**	**82,320**	**85,060**	**84,437**	**87,333**	**85,615**	**96,876**	**324,269**	**354,261**
YoY Change (%)	13.9	16.5	14.1	20.1	10.0	8.9	4.0	13.9	16.2	9.2
EBITDA	**21,275**	**22,028**	**21,730**	**20,505**	**19,083**	**18,777**	**17,808**	**29,547**	**85,538**	**85,214**
YoY Change (%)	4.0	10.3	7.1	16.1	-10.3	-14.8	-18.0	44.1	9.1	-0.4
Margins (%)	27.7	27.5	26.4	24.1	22.6	21.5	20.8	30.5	26.4	24.1
Amortization	3,815	3,975	4,719	4,555	4,600	4,560	4,400	4,820	17,064	18,380
EBIT	**17,460**	**18,053**	**17,011**	**15,950**	**14,483**	**14,217**	**13,408**	**24,727**	**68,474**	**66,834**
Other Income	1,366	2,600	461	3,374	2,715	2,320	2,350	2,200	7,801	9,585
PBT before EO expenses	**18,826**	**20,653**	**17,472**	**19,324**	**17,198**	**16,537**	**15,758**	**26,927**	**76,275**	**76,419**
One-off income/(expense)	-5	-1,486	1,270	730	0	0	0	0	509	0
Profit before Tax	**18,821**	**19,167**	**18,742**	**20,054**	**17,198**	**16,537**	**15,758**	**26,927**	**76,784**	**76,419**
Tax	4,901	5,752	4,704	4,181	4,213	4,217	4,176	7,943	19,538	20,550
Rate (%)	26.0	30.0	25.1	20.8	24.5	25.5	26.5	29.5	25.4	26.9
PAT	**13,920**	**13,415**	**14,038**	**15,873**	**12,984**	**12,320**	**11,582**	**18,984**	**57,246**	**55,870**
Minority Interest	0	862	-95	-66	-75	-85	-95	-110	701	-365
Reported Profit	**13,920**	**12,553**	**14,133**	**15,939**	**13,059**	**12,405**	**11,677**	**19,094**	**56,545**	**56,235**
Adjusted PAT	**13,924**	**13,593**	**13,182**	**15,361**	**13,059**	**12,405**	**11,677**	**19,094**	**56,060**	**56,235**
YoY Change (%)	2.0	2.4	-4.3	26.7	-6.2	-8.7	-11.4	24.3	6.1	0.3
Margins (%)	18.1	17.0	16.0	18.1	15.5	14.2	13.6	19.7	17.3	15.9

E - MOFSL Estimates

Eris Lifesciences — Neutral

CMP: INR1667 | TP: INR1,520 (-9%) — **EPS CHANGE (%): FY26|27: 1|2.6**

- Expect 8% YoY growth, led by superior execution in anti-diabetic therapy.
- DF growth likely to be impacted by muted show in cardiac and derma therapy.
- Progress on revival of insulin revenue.
- Update on new launches in oncology and traction in the VMN/IVF category.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**7,197**	**7,412**	**7,275**	**7,053**	**7,773**	**8,079**	**8,657**	**9,028**	**28,936**	**33,536**
YoY Change (%)	54.2	46.7	49.6	28.0	8.0	9.0	19.0	28.0	44.0	15.9
EBITDA	**2,500**	**2,645**	**2,503**	**2,524**	**2,853**	**2,925**	**3,099**	**3,286**	**10,172**	**12,162**
Margins (%)	34.7	35.7	34.4	35.8	36.7	36.2	35.8	36.4	35.2	36.3
Depreciation	759	805	812	773	778	808	866	903	3,149	3,355
Interest	604	595	572	543	419	419	419	419	2,313	1,676
Other Income	16	46	42	80	49	51	55	57	184	213
PBT before EO expense	**1,153**	**1,291**	**1,162**	**1,288**	**1,705**	**1,749**	**1,869**	**2,021**	**4,894**	**7,344**
Extra-Ord expense	0	0	0	-1	0	0	0	0	-1	0
PBT	**1,153**	**1,291**	**1,162**	**1,289**	**1,705**	**1,749**	**1,869**	**2,021**	**4,895**	**7,344**
Tax	259	328	292	265	358	381	426	487	1,144	1,653
Rate (%)	22.5	25.4	25.2	20.6	21.0	21.8	22.8	24.1	23.4	22.5
Minority Interest & Profit/Loss of Asso. Cos.	62	48	33	85	80	95	110	129	228	414
Reported PAT	**832**	**916**	**836**	**938**	**1,267**	**1,272**	**1,333**	**1,406**	**3,522**	**5,278**
Adj PAT	**832**	**916**	**836**	**938**	**1,267**	**1,272**	**1,333**	**1,406**	**3,522**	**5,278**
YoY Change (%)	-12.3	-25.8	-18.6	15.0	52.3	38.9	59.4	49.9	-12.4	49.9
Margins (%)	11.6	12.4	11.5	13.3	16.3	15.7	15.4	15.6	12.2	15.7

E: MOFSL Estimates

GSK Pharma — Neutral

CMP: INR,3351 | TP: INR3,150 (-6%) — **EPS CHANGE (%): FY26|27: (0.6)|(3.3)**

- IMS data reflects muted YoY growth in the prescription business for the quarter.
- Expect vaccine off-take to support growth for the quarter.
- Update on the response from the medical community to the study comparing Trelegy with peers.
- Update on efforts to enhance growth prospects of base brands.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**8,147**	**10,107**	**9,494**	**9,743**	**8,798**	**11,020**	**10,825**	**10,853**	**37,491**	**41,495**
YoY Change (%)	7.0	5.6	17.9	4.8	8.0	9.0	14.0	11.4	8.6	10.7
EBITDA	**2,305**	**3,216**	**2,829**	**3,332**	**2,657**	**3,637**	**3,561**	**3,668**	**11,682**	**13,523**
YoY Change (%)	60.2	11.1	29.7	29.5	15.3	13.1	25.9	10.1	28.6	15.8
Margins (%)	28.3	31.8	29.8	34.2	30.2	33.0	32.9	33.8	31.2	32.6
Depreciation	164	169	188	147	156	194	191	196	668	737
EBIT	**2,141**	**3,048**	**2,641**	**3,184**	**2,501**	**3,442**	**3,370**	**3,473**	**11,014**	**12,786**
Interest	4	3	1	6	5	3	2	2	13	12
Other Income	356	345	351	407	300	300	300	550	1,459	1,450
PBT before EO Expense	**2,494**	**3,391**	**2,991**	**3,585**	**2,796**	**3,739**	**3,668**	**4,021**	**12,461**	**14,224**
Tax	671	913	782	957	749	987	972	1,045	3,323	3,754
Rate (%)	26.9	26.9	26.2	26.7	26.8	26.4	26.5	26.0	26.7	26.4
Adjusted PAT	**1,823**	**2,477**	**2,209**	**2,628**	**2,047**	**2,752**	**2,696**	**2,975**	**9,138**	**10,470**
YoY Change (%)	58.6	13.9	5.7	36.8	12.2	11.1	22.1	13.2	24.6	14.6
Margins (%)	22.4	24.5	23.3	27.0	23.3	25.0	24.9	27.4	24.4	25.2
One-off Expense/(Income)	0	-47	-90	0	0	0	0	0	-137	0
Reported PAT	**1,823**	**2,524**	**2,299**	**2,628**	**2,047**	**2,752**	**2,696**	**2,975**	**9,275**	**10,470**

E: MOFSL Estimates: Quarterly - Standalone; Full Year – Consolidated

Gland Pharma

Buy

CMP: INR1877 | TP: INR2215 (18%) | **EPS CHANGE (%): FY26|27: (0.8)|7.2**

- Expect sales growth to revive in 1QFY26 after two consecutive quarters of YoY decline.
- Progress on scaling fill-finish capacity for injectables to be used for peptide drugs.
- Progress on enhancing the manufacturing capacity/capability of Cenexi.
- Impact of recent geopolitical tensions on the company's freight costs.

Consol. - Quarterly perf. (INR m)

Y/E March	FY25				FY26				FY25E	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**14,017**	**14,058**	**13,841**	**14,249**	**15,196**	**15,829**	**16,939**	**17,358**	**56,165**	**65,321**
YoY Change (%)	16.0	2.4	-10.4	-7.3	8.4	12.6	22.4	21.8	-0.9	16.3
EBITDA	**2,644**	**2,970**	**3,600**	**3,475**	**3,252**	**3,451**	**3,777**	**3,906**	**12,689**	**14,385**
YoY Change (%)	-10.1	-8.3	-3.8	-3.1	23.0	16.2	4.9	12.4	-6.1	13.4
Margins (%)	18.9	21.1	26.0	24.4	21.4	21.8	22.3	22.5	22.6	22.0
Depreciation	920	938	963	958	922	960	1,027	1,053	3,779	3,961
Interest	56	61	228	75	59	59	59	59	420	235
Other Income	514	597	585	440	479	479	479	479	2,136	1,917
PBT before EO expense	**2,182**	**2,567**	**2,993**	**2,883**	**2,751**	**2,911**	**3,171**	**3,273**	**10,626**	**12,106**
One-off income/(expense)	0	0	0	0	0	0	0	0	0	0
PBT	**2,182**	**2,567**	**2,993**	**2,883**	**2,751**	**2,911**	**3,171**	**3,273**	**10,626**	**12,106**
Tax	745	932	946	1,018	889	914	951	959	3,641	3,713
Rate (%)	34.1	36.3	31.6	35.3	32.3	31.4	30.0	29.3	34.3	30.7
Reported PAT	**1,438**	**1,635**	**2,047**	**1,865**	**1,862**	**1,997**	**2,219**	**2,314**	**6,985**	**8,393**
Adj PAT	**1,438**	**1,635**	**2,047**	**1,865**	**1,862**	**1,997**	**2,219**	**2,314**	**6,985**	**8,393**
YoY Change (%)	-25.9	-15.8	0.4	-2.7	29.6	22.1	8.4	24.1	-10.9	20.2
Margins (%)	10.3	11.6	14.8	13.1	12.3	12.6	13.1	13.3	12.4	12.8
EPS	**9**	**10**	**12**	**11**	**11**	**12**	**13**	**14**	**42**	**51**

E: MOFSL Estimates

Glenmark Pharma

Buy

CMP: INR1754 | TP: INR2,040 (16%) | **EPS CHANGE (%): FY26|27: (1.4)|(0.8)**

- Robust show in cardiac and respiratory therapy to drive 8.5% YoY growth in the DF segment.
- Update on the out-licensing deal with respect to ISB2001.
- Expect healthy growth momentum in Europe business, led by new launches and better traction in existing products.
- Progress on niche approvals/filings for the US market.

Quarterly Performance

Y/E March	FY25				FY26E				FY25E	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Revenues (Core)	**32,442**	**34,338**	**33,876**	**32,562**	**35,945**	**37,777**	**36,375**	**36,102**	**133,217**	**146,199**
YoY Change (%)	6.9	7.1	35.1	6.3	10.8	10.0	7.4	10.9	12.8	9.7
EBITDA	**6,102**	**6,019**	**6,002**	**5,610**	**6,733**	**7,112**	**7,064**	**7,159**	**23,734**	**28,068**
YoY Change (%)	39.5	19.1	-515.5	11.2	10.3	18.2	17.7	27.6	82.2	18.3
Margins (%)	18.8	17.5	17.7	17.2	18.7	18.8	19.4	19.8	17.8	19.2
Depreciation	1,178	1,203	1,227	1,252	1,274	1,339	1,289	1,280	4,860	5,181
EBIT	**4,924**	**4,816**	**4,775**	**4,358**	**5,459**	**5,773**	**5,775**	**5,880**	**18,874**	**22,886**
Interest	396	485	523	667	650	450	250	145	2,071	1,495
Other Income	315	324	311	117	120	130	135	140	1,067	525
PBT before EO Expense	**4,843**	**4,656**	**4,563**	**3,808**	**4,929**	**5,453**	**5,660**	**5,874**	**17,870**	**21,916**
One-off loss/(gain)	220	-70	0	3,728	0	0	0	0	3,878	0
PBT after EO Expense	**4,623**	**4,726**	**4,563**	**80**	**4,929**	**5,453**	**5,660**	**5,874**	**13,992**	**21,916**
Tax	1,221	1,181	1,083	36	1,252	1,374	1,415	1,498	3,521	5,539
Rate (%)	26.4	25.0	23.7	45.0	25.4	25.2	25.0	25.5	25.2	25.3
Reported PAT	**3,402**	**3,545**	**3,480**	**44**	**3,677**	**4,079**	**4,245**	**4,376**	**10,471**	**16,377**
Minority Interest	0	3	1	-3	-2	-1	0	-2	0	-5
Reported PAT after Minority Interest	**3,403**	**3,542**	**3,480**	**47**	**3,679**	**4,080**	**4,245**	**4,378**	**10,471**	**16,382**
Adj PAT	**3,565**	**3,490**	**3,480**	**2,932**	**3,679**	**4,080**	**4,245**	**4,378**	**13,466**	**16,382**
YoY Change (%)	220.9	149.8	-199.8	74.6	3.2	16.9	22.0	49.3	1,821.0	21.7
Margins (%)	11.0	10.2	10.3	9.0	10.2	10.8	11.7	12.1	10.1	11.2
Overall Adj. PAT	**3,565**	**3,490**	**3,480**	**2932**	**3,679**	**4,080**	**4,245**	**4378**	**13,466**	

E: MOFSL Estimates

Global Health

Buy

CMP: INR1151 | TP: INR1,380 (20%) | **EPS CHANGE (%): FY26|27: -5.4|1.5**

- Expect 5% YoY growth in ARPOB with improvement in case mix, partly offset by the improving share of lower ARPOB hospitals.
- Update on Noida /Indore/Mumbai/South Delhi projects.
- Healthy occupancy improvement at matured hospitals, led by improved performance in the oncology and cardio divisions.
- Progress on the therapy mix/payor mix at Lucknow/Patna and subsequent improvement in occupancy.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**8,611**	**9,566**	**9,434**	**9,312**	**9,643**	**9,880**	**10,059**	**10,600**	**36,923**	**40,181**
YoY Change (%)	11.4	13.3	12.8	15.2	12.0	3.3	6.6	13.8	12.7	8.8
EBITDA	**1,912**	**2,344**	**2,412**	**2,247**	**2,218**	**2,322**	**2,464**	**2,629**	**8,915**	**9,633**
Depreciation	515	555	519	493	524	537	547	576	2,082	2,183
Interest	180	160	163	150	152	155	160	167	653	634
Other Income	219	182	160	229	230	245	252	318	791	1,045
PBT before EO expense	**1,437**	**1,811**	**1,891**	**1,833**	**1,772**	**1,875**	**2,010**	**2,203**	**6,972**	**7,860**
Extra-Ord expense/(Income)	0	0	0	-499	0	0	0	0	-499	0
PBT	**1,437**	**1,811**	**1,891**	**1,334**	**1,772**	**1,875**	**2,010**	**2,203**	**6,473**	**7,860**
Tax	374	503	462	321	416	435	472	516	1,659	1,839
Rate (%)	26.0	27.8	24.4	24.0	23.5	23.2	23.5	23.4	25.6	23.4
Reported PAT	**1,063**	**1,308**	**1,429**	**1,014**	**1,355**	**1,440**	**1,537**	**1,688**	**4,813**	**6,021**
Adj PAT	**1,063**	**1,308**	**1,429**	**1,393**	**1,355**	**1,440**	**1,537**	**1,688**	**5,193**	**6,021**
YoY Change (%)	4.2	4.5	15.6	9.4	27.6	10.1	7.6	21.1	8.6	15.9
Margins (%)	12.3	13.7	15.1	15.0	14.1	14.6	15.3	15.9	14.1	15.0

E: MOFSL Estimates

Granules India

Buy

CMP: INR489 | TP: INR570 (17%) | **EPS CHANGE (%): FY26|27: (2.1)|(1)**

- Expect gradual recovery in overall sales on a YoY/QoQ basis.
- Any feedback from USFDA on remediation measures taken by the company at the Gagillapur site.
- Expect FDF/PFI to deliver improved YoY growth compared to the API segment due to a strategic reset across segments.
- Progress on off-take of large-volume products to the US/EU market.

Quarterly Performance

Y/E March	FY25				FY26E				FY25E	FY26E
(Consolidated)	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**11,799**	**9,666**	**11,377**	**11,974**	**11,927**	**11,992**	**12,321**	**13,630**	**44,816**	**49,871**
YoY Change (%)	19.7	-18.7	-1.5	1.8	1.1	24.1	8.3	13.8	-0.5	11.3
EBITDA	**2,593**	**2,033**	**2,303**	**2,524**	**2,612**	**2,602**	**2,637**	**3,271**	**9,452**	**11,122**
YoY Change (%)	64.2	-4.5	-8.1	-1.3	0.7	28.0	14.5	29.6	7.8	17.7
Margins (%)	22.0	21.0	20.2	21.1	21.9	21.7	21.4	24.0	21.1	22.3
Depreciation	529	525	566	635	622	626	643	711	2,255	2,603
EBIT	**2,064**	**1,508**	**1,737**	**1,889**	**1,990**	**1,976**	**1,994**	**2,560**	**7,197**	**8,519**
Interest	270	257	266	240	283	283	283	283	1,032	1,132
Other Income	21	32	57	19	30	30	31	34	129	125
PBT before EO expense	**1,814**	**1,284**	**1,528**	**1,668**	**1,736**	**1,723**	**1,742**	**2,311**	**6,294**	**7,512**
Extra-Ord expense	0	0	0	-308	0	0	0	0	-308	0
PBT	**1,814**	**1,284**	**1,528**	**1,976**	**1,736**	**1,723**	**1,742**	**2,311**	**6,601**	**7,512**
Tax	468	311	352	455	399	398	406	543	1,587	1,746
Rate (%)	25.8	24.3	23.0	23.0	23.0	23.1	23.3	23.5	24.0	23.2
(Profit)/Loss of JV/Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**1,346**	**972**	**1,176**	**1,520**	**1,337**	**1,325**	**1,336**	**1,768**	**5,015**	**5,766**
Adjusted PAT	**1,346**	**972**	**1,176**	**1,284**	**1,337**	**1,325**	**1,336**	**1,768**	**4,778**	**5,766**
YoY Change (%)	112.7	-4.8	-6.4	-1.0	-0.7	36.3	13.6	37.7	13.6	20.7
Margins (%)	11.4	10.1	10.3	10.7	11.2	11.1	10.8	13.0	10.7	11.6
EPS	**6**	**4**	**5**	**5**	**6**	**5**	**6**	**7**	**20**	**24**

E: MOFSL Estimates

Ipca Laboratories

Buy

CMP: INR1372| TP: INR1,710 (25%) | **EPS CHANGE (%): FY26|27: 0.3|0.6**

- Expect 13% YoY growth in overall sales, led by steady progress in the DF segment and pick-up in the exports/API business.
- Expect API sales to grow 13% YoY for the quarter due to inventory build-up and sharp reduction in prices.
- Expect the DF segment to grow 10.5% YoY, led by superior execution in pain and gastro therapies, partly offset by muted show in derma/anti-infectives therapies.
- Progress on product filing, launches, and relaunches from own as well as Unichem sites.

Quarterly Performance (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Revenues (Core)	**20,926**	**23,549**	**22,454**	**22,467**	**23,720**	**26,452**	**25,466**	**23,784**	**89,396**	**99,422**
YoY Change (%)	31.8	15.8	9.4	10.5	13.4	12.3	13.4	5.9	16.0	11.2
EBITDA	**3,927**	**4,425**	**4,631**	**4,289**	**4,910**	**5,608**	**4,966**	**4,162**	**17,271**	**19,646**
YoY Change (%)	33.5	22.7	39.9	33.2	25.0	26.7	7.2	-2.9	32.1	13.7
Margins (%)	18.8	18.8	20.6	19.1	20.7	21.2	19.5	17.5	19.3	19.8
Depreciation	989	1,004	985	1,001	981	1,094	1,053	984	3,978	4,111
EBIT	**2,938**	**3,421**	**3,646**	**3,287**	**3,929**	**4,514**	**3,913**	**3,179**	**13,293**	**15,535**
Interest	241	226	168	215	131	131	131	131	849	526
Other Income	206	263	201	258	238	238	238	238	928	950
PBT before EO Expense	**2,904**	**3,458**	**3,679**	**3,331**	**4,035**	**4,620**	**4,019**	**3,285**	**13,372**	**15,959**
One-off (gain)/ Expense	0	0	0	2,051	0	0	0	0	2,051	0
PBT after EO Expense	**2,904**	**3,458**	**3,679**	**1,280**	**4,035**	**4,620**	**4,019**	**3,285**	**11,321**	**15,959**
Tax	914	994	906	622	1,211	1,395	1,222	1,003	3,436	4,830
Rate (%)	31.5	28.7	24.6	48.6	30.0	30.2	30.4	30.5	25.7	30.3
Reported PAT	**1,990**	**2,464**	**2,773**	**658**	**2,825**	**3,225**	**2,797**	**2,282**	**7,885**	**11,128**
Minority Interest	-67	-160	-292	20	12	16	19	20	-499	67
Adj PAT after Minority Int	**1,922**	**2,305**	**2,481**	**2,418**	**2,837**	**3,241**	**2,816**	**2,302**	**9,127**	**11,195**
YoY Change (%)	24.9	36.4	122.5	23.4	47.6	40.6	13.5	-4.8	44.8	22.7
Margins (%)	9.2	9.8	11.1	10.8	12.0	12.3	11.1	9.7	10.2	11.3

E: MOFSL Estimates. Quarter - Standalone; Full year - Consolidated

Laurus Labs

Buy

CMP: INR746 | TP: INR860 (16%) | **EPS CHANGE (%): FY26|27: 3.5|1.6**

- Low base and scale-up of certain contracts to drive 125% YoY growth in the CS business.
- Expect the API business to remain stable YoY, as lower ARV-API sales will likely be offset by growth in non-ARV APIs.
- Progress on scaling up from exhibit batches to commercial batches in the CDMO segment.
- Update on further investments across focus segments and subsequent net debt outlook.

Consolidated- Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**11,949**	**12,237**	**14,151**	**17,203**	**14,952**	**16,501**	**17,221**	**19,585**	**55,540**	**68,259**
YoY Change (%)	1.1	-0.1	18.4	19.5	25.1	34.8	21.7	13.8	10.2	22.9
EBITDA	**1,712**	**1,783**	**2,852**	**4,206**	**3,110**	**3,366**	**3,393**	**4,113**	**10,553**	**13,982**
YoY Change (%)	2.7	-5.1	57.2	74.2	81.7	88.8	19.0	-2.2	35.7	32.5
Margins (%)	14.3	14.6	20.2	24.4	20.8	20.4	19.7	21.0	19.0	20.5
Depreciation	1,061	1,075	1,061	1,104	950	1,049	1,095	1,245	4,301	4,339
EBIT	**651**	**708**	**1,791**	**3,102**	**2,160**	**2,317**	**2,298**	**2,868**	**6,252**	**9,643**
Interest	492	526	578	564	521	521	521	521	2,160	2,085
Other Income	25	46	94	-3	50	50	50	50	163	200
PBT before EO expense	**185**	**228**	**1,307**	**2,535**	**1,688**	**1,846**	**1,827**	**2,397**	**4,254**	**7,757**
Extra-Ord expense	0	0	0	-589	0	0	0	0	-589	0
PBT	**185**	**228**	**1,307**	**3,123**	**1,688**	**1,846**	**1,827**	**2,397**	**4,843**	**7,757**
Tax	63	51	401	785	439	480	475	635	1,299	2,029
Rate (%)	33.9	22.3	30.7	25.1	26.0	26.0	26.0	26.5	26.8	26.2
Reported PAT	**127**	**198**	**923**	**2,319**	**1,234**	**1,351**	**1,337**	**1,746**	**3,506**	**5,667**
Adj PAT	**127**	**198**	**923**	**1,878**	**1,234**	**1,351**	**1,337**	**1,746**	**3,126**	**5,667**
YoY Change (%)	-52.7	-46.3	298.9	148.4	873	580.9	44.8	-7.1	92.4	81.3
Margins (%)	1.1	1.6	6.5	10.9	8.3	8.2	7.8	8.9	5.6	8.3

E: MOFSL Estimates

Lupin — Neutral

CMP: INR1961 | TP: INR2,140 (9%) — **EPS CHANGE (%): FY26|27: 6|5.2**

- Expect US growth momentum to sustain on the back of new launches (g-Tolvaptan/g-Rivaroxaban) and increased traction in existing products.
- DF segment to grow 10% YoY, led by consistently strong performance in cardiac/respiratory therapies, outperforming the industry.
- Investment planned for the specialty business.
- Mirabegron sales outlook in light of the recent litigation outcome.
- Update on key injectable approvals for regulated markets.

Quarterly Performance (Consolidated) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**56,003**	**55,427**	**56,927**	**56,671**	**60,525**	**61,400**	**62,880**	**65,093**	**225,028**	**249,897**
YoY Change (%)	21.5	10.0	9.5	14.2	8.1	10.8	10.5	14.9	13.6	11.1
EBITDA	**13,614**	**12,368**	**13,765**	**12,921**	**14,889**	**14,859**	**15,280**	**16,403**	**52,668**	**61,431**
YoY Change (%)	109.0	34.0	34.7	29.6	9.4	20.1	11.0	26.9	46.6	16.6
Margins (%)	24.3	22.3	24.2	22.8	24.6	24.2	24.3	25.2	23.4	24.6
Depreciation	2,477	2,569	2,715	3,932	3,074	3,118	3,193	3,306	11,693	12,691
EBIT	**11,137**	**9,799**	**11,050**	**8,989**	**11,815**	**11,741**	**12,087**	**13,098**	**40,975**	**48,740**
Interest	680	709	669	891	900	880	820	767	2,949	3,367
Other Income	678	423	537	570	580	590	620	660	2,207	2,450
PBT	**9,930**	**10,549**	**9,963**	**8,958**	**11,495**	**11,451**	**11,887**	**12,991**	**39,401**	**47,824**
Tax	1,875	1,954	2,124	1,135	2,127	2,187	2,318	2,559	7,087	9,191
Rate (%)	18.9	18.5	21.3	12.7	18.5	19.1	19.5	19.7	18.0	19.2
Minority Interest	-42	-69	-37	-99	-85	-75	-70	-72	-246	-289
Reported PAT	**8,013**	**8,526**	**7,802**	**7,726**	**9,284**	**9,189**	**9,499**	**10,361**	**32,067**	**38,332**
Adj PAT	**8,990**	**7,682**	**8,554**	**7,472**	**9,284**	**9,189**	**9,499**	**10,361**	**32,698**	**38,331**
YoY Change (%)	214.9	55.5	42.6	47.0	3.3	19.6	11.0	38.6	73.2	17.2
Margins (%)	16.1	13.9	15.0	13.2	15.3	15.0	15.1	15.9	14.5	15.3
EPS	**20**	**17**	**19**	**16**	**20**	**20**	**21**	**23**	**72**	**0**

E: MOFSL estimates

Mankind Pharma — Buy

CMP: INR2289 | TP: INR2,870 (25%) — **EPS CHANGE (%): FY26|27: (2)|(1.4)**

- With coarse correction, Mankind Pharma is expected to improve performance in the Rx segment, delivering 9% YoY growth in 1QFY26.
- Benefits of the revised strategy in the consumer health segment are expected to sustain momentum, driving 14% YoY growth in 1QFY26.
- Progress on the traction of in-licensed products.
- Progress on the scale-up of the BSV business.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**28,934**	**30,765**	**31,988**	**30,794**	**35,611**	**38,763**	**37,213**	**33,576**	**122,074**	**145,164**
YoY Change (%)	12.2	13.6	22.7	26.1	23.1	26.0	16.3	9.0	18.1	18.9
EBITDA	**7,238**	**8,500**	**8,160**	**7,082**	**8,903**	**10,737**	**9,452**	**8,226**	**30,429**	**37,318**
YoY growth %	10.5	24.5	34.5	19.8	23.0	26.3	15.8	16.2	20.0	22.6
Margins (%)	25.0	27.6	25.5	23.0	25.0	27.7	25.4	24.5	24.9	25.7
Depreciation	1,077	1,056	1,872	2,309	2,148	2,339	2,245	2,026	6,212	8,758
Interest	109	71	2,209	1,905	1,447	1,447	1,447	1,447	4,294	5,786
Other Income	1,006	1,094	770	1,013	420	420	420	420	5,368	1,678
PBT before EO expense	**7,057**	**8,468**	**4,849**	**3,881**	**5,727**	**7,372**	**6,180**	**5,173**	**25,291**	**24,453**
Extra-Ord expense	420	0	0	-1,250	0	0	0	0	-830	0
PBT	**6,637**	**8,468**	**4,849**	**5,131**	**5,727**	**7,372**	**6,180**	**5,173**	**26,121**	**24,453**
Tax	1,246	1,904	1,105	864	1,060	1,401	1,193	1,030	5,097	4,682
Rate (%)	18.8	22.5	22.8	16.8	18.5	19.0	19.3	19.9	19.5	19.1
Minority Interest & Profit/Loss of Asso. Cos.	26.7	28.4	8.5	15.6	30.0	30.0	30.0	46.6	79.2	136.6
Reported PAT	**5,365**	**6,535**	**3,736**	**4,251**	**4,638**	**5,941**	**4,957**	**4,097**	**20,944**	**19,633**
Adj PAT	**5,706**	**6,535**	**3,736**	**3,212**	**4,638**	**5,941**	**4,957**	**4,097**	**20,283**	**19,640**
YoY Change (%)	17.2	30.4	-17.7	-31.8	-18.7	-9.1	32.7	27.6	6.0	-3.2
Margins (%)	19.7	21.2	11.7	10.4	13.0	15.3	13.3	12.2	16.6	13.5
EPS	**14.2**	**16.3**	**9.3**	**8.0**	**11.6**	**14.8**	**12.4**	**10.2**	**49.2**	**47.6**

E: MOFSL Estimates

Max Healthcare

Buy

CMP: INR1280 | TP: INR1470 (15%) **EPS CHANGE (%): FY26|27: -6|-4**

- Expect ARPOB to remain flat YoY at INR73.8k, as the share of lower ARPOB hospitals continues to increase.
- Expect sales momentum to sustain with YoY growth of 26% for 1QFY25, largely led by the higher number of treatments.
- 15% YoY growth in test volumes and a moderate 4% YoY growth in realizations to drive a 19% YoY growth in Maxlab revenue.
- Progress on the addition of newer beds.

Consolidated - Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Gross Sales	**19,310**	**21,190**	**22,690**	**23,020**	**24,413**	**27,121**	**28,156**	**29,027**	**86,210**	**108,718**
YoY Change (%)	19.1	23.3	34.9	28.5	26.4	40.5	32.9	27.9	26.5	26.1
EBITDA	**4,940**	**5,670**	**6,170**	**6,070**	**6,250**	**7,051**	**7,208**	**7,210**	**22,850**	**27,719**
Margins (%)	25.6	26.8	27.2	26.4	25.6	26.0	25.6	24.8	26.5	25.5
Depreciation	900	970	1,060	1,140	970	1,078	1,119	1,153	4,070	4,320
Interest	80	50	350	360	199	199	199	199	840	797
Other Income	40	60	110	240	210	200	240	220	450	870
PBT before EO expense	**4,000**	**4,710**	**4,870**	**4,810**	**5,290**	**5,975**	**6,130**	**6,078**	**18,390**	**23,473**
Extra-Ord expense	190	270	1,000	180	0	0	0	0	1,640	0
PBT	**3,810**	**4,440**	**3,870**	**4,630**	**5,290**	**5,975**	**6,130**	**6,078**	**16,750**	**23,473**
Tax	870	950	710	870	1,005	1,135	1,165	1,041	3,400	4,346
Rate (%)	22.8	21.4	18.3	18.8	19.0	19.0	19.0	17.1	20.3	18.5
Reported PAT	**2,940**	**3,490**	**3,160**	**3,760**	**4,285**	**4,839**	**4,965**	**5,037**	**13,350**	**19,127**
Adj PAT	**3,087**	**3,702**	**3,977**	**3,906**	**4,285**	**4,839**	**4,965**	**5,037**	**14,648**	**19,118**
YoY Change (%)	1.0	4.9	16.5	17.7	38.8	56.8	34.1	26.7	10.0	30.5
Margins (%)	16.0	17.5	17.5	17.0	17.6	17.8	17.6	17.4	17.0	17.6
EPS	**3.2**	**3.8**	**4.1**	**4.0**	**4.4**	**5.0**	**5.1**	**5.2**	**15.1**	**21.0**

E: MOFSL Estimates

Piramal Pharma

Buy

CMP: INR205 | TP: INR240 (17%) **EPS CHANGE (%): FY26|27: (2.5)|(4.6)**

- Expect sales to grow 8% YoY to INR27.6b, led by growth in the ICH segment. CHG and CDMO segments are expected to record sales in mid-single-digits.
- Progress on CDMO order book amid ongoing regulatory and political uncertainty.
- Higher operating costs due to one-time opex in the CHG business are expected to marginally drag EBITDA margin on a YoY basis.
- Update on the setup of Sevoflurane manufacturing at the Digwal facility.

Consolidated - Quarterly Earning Model

PPL Income statement (INRm)	FY25				FY26E				FY25E	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenues	**19,511**	**22,418**	**22,042**	**27,541**	**21,397**	**22,877**	**24,283**	**26,233**	**91,511**	**94,791**
growth YoY(%)	11.6	17.3	12.5	7.9	9.7	2.0	10.2	-4.7	12.0	3.6
CDMO	10,570	13,240	12,780	17,880	11,416	12,578	13,802	15,198	54,470	0
CHG	6,310	6,430	6,540	7,050	7,099	7,266	7,423	7,967	26,330	0
ICH	2,640	2,770	2,780	2,740	2,883	3,033	3,058	3,069	10,930	0
EBITDA*	**2,044**	**3,416**	**3,377**	**5,610**	**2,033**	**2,974**	**4,177**	**5,693**	**14,447**	**14,876**
margin (%)	10.5	15.2	15.3	20.4	9.5	13.0	17.2	21.7	15.8	15.7
growth YoY(%)	54.5	28.6	25.8	5.9	-0.5	-12.9	23.7	1.5	20.8	3.0
Depreciation	1,846	1,922	1,968	2,428	2,020	2,045	2,089	2,100	8,163	8,254
EBIT	**198**	**1,494**	**1,409**	**3,182**	**13**	**929**	**2,088**	**3,593**	**6,284**	**6,622**
Other income	195	611	121	420	410	415	425	440	1,348	1,690
Interest expense	1,070	1,076	1,033	1,037	1,040	980	930	880	4,216	3,830
Share from Asso. Co	224	173	171	162	175	180	195	210	729	760
PBT	**-452**	**1,201**	**668**	**2,728**	**-442**	**544**	**1,778**	**3,363**	**4,145**	**5,242**
EO Expenses/(gain)	-	-	-	-	-	-	-	-	-	-
Taxes	**436**	**975**	**631**	**1,193**	**354**	**392**	**1,102**	**1,950**	**3,235**	**3,798**
Tax Rate (%)	-96.4	81.2	94.5	43.7	-80.0	72.0	62.0	58.0	78.0	72.5
Reported PAT	**-888**	**226**	**37**	**1,535**	**-796**	**152**	**676**	**1,412**	**910**	**1,444**
Adj. PAT	**-888**	**226**	**37**	**1,535**	**-796**	**152**	**676**	**1,412**	**910**	**1,444**
Change (%)	NA	348.2	-89.5	34.0	-10.3	-32.6	1,735.7	-8.0	62.5	58.7

Sun Pharma — Buy

CMP: INR1667 | TP: INR1960 (18%) — **EPS CHANGE (%): FY26|27: (5)|(1.9)**

- Expect 14% YoY growth in the specialty segment, reaching USD303m in 1Q, driven by market share gains in existing products.
- Progress on launch activities related to specialty products.
- Expect robust outperformance relative to the industry, with DF sales growing 11.5% YoY for the quarter.
- Expect US sales to remain steady due to increased competition in g-Revlimid.
- Progress on partner search for the MM-II drug.

Consolidated - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Sales	**125,245**	**132,642**	**130,569**	**128,156**	**134,217**	**138,379**	**145,043**	**144,695**	**516,612**	**562,335**
YoY Change (%)	6.3	10.5	7.4	8.5	7.2	4.3	11.1	12.9	8.2	8.9
EBITDA	**35,298**	**37,837**	**35,738**	**32,816**	**36,876**	**37,501**	**39,162**	**38,200**	**141,689**	**151,738**
Margins (%)	28.2	28.5	27.4	25.6	27.5	27.1	27.0	26.4	27.4	27.0
Depreciation	6,551	6,259	6,306	6,638	6,276	6,470	6,782	6,766	25,754	26,294
EBIT	**28,747**	**31,578**	**29,433**	**26,178**	**30,600**	**31,030**	**32,380**	**31,434**	**115,936**	**125,444**
Interest	615	692	515	491	439	439	439	439	2,314	1,754
Other Income	6,608	3,811	7,041	7,561	9,613	9,663	9,713	9,813	25,022	38,804
PBT before EO expense	**34,740**	**34,697**	**35,959**	**33,248**	**39,775**	**40,255**	**41,655**	**40,809**	**138,644**	**162,494**
Extra-Ord expense	505	-1,281	1,195	705	0	0	0	0	1,123	0
PBT	**34,235**	**35,978**	**34,764**	**32,543**	**39,775**	**40,255**	**41,655**	**40,809**	**137,520**	**162,494**
Tax	5,523	5,672	5,589	10,937	7,876	8,212	8,289	8,162	27,720	32,539
Rate (%)	16.1	15.8	16.1	33.6	19.8	20.4	19.9	20.0	20.2	20.0
Minority Interest & Profit/Loss of Asso. Cos.	356	-95	142	108	110	120	130	133	511	493
Reported PAT	**28,356**	**30,401**	**29,034**	**21,498**	**31,790**	**31,923**	**33,235**	**32,514**	**109,289**	**129,462**
Adj PAT	**27,494**	**29,052**	**27,637**	**28,891**	**31,790**	**31,923**	**33,235**	**32,514**	**113,075**	**129,463**
YoY Change (%)	20.4	20.8	11.6	3.0	15.6	16.1	14.4	17.6	13.4	14.5
Margins (%)	22.0	21.9	21.2	22.5	23.7	23.1	22.9	22.5	21.9	23.0

E: MOFSL Estimates

Torrent Pharmaceuticals — Neutral

CMP: INR3416 | TP: INR3,600 (5%) — **EPS CHANGE (%): FY26|27: (1.5)|(3.1)**

- Expect DF to sustain healthy YoY growth rate of 11.5%, led by improved performance of 11.5%/10%/9% in VMN/anti-diabetic/cardiac therapies.
- Progress on the acquisition of JB chemicals and pharmaceuticals.
- Expect US sales to witness moderate YoY growth of 5.8% in 1QFY26.
- Strategy for enhancing presence in newer geographies.

Quarterly performance (Consolidated) — **(INRm)**

Y/E March	FY25				FY26E				FY25	FY26
INR m	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Revenues	**28,590**	**28,890**	**28,090**	**29,590**	**32,103**	**32,410**	**32,498**	**33,030**	**115,160**	**130,041**
YoY Change (%)	10.3	8.6	2.8	7.8	12.3	12.2	15.7	11.6	7.3	12.9
EBITDA	**9,240**	**9,390**	**9,140**	**9,810**	**10,690**	**10,760**	**10,659**	**10,768**	**37,580**	**42,877**
YoY Change (%)	16.8	13.8	5.2	11.1	15.7	14.6	16.6	9.8	11.6	14.1
Margins (%)	32.3	32.5	32.5	33.2	33.3	33.2	32.8	32.6	32.6	33.0
Depreciation	1,970	1,980	1,990	2,010	2,196	2,217	2,223	2,260	7,950	8,896
EBIT	**7,270**	**7,410**	**7,150**	**7,800**	**8,494**	**8,543**	**8,436**	**8,508**	**29,630**	**33,981**
Interest	750	640	570	560	580	540	520	510	2,520	2,150
Other Income	240	-160	330	-180	172	175	182	171	230	700
PBT before EO Expense	**6,760**	**6,610**	**6,910**	**7,060**	**8,086**	**8,178**	**8,098**	**8,169**	**27,340**	**32,531**
One-off expenses	200	0	0	410	0	0	0	0	610	0
Reported PAT	**4,570**	**4,530**	**5,030**	**4,980**	**6,024**	**6,035**	**6,017**	**6,037**	**19,110**	**24,113**
Adj PAT	**4,709**	**4,530**	**5,030**	**5,287**	**6,024**	**6,035**	**6,017**	**6,037**	**19,556**	**24,113**
YoY Change (%)	24.6	17.4	31.9	17.8	27.9	33.2	19.6	14.2	22.7	23.3
Margins (%)	16.5	15.7	17.9	17.9	18.8	18.6	18.5	18.3	17.0	18.5

E: MOFSL Estimates

Zydus Lifesciences

Neutral

CMP: INR1001 | TP: INR990 (-1%) **EPS CHANGE (%): FY26|27: (3.8)|(3)**

- Expect US sales to decline 4% YoY after robust growth for the past five quarters.
- Progress on clinical trials related to Saroglitazar Magnesium.
- Expect DF sales to grow 12% YoY for the quarter due to growth in cardiac/respiratory/antineoplastic supported by in-licensing deals.
- Any further M&A opportunity in med-tech space to support/complement amplitude deal.

Quarterly performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Net Revenues	**62,075**	**52,370**	**52,691**	**65,279**	**62,762**	**58,634**	**61,495**	**66,800**	**232,415**	**249,691**
YoY Change (%)	20.8	19.9	17.0	18.0	1.1	12.0	16.7	2.3	18.9	7.4
EBITDA	**21,092**	**14,160**	**13,000**	**21,649**	**19,582**	**15,597**	**16,112**	**17,835**	**69,901**	**69,126**
YoY Change (%)	37.6	33.1	20.2	33.2	-7.2	10.1	23.9	-17.6	31.8	-1.1
Margins (%)	34.0	27.0	24.7	33.2	31.2	26.6	26.2	26.7	30.1	27.7
Depreciation	2,153	2,336	2,290	2,379	2,656	2,471	2,580	2,793	9,158	10,501
EBIT	**18,939**	**11,824**	**10,710**	**19,270**	**16,926**	**13,125**	**13,531**	**15,042**	**60,743**	**58,625**
Interest	322	251	320	766	422	422	422	422	1,659	1,689
Other Income	632	682	575	806	750	775	750	700	2,695	2,975
PBT before EO Income	**19,249**	**12,255**	**10,965**	**19,310**	**17,254**	**13,478**	**13,859**	**15,320**	**61,779**	**59,911**
EO Exp/(Inc)	252	-454	-876	2,590	0	0	0	0	1,512	0
PBT after EO Income	**18,997**	**12,709**	**11,841**	**16,720**	**17,254**	**13,478**	**13,859**	**15,320**	**60,267**	**59,911**
Tax	4,361	3,731	1,795	4,232	3,796	3,100	3,257	3,524	14,119	13,676
Rate (%)	23.0	29.4	15.2	25.3	22.0	23.0	23.5	23.0	23.4	22.8
Min. Int/Adj on Consol	-437	131	192	-779	-700	-650	-550	-450	-893	-2,350
Reported PAT	**14,199**	**9,109**	**10,238**	**11,709**	**12,758**	**9,728**	**10,052**	**11,346**	**45,255**	**43,885**
Adj PAT	**14,393**	**8,788**	**9,495**	**13,643**	**12,758**	**9,728**	**10,052**	**11,346**	**46,320**	**43,885**
YoY Change (%)	28.2	19.1	26.3	16.1	-11.4	10.7	5.9	-16.8	22.3	-5.3
Margins (%)	23.2	16.8	18.0	20.9	20.3	16.6	16.3	17.0	19.9	17.6

E: MOFSL Estimates

Infrastructure

Company
G R Infraprojects
IRB Infrastructure Developers
KNR Constructions

Execution to be muted in 1Q; tender pipeline remains robust

Project awarding remains subdued in 1QFY26

- Project awarding by NHAI in 1QFY26 remains subdued with ~166km of projects being awarded, while construction stood at ~1,000km (project awarding by NHAI totaled 4,080km, while construction reached ~5,600km in FY25). NHAI has set a target of 4,500km to be awarded in FY26. Awarding is expected to accelerate in 2HFY26. The order pipeline continues to remain robust.
- Budgetary outlay for roads in the Union Budget 2025 was marginally increased by 2.4% YoY. This should continue to support project awarding going forward. The government's thrust on infrastructure development and improved credit availability from banks are highly encouraging factors.

FASTag toll collections improve sequentially; asset monetization in focus

- FAStag toll collections (in volume terms) improved ~16% YoY during 1QFY26, while collections in value terms increased ~20% YoY during the same period. Higher toll collections play a crucial role in expediting the monetization of road assets by the Ministry. Additionally, it benefits companies seeking to monetize their existing toll assets.
- NHAI's primary focus is on asset monetization as a means to generate funds beyond budgetary allocations.

Execution to be muted for our coverage universe on a YoY basis

- For our coverage universe (excl. IRB), we expect revenue to decrease 10% YoY (-13% QoQ). In line with execution, we expect operating profit for our coverage (excl. IRB) to decrease 21% YoY (-28% QoQ).
- IRB is likely to report ~14% YoY growth in sales due to higher BoT revenue (+13% YoY) and a marginal improvement in construction (+4% YoY). Led by high operating expenses, EBITDA is anticipated to grow 11% on a YoY basis.

Softening input prices to support margins for contractors

- Steel and aluminum prices have decreased ~25% each since Apr'22. Cement prices have increased ~8% from their lows in Sep'24.
- With higher construction activities and moderating commodity prices, road contractors anticipate some improvement in profitability and margins in 4QFY24 and beyond.

Players with a strong order book, balance sheet, and diversified operations well placed

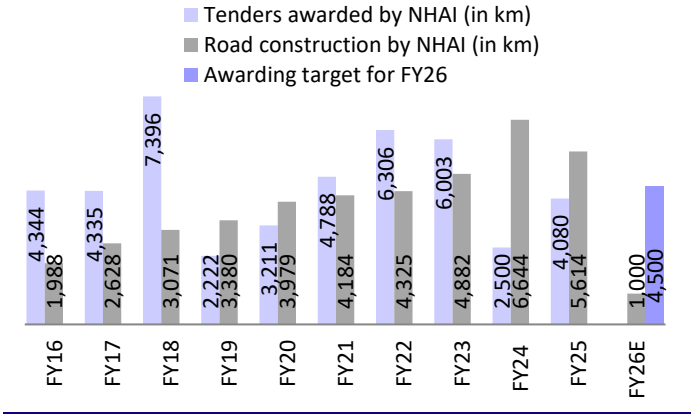
- Despite sluggishness in project awarding in 1QFY26, there is a robust pipeline of tenders in place. Entities having substantial order backlogs, strong financial standings, and engagement across various sectors are well-positioned to capitalize on NHAI's proactive approach to project allocation.
- Players with decent order books, strong balance sheets, and a presence in two or more segments are better placed to capitalize on the opportunity.

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Exhibit 1: Summary of expected quarterly performance

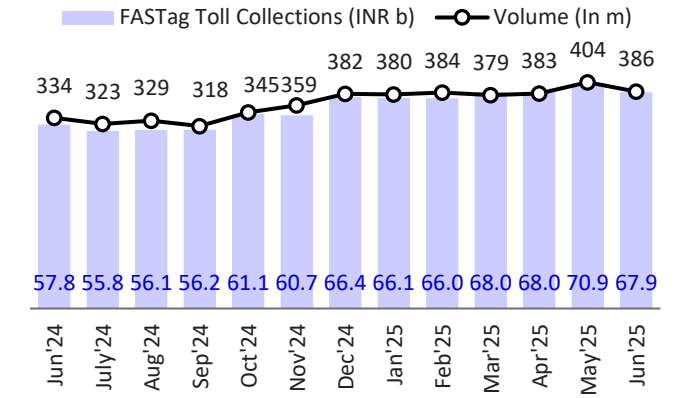
Company	CMP (INR)	Rating	Sales (INR m) Jun'25	Sales (INR m) Variance YoY	Sales (INR m) Variance QoQ	EBITDA (INR m) Jun'25	EBITDA (INR m) Variance YoY	EBITDA (INR m) Variance QoQ	Adjusted profit (INR m) Jun'25	Adjusted profit (INR m) Variance YoY	Adjusted profit (INR m) Variance QoQ
G R Infraprojects	1,323	Buy	17,121	-9.7	-11.9	2,020	-18.1	-32.9	1,744	-7.7	-39.1
IRB Infra.	50	Neutral	21,059	13.7	-2.0	9,477	10.6	-5.0	1,847	32.0	-14.0
KNR Constructions	220	Neutral	7,275	-11.2	-14.5	1,011	-25.4	-13.9	710	-12.1	-5.6
Infrastructure			**45,455**	**-0.5**	**-8.0**	**12,508**	**0.9**	**-11.7**	**4,301**	**5.0**	**-25.4**

Exhibit 2: Trends in NHAI awarding and construction



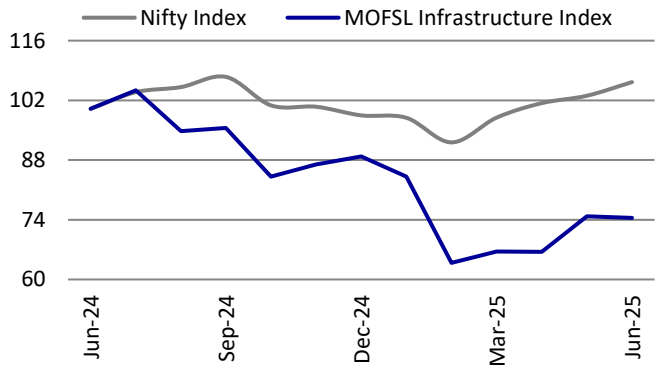
Source: NHAI, MOFSL

Exhibit 3: FASTag toll collections



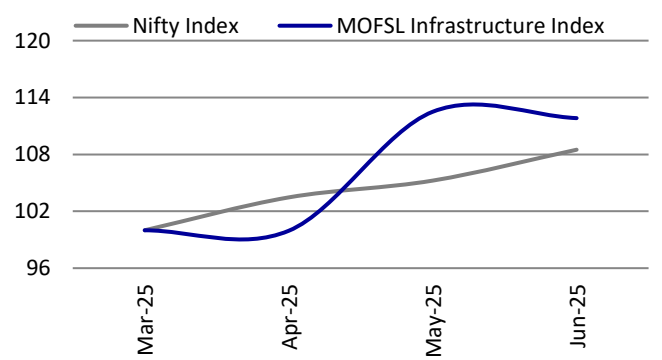
Source: NPCI, MOFSL

Exhibit 4: Relative performance – three-month (%)



Source: Bloomberg, MOFSL

Exhibit 5: Relative performance – one-year (%)



Source: Bloomberg, MOFSL

Exhibit 6: Comparative valuations

Company	CMP (INR)	Rating	EPS (INR) FY25	EPS (INR) FY26E	EPS (INR) FY27E	P/E (x) FY25	P/E (x) FY26E	P/E (x) FY27E	P/B (x) FY25	P/B (x) FY26E	P/B (x) FY27E	RoE (%) FY25	RoE (%) FY26E	RoE (%) FY27E
Infrastructure						**24.4**	**21.6**	**15.8**	**1.4**	**1.5**	**1.3**	**5.7**	**6.7**	**8.5**
G R Infra.	1,323	Buy	74.7	78.0	107.3	17.7	17.0	12.3	1.6	1.5	1.3	9.6	9.1	11.3
IRB Infra	50	Neutral	1.1	2.0	2.8	44.3	24.9	18.0	1.5	1.4	1.3	4.0	5.9	7.7
KNR Const.	220	Neutral	14.0	10.8	14.2	15.7	20.3	15.5	1.6	1.5	1.3	11.0	7.4	9.0

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter / financial year under review.

G R Infraprojects — Buy

CMP: INR1,323 | TP: INR1,520 (+15%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to decrease 10% YoY to INR17.1b in 1QFY26.
- Adjusted PAT to decrease ~8% YoY to INR1.7b. Profitability will be affected by muted execution.
- Expect EBITDA to be at ~INR2b and EBITDA margin at 11.8%. Muted execution and elevated costs will continue to hurt the EBITDA margin.
- Commentaries on execution, order inflows, and monetization of assets through the InvIT route are the key monitorables.

Quarterly snapshot (INR m)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**18,965**	**11,281**	**14,628**	**19,429**	**17,121**	**16,408**	**18,191**	**19,618**	**64,304**	**71,339**
YoY Change (%)	(11.9)	(28.3)	(19.0)	(9.9)	(9.7)	45.5	24.4	1.0	(16.4)	10.9
EBITDA	**2,466**	**1,171**	**1,546**	**3,009**	**2,020**	**1,920**	**2,383**	**2,594**	**8,193**	**8,917**
Margins (%)	13.0	10.4	10.6	15.5	11.8	11.7	13.1	13.2	12.7	12.5
Depreciation	632	631	612	572	630	640	650	648	2,448	2,568
Interest	281	214	207	155	160	165	150	155	857	630
Other Income	1,081	1,311	1,222	1,389	1,100	1,090	1,080	1,097	5,003	4,367
PBT before EO expense	**2,634**	**1,637**	**1,949**	**3,671**	**2,330**	**2,205**	**2,663**	**2,888**	**9,892**	**10,086**
Extra-Ord expense	(494)	356	377	849	-	-	-	-	1,088	-
PBT	**2,140**	**1,993**	**2,326**	**4,520**	**2,330**	**2,205**	**2,663**	**2,888**	**10,980**	**10,086**
Tax	621	845	640	807	587	555	670	727	2,913	2,539
Rate (%)	29.0	42.4	27.5	17.9	25.2	25.2	25.2	25.2	26.5	25.2
Reported PAT	**1,520**	**1,148**	**1,686**	**3,712**	**1,744**	**1,650**	**1,993**	**2,161**	**8,066**	**7,547**
Adj PAT	**1,890**	**1,161**	**1,309**	**2,864**	**1,744**	**1,930**	**1,993**	**2,161**	**7,224**	**7,547**
YoY Change (%)	(9.1)	(5.8)	(12.2)	27.3	(7.7)	66.2	52.2	(24.5)	2.4	4.5
Margins (%)	10.0	10.3	8.9	14.7	10.2	11.8	11.0	11.0	11.2	10.6

IRB Infrastructure Developers — Neutral

CMP: INR50 | TP: INR50 (0%) — **EPS CHANGE (%): FY26|27: -10|-**

- Expect ~4% YoY growth in construction revenue and 13% YoY growth in BoT revenue.
- Adjusted PAT to be ~INR1.8b (+32% YoY).
- Expect operating margin at 45% (-130bp YoY). IRB to be cautious in bidding due to aggressive bidding in the NHAI projects.
- New order wins in the construction segment are the key monitorables.

Quarterly snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**18,529**	**15,858**	**20,254**	**21,492**	**21,059**	**21,227**	**25,861**	**26,201**	**76,135**	**94,348**
YoY Change (%)	13.4	(9.1)	2.9	4.3	13.7	33.9	27.7	21.9	2.8	23.9
EBITDA	**8,570**	**7,667**	**9,842**	**9,979**	**9,477**	**10,040**	**12,439**	**12,621**	**36,059**	**44,577**
Margins (%)	46.3	48.3	48.6	46.4	45.0	47.3	48.1	48.2	47.4	47.2
Depreciation	2,550	2,312	2,651	2,863	2,840	2,835	2,820	2,818	10,376	11,313
Interest	4,387	4,342	4,614	4,576	4,700	4,710	4,750	4,749	17,919	18,909
Other Income	1,187	1,658	649	686	780	850	885	830	4,181	3,345
PBT before EO expense	**2,820**	**2,671**	**3,227**	**3,225**	**2,717**	**3,345**	**5,754**	**5,883**	**11,944**	**17,699**
Extra-Ord expense	-	-	58,041	-	-	-	-	-	58,041	-
PBT	**2,820**	**2,671**	**61,268**	**3,225**	**2,717**	**3,345**	**5,754**	**5,883**	**69,985**	**17,699**
Tax	887	835	1,008	1,078	869	1,071	1,841	1,883	3,808	5,664
Rate (%)	31.4	31.3	1.6	33.4	32.0	32.0	32.0	32.0	5.4	32.0
Share of profit in Associates	(534)	(837)	-	-	-	-	-	-	(1,371)	-
Reported PAT	**1,400**	**999**	**60,261**	**2,147**	**1,847**	**2,275**	**3,913**	**4,001**	**64,806**	**12,036**
Adj PAT	**1,400**	**999**	**2,219**	**2,147**	**1,847**	**2,275**	**3,913**	**4,001**	**6,765**	**12,036**
YoY Change (%)	4.6	4.3	18.4	13.7	32.0	127.8	76.3	86.3	11.7	77.9
Margins (%)	7.6	6.3	11.0	10.0	8.8	10.7	15.1	15.3	8.9	12.8

KNR Constructions

Neutral

CMP: INR220 | TP: INR220 (+0%)

EPS CHANGE (%): FY26|27: -|-

- Expect revenue of INR7.3b (-11% YoY) during the quarter.
- Expect adjusted PAT of INR710m (-12% YoY).
- Expect EBITDA of INR1b and anticipate operating margin to contract 270bp YoY due to muted execution.
- New order wins and updates on irrigation receivables are the key monitorables.

Quarterly snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**8,193**	**8,561**	**7,079**	**8,512**	**7,275**	**7,032**	**7,881**	**8,123**	**32,344**	**31,426**
YoY Change (%)	-11.9	-9.1	-21.8	-27.8	-11.2	-17.9	11.3	-4.6	-18.2	-2.8
EBITDA	**1,356**	**1,380**	**1,173**	**1,175**	**1,011**	**970**	**1,111**	**1,151**	**5,084**	**4,740**
Margins (%)	16.6	16.1	16.6	13.8	13.9	13.8	14.1	14.2	15.7	15.1
Depreciation	225	226	229	223	240	242	244	242	903	918
Interest	41	20	31	38	28	30	29	28	129	117
Other Income	51	575	130	185	205	220	250	234	941	1,095
PBT before EO expense	**1,141**	**1,709**	**1,044**	**1,099**	**948**	**918**	**1,088**	**1,115**	**4,993**	**4,800**
Extra-Ord expense	531	1,867	919	0	0	0	0	0	3,317	2,786
Tax	334	344	253	348	239	231	274	281	1,279	1,184
Rate (%)	29.2	20.1	24.3	31.6	25.2	25.2	25.2	25.2	25.6	24.7
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**1,339**	**3,344**	**1,822**	**752**	**710**	**687**	**814**	**834**	**7,257**	**3,045**
Adj PAT	**807**	**1,477**	**903**	**752**	**710**	**687**	**814**	**834**	**3,939**	**3,045**
YoY Change (%)	-26.8	47.9	5.6	-43.4	-12.1	-53.5	-9.8	11.0	-8.1	-22.7
Margins (%)	9.9	17.3	12.8	8.8	9.8	9.8	10.3	10.3	12.2	9.7

Logistics

Company
Blue Dart Express
Container Corporation of India
Mahindra Logistics
Transport Corporation of India
TCI Express
Adani Ports & SEZ
VRL Logistics
JSW Infrastructure

Gradual recovery in logistics activity amid cost pressures

Margins to improve YoY

Daily average e-way bill generation rises; port volumes grow YoY

- Logistics activity continued to show signs of recovery in 1QFY26, with consumption—particularly in rural areas—picking up gradually. Macro indicators such as e-way bill generation, GST collections, and FASTag toll data also reflect the gradual improvement in logistics activity. However, elevated fuel prices and higher toll charges continue to weigh on transportation costs.
- Indian Railways recorded a modest 2% YoY increase in freight volumes in 1QFY26, reaching 413MT. Strong double-digit growth was observed in finished steel, container traffic, and food grains, while EXIM volumes remained subdued due to global trade headwinds and a possible shift in modal preferences.
- Daily average e-way bill generation increased ~21% YoY during Apr-May'25. Fleet utilization stood at 80-85%. Daily average FASTag toll collections rose ~18% YoY during 1Q FY26.
- Port volumes increased ~6% YoY to 147MT during Apr-May'25.

Freight rates stable amid the high cost of operations

- Due to consistently high operational expenses and increased retail fuel costs, freight rates have remained elevated. Fleet operators face rising costs from diesel, truck expenses, and compliance, such as GST and e-way bills.
- With a marginal increase in volumes and stable diesel prices, organized players are likely to experience a slight margin improvement on a sequential basis.

Road logistics activity picks up in 1Q; ports activity improves YoY

- We expect our coverage universe (excluding APSEZ and JSWINFRA) to report sales growth of 10% YoY (+1% QoQ), EBITDA growth of 25% YoY (+8% QoQ), and PAT growth of 39% YoY (+6% QoQ) in 1QFY26.
- With pickup in economic activity indicated by macro factors such as GST and E-way bill data, the freight/supply chain/seaways business of TRPC is expected to report revenue growth of ~11%/18%/6% YoY. The Seaways division is expected to lead margins for the company.
- Container Corporation of India (CONCOR) is expected to report ~7% volume growth driven by 10% YoY growth in domestic volumes, while EXIM volumes are likely to rise 6% YoY in 1QFY26. Margins are also expected to improve 50bp YoY.
- In 1QFY26, APSEZ reported volume growth of 11% YoY, and JSWINFRA is expected to post volume growth of 5% YoY.

Organized and integrated service providers likely to gain market share

- The industry trend is shifting towards integrated supply chain services and sophisticated solutions (such as inventory optimization and data analytics) from standalone offerings like transportation and warehousing.
- The logistics sector remains robust, propelled by government-driven reforms, changing industry preferences, and the rise of new business sectors such as e-commerce and network services.

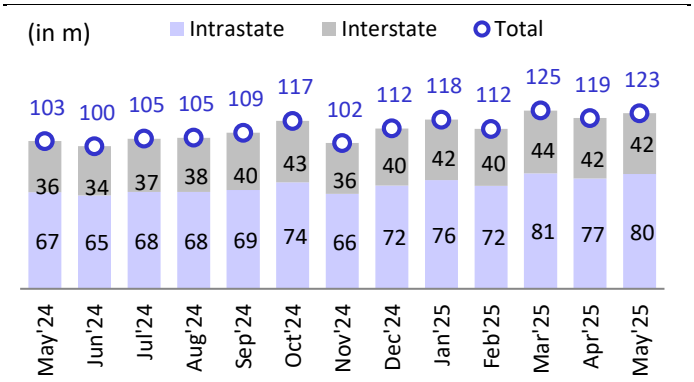
Alok Deora - Research analyst (Alok.Deora@motilaloswal.com)

Saurabh Dugar - Research analyst (Saurabh.Dugar@motilaloswal.com)

Exhibit 1: Summary of expected quarterly performance

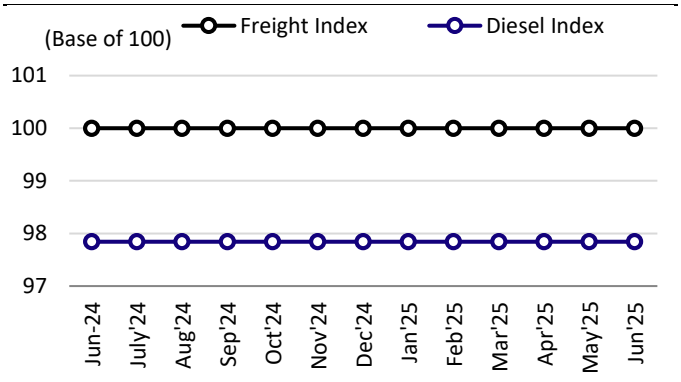
Company	CMP (INR)	Rating	Sales (INR m) Jun'25	Sales Variance YoY	Sales Variance QoQ	EBITDA (INR m) Jun'25	EBITDA Variance YoY	EBITDA Variance QoQ	Net profit (INR m) Jun'25	Net profit Variance YoY	Net profit Variance QoQ
Blue Dart	6,854	Buy	14,646	9%	3%	1,538	41%	30%	754	46%	42%
CONCOR	746	Buy	22,852	9%	0%	4,822	12%	11%	3,225	26%	7%
Mahindra Logistics	345	Neutral	16,398	15%	4%	828	25%	7%	93	LP	LP
Transport Corp.	1,138	Buy	11,955	14%	1%	1,279	23%	5%	1041	14%	-9%
TCI Express	764	Neutral	3,141	7%	2%	336	3%	28%	242	9%	25%
Adani Ports	1,447	Buy	85,838	23%	1%	51,589	22%	3%	30,791	17%	0%
JSW Infrastructure	314	Buy	12,243	21%	-5%	6,171	20%	-4%	3,593	20%	-19%
VRL Logistics	586	Buy	7,385	2%	-9%	1,573	81%	-16%	537	300%	-28%
Logistics			**1,74,457**	**17%**	**1%**	**68,136**	**22%**	**3%**	**40,276**	**20%**	**-1%**

Exhibit 2: E-way bill generation



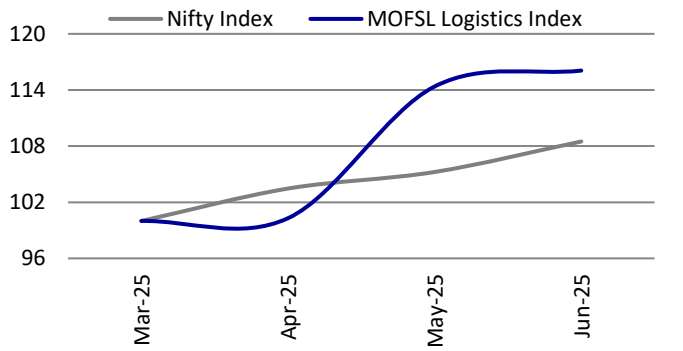
Source: GSTN, MOFSL

Exhibit 3: Movement in freight rates vs. diesel prices



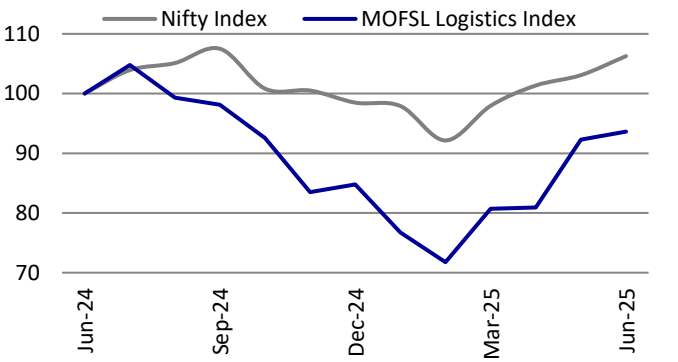
Source: IFTRT, MOFSL

Exhibit 4: Relative performance – three-month (%)



Source: Bloomberg, MOFSL

Exhibit 5: Relative performance – one-year (%)



Source: Bloomberg, MOFSL

Exhibit 6: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR) FY25	EPS FY26E	EPS FY27E	PE (x) FY25	PE FY26E	PE FY27E	PB (x) FY25	PB FY26E	PB FY27E	ROE (%) FY25	ROE FY26E	ROE FY27E
Logistics						**27.4**	**25.6**	**21.7**	**4.4**	**4.4**	**3.7**	**16.0**	**17.0**	**17.2**
Adani Ports	1,447	Buy	50.2	63.2	73.4	28.8	22.9	19.7	5.0	4.2	3.6	18.8	20.0	19.6
Blue Dart Express	6,854	Buy	103.1	145.7	191.0	66.5	47.0	35.9	10.0	8.5	7.1	16.0	19.6	21.5
Concor	597	Buy	17.0	19.7	23.7	35.0	30.3	25.2	3.7	3.4	3.2	10.7	11.7	13.1
JSW Infra	314	Buy	7.0	7.5	9.4	45.0	41.7	33.3	6.7	6.0	5.2	16.3	15.4	16.7
Mahindra Logistics	345	Neutral	-5.0	10.1	21.3	-68.9	34.3	16.2	5.6	5.0	3.9	-7.5	15.0	26.5
TCI Express	764	Neutral	22.4	28.2	34.2	34.1	27.0	22.3	3.8	3.5	3.1	11.7	13.5	14.7
Transport Corp.	1,138	Buy	53.5	57.5	66.6	21.3	19.8	17.1	4.1	3.5	2.9	19.5	18.6	18.4
VRL Logistics	586	Buy	20.9	26.5	29.2	28.0	22.1	20.1	4.7	4.3	4.0	18.0	20.5	20.6

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter / financial year under review.

Blue Dart Express — Buy

CMP: INR6,854 | TP: INR7,900 (+15%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to increase 9% YoY to INR14.6b in 1QFY26 as volumes from new routes start to pick up.
- Expect adjusted PAT to grow 46% YoY to INR754m.
- Expect EBITDA to be ~INR1.5b. EBITDA margin to improve 240bp YoY with pickup in volumes and better realization.
- Volume growth in the air and surface express segments and movement in ATF prices are the key monitorables.

Quarterly snapshot - Standalone

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**13,427**	**14,485**	**15,117**	**14,173**	**14,646**	**15,968**	**16,825**	**16,501**	**57,202**	**63,940**
YoY Change (%)	8.5	9.4	9.3	7.1	9.1	10.2	11.3	16.4	8.6	11.8
EBITDA	**1,094**	**1,219**	**1,462**	**1,181**	**1,538**	**1,677**	**1,817**	**1,797**	**4,956**	**6,828**
Margins (%)	8.1	8.4	9.7	8.3	10.5	10.5	10.8	10.9	8.7	10.7
YoY Change (%)	-3.4	-6.6	8.9	-15.3	40.5	37.6	24.3	52.2	-4.2	37.8
Depreciation	523	519	522	529	650	668	690	691	2,092	2,699
Interest	70	70	73	75	82	85	80	81	288	328
Other Income	191	190	196	206	202	208	206	206	783	822
PBT before EO expense	**693**	**819**	**1,064**	**782**	**1,008**	**1,132**	**1,253**	**1,231**	**3,359**	**4,623**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**693**	**819**	**1,064**	**782**	**1,008**	**1,132**	**1,253**	**1,231**	**3,359**	**4,623**
Tax	178	212	273	250	254	285	316	310	912	1,165
Rate (%)	25.7	25.9	25.6	32.0	25.2	25.2	25.2	25.2	27.2	25.2
Reported PAT	**515**	**608**	**791**	**532**	**754**	**846**	**937**	**921**	**2,446**	**3,458**
Adj PAT	**515**	**608**	**791**	**532**	**754**	**846**	**937**	**921**	**2,446**	**3,458**
YoY Change (%)	-13.8	-14.8	-3.0	-30.0	46.3	39.3	18.4	73.0	-15.2	41.4
Margins (%)	3.8	4.2	5.2	3.8	5.1	5.3	5.6	5.6	4.3	5.4

Container Corp. of India (CONCOR) — Buy

CMP: INR746 | TP: INR760 (+2%) — **EPS CHANGE (%): FY26|27: -12|-11**

- Expect volumes to rise ~7% YoY.
- EBITDA margin to improve 50bp YoY to 21.1%
- Adj. PAT to increase to ~INR3.2b (+26% YoY) primarily due to strong domestic volumes and lower LLF expense.
- Expect EXIM/domestic volumes to grow ~6%/10% YoY.
- Growth in EXIM trade, progress on commissioning of the DFC, and divestment of stake by the government are the key monitorables.

Standalone quarterly snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**20,971**	**22,830**	**22,019**	**22,814**	**22,852**	**24,921**	**25,504**	**25,755**	**88,634**	**99,032**
YoY Change (%)	9.3	4.2	-0.1	-1.6	9.0	9.2	15.8	12.9	2.7	11.7
EBITDA	**4,319**	**5,750**	**4,583**	**4,335**	**4,822**	**5,383**	**5,764**	**5,938**	**18,986**	**21,906**
Margins (%)	20.6	25.2	20.8	19.0	21.1	21.6	22.6	23.1	21.4	22.1
YoY Change (%)	10.3	7.0	-10.4	-11.4	11.6	-6.4	25.8	37.0	-1.6	15.4
Depreciation	1,649	1,617	810	1,552	1,530	1,500	1,450	1,472	5,628	5,952
Interest	181	177	171	166	150	152	148	150	695	600
Other Income	924	1,301	995	1,432	1,170	1,175	1,185	1,172	4,652	4,702
PBT before EO expense	**3,413**	**5,257**	**4,596**	**4,049**	**4,312**	**4,906**	**5,351**	**5,488**	**17,314**	**20,056**
Extra-Ord expense	0	333	0	0	0	0	0	0	-333	0
PBT	**3,413**	**4,923**	**4,596**	**4,049**	**4,312**	**4,906**	**5,351**	**5,488**	**16,981**	**20,056**
Tax	859	1,213	1,162	1,027	1,087	1,236	1,348	1,383	4,261	5,054
Rate (%)	25.2	24.6	25.3	25.4	25.2	25.2	25.2	25.2	25.1	25.2
Reported PAT	**2,554**	**3,711**	**3,434**	**3,021**	**3,225**	**3,670**	**4,003**	**4,105**	**12,720**	**15,002**
Adj PAT	**2,554**	**3,960**	**3,434**	**3,021**	**3,225**	**3,670**	**4,003**	**4,105**	**12,970**	**15,002**
YoY Change (%)	4.6	10.7	2.7	0.7	26.3	-7.3	16.5	35.9	4.9	15.7
Margins (%)	12.2	17.3	15.6	13.2	14.1	14.7	15.7	15.9	14.6	15.1

Mahindra Logistics — Neutral

CMP: INR345 | TP: INR330 (-4%) — **EPS CHANGE (%): FY26|27: -29|-20**

- Expect revenue to rise ~15% YoY to INR16.4b.
- Expect Adj. PAT of INR93m as B2B express volumes (Rivigo) start to gain momentum
- Expect EBITDA to be at INR828m (+25% YoY) and project a margin improvement of 30bps YoY.
- Operating profitability in Rivigo business, and the outlook on MM's auto segment sales, would be the key monitorables.

Quarterly snapshot (INR m)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**14,200**	**15,211**	**15,942**	**15,695**	**16,398**	**17,366**	**19,534**	**19,435**	**61,048**	**72,732**
YoY Change (%)	9.8	11.5	14.1	8.2	15.5	14.2	22.5	23.8	10.9	19.1
EBITDA	**663**	**664**	**737**	**777**	**828**	**886**	**1,006**	**979**	**2,841**	**3,699**
Margins (%)	4.7	4.4	4.6	5.0	5.0	5.1	5.1	5.0	4.7	5.1
YoY Change (%)	-0.5	23.9	41.1	37.3	24.9	33.4	36.5	26.0	24.0	30.2
Depreciation	550	540	590	584	570	566	568	572	2,263	2,276
Interest	195	191	221	206	175	175	150	147	812	647
Other Income	57	17	63	22	39	40	48	47	158	174
PBT before EO Items	**-25**	**-50**	**-11**	**9**	**122**	**185**	**336**	**307**	**-77**	**950**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**-25**	**-50**	**-11**	**9**	**122**	**185**	**336**	**307**	**-77**	**950**
Tax	53	46	61	62	31	46	85	77	223	239
Rate (%)	NA	NA	NA	NA	25.2	25.2	25.2	25.2	NA	NA
PAT before MI, Associates	**-78**	**-96**	**-72**	**-53**	**91**	**138**	**251**	**230**	-300	711
Share of associates/ Minority Interest	-15	-11	-18	-14	2	3	3	3	-59	10
Reported PAT	**-93**	**-107**	**-90**	**-68**	**93**	**141**	**254**	**232**	**-359**	**721**
Adj PAT	**-93**	**-107**	**-90**	**-68**	**93**	**141**	**254**	**232**	**-359**	**721**
YoY Change (%)	NA	NA	NA	NA	LP	LP	LP	LP	NA	LP
Margins (%)	-0.7	-0.7	-0.6	-0.4	0.6	0.8	1.3	1.2	-0.6	1.0

Transport Corporation of India — Buy

CMP: INR1,138 | TP: INR1,330 (+17%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to increase ~14% YoY to INR11.9b propelled by 18% YoY growth in the supply chain segment and 11% YoY growth in the freight segment.
- Expect adjusted PAT to be at INR1b (+14% YoY) in 1QFY26.
- Expect EBITDA at INR1.3b (+23% YoY) and EBITDA margin at 10.7% (+80bp YoY) due to the improvement in freight business.
- Volume growth in the freight business and margin in the seaways business are the key monitorables.

Quarterly snapshot (INR m)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**10,451**	**11,208**	**11,471**	**11,788**	**11,955**	**12,361**	**13,348**	**13,510**	**44,918**	**51,173**
YoY Change (%)	10.0	12.8	14.5	9.3	14.4	10.3	16.4	14.6	11.6	13.9
EBITDA	**1,038**	**1,171**	**1,185**	**1,217**	**1,279**	**1,347**	**1,495**	**1,498**	**4,611**	**5,619**
Margins (%)	9.9	10.4	10.3	10.3	10.7	10.9	11.2	11.1	10.3	11.0
YoY Change (%)	3.0	16.6	18.6	11.2	23.2	15.1	26.2	23.1	12.3	21.9
Depreciation	290	291	305	292	380	400	430	455	1,178	1,665
Interest	42	46	59	55	30	35	40	40	202	145
Other Income	109	106	68	184	130	120	130	134	467	514
PBT before EO expense	**815**	**940**	**889**	**1,054**	**999**	**1,032**	**1,155**	**1,136**	**3,698**	**4,323**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**815**	**940**	**889**	**1,054**	**999**	**1,032**	**1,155**	**1,136**	**3,698**	**4,323**
Tax	110	109	93	121	140	145	162	159	433	605
Rate (%)	13.5	11.6	10.5	11.5	14.0	14.0	14.0	14.0	11.7	14.0
Minority Interest	-6.0	-9.0	-12.0	-9.0	-8.0	-7.0	-7.6	-7.4	-36.0	-30.0
Profit/Loss of Asso. Cos	211	242	225	218	190	180	185	188	896	743
Reported PAT	**910**	**1,064**	**1,009**	**1,142**	**1,041**	**1,061**	**1,171**	**1,158**	**4,125**	**4,431**
Adj PAT	**910**	**1,064**	**1,009**	**1,142**	**1,041**	**1,061**	**1,171**	**1,158**	**4,125**	**4,431**
YoY Change (%)	10.6	22.3	27.1	9.3	14.4	-0.3	16.0	1.4	16.8	7.4
Margins (%)	8.7	9.5	8.8	9.7	8.7	8.6	8.8	8.6	9.2	8.7

TCI Express — Neutral

CMP: INR764 | TP: INR750 (-2%) — **EPS CHANGE (%): FY26|27: -6|-3**

- Expect revenue to increase ~7% YoY to ~INR3.1b.
- Expect Adj. PAT to increase to INR242m (+9% YoY) primarily due to weak volumes and higher operating expenses.
- Expect EBITDA at INR336m; margin to contract 50bp YoY due to weak volume growth.
- Outlook on the B2B express segment and competitive scenario are the key monitorables.

Quarterly snapshot (INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**2,930**	**3,115**	**2,965**	**3,073**	**3,141**	**3,232**	**3,281**	**3,282**	**12,083**	**12,936**
YoY Change (%)	-3.9	-2.6	-4.9	-3.1	7.2	3.8	10.7	6.8	-3.6	7.1
EBITDA	**327**	**368**	**289**	**263**	**336**	**368**	**423**	**383**	**1,247**	**1,510**
Margins (%)	11.2	11.8	9.8	8.5	10.7	11.4	12.9	11.7	10.3	11.7
YoY Change (%)	-29.4	-27.1	-36.6	-41.4	2.7	0.2	46.2	45.8	-33.4	21.1
Depreciation	51	53	53	59	52	50	54	53	216	209
Interest	3	3	3	5	0	0	0	0	13	0
Other Income	23	25	26	61	40	35	33	37	134	145
PBT before EO expense	**297**	**336**	**259**	**260**	**324**	**353**	**402**	**367**	**1,152**	**1,446**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**297**	**336**	**259**	**260**	**324**	**353**	**402**	**367**	**1,152**	**1,446**
Tax	74	87	67	66	82	89	101	92	294	364
Rate (%)	24.8	25.8	26.0	25.5	25.2	25.2	25.2	25.2	25.5	25.2
Reported PAT	**223**	**249**	**192**	**194**	**242**	**264**	**300**	**274**	**858**	**1,081**
Adj PAT	**223**	**249**	**192**	**194**	**242**	**264**	**300**	**274**	**858**	**1,081**
YoY Change (%)	-31.0	-29.9	-40.4	-38.7	8.6	6.1	56.5	41.7	-34.8	26.0
Margins (%)	7.6	8.0	6.5	6.3	7.7	8.2	9.2	8.4	7.1	8.4

VRL Logistics — Buy

CMP: INR586 | TP: INR700 (+19%) — **EPS CHANGE (%): FY26|27: -5|-1**

- Expect revenue to increase ~2% YoY to INR8.3b, driven by 18% YoY growth in realization due to the price hikes undertaken. Volumes are expected to decline 13% YoY due to volume loss from low-margin customers.
- Expect adjusted PAT to be at INR537m (+300% YoY) due to the lower base of 1QFY25.
- Expect EBITDA to be at ~INR1.6b; EBITDA margin to increase 940bp YoY due to higher realizations and higher sourcing of refinery fuel.
- Addition of fleet, branch expansion, and volume growth are the key monitorables.

Quarterly snapshot (INR m)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**7,272**	**7,995**	**8,252**	**8,090**	**7,385**	**8,023**	**8,468**	**8,682**	**31,609**	**32,558**
YoY Change (%)	7.9	12.7	12.0	5.3	1.6	0.4	2.6	7.3	9.4	3.0
EBITDA	**869**	**1,331**	**1,664**	**1,866**	**1,573**	**1,587**	**1,694**	**1,728**	**5,730**	**6,583**
Margins (%)	11.9	16.6	20.2	23.1	21.3	19.8	20.0	19.9	18.1	20.2
YoY Change (%)	-14.7	44.9	76.3	77.1	81.0	19.3	1.8	-7.4	45.6	14.9
Depreciation	615	638	646	638	700	720	735	740	2,536	2,895
Interest	226	224	241	258	225	220	220	223	948	888
Other Income	148	25	57	25	70	82	72	82	255	306
PBT before EO expense	**176**	**493**	**835**	**996**	**718**	**729**	**811**	**846**	**2,500**	**3,105**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**176**	**493**	**835**	**996**	**718**	**729**	**811**	**846**	**2,500**	**3,105**
Tax	42	135	240	253	181	184	204	213	670	782
Rate (%)	23.6	27.3	28.8	25.4	25.2	25.2	25.2	25.2	26.8	25.2
Reported PAT	**134**	**358**	**594**	**743**	**537**	**545**	**607**	**633**	**1,829**	**2,322**
Adj PAT	**134**	**358**	**594**	**743**	**537**	**545**	**607**	**633**	**1,829**	**2,322**
YoY Change (%)	-60.4	84.4	333.9	244.6	299.6	52.1	2.1	-14.8	106.5	26.9
Margins (%)	1.8	4.5	7.2	9.2	7.3	6.8	7.2	7.3	5.8	7.1

Adani Ports & SEZ — Buy

CMP: INR1,447 | TP: INR1,700 (+18%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to jump ~23% YoY to INR86b, driven by 11% YoY growth in port volumes.
- Expect adjusted PAT to be at INR31b (+17% YoY)
- Expect EBITDA at INR52b; EBITDA margin to increase 110bps QoQ due higher share of containers in the overall cargo mix.
- Improvement in utilization at the existing and recently acquired ports and growth in the logistics business remain the key monitorables.

Quarterly snapshot (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**69,563**	**70,670**	**79,636**	**84,884**	**85,838**	**88,081**	**93,980**	**96,026**	**3,04,753**	**3,63,925**
YoY Change (%)	11.3	6.3	15.1	23.1	23.4	24.6	18.0	13.1	14.1	19.4
EBITDA	**42,445**	**43,689**	**48,021**	**50,060**	**51,589**	**53,025**	**56,858**	**58,285**	**1,84,214**	**2,19,756**
Margins (%)	61.0	61.8	60.3	59.0	60.1	60.2	60.5	60.7	60.4	60.4
Depreciation	10,119	10,766	11,058	11,847	11,850	11,820	11,830	11,825	43,789	47,325
Interest	6,554	6,886	7,587	6,754	6,750	6,450	6,300	6,347	27,780	25,847
Other Income	4,946	3,054	2,234	2,812	3,300	3,500	3,800	3,749	13,045	14,349
PBT before EO expense	**30,718**	**29,091**	**31,610**	**34,271**	**36,289**	**38,255**	**42,528**	**43,862**	**1,25,689**	**1,60,933**
Extra-Ord expense	-5,980	225	1,925	640	0	0	0	0	-3,191	0
PBT	**36,698**	**28,866**	**29,685**	**33,631**	**36,289**	**38,255**	**42,528**	**43,862**	**1,28,881**	**1,60,933**
Tax	4,854	4,726	5,015	5,088	5,552	5,834	6,486	6,707	19,684	24,579
Rate (%)	13.2	16.4	16.9	15.1	15.3	15.3	15.3	15.3	15.3	15.3
MI and Associates	716	-310	-532	-1,600	-55	-54	-58	-57	-1,726	-224
Reported PAT	**31,128**	**24,450**	**25,203**	**30,142**	**30,791**	**32,475**	**36,100**	**37,211**	**1,10,923**	**1,36,578**
Adj PAT	**26,344**	**24,629**	**26,742**	**30,654**	**30,791**	**32,475**	**36,100**	**37,211**	**1,08,370**	**1,36,578**
YoY Change (%)	28.7	10.9	13.6	33.7	16.9	31.9	35.0	21.4	21.6	26.0

JSW Infrastructure — Buy

CMP: INR314 | TP: INR370 (+18%) — **EPS CHANGE (%): FY26|27: -|-**

- Expect revenue to increase ~21% YoY to INR12.2b, driven by realization growth.
- Expect adjusted PAT to be at ~INR3.6b (+20% YoY)
- Expect EBITDA at INR6.2b; EBITDA margin to decline marginally YoY.
- Improvement in utilization at the existing and the recently acquired ports remains the key monitorables.

Quarterly snapshot (INR m)

Y/E March (INR m)	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**10,098**	**10,014**	**11,818**	**12,832**	**12,243**	**13,312**	**14,178**	**14,374**	**44,761**	**54,107**
YoY Change (%)	15.0	18.0	25.7	17.0	21.2	32.9	20.0	12.0	19.0	20.9
EBITDA	**5,146**	**5,205**	**5,861**	**6,409**	**6,171**	**6,683**	**7,146**	**7,195**	**22,622**	**27,194**
Margins (%)	51.0	52.0	49.6	49.9	50.4	50.2	50.4	50.1	50.5	50.3
YoY Change (%)	14.0	15.1	22.1	10.3	19.9	28.4	21.9	12.3	15.1	20.2
Depreciation	1,346	1,339	1,376	1,405	1,700	1,830	1,870	1,928	5,466	7,328
Interest	740	747	974	940	820	830	810	784	3,401	3,244
Other Income	939	868	835	887	890	910	870	895	3,530	3,565
PBT before EO expense	**3,999**	**3,988**	**4,346**	**4,952**	**4,541**	**4,933**	**5,336**	**5,379**	**17,285**	**20,188**
Extra-Ord expense	83	-1,551	1,586	-862	0	0	0	0	-744	0
PBT	**3,916**	**5,539**	**2,759**	**5,814**	**4,541**	**4,933**	**5,336**	**5,379**	**18,028**	**20,188**
Tax	951	1,802	-597	658	908	987	1,067	1,076	2,814	4,038
Rate (%)	24.3	32.5	-21.6	11.3	20.0	20.0	20.0	20.0	15.6	20.0
Minority Interest	-41.1	-22.2	-58.6	-62.1	-40.0	-50.0	-48.0	-46.0	-184.0	-184.0
Profit/Loss of Asso. Cos	0	0	0	0	0	0	0	0	0	0
Reported PAT	**2,924**	**3,715**	**3,298**	**5,094**	**3,593**	**3,896**	**4,221**	**4,257**	**15,031**	**15,966**
Adj PAT	**2,987**	**2,629**	**4,408**	**4,447**	**3,593**	**3,896**	**4,221**	**4,257**	**14,471**	**15,966**
YoY Change (%)	16.9	4.7	43.2	18.9	20.3	48.2	-4.3	-4.3	21.8	10.3
Margins (%)	29.6	26.3	37.3	34.7	29.3	29.3	29.8	29.6	32.3	29.5

Metals

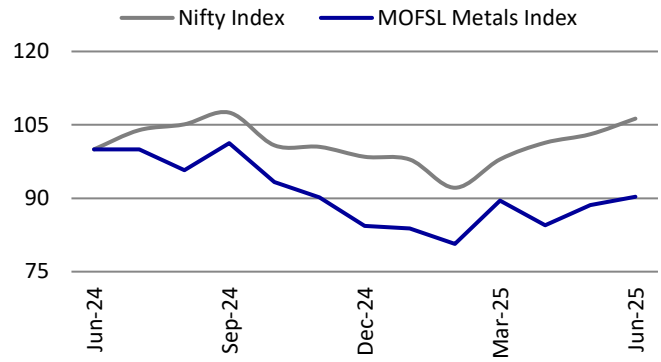
Company
Coal India
Hindalco Industries
Hindustan Zinc
Jindal Steel & Power
JSW Steel
NMDC
National Aluminum Co.
Steel Authority of India
Tata Steel
Vedanta

High steel prices with muted cost to drive earnings; non-ferrous earnings to soften over muted volume and prices

- Domestic HRC prices surged INR3,300/t QoQ in 1QFY26 (vs. INR46,500/t in mid-Jan'25), primarily led by a 12% safeguard duty. Average primary rebar prices improved INR2,100/t QoQ, supported by strong construction demand.
- Global prices continue to remain under pressure, led by Chinese oversupply resulting from weak domestic consumption. China HRC export prices (FOB) declined 3% QoQ to USD453/t during the quarter. While the US tariff tension has become a potential headwind for the industry, the safeguard duty in India is providing support to domestic prices in the near term.
- On the non-ferrous front, commodities saw a sequential price correction in 1QFY26. The average price declined 7% QoQ for Aluminum/Zinc and declined 2% QoQ for Lead, while Copper prices increased 2% QoQ in 1QFY26.
- Coking coal (premium HCC) prices continued to hover at USD190-200/t, with average prices remaining flat QoQ at USD200/t in 1QFY26. Ferrous companies had guided for a coking coal benefit of USD10-15/t in 1QFY26, driven by low-cost inventories.
- During the quarter, volumes are expected to remain soft QoQ, led by the early onset of monsoon and a higher base in 4QFY25. As a result, we believe muted volumes will weigh on QoQ performance for both ferrous and non-ferrous players. However, improved ferrous NSR and muted costs are expected to support margins for ferrous players.
- **We have a BUY rating on JSL, JSTL, JSP, and HNDL.**
- **Ferrous:** We expect ferrous companies to report a volume decline of 11% QoQ (+6% YoY), which would be partially offset by an NSR improvement of 4% QoQ (-7% YoY), resulting in a revenue decline of 7% QoQ (-1% YoY) in 1QFY26. Muted coking coal costs (USD10-15/t) and healthy NSR are likely to improve EBITDA/t by INR1,500/t during the quarter. Overall, we believe EBITDA will increase 2% QoQ (+11% YoY) for ferrous companies in our coverage universe (Tata Steel Europe to post EBITDA breakeven in 1QFY26, led by better pricing and cost-saving measures).
- **Non-ferrous:** Non-ferrous companies under our coverage are expected to post an aggregate revenue and EBITDA decline of 8% and 18% QoQ, respectively, led by muted volumes and sequential price corrections. However, they are projected to post a 5% and 2% YoY increase, respectively.
- **Mining:** Coal India recorded 190mt volumes, declining 5% QoQ and 4% YoY, which is expected to result in a revenue decline of 2% QoQ (+2 YoY) in 1QFY26. Similarly, NMDC sales volumes declined 5% QoQ (+20% YoY) to 12.1mt, while prices increased 3% QoQ (+6% YoY) in 1QFY26. As a result, we expect NMDC's revenue to decline 2% QoQ (+27% YoY). EBITDA and PAT are expected to grow 15% and 21% QoQ, led by lower costs in 1QFY26.

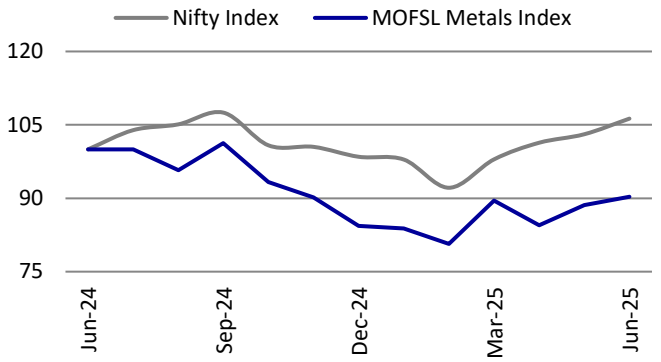
Alok Deora – Research analyst (Alok.Deora@MotilalOswal.com)
Sonu Upadhyay – Research analyst (Sonu.Upadhyay@MotilalOswal.com)

Exhibit 1: Relative performance – three months (%)



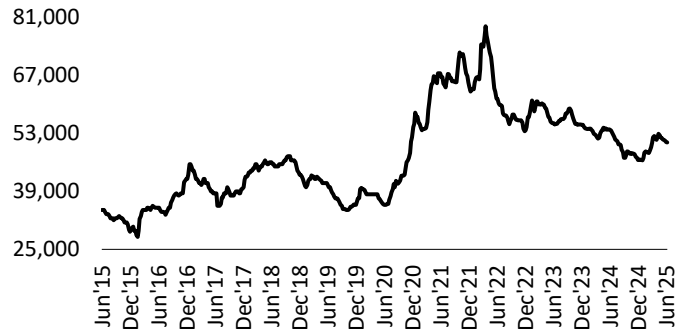
Sources: MOFSL, Bloomberg

Exhibit 2: Relative performance – one year (%)



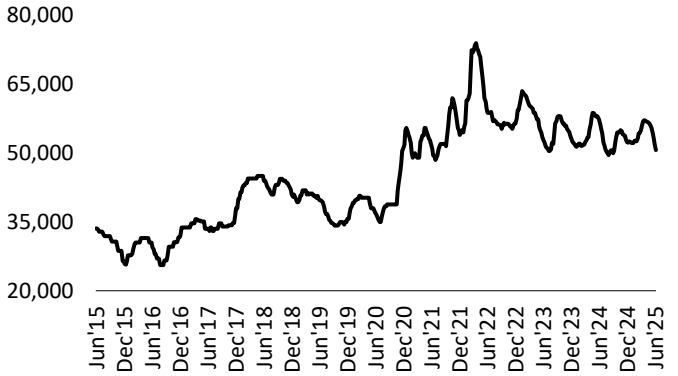
Sources: MOFSL, Bloomberg

Exhibit 3: Domestic HRC prices rebound to INR52,000/t



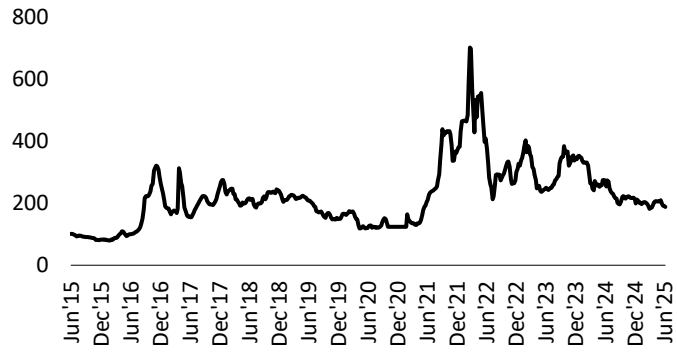
Source: MOFSL, Steelmint

Exhibit 4: Primary rebar prices corrected to INR50,700/t



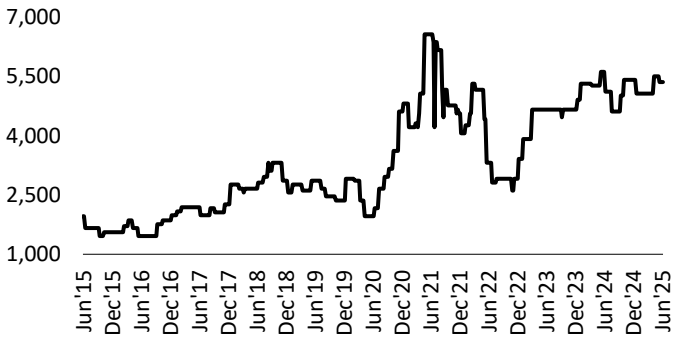
Source: MOFSL, Steelmint

Exhibit 5: Coking coal prices hover at USD190-200/t



Source: MOFSL, Steelmint

Exhibit 6: NMDC prices increased by INR300/t QoQ



Source: MOFSL, Steelmint

Exhibit 7: Key assumptions (all amounts in INR b except for volumes and per ton numbers)

JSW Steel	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E	% YoY	% QoQ
Sales - mt	6.3	6.0	6.7	6.1	6.1	6.7	7.5	6.8	11.9	(8.6)
Realization/t	70,322	69,900	68,750	70,168	64,737	61,666	59,838	62,402	(11.1)	4.3
EBITDA/t	12,438	11,967	9,100	9,003	8,869	8,314	8,515	10,407	15.6	22.2
Consol Revenue	446	419	463	429	397	414	448	427	(0.5)	(4.7)
Consol EBITDA	79	72	61	55	54	56	64	71	29.3	11.7
Consol PAT	31	23	13	8	6	8	15	20	132.3	28.3
Tata Steel	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Standalone										
Sales - mt	4.8	4.9	5.4	4.9	5.1	5.3	5.6	4.7	(4.5)	(15.8)
Realization/t	70,924	71,069	67,592	66,720	63,404	61,929	61,427	63,882	(4.3)	4.0
EBITDA/t	14,248	16,905	14,846	13,711	12,935	14,179	12,463	14,413	5.1	15.6
Revenue	342	347	366	330	324	328	344	301	(8.6)	(12.4)
EBITDA	69	82	80	68	66	75	70	68	0.4	(2.6)
PAT	45	46	47	36	36	40	37	34	(4.5)	(8.0)
Consolidated										
Sales - mt	7.1	7.2	8.0	7.4	7.5	7.7	8.3	7.1	(3.3)	(14.3)
Realization/t	78,758	77,359	73,543	74,116	71,682	69,493	67,489	70,087	(5.4)	3.9
EBITDA/t	6,037	8,031	8,271	9,059	7,343	9,268	7,874	9,746	7.6	23.8
Consol Revenue	557	553	587	548	539	536	562	501	(8.6)	(11.0)
Consol EBITDA	43	57	66	67	55	72	66	70	4.0	6.1
Consol PAT	7	4	12	13	5	7	17	16	20.1	(6.4)
TSE										
Sales - mt	2.0	1.9	2.1	2.2	2.1	2.1	2.4	2.1	(2.3)	(11.8)
Revenue	202	192	207	210	206	195	208	191	(8.8)	(7.9)
EBITDA	-25	-29	-7	-5	-13	-7	-8	1	NA	NA
EBITDA/t (USD)	-155	-175	-38	-28	-76	-42	-38	3	NA	NA
SAIL	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Sales - mt	4.8	3.8	4.6	4.0	4.1	4.4	5.3	4.8	19.4	(10.2)
Realization/t	58,256	61,444	57,554	59,845	56,191	55,282	55,002	57,549	(3.8)	4.6
EBITDA/t	4,429	5,638	3,879	5,536	3,111	4,582	6,536	6,967	25.8	6.6
Consol Revenue	280	233	262	240	230	245	293	276	14.8	(6.0)
Consol EBITDA	21	21	18	22	13	20	35	33	50.3	(4.3)
Consol PAT	3	4	2	3	-4	1	13	11	252.8	(10.5)
JSP	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Sales (mt)	2.0	1.8	2.0	2.1	1.9	1.9	2.1	2.0	(6.7)	(8.5)
Realization/t	60,946	64,648	67,099	65,157	60,612	61,846	61,893	64,093	(1.6)	3.6
EBITDA/t	11,372	15,705	12,162	13,585	11,893	11,494	11,651	13,056	(3.9)	12.1
Consol Revenue	123	117	135	136	112	118	132	125	(8.2)	(5.2)
Consol EBITDA	23	28	24	28	22	22	25	25	(10.3)	2.6
Consol PAT	14	19	9	13	9	10	11	11	(19.1)	(1.5)
JSL	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Sales - mt	0.5	0.5	0.6	0.6	0.6	0.6	0.6	0.6	7.7	(3.2)
Realization/t	1,80,093	1,78,271	1,65,860	1,63,145	1,73,041	1,68,491	1,58,605	1,64,105	0.6	3.5
EBITDA/t	22,621	24,339	18,161	20,964	21,000	20,536	16,499	18,252	(12.9)	10.6
Revenue	98	91	95	94	98	99	102	102	8.3	0.2
EBITDA	12	12	10	12	12	12	11	11	(6.2)	7.1
PAT	7	7	5	6	6	7	6	6	(7.3)	0.5

NMDC	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E	% YoY	% QoQ
Sales - mt	8.9	12.2	13.2	9.2	8.3	13.3	13.3	12.1	31.7	(9.1)
Realization/t	4,194	4,748	5,174	5,375	4,948	5,503	5,529	5,679	5.7	2.7
EBITDA/t	1,244	1,762	1,676	2,323	1,394	1,987	1,619	1,956	(15.8)	20.8
Revenue	40	54	65	54	49	66	70	69	26.9	(1.9)
EBITDA	12	20	21	23	14	24	21	24	1.1	15.4
PAT	10	17	14	20	12	19	15	18	(8.7)	21.8
HNDL	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Aluminum sales - kt	334	333	337	329	328	338	332	335	1.8	0.9
Copper sales - kt	134	119	135	119	117	120	135	120	0.8	(11.1)
Novelis vol- kt	933	910	951	951	945	904	957	975	2.5	1.9
Novelis adj EBITDA (USD m)	484	454	514	500	462	367	473	434	(13.2)	(8.3)
Consol Revenue	542	528	560	570	582	584	649	608	6.6	(6.4)
Consol EBITDA	56	59	67	75	79	76	88	72	(3.4)	(17.9)
Consol PAT	22	23	32	33	43	38	53	34	3.7	(35.1)
HZL	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Zinc vol (India) - kt	185	203	221	211	198	201	218	195	(7.6)	(10.6)
Lead vol (India) - kt	57	56	53	51	63	55	56	46	(9.2)	(17.3)
Silver vol- t	181	197	179	167	184	160	177	147	(12.1)	(17.1)
Consol Revenue	68	73	75	81	83	86	91	76	(6.9)	(16.7)
Consol EBITDA	31	35	36	39	41	45	48	39	(2.4)	(20.1)
Consol PAT	17	20	20	23	23	27	30	22	(8.2)	(28.3)
VED	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Consol Revenue	342	355	355	358	376	391	405	371	3.6	(8.4)
Consol EBITDA	67	85	88	99	98	111	115	100	0.6	(12.8)
Consol PAT	5	20	16	36	30	35	35	25	(29.9)	(27.3)
NACL	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Consol Revenue	30	33	36	29	40	47	53	43	51.2	(18.0)
Consol EBITDA	4	8	11	9	15	23	28	17	79.9	(39.0)
Consol PAT	2	5	7	6	10	16	21	11	85.6	(47.2)
COAL	**2QFY24**	**3QFY24**	**4QFY24**	**1QFY25**	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26E**	**% YoY**	**% QoQ**
Sales - mt	174	191	202	199	168	194	201	190	(4.3)	(5.3)
NSR - FSA INR/t	1,542	1,532	1,536	1,524	1,462	1,514	1,547	1,597	4.8	3.2
E-auction premium	83	117	66	58	69	76	69	70	20.2	1.4
EBITDA/t	512	624	528	581	426	592	558	603	3.8	8.2
Consol Revenue	328	362	382	365	307	369	378	372	2.1	(1.5)
Consol Adj EBITDA	89	119	106	115	72	115	112	115	(0.6)	2.1
Consol PAT	80	103	86	110	63	85	96	87	(20.8)	(9.6)

Exhibit 8: Ferrous companies to witness healthy volume growth

Sales Volume	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25E	1QFY26E	% YoY	% QoQ
JSW Steel	6.3	6.0	6.7	6.1	6.1	6.7	7.5	6.8	11.9	(8.6)
Tata Steel	7.1	7.2	8.0	7.4	7.5	7.7	8.3	7.1	(3.3)	(14.3)
SAIL	4.8	3.8	4.6	4.0	4.1	4.4	5.3	4.8	19.4	(10.2)
JSPL	2.0	1.8	2.0	2.1	1.9	1.9	2.1	2.0	(6.7)	(8.5)

Sources: MOFSL, Company

Exhibit 9: ASP for JSW/SAIL could see marginal improvement

ASP	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25E	1QFY26E	% YoY	% QoQ
JSW Steel	70,322	69,900	68,750	70,168	64,737	61,666	59,838	62,402	(11.1)	4.3
Tata Steel	78,758	77,359	73,543	74,116	71,682	69,493	67,489	70,087	(5.4)	3.9
SAIL	58,256	61,444	57,554	59,845	56,191	55,282	55,002	57,549	(3.8)	4.6
JSPL	60,946	64,648	67,099	65,157	60,612	61,846	61,893	64,093	(1.6)	3.6

Sources: MOFSL, Company

Exhibit 10: EBITDA/t to increase QoQ, led by improved pricing and lower costs

EBITDA/t	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25E	1QFY26E	% YoY	% QoQ
JSW Steel	12,438	11,967	9,100	9,003	8,869	8,314	8,515	10,407	15.6	22.2
Tata Steel	6,037	8,031	8,271	9,059	7,343	9,268	7,874	8,981	7.6	23.8
SAIL	4,429	5,638	3,879	5,536	3,111	4,582	6,536	6,967	25.8	6.6
JSPL	11,372	15,705	12,162	13,585	11,893	11,494	11,651	13,056	(3.9)	12.1

Sources: MOFSL, Company

Exhibit 11: Key commodity prices – Quarterly movement

Non-ferrous Metal Price	UoM	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	% YoY	% QoQ
Copper-LME	USD/t	8,169	8,445	9,745	9,209	9,239	9,330	9,510	(2.4)	1.9
Aluminum-LME	USD/t	2,192	2,203	2,517	2,385	2,579	2,626	2,443	(2.9)	(6.9)
Zinc-LME	USD/t	2,500	2,453	2,830	2,780	3,054	2,840	2,637	(6.8)	(7.2)
Nickel-LME	USD/t	17,257	16,608	18,454	16,256	16,087	15,571	15,134	(18.0)	(2.8)
Lead-LME	USD/t	2,121	2,075	2,164	2,045	2,011	1,969	1,946	(10.1)	(1.2)
Alumina-Spot	USD/t	464	485	508	526	532	440	359	(29.3)	(18.4)
Brent	USD/bbl	84	83	85	80	75	76	68	(20.2)	(10.5)
China Steel Prices										
China TMT	RMB/t	4,023	4,066	3,828	3,532	3,654	3,527	3,370	(12.0)	(4.5)
China HRC	RMB/t	3,946	3,991	3,793	3,373	3,558	3,419	3,272	(13.7)	(4.3)
China Wire Rod	RMB/t	4,331	4,299	4,101	3,786	3,911	3,746	3,617	(11.8)	(3.4)
India Domestic Prices										
HRC India FoB	USD/t	580	593	561	560	543	511	495	(11.7)	(3.2)
HRC Dom Mum	INR/t	56,350	53,594	53,630	50,331	47,765	48,431	51,731	(3.5)	6.8
Billet Raigarh	INR/t	40,676	39,084	42,896	38,363	39,099	39,158	39,235	(8.5)	0.2
Wire Rod - Dom	INR/t	54,393	50,163	54,453	54,070	55,220	54,640	53,679	(1.4)	(1.8)
TMT Primary Mum	INR/t	55,533	51,912	56,957	51,238	53,762	53,277	55,362	(2.8)	3.9
TMT Secondary Mum	INR/t	49,560	48,722	51,129	45,887	47,539	48,120	47,344	(7.4)	(1.6)
Pig Iron SG Durgapur	INR/t	38,076	38,308	40,760	37,035	36,055	34,082	33,464	(17.9)	(1.8)
CRC Mum	INR/t	62,946	61,641	60,869	57,796	54,927	54,881	58,535	(3.8)	6.7
Galvanized Plain	INR/t	69,092	65,854	64,550	61,208	57,592	58,846	64,838	0.4	10.2
Color Coated	INR/t	78,925	75,931	73,829	69,862	66,723	67,546	74,000	0.2	9.6
Coking Coal/Coke										
HCC China	USD/t	263	242	233	197	184	151	121	(48.0)	(19.8)
HCC Prem India CNF	USD/t	349	329	260	227	217	199	199	(23.5)	0.2
HCC Mid Vols India CNF	USD/t	285	277	225	203	182	160	159	(29.5)	(0.5)
PCI Coal CNF India	USD/t	204	182	181	191	171	155	152	(15.8)	(1.6)
Iron Ore										
62% CNF China - Aus	USD/t	128	124	112	100	103	104	98	(12.6)	(5.6)
Odisha Fines - 62%	INR/t	4,989	5,417	5,057	4,392	5,315	5,031	5,250	3.8	4.4
K'taka Fines Fe 60%	INR/t	3,640	4,167	3,917	3,333	3,633	3,400	3,400	(13.2)	-
NMDC 64 %Fines (C'garh)	INR/t	4,540	5,116	5,327	4,610	5,210	5,060	5,303	(0.4)	4.8
NMDC 65%-Lumps	INR/t	5,253	5,845	6,180	5,520	6,053	6,000	6,153	(0.4)	2.6
Domestic Pellet	INR/t	8,512	8,561	8,504	7,248	8,177	8,229	8,194	(3.6)	(0.4)
Sponge Iron- Raigarh	INR/t	27,029	25,790	27,868	24,576	25,327	24,451	23,610	(15.3)	(3.4)
Chrome Ore										
China Chrome Ore (40-42%)	USD/t	286	290	309	308	253	235	288	(6.9)	22.6
Odisha Chrome Ore (E-Auction)	INR/t	30,110	30,574	28,948	32,831	29,816	23,212	24,801	(14.3)	6.8
Global Mn Ore 38%	USD/dmtu	3.71	3.95	5.65	4.37	3.96	4.44	3.98	(29.5)	(10.3)
Mn Ore India Mn 44% Fe 5%	USD/dmtu	4.38	4.40	6.93	7.26	4.19	4.78	4.59	(33.8)	(4.0)
Balaghat Mn 37.5%, Fe 7%	INR/t	12,084	12,947	18,157	16,170	13,578	15,686	15,489	(14.7)	(1.3)
Silico manganese	INR/t	64,202	66,167	82,190	68,780	67,044	71,893	71,590	(12.9)	(0.4)
Ferro Manganese	INR/t	64,738	66,548	85,507	75,242	68,514	74,904	73,081	(14.5)	(2.4)

Sources: MOFSL, Bloomberg, Steelmint

Exhibit 12: Currency movement

Currency	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	% YoY	% QoQ
EUR/USD	1.08	1.09	1.08	1.10	1.07	1.05	1.13	5.3	7.7
USD/CNY	7.22	7.19	7.24	7.17	7.18	7.27	7.23	(0.1)	(0.6)
USD/GBP	0.81	0.79	0.79	0.77	0.78	0.79	0.75	(5.5)	(5.7)
USD/INR	83.26	83.05	83.41	83.77	84.40	86.61	85.58	2.6	(1.2)
GBP/INR	103.37	105.32	105.28	108.86	108.37	109.11	114.27	8.5	4.7
EUR/INR	89.63	90.18	89.81	92.02	90.27	91.17	97.06	8.1	6.5

Sources: MOFSL

Exhibit 13: Summary of expected quarterly performance

Sector	CMP (INR)	RECO	Sales (INR b)			EBITDA (INR b)			Adj. PAT (INR b)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Coal India	390	Buy	372.4	2.1	(1.5)	114.7	(0.6)	2.1	86.8	(20.8)	(9.6)
Hindalco	694	Buy	607.6	6.6	(6.4)	72.5	(3.4)	(17.9)	34.3	3.7	(35.1)
Hindustan Zinc	450	Neutral	75.7	(6.9)	(16.7)	38.5	(2.4)	(20.1)	21.5	(8.2)	(28.3)
Jindal Stainless	707	BUY	102.2	8.3	0.2	11.4	(6.2)	7.1	6.0	(7.3)	0.5
Jindal Steel & Power	948	BUY	125.0	(8.2)	(5.2)	25.5	(10.3)	2.6	10.8	(19.1)	(1.5)
JSW Steel	1029	BUY	427.2	(0.5)	(4.7)	71.3	29.3	11.7	19.6	132.3	28.3
NALCO	190	Neutral	43.2	51.2	(18.0)	16.8	79.9	(39.0)	10.9	85.6	(47.2)
NMDC	68	BUY	68.7	26.9	(1.9)	23.7	1.1	15.4	18.0	(8.7)	21.8
SAIL	133	Neutral	275.5	14.8	(6.0)	33.4	50.3	(4.3)	11.5	252.8	(10.5)
Tata Steel	160	Neutral	500.6	(8.6)	(11.0)	69.6	4.0	6.1	15.8	20.1	(6.4)
Vedanta	466	Neutral	370.7	3.6	(8.4)	100.0	0.6	(12.8)	25.3	(29.9)	(27.3)
Coverage			**2,968.8**	**2.2**	**(6.7)**	**577.2**	**5.6**	**(5.6)**	**260.6**	**(4.4)**	**(16.2)**

Source: MOFSL

Exhibit 14: Valuation summary

Company	EPS (INR)			PE (x)			PB (x)			ROE (%)		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY27E	FY26E	FY27E
Metals												
Coal India	57.4	57.8	66.4	6.8	6.7	5.9	2.4	2.1	1.8	4.9	4.3	3.6
Hindalco	74.8	69.6	73.7	9.3	10.0	9.4	1.6	1.4	1.2	6.1	5.8	5.5
Hindustan Zinc	18.4	24.7	28.8	24.5	18.2	15.6	12.5	14.3	9.3	13.8	11.0	9.1
Jindal Stainless	30.5	36.2	44.5	23.2	19.5	15.9	2.8	3.0	2.6	10.7	11.6	9.7
Jindal Steel & Power	41.4	54.4	93.1	22.9	17.4	10.2	2.0	1.8	1.6	11.2	9.2	6.2
JSW Steel	15.6	48.6	74.1	66.1	21.2	13.9	3.2	2.8	2.3	14.6	9.7	7.6
NALCO	7.4	8.3	9.3	9.1	8.2	7.3	2.0	1.7	1.5	6.6	5.1	4.3
NMDC	28.7	17.9	20.4	6.6	10.7	9.3	2.0	1.7	1.5	3.8	5.4	4.4
SAIL	19.4	21.5	27.4	6.8	6.2	4.9	0.9	0.9	0.8	0.9	0.8	0.7
Tata Steel	3.4	8.7	13.0	47.5	18.3	12.3	2.3	2.3	2.1	10.9	8.3	7.2
Vedanta	34.8	40.3	47.3	13.4	11.6	9.8	4.4	3.7	3.1	7.0	6.1	5.4

Source: MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Coal India — Buy

CMP: INR 390 | TP: INR 470 (+21%)

- Coal production/offtake remained muted YoY in 1QFY26.
- E-auction premiums are expected to remain elevated during 1Q FY26.
- Management guidance on FY26/27 volume and e-auction premium will be the key monitorables.

Quarterly Performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales	**364.6**	**306.7**	**368.6**	**378.2**	**372.4**	**330.1**	**419.1**	**425.0**	**1,433.7**	**1,546.6**
Change YoY (%)	1.3	(6.4)	1.9	(1.0)	2.1	7.6	13.7	12.4	(1.0)	7.9
Change QoQ (%)	(4.6)	(15.9)	20.2	2.6	(1.5)	(11.3)	26.9	1.4		
Adj. EBITDA	**115.4**	**71.5**	**114.8**	**112.3**	**114.7**	**95.6**	**127.2**	**135.2**	**429.6**	**472.6**
Change YoY (%)	3.4	(19.6)	(3.8)	5.5	(0.6)	33.7	10.7	20.4	(3.0)	10.0
Change QoQ (%)	8.4	(38.0)	60.5	(2.2)	2.1	(16.6)	33.0	6.3		
EBITDA per tonne	**581.5**	**425.6**	**591.5**	**557.6**	**603.4**	**541.8**	**595.7**	**619.4**	**563.7**	**592.1**
Depreciation	19.5	19.0	25.1	27.8	23.0	24.0	24.5	25.2	91.5	96.7
OBR	(28.0)	(14.6)	(8.3)	(5.6)	(10.5)	(9.7)	(11.7)	(12.9)	(41.1)	(44.8)
Interest	2.1	2.1	2.3	2.4	3.0	3.1	3.2	3.1	8.8	12.4
Other Income	18.8	15.1	21.4	39.4	15.0	15.0	16.0	16.0	94.7	62.0
EO Inc/(Exp)	-	-	-	-	-	-	-	-	-	-
PBT after EO	**140.6**	**80.2**	**117.2**	**127.0**	**114.1**	**93.2**	**127.2**	**135.7**	**465.0**	**470.3**
Tax	32.0	18.8	33.0	32.8	28.5	23.3	31.8	34.9	116.6	118.5
Tax Rate (%)	22.8	23.4	28.2	25.8	25.0	25.0	25.0	25.7	25.1	25.2
PAT before MI & Asso.	**108.6**	**61.4**	**84.2**	**94.2**	**85.6**	**69.9**	**95.4**	**100.8**	**348.4**	**351.8**
Adjusted PAT	**109.6**	**62.9**	**85.1**	**96.0**	**86.8**	**71.1**	**96.6**	**101.9**	**353.6**	**356.5**
Change YoY (%)	4.1	(21.9)	(17.0)	12.0	(20.8)	13.1	13.6	6.1	(5.5)	0.8
Change QoQ (%)	27.8	(42.6)	35.2	12.9	(9.6)	(18.1)	35.8	5.5		

Hindalco — Buy

CMP: INR 694 | TP: INR 800 (+15%)

- Novelis' healthy volumes and NSR are likely to drive revenue; margins should remain muted QoQ.
- India operations are expected to continue delivering healthy performance, led by better volume and prices.
- Novelis' demand outlook and EBITDA/t guidance will be the key monitorables.

Consolidated performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**570.1**	**582.0**	**583.9**	**648.9**	**607.6**	**609.9**	**616.8**	**626.8**	**2,385.0**	**2,461.2**
Change (YoY %)	7.6	7.4	10.6	15.9	6.6	4.8	5.6	(3.4)	10.4	3.2
Change (QoQ %)	1.8	2.1	0.3	11.1	(6.4)	0.4	1.1	1.6	-	-
Total Expenditure	495.1	503.2	508.1	560.5	535.1	530.9	534.9	542.4	2,066.9	2,143.3
EBITDA	**75.0**	**78.8**	**75.8**	**88.4**	**72.5**	**79.0**	**82.0**	**84.4**	**318.1**	**317.9**
Change (YoY %)	31.3	40.5	29.3	32.3	(3.4)	0.2	8.1	(4.4)	33.2	(0.0)
Change (QoQ %)	12.3	5.1	(3.8)	16.5	(17.9)	9.0	3.7	3.0	-	-
As % of Net Sales	13.2	13.5	13.0	13.6	11.9	13.0	13.3	13.5	13.3	12.9
Interest	8.6	8.7	8.2	8.7	8.7	8.7	8.7	8.7	34.2	34.6
Depreciation	18.9	19.3	19.4	21.2	20.0	20.0	20.0	20.0	78.8	80.1
Other Income	4.2	10.8	5.1	7.0	3.8	3.8	3.8	3.8	27.1	15.0
PBT (before EO item)	**51.8**	**61.6**	**53.4**	**65.4**	**47.6**	**54.1**	**57.0**	**59.5**	**232.1**	**218.2**
Extra-ordinary Income	(3.3)	(5.1)	(0.4)	0.1	-	-	-	-	(8.8)	-
PBT (after EO item)	**48.5**	**56.4**	**53.0**	**65.5**	**47.6**	**54.1**	**57.0**	**59.5**	**223.3**	**218.2**
Total Tax	17.7	17.3	15.6	12.7	13.3	15.3	16.2	18.8	63.4	63.6
% Tax	36.6	30.7	29.5	19.3	28.0	28.4	28.3	31.5	28.4	29.1
PAT before MI and Associate	**30.7**	**39.1**	**37.3**	**52.8**	**34.3**	**38.7**	**40.9**	**40.7**	**160.0**	**154.6**
Adjusted PAT	**33.1**	**42.7**	**37.6**	**52.8**	**34.3**	**38.7**	**40.9**	**40.8**	**166.2**	**154.6**
Change (YoY %)	34.0	97.3	61.5	66.3	3.7	(9.3)	8.6	(22.8)	63.9	(6.9)
Change (QoQ %)	4.1	29.2	(11.8)	40.2	(35.1)	13.0	5.5	(0.3)		

Hindustan Zinc — Neutral

CMP: INR 450 | TP: INR 465 (+3%)

- Volumes for 1Q FY26 have been muted on QoQ basis.
- The CoP is expected to increase marginally post the sharp decline witnessed in 4Q FY25.
- We await further insights on any additional updates related to changes in the corporate structure, if any.

Quarterly Performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Mine prodn. (kt)	**263**	**256**	**265**	**311**	**265**	**280**	**282**	**298**	**1,095**	**1,125**
Sales										
Zinc refined (kt)	211	198	201	218	195	212	215	230	827	851
Lead refined (kt)	51	63	55	56	46	53	53	60	225	213
Silver (tonnes)	167	184	160	177	147	182	194	183	687	706
Net Sales	**81.3**	**82.5**	**86.1**	**90.9**	**75.7**	**89.6**	**93.0**	**97.6**	**340.8**	**356.0**
Change (YoY %)	11.6	21.5	17.8	20.4	(6.9)	8.6	8.0	7.4	17.8	4.4
Change (QoQ %)	7.7	1.5	4.4	5.5	(16.7)	18.4	3.8	4.9		
EBITDA	**39.5**	**41.2**	**45.0**	**48.2**	**38.5**	**50.2**	**53.7**	**57.6**	**173.9**	**200.0**
Change (YoY %)	17.9	31.3	27.8	32.1	(2.4)	21.7	19.4	19.6	27.3	15.0
Change (QoQ %)	8.1	4.5	9.1	7.1	(20.1)	30.2	7.1	7.3		
Finance cost	2.6	3.0	2.9	2.5	2.7	2.7	2.7	2.7	11.0	10.7
DD&A	8.4	8.8	9.1	10.1	9.8	9.9	10.5	10.5	36.4	40.8
Other Income	2.7	2.7	2.2	2.3	2.6	3.2	3.2	3.8	9.8	12.8
PBT	31.1	31.3	35.3	37.8	28.6	40.8	43.8	48.2	135.5	161.4
Total Tax	7.7	8.0	8.5	7.8	7.1	10.1	10.8	11.9	32.0	39.9
% Tax	24.7	25.7	24.1	20.6	24.7	24.7	24.7	24.7	23.6	24.7
Reported PAT	**23.5**	**23.3**	**26.8**	**30.0**	**21.5**	**30.7**	**33.0**	**36.3**	**103.5**	**121.5**
Adjusted PAT	**23.5**	**24.1**	**26.8**	**30.0**	**21.5**	**30.7**	**33.0**	**36.3**	**104.4**	**121.5**
Change (YoY %)	19.4	34.6	32.1	47.4	(8.2)	31.9	23.2	21.0	33.4	17.4
Change (QoQ %)	15.1	(0.8)	15.1	12.1	(28.3)	42.5	7.5	10.1		

Jindal Stainless — Buy

CMP: INR 707 | TP: INR 810 (+15%)

- Flattish QoQ volumes, along with better NSR and softer input costs, are expected to drive a rebound in margins QoQ.
- The export demand outlook will be a key focus area post the weakness seen in 4Q FY25.
- We await any insights/updates on capex and corporate restructuring.

Quarterly Performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales (kt)	**578**	**565**	**588**	**643**	**623**	**615**	**660**	**698**	**2,374**	**2,595**
Change (YoY %)	5.3	3.9	14.8	12.8	7.7	8.8	12.2	8.5	9.1	9.3
Change (QoQ %)	1.4	(2.2)	4.1	9.4	(3.2)	(1.2)	7.3	5.7		
Net Realization/t	**1,63,145**	**1,73,041**	**1,68,491**	**1,58,605**	**1,64,105**	**1,68,605**	**1,74,605**	**1,77,011**	**1,65,595**	**1,71,311**
Net Sales	**94.3**	**97.8**	**99.1**	**102.0**	**102.2**	**103.7**	**115.2**	**123.5**	**393.1**	**444.6**
Change (YoY %)	(7.4)	(0.2)	8.5	7.9	8.3	6.1	16.3	21.1	1.9	13.1
Change (QoQ %)	(0.3)	3.7	1.3	2.9	0.2	1.5	11.1	7.1		
EBITDA	**12.1**	**11.9**	**12.1**	**10.6**	**11.4**	**12.0**	**14.4**	**15.6**	**46.7**	**53.4**
Change (YoY %)	(8.6)	0.3	10.4	8.5	10.5	6.7	15.9	18.0	2.3	12.9
Change (QoQ %)	(2.4)	4.5	1.3	5.0	(0.6)	1.0	10.0	7.0		
EBITDA (INR per ton)	**20,964**	**21,000**	**20,536**	**16,499**	**18,252**	**19,561**	**21,857**	**22,371**	**19,657**	**20,586**
Interest	1.4	1.6	1.6	1.5	1.7	1.7	1.8	1.8	6.1	7.0
Depreciation	2.3	2.4	2.4	2.4	2.5	2.3	2.5	2.6	9.6	9.8
Other Income	0.5	0.5	1.0	0.9	0.8	0.8	0.8	0.8	2.9	3.1
PBT (after EO Item)	**8.9**	**8.3**	**9.0**	**7.6**	**8.0**	**8.8**	**11.0**	**12.0**	**33.8**	**39.8**
Total Tax	2.4	2.2	2.4	1.4	2.0	2.2	2.7	3.0	8.4	9.9
% Tax	27.1	27.0	26.5	19.0	25.0	25.0	25.0	25.0	25.1	25.0
PAT before MI and Asso.	**6.5**	**6.1**	**6.7**	**6.2**	**6.0**	**6.6**	**8.2**	**9.0**	**25.4**	**29.8**
Adj. PAT (after MI & Asso)	**6.5**	**6.1**	**6.5**	**6.0**	**6.0**	**6.6**	**8.2**	**9.0**	**25.1**	**29.8**
Change (YoY %)	(13.1)	(9.2)	(5.4)	19.0	(7.3)	7.7	25.8	50.4	(3.9)	18.7

Change (QoQ %)	29.0	(5.7)	7.1	(8.7)	0.5	9.6	25.1	9.2		

Jindal Steel & Power — Buy

CMP: INR 948 | TP: INR 1090 (+15%)

- Better NSR, along with muted costs, is likely to drive earnings.
- Volumes are expected to remain muted which would offset the NSR improvement.
- Guidance on the share of captive mines, RE and capex timelines will be crucial.

Consolidated performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales (kt)	**2,090**	**1,850**	**1,900**	**2,130**	**1,950**	**1,900**	**2,423**	**2,728**	**7,970**	**9,001**
Change (YoY %)	13.6	(8.0)	5.0	6.0	(6.7)	2.7	27.5	28.1	3.9	12.9
ASP	**65,157**	**60,612**	**61,846**	**61,893**	**64,093**	**61,893**	**64,893**	**67,578**	**62,440**	**64,900**
Net Sales	**136.2**	**112.1**	**117.5**	**131.8**	**125.0**	**117.6**	**157.2**	**184.4**	**497.6**	**584.1**
Change (YoY %)	8.2	(8.5)	0.4	(2.3)	(8.2)	4.9	33.8	39.9	(0.5)	17.4
Change (QoQ %)	1.0	(17.7)	4.8	12.2	(5.2)	(5.9)	33.7	17.3		
EBITDA	**28.4**	**22.0**	**21.8**	**24.8**	**25.5**	**20.9**	**32.7**	**41.9**	**97.1**	**121.0**
Change (YoY %)	8.0	(3.7)	(23.2)	1.5	(10.3)	(4.9)	49.9	68.7	(4.9)	24.7
Change (QoQ %)	16.2	(22.5)	(0.7)	13.6	2.6	(17.8)	56.5	27.9		
EBITDA/t	**13,585**	**11,893**	**11,494**	**11,651**	**13,056**	**11,013**	**13,517**	**15,345**	**12,177**	**13,443**
Interest	3.3	3.3	3.1	3.4	3.8	4.0	4.7	5.1	13.1	17.6
Depreciation	6.8	7.0	7.0	6.9	7.7	7.5	7.8	7.7	27.7	30.7
Other Income	0.3	0.3	0.3	0.7	0.5	0.4	0.4	0.5	1.7	1.8
PBT (before EO item)	**18.6**	**12.1**	**12.0**	**15.2**	**14.5**	**9.8**	**20.7**	**29.6**	**57.9**	**74.5**
PBT (after EO item)	**18.6**	**12.1**	**12.0**	**0.8**	**14.5**	**9.8**	**20.7**	**29.6**	**43.5**	**74.5**
Total Tax	5.2	3.5	2.5	3.8	3.6	2.4	5.2	7.4	15.0	18.6
% Tax	28.0	29.1	20.7	463.7	25.0	25.0	25.0	25.0	34.4	25.0
PAT (after MI and Sh. of Asso.)	**13.4**	**8.6**	**9.5**	**(3.4)**	**10.8**	**7.3**	**15.5**	**22.2**	**28.1**	**55.9**
Adjusted PAT	**13.4**	**8.6**	**9.5**	**11.0**	**10.8**	**7.3**	**15.5**	**22.2**	**42.5**	**55.9**
Change (YoY %)	(20.6)	(38.0)	(50.7)	17.7	(19.1)	(14.8)	63.1	101.4	(28.4)	31.3
Change (QoQ %)	43.3	(35.8)	10.4	15.8	(1.5)	(32.4)	111.4	43.0		

JSW Steel — Buy

CMP: INR 1029 | TP: INR 1180 (+15%)

- Despite better ASP, revenue is expected to decline QoQ due to muted volumes resulting from scheduled maintenance at the Dolvi plant.
- Updates on Supreme Court ruling on BPSL and capex/timelines will be the key monitorable.

Consolidated Performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**429.4**	**396.8**	**413.8**	**448.2**	**427.2**	**403.1**	**476.6**	**556.8**	**1,688.2**	**1,863.8**
Change (YoY %)	1.7	(11.0)	(1.3)	(3.1)	(0.5)	1.6	15.2	24.2	(3.5)	10.4
Change (QoQ %)	(7.2)	(7.6)	4.3	8.3	(4.7)	(5.6)	18.2	16.8		
EBITDA	**55.1**	**54.4**	**55.8**	**63.8**	**71.3**	**65.8**	**91.5**	**112.2**	**229.0**	**340.8**
Change (YoY %)	(21.8)	(31.1)	(22.3)	4.1	29.3	21.0	64.0	76.0	(18.9)	48.8
Change (QoQ %)	(10.0)	(1.3)	2.6	14.3	11.7	(7.7)	39.1	22.6		
EBITDA (INR per ton)	**9,003**	**8,869**	**8,314**	**8,515**	**10,407**	**9,907**	**12,475**	**13,722**	**8,659**	**11,750**
Interest	20.7	21.3	21.2	20.9	21.4	21.4	21.4	21.4	84.1	85.7
Depreciation	22.1	22.7	23.4	25.0	24.4	24.4	24.4	24.4	93.1	97.7
Other Income	1.6	1.5	1.5	2.3	1.9	1.9	1.9	1.9	6.9	7.5
PBT (before EO Item)	**13.9**	**11.9**	**12.8**	**20.2**	**27.3**	**21.8**	**47.5**	**68.2**	**58.8**	**164.8**
Share of P/(L) of Ass.	(0.1)	(0.6)	0.1	(2.4)	-	-	-	-	(3.1)	-
EO Items	-	3.4	1.0	0.4	-	-	-	-	4.9	-
PBT (after EO Item)	**13.8**	**7.9**	**11.8**	**17.3**	**27.3**	**21.8**	**47.5**	**68.2**	**50.8**	**164.8**
Total Tax	5.1	3.9	4.6	2.3	7.6	6.1	13.3	19.1	15.9	46.1
% Tax	37.2	48.8	39.0	13.2	28.0	28.0	28.0	28.0	31.2	28.0
PAT before MI and Asso.	**8.7**	**4.0**	**7.2**	**15.0**	**19.6**	**15.7**	**34.2**	**49.1**	**34.9**	**118.7**
MI (Profit)/Loss	0.2	(0.4)	0.0	(0.0)	-	-	-	-	(0.1)	-
Reported PAT after MI and Asso.	**8.5**	**4.4**	**7.2**	**15.0**	**19.6**	**15.7**	**34.2**	**49.1**	**35.0**	**118.7**
Adj. PAT (after MI & Asso)	**8.5**	**6.4**	**7.8**	**15.3**	**19.6**	**15.7**	**34.2**	**49.1**	**38.0**	**118.7**
Change (YoY %)	(63.9)	(79.0)	(65.8)	17.7	132.3	143.5	339.3	221.2	(57.7)	212.5
Change (QoQ %)	(34.9)	(23.8)	20.9	96.4	28.3	(20.1)	118.1	43.6		

NMDC — Buy

CMP: INR 68| TP: INR 83 (+22%)

- Volumes for 1Q FY26 muted on QoQ basis (+20% YoY)
- Better ASP offset muted volume performance on QoQ basis.
- NMDC average 1QFY26 prices increased by INR300/t.
- Plans to expand its current capacity are underway and guidance on the timeline will be key.

Consolidated Performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**54.1**	**49.2**	**65.7**	**70.0**	**68.7**	**55.9**	**65.4**	**72.2**	**239.1**	**262.1**
Change (YoY %)	0.4	22.5	21.4	7.9	26.9	13.6	(0.5)	3.0	12.2	9.7
Change (QoQ %)	(16.6)	(9.1)	33.5	6.6	(1.9)	(18.7)	17.0	10.4		
EBITDA	**23.4**	**13.9**	**23.7**	**20.5**	**23.7**	**20.8**	**24.5**	**27.0**	**81.5**	**96.0**
Change (YoY %)	17.4	16.4	18.2	(2.4)	1.1	50.2	3.5	31.8	11.7	17.9
Change (QoQ %)	11.3	(40.8)	71.2	(13.5)	15.4	(12.1)	17.9	10.1		
EBITDA per ton (INR/t)	**2,323**	**1,394**	**1,987**	**1,619**	**1,956**	**1,892**	**1,888**	**1,931**	**1,826**	**1,917.1**
Interest	0.2	0.3	0.6	0.6	0.6	0.4	0.5	0.5	1.8	1.9
Depreciation	0.7	1.0	1.0	1.4	1.4	1.1	1.3	1.4	4.2	5.2
Other Income	3.6	3.6	3.8	4.9	4.0	3.3	3.9	4.1	15.9	15.3
PBT (before EO Item)	**26.1**	**16.1**	**25.8**	**23.4**	**25.7**	**22.6**	**26.7**	**29.2**	**91.4**	**104.3**
Extra-ordinary item	-	-	-	-	-	-	-	-	-	-
PBT (after EO Item)	**26.1**	**16.1**	**25.8**	**23.4**	**25.7**	**22.6**	**26.7**	**29.2**	**91.4**	**104.3**
Total Tax	6.4	4.2	6.9	8.5	7.7	6.8	8.0	8.8	26.0	31.3
% Tax	24.7	25.9	26.6	36.6	30.0	30.0	30.0	30.0	28.5	30.0
PAT after MI and Sh. of Asso.	**19.7**	**12.1**	**18.8**	**14.8**	**18.0**	**15.8**	**18.7**	**20.5**	**65.4**	**73.0**
Adjusted PAT	**19.7**	**12.1**	**18.8**	**14.8**	**18.0**	**15.8**	**18.7**	**20.5**	**65.4**	**73.0**
Change (YoY %)	19.3	18.1	13.3	3.1	(8.7)	30.6	(0.7)	38.5	13.3	11.6
Change (QoQ %)	37.5	(38.5)	55.3	(21.5)	21.8	(12.1)	18.1	9.5		

Nalco — Neutral

CMP: INR 190 | TP: INR 190 (0%)

- Softening prices are expected to weigh on QoQ performance, while YoY performance remains strong.
- Rising CoP is likely to moderate margins.
- We await management guidance on domestic demand and capex outlook.

Quarterly performance — INR m

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**28,561**	**40,015**	**46,622**	**52,678**	**43,175**	**39,566**	**41,661**	**41,141**	**1,67,876**	**1,65,544**
Change (YoY %)	-10.1	31.5	39.3	47.2	51.2	-1.1	-10.6	-21.9	27.7	-1.4
Change (QoQ %)	-20.2	40.1	16.5	13.0	-18.0	-8.4	5.3	-1.2		
Total Expenditure	19,219	24,525	23,347	25,140	26,368	26,643	29,685	31,396	92,230	1,14,093
EBITDA	**9,342**	**15,490**	**23,275**	**27,539**	**16,807**	**12,923**	**11,977**	**9,745**	**75,646**	**51,452**
Change (YoY %)	57.2	290.7	201.1	148.7	79.9	-16.6	-48.5	-64.6	163.4	-32.0
Change (QoQ %)	-15.6	65.8	50.3	18.3	-39.0	-23.1	-7.3	-18.6		
Interest	34	44	191	321	209	209	209	209	590	835
Depreciation	1,743	1,798	2,857	878	2,488	2,177	2,025	2,018	7,276	8,709
Other Income	605	718	991	1,256	750	750	750	750	3,570	3,000
PBT (after EO)	**8,170**	**14,366**	**21,219**	**27,596**	**14,860**	**11,287**	**10,493**	**8,268**	**71,351**	**44,908**
Total Tax	2,158	3,744	5,390	6,813	3,730	2,833	2,634	2,084	18,104	11,281
% Tax	26.4	26.1	25.4	24.7	25.1	25.1	25.1	25.2	25.4	25.1
PAT before MI and Asso.	**6,012**	**10,622**	**15,829**	**20,784**	**11,130**	**8,454**	**7,859**	**6,184**	**53,247**	**33,627**
Sh. of Associate	-128	-162	-166	-111	-207	-207	-207	-207	-567	-828
Reported PAT after MI and Asso.	**5,884**	**10,460**	**15,663**	**20,672**	**10,923**	**8,247**	**7,652**	**5,977**	**52,679**	**32,800**
Adjusted PAT	**5,884**	**10,460**	**15,663**	**20,672**	**10,923**	**8,247**	**7,652**	**5,977**	**52,679**	**32,800**
Change (YoY %)	76.3	458.3	232.8	205.5	85.6	-21.2	-51.1	-71.1	164.9	-37.7
Change (QoQ %)	-13.0	77.8	49.7	32.0	-47.2	-24.5	-7.2	-21.9		

SAIL — Neutral

CMP: INR 133 | TP: INR 145 (+9%)

- The impact of muted volume is likely to be offset by better NSR and softer coal costs, supporting earnings in 1Q.
- Management guidance on the debt reduction roadmap and capex will be important.

Quarterly Performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**240.0**	**230.4**	**244.9**	**293.2**	**275.5**	**248.5**	**270.5**	**304.1**	**1,008.4**	**1,098.7**
Change (YoY %)	(1.5)	(17.6)	4.9	11.7	14.8	7.9	10.5	3.7	(1.1)	9.0
Change (QoQ %)	(8.6)	(4.0)	6.3	19.7	(6.0)	(9.8)	8.9	12.4		
Total Expenditure	**217.8**	**217.6**	**224.6**	**258.3**	**242.2**	**224.6**	**243.8**	**276.5**	**918.3**	**987.1**
EBITDA	**22.2**	**12.8**	**20.3**	**34.8**	**33.4**	**23.9**	**26.7**	**27.6**	**90.1**	**111.6**
Change (YoY %)	34.6	(40.0)	(5.3)	97.0	50.3	87.5	31.6	(20.7)	17.2	23.9
Change (QoQ %)	25.5	(42.5)	59.1	71.6	(4.3)	(28.3)	11.7	3.4		
EBITDA per ton (INR)	**5,536**	**3,111**	**4,582**	**6,536**	**6,967**	**5,300**	**5,634**	**5,443**	**5,042**	**5,838**
Interest	6.9	7.6	6.8	6.6	7.1	7.1	7.1	7.1	27.9	28.5
Depreciation	14.0	13.0	14.2	15.2	14.9	14.9	14.9	14.9	56.5	59.4
Other Income	1.8	1.7	2.3	3.0	2.4	2.4	2.4	2.4	8.8	9.6
Share of Asso/JV/investments	1.1	1.6	1.3	0.9	1.5	1.5	1.5	1.5	4.9	6.0
PBT (before EO Inc.)	**4.1**	**(4.6)**	**2.9**	**16.9**	**15.3**	**5.9**	**8.6**	**9.6**	**19.3**	**39.3**
EO Income(exp)	(3.1)	16.4	0.3	(0.3)	-	-	-	-	13.2	-
PBT (after EO Inc.)	**1.0**	**11.7**	**3.2**	**16.6**	**15.3**	**5.9**	**8.6**	**9.6**	**32.5**	**39.3**
Total Tax	0.2	2.8	1.8	4.1	3.8	1.5	2.2	2.4	8.8	9.8
% Tax	16.6	23.5	56.1	24.5	25.0	25.0	25.0	25.0	27.1	25.0
Reported PAT	**0.8**	**9.0**	**1.4**	**12.5**	**11.5**	**4.4**	**6.5**	**7.2**	**23.7**	**29.5**
Adjusted PAT	**3.2**	**(3.8)**	**1.1**	**12.8**	**11.5**	**4.4**	**6.5**	**7.2**	**13.4**	**29.5**
Change (YoY %)	52.9	(219.3)	(69.1)	609.1	252.8	NA	472.1	(44.0)	24.3	120.3
Change (QoQ %)	80.0	(216.9)	NA	1,029.5	(10.5)	(61.7)	47.7	10.5		

Tata Steel — Neutral

CMP: INR 160| TP: INR 155 (-3%)

- Volumes in India business to remain soft due to plant maintenance.
- Better ASP is expected to support margins in the India business.
- Europe earnings are expected to reach EBITDA breakeven.
- Commentary on Europe operations is critical.

Consolidated Performance — INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales (k tons)	**7,390**	**7,520**	**7,720**	**8,330**	**7,143**	**7,952**	**8,400**	**9,764**	**30,960**	**33,258**
Change (YoY %)	2.6	6.4	8.0	4.4	-3.3	5.7	8.8	17.2	5.3	7.4
Avg Realization (INR/t)	**74,116**	**71,682**	**69,493**	**67,489**	**70,087**	**67,386**	**69,367**	**70,726**	**70,589**	
Net Sales	**547.7**	**539.0**	**536.5**	**562.2**	**500.6**	**535.8**	**582.7**	**690.6**	**2,185.4**	**2,309.7**
Change (YoY %)	-7.9	-3.2	-3.0	-4.2	-8.6	-0.6	8.6	22.8	-4.6	5.7
Change (QoQ %)	-6.7	-1.6	-0.5	4.8	-11.0	7.0	8.7	18.5		
EBITDA	**66.9**	**55.2**	**71.5**	**65.6**	**69.6**	**70.2**	**87.0**	**115.5**	**259.3**	**342.4**
Change (YoY %)	29.4	29.4	24.6	-0.6	4.0	27.2	21.6	76.1	19.0	32.0
Change (QoQ %)	1.4	-17.5	29.6	-8.3	6.1	0.9	23.9	32.8		
EBITDA (INR/t)	**9,059**	**7,343**	**9,268**	**7,874**	**9,746**	**8,831**	**10,356**	**11,832**	**8,376**	**10,294**
Interest	17.8	19.7	18.0	17.9	18.8	18.8	18.8	18.8	73.4	75.3
Depreciation	25.4	26.0	25.7	27.2	27.2	27.2	27.2	27.2	104.2	108.8
Other Income	2.6	6.0	2.2	4.6	4.6	4.6	4.6	4.6	15.4	18.5
PBT (before EO Inc.)	**26.4**	**15.5**	**30.0**	**25.1**	**28.2**	**28.8**	**45.6**	**74.1**	**97.1**	**176.7**
EO Income(exp)	-3.6	6.4	-13.8	-3.9					-14.9	
PBT (after EO Inc.)	**22.8**	**21.9**	**16.3**	**21.2**	**28.2**	**28.8**	**45.6**	**74.1**	**82.2**	**176.7**
Total Tax	14.6	14.1	13.8	10.0	13.5	13.8	17.8	27.2	52.4	72.4
% Tax	55.2	90.5	45.8	39.8	48.0	48.0	39.0	36.8	54.0	41.0
PAT before MI and Sh. of associate	**8.3**	**7.8**	**2.5**	**11.2**	**14.7**	**15.0**	**27.8**	**46.9**	**29.8**	**104.3**
Adj. PAT (after MI & asso)	**13.2**	**4.5**	**7.4**	**16.9**	**15.8**	**16.1**	**29.0**	**48.0**	**42.0**	**109.0**
Change (YoY %)	112.3	-35.8	68.8	40.1	20.1	257.8	291.4	184.3	41.5	159.5
Change (QoQ %)	9.3	-65.8	64.1	128.3	-6.4	2.0	79.5	65.9		

Vedanta

Neutral

CMP: INR 466 | TP: INR 490 (+5%)

- Volumes have been weak QoQ in 1Q FY26, which would impact revenues and earnings.
- Management comments on the demerger status, guidance on CoP across verticals and parent debt situation will be key monitorables.

Quarterly Performance INR b

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**357.6**	**376.3**	**391.2**	**404.6**	**370.7**	**372.8**	**399.4**	**420.0**	**1,529.7**	**1,562.9**
Change (YoY %)	6.0	10.1	10.1	13.9	3.6	(0.9)	2.1	3.8	10.1	2.2
Change (QoQ %)	0.7	5.2	3.9	3.4	(8.4)	0.6	7.1	5.2		
EBITDA	**99.5**	**98.3**	**111.0**	**114.7**	**100.0**	**119.7**	**127.1**	**131.4**	**423.4**	**478.3**
Change (YoY %)	54.9	46.3	30.2	30.8	0.6	21.8	14.5	14.6	39.1	12.9
Change (QoQ %)	13.4	(1.2)	13.0	3.3	(12.8)	19.7	6.2	3.3		
Finance cost	22.2	26.7	24.4	25.8	23.5	23.5	23.5	23.5	99.1	94.2
DD&A	27.3	27.0	26.8	29.9	29.5	29.5	29.5	29.5	111.0	118.1
Other Income	9.3	13.0	6.8	7.6	7.2	7.2	7.2	7.2	36.8	28.7
PBT (before EO item)	**59.3**	**57.7**	**66.6**	**66.6**	**54.1**	**73.8**	**81.2**	**85.5**	**250.1**	**294.6**
EO exp. (income)	-	(18.7)	-	-	-	-	-	-	(18.7)	-
PBT (after EO item)	**59.3**	**76.3**	**66.6**	**66.6**	**54.1**	**73.8**	**81.2**	**85.5**	**268.8**	**263.6**
Total Tax	8.3	20.3	17.9	17.0	15.1	20.7	22.7	23.9	63.4	82.5
% Tax	14.0	26.6	26.8	25.5	28.0	28.0	28.0	28.0	23.6	31.3
PAT before MI and Asso.	**51.0**	**56.0**	**48.8**	**49.6**	**38.9**	**53.2**	**58.5**	**61.5**	**205.3**	**212.1**
Profit from Asso.	-	-	-	0.0	-	-	-	-	0.0	-
Minority interest	14.9	12.5	13.3	14.8	13.6	13.6	13.6	13.6	55.5	54.6
PAT after MI and Asso.	**36.1**	**43.5**	**35.5**	**34.8**	**25.3**	**39.5**	**44.8**	**47.9**	**149.9**	**157.6**
APAT	**36.1**	**29.5**	**35.5**	**34.8**	**25.3**	**39.5**	**44.8**	**47.9**	**135.9**	**157.6**
Change (YoY %)	319.5	504.8	76.2	121.8	(29.9)	33.9	26.4	37.5	175.6	16.0
Change (QoQ %)	129.8	(18.2)	20.2	(1.8)	(27.3)	56.1	13.5	6.8		

Oil & Gas

Company name
Aegis Logistics
BPCL
Castrol India
GAIL
Gujarat Gas
Gujarat State Petronet
HPCL
Indraprastha Gas
IOCL
Mahanagar Gas
MRPL
Oil India
ONGC
Petronet LNG
Reliance Industries

OMCs/CGDs weather commodity storm!

- **We expect the MOFSL coverage universe to report: 1) flat sales YoY (+7% YoY excluding OMCs), 2) a 25% YoY rise in EBITDA (+5% YoY excluding OMCs), and 3) a 42% YoY increase in PAT (+9% YoY excluding OMCs) in 1QFY26.**
- **RIL: Consol. EBITDA is expected to grow 17% YoY to INR453b. We estimate EBITDA of 1) INR155b (up 9% YoY) for the standalone business, 2) INR164b (up 18% YoY) for RJio, and 3) INR64b (up 19% YoY) for the retail business. Production meant for sale is likely to stand at 16.9mmt (down 5% YoY) due to plant shutdown, with standalone PAT at INR97b (up 28% YoY).**
- **OMCs: Standalone EBITDA for HPCL/BPCL/IOCL is expected to grow QoQ, driven by an improvement in marketing margins on a QoQ basis. SG GRM averaged USD5.7/bbl in 1Q (vs. USD3.2/bbl in 4Q).**
- **CGDs: We estimate a 9%/6% YoY volume growth for MAHGL/IGL and a 13% YoY volume decline for GUJGA. CGD margins are expected to improve sequentially as raw material costs decline. Spot LNG prices remained elevated despite a sequential decline, averaging around USD12.4/mmBtu in 1Q.**
- **Upstream: For ONGC and OINL, we expect oil & gas sales volumes to remain largely flat both QoQ and YoY, while oil realizations are likely to see a sharp sequential decline for both companies.**

Maintain our bearish crude price outlook; SG GRM recovers QoQ

- In 1QFY26, crude oil prices witnessed heightened volatility, fluctuating between USD60-80/bbl. The swings were driven by mixed signals from OPEC+ supply actions, an uncertain global demand outlook (especially from China), and intermittent geopolitical flare-ups in the Middle East.
- IEA forecasts a 1.1mb/d crude oil oversupply in CY25, as oil supply is set to increase by 1.8mb/d in CY25 (1.4mb/d by OPEC+). Hence, we remain bearish on crude and maintain our Brent price forecast of USD65/bbl for CY25/26.

SG GRM up 78% QoQ in 1Q; long-term refining outlook remains soft

- SG GRM recovered sharply in 1QFY26 (up 78% QoQ), as all the product cracks improved sequentially. Marketing margins remained robust in 1Q, with MS/HSD marketing margins averaging INR12.7/INR11 per lit. Blended marketing margins for IOCL/BPCL/HPCL are expected at INR6.3/INR6.7/INR6.4 per lit in 1QFY26.
- The long-term refining GRM outlook remains subdued, with global refining capacity additions outpacing the global rise in demand for refined products. The IEA expects ~2.5mb/d cumulative net refining capacity to be added over CY24-30 vs. only ~0.3mb/d cumulative refined product demand growth (~0.7mb/d over CY24-27). Further, ~1.4mb/d of the total net capacity additions are expected to be on stream by CY27. Following the sharp 1Q recovery, we raise our SG GRM assumption to USD5.2/bbl, and maintain our FY27 assumption at USD5/bbl.

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Petchem margin weakness persists in 1Q

- Petchem prices were down 8%/13% QoQ/YoY on average in 1QFY26. LDPE/ HDPE/PP prices declined 3%/9%/6% YoY in 1Q.
- PX spread over naphtha declined 48% YoY but was up 15% QoQ, while PP spread over naphtha was up 15% YoY/QoQ.

Strong quarter for OMCs; CGD margin expansion underway

- Amid a strong recovery in refining margins, super-normal MS/HSD marketing margins, and a reduction in LPG losses QoQ in 1Q, we estimate EBITDA for OMCs to rise 11-46% QoQ. We expect GRM to range between USD7 and 9/bbl, while blended marketing margin is likely to be around INR 6.3-6.7/lit.
- A sequential improvement in EBITDA/scm margin from CGDs shall be driven by: 1) lower raw material costs as Brent/Henry Hub index/Spot LNG declined 11%/ 23%/12% QoQ; 2) improvement in adj. realization per scm for MAHGL/IGL due to INR1-3/kg CNG price hikes taken during the quarter; and 3) slight reduction in operating expenditure, which was on the higher end in 4QFY25.

Valuation and view

- **Petronet LNG:** We upgrade PLNG to BUY with a DCF-based TP of INR410. As per our DCF analysis (WACC: 11.2%), at CMP, PLNG is pricing in an unrealistic scenario of a 20% decline in tariff at both Dahej and Kochi terminals with 0% terminal growth. Further, the Street narrative of competing terminals taking away market share has 1) not worked out until now, as utilization at competitor terminals continues to languish at 14-43%, and 2) ignored PLNG's strong scale, historical capex, and connectivity advantages. While tariff cuts in FY28-related concerns linger, we highlight that the sharp cut in tariffs at Dahej in FY28 can lead to industry-wide pressure. This is because competing terminals were built at 2-3x capital cost (Dahej capex/mmtpa = ~INR5.2b vs. ~INR9-11b for competitors), and these will further enhance the relative attractiveness of the Dahej terminal as expanded Dahej capacity comes online.
- At 9.7x FY27 P/E and 4% dividend yield, we believe valuations are at absolute rock bottom. We move to a DCF-based TP (earlier 10x FY27E P/E) and assume a 10% tariff cut in Dahej and Kochi in FY28, a 4% escalation thereafter, a 2% terminal growth, and 11.2% WACC, leading to a TP of INR410. While we build in full capex for the petchem venture, we value it at only 0.5x equity.
- **Mahanagar Gas:** We estimate a 6% PAT CAGR driven by a 9% volume growth CAGR over FY25-27E and a stable EBITDA/scm margin of ~INR10. The company is focusing on infrastructure expansion across segments and plans to add 80+ CNG stations and 3m+ D-PNG connections in FY26 (66/40 CNG stations added in FY25/24). Further, launches of promotional schemes (Mahotsav), collaborations with OEMs, and guaranteed price discounts for new I/C-PNG customers are also expected to support volume growth.
- **GAIL:** During FY25-27E, we estimate a 4% CAGR in PAT, driven by 1) an increase in natural gas transmission volumes to 138mmscmd in FY27 from 127mmscmd in FY25; 2) substantial improvement in the petchem segment's profitability over FY27 as the new petchem capacity becomes operational and spreads start to bottom out; and 3) the trading segment's healthy profitability with a guided EBIT of at least INR45b, accompanied by volume growth. Possible transmission tariff revision for the Integrated National Gas Pipeline remains a key near-term trigger for the company.

Exhibit 1: Oil & gas product prices, cracks, and margins (USD/bbl)

(USD/bbl)	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)
Oil											
WTI	73.8	82.5	78.4	77.1	80.7	75.2	70.4	71.5	63.9	-21%	-11%
Brent	78.4	86.7	83.8	83.0	84.6	79.8	74.6	75.8	68.0	-20%	-10%
Dubai	77.8	86.7	83.5	81.3	85.3	78.4	73.6	76.9	66.9	-22%	-13%
Arab Light-Heavy	1.8	2.1	2.1	1.8	1.5	1.3	1.9	1.9	1.7	13%	-11%
Gas											
Henry Hub (USD/mmBtu)	2.2	2.6	2.7	2.2	2.1	2.1	2.5	4.1	3.2	55%	-23%
LNG Spot	11.1	12.6	15.8	9.4	11.2	13.0	13.9	14.0	12.4	11%	-12%
Exchange Rate (INR/USD)	**82.2**	**82.7**	**83.3**	**83.0**	**83.4**	**83.8**	**84.5**	**86.6**	**85.6**		
Product Cracks (v/s Dubai)											
LPG	-33.9	-28.8	-26.3	-27.3	-33.9	-22.5	-20.4	-24.5	-21.9	-35%	-10%
Gasoline	16.6	18.8	11.7	18.2	17.3	10.8	11.5	8.3	11.4	-34%	37%
Diesel	7.7	21.4	16.1	18.0	11.2	7.2	8.8	8.7	10.0	-11%	14%
Jet/Kero	14.0	27.0	23.0	22.8	15.7	12.8	15.0	13.3	14.3	-9%	8%
Naphtha	-13.0	-16.1	-11.7	-5.4	-9.1	-5.5	-2.8	-5.0	-4.2	-54%	-16%
Fuel Oil	-8.4	-4.7	-10.9	-9.5	-8.3	-5.3	-1.8	-1.5	2.0	-125%	-241%
Singapore GRM	**4.0**	**9.5**	**5.5**	**7.3**	**3.5**	**3.6**	**5.0**	**3.2**	**5.7**	**63%**	**78%**

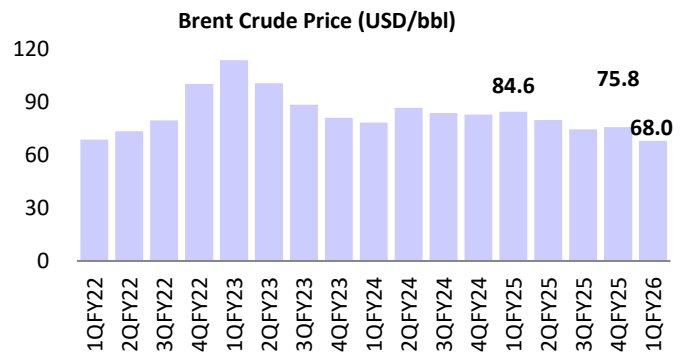
Source: Company, MOFSL

Exhibit 2: Summary of 1QFY26 earnings estimates

Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Aegis Logistics	745	Neutral	17,651	10.2	3.5	2,781	19.7	-32.0	1,500	14.1	-46.7
BPCL	332	Neutral	9,09,305	-19.6	-18.2	1,09,248	93.2	39.9	68,884	128.5	51.3
Castrol India	225	Buy	14,617	4.6	2.8	3,403	5.5	10.7	2,483	6.9	6.3
GAIL	190	Buy	3,41,969	1.6	-4.2	35,861	-20.8	11.5	20,620	-24.3	0.6
Gujarat Gas	480	Buy	41,963	-5.7	2.3	5,628	5.1	25.2	3,381	2.5	17.7
Gujarat State Petronet	335	Neutral	2,087	-37.8	3.5	1,627	-46.0	30.4	1,062	-49.9	50.1
HPCL	441	Buy	8,95,161	-21.3	-18.2	84,119	304.6	46.1	49,204	1,282.9	46.7
Indraprastha Gas	216	Buy	40,249	14.3	1.9	5,680	-2.4	14.2	3,843	-4.3	10.0
IOC	147	Buy	18,79,944	-2.7	-3.6	1,50,139	73.9	10.6	70,710	167.5	-2.7
Mahanagar Gas	1491	Buy	18,294	15.1	-1.9	4,057	-3.1	7.2	2,744	-3.6	8.8
MRPL	143	Sell	1,83,328	-21.1	-25.5	14,356	132.9	28.0	6,155	838.7	69.5
Oil India	434	Buy	49,224	-15.7	-10.8	21,663	-12.2	9.2	12,334	-15.9	-22.5
ONGC	243	Buy	3,03,805	-13.9	-13.2	1,65,905	-10.9	-12.7	76,806	-14.1	19.1
Petronet LNG	300	Buy	1,21,605	-9.4	-1.3	12,210	-21.9	-19.3	8,213	-28.1	-23.3
Reliance Inds.	1528	Buy	26,60,982	14.8	1.8	4,52,677	16.8	3.3	1,99,934	32.1	3.0
Oil & Gas			**74,80,184**	**-3.6**	**-6.9**	**10,69,353**	**25.3**	**7.0**	**5,27,873**	**42.4**	**11.0**
Oil Ex OMCs			**37,95,774**	**6.6**	**-2.1**	**7,25,846**	**5.3**	**-0.4**	**3,39,075**	**9.1**	**4.6**

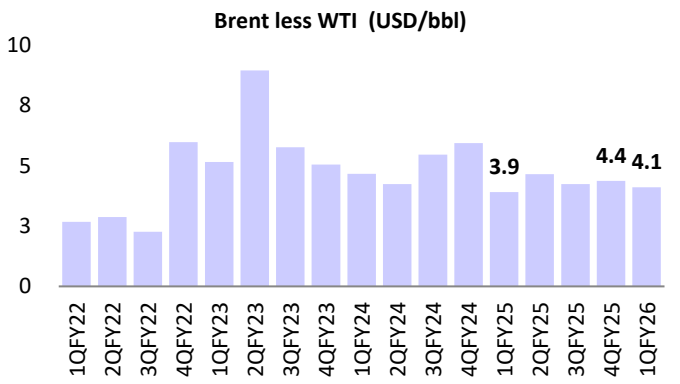
Brent down 10% QoQ; SG GRM up 78% QoQ

Exhibit 1: Brent crude price down 20%/10% YoY/QoQ



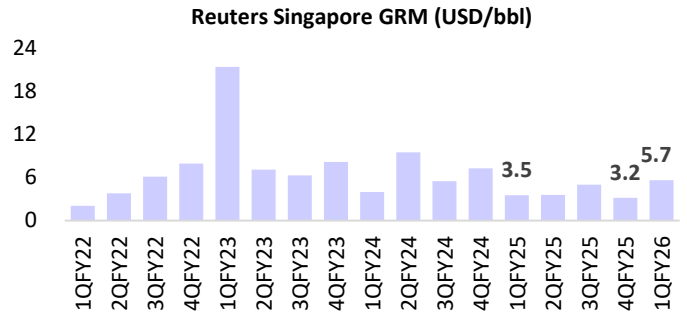
Source: Reuters, MOFSL

Exhibit 2: Brent premium to WTI at USD4.1/bbl



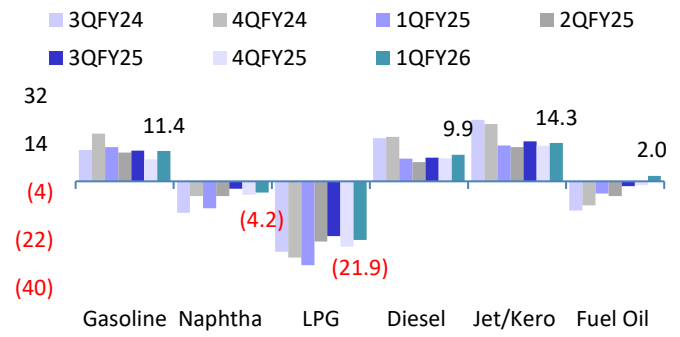
Source: Reuters, MOFSL

Exhibit 3: Reuters SG GRM up 79% QoQ at USD5.7/bbl



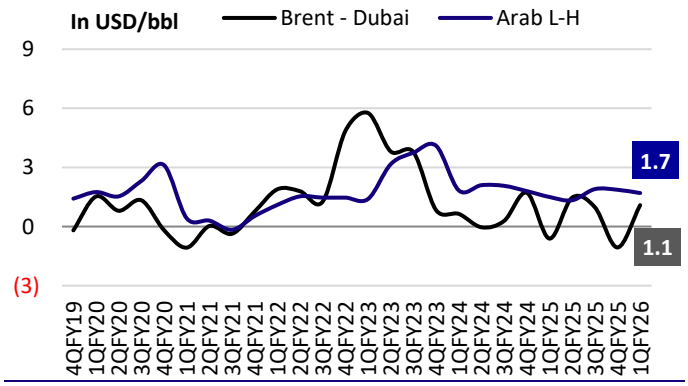
Source: Reuters, MOFSL

Exhibit 4: All product cracks improved QoQ (USD/bbl)



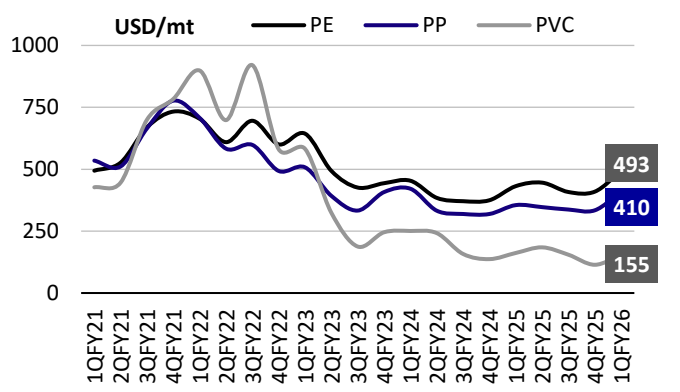
Source: Reuters, MOFSL

Exhibit 5: Crude differential stood at USD1.7/bbl for Arab L-H and recovered QoQ for Brent-Dubai at USD1.1/bbl



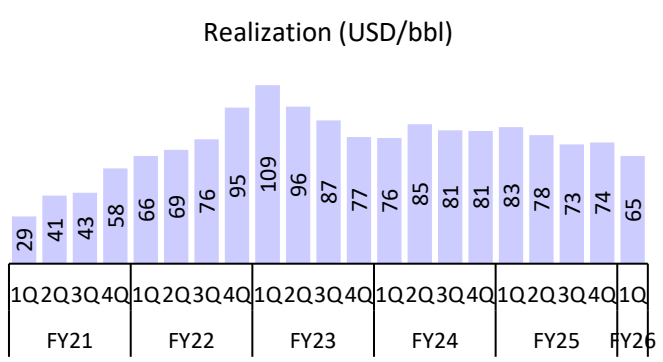
Source: Reuters, MOFSL

Exhibit 6: Spreads over Naphtha for PE, PP, and PVC (petchem m)



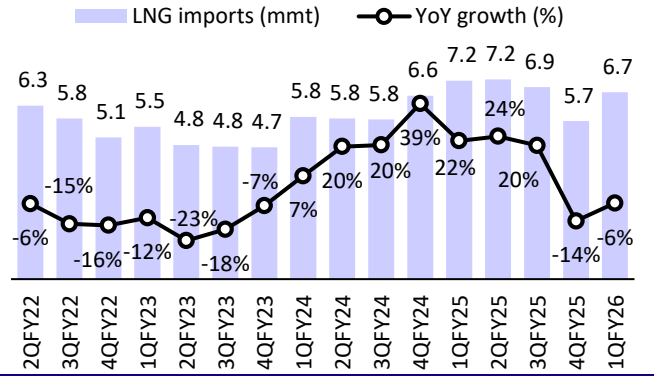
Source: Bloomberg, MOFSL

Exhibit 3: Expect realization of USD65/bbl for ONGC in 1Q



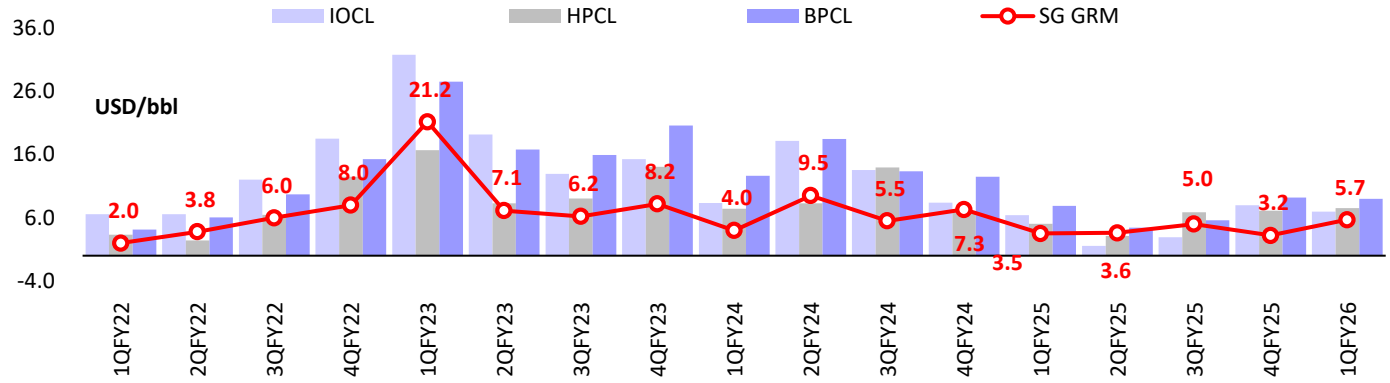
Source: Company, MOFSL

Exhibit 4: Expect LNG imports to decrease 6% YoY in 1Q



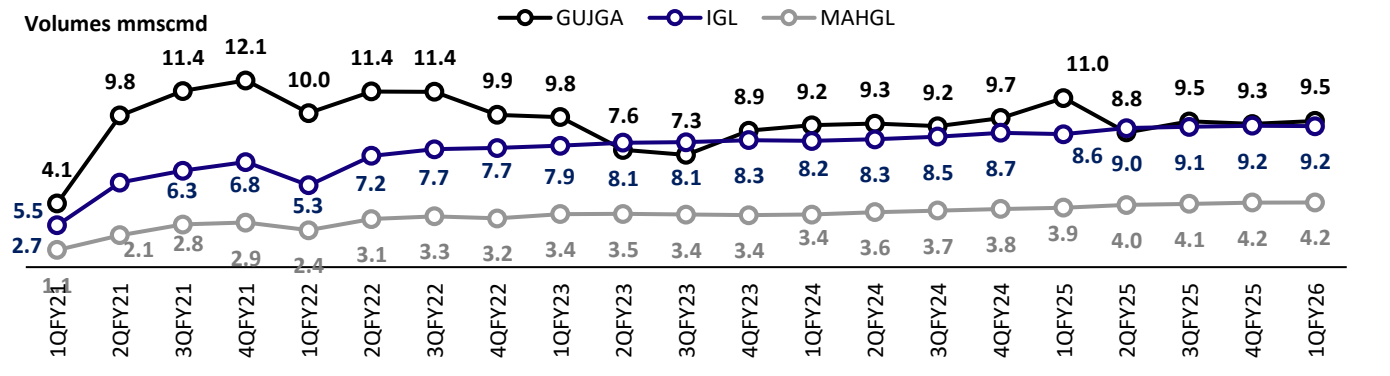
May'25 and Jun'25 data extrapolated for 1QFY26 Source: PPAC, MOFSL

Exhibit 5: GRM snapshot for OMCs (USD/bbl)



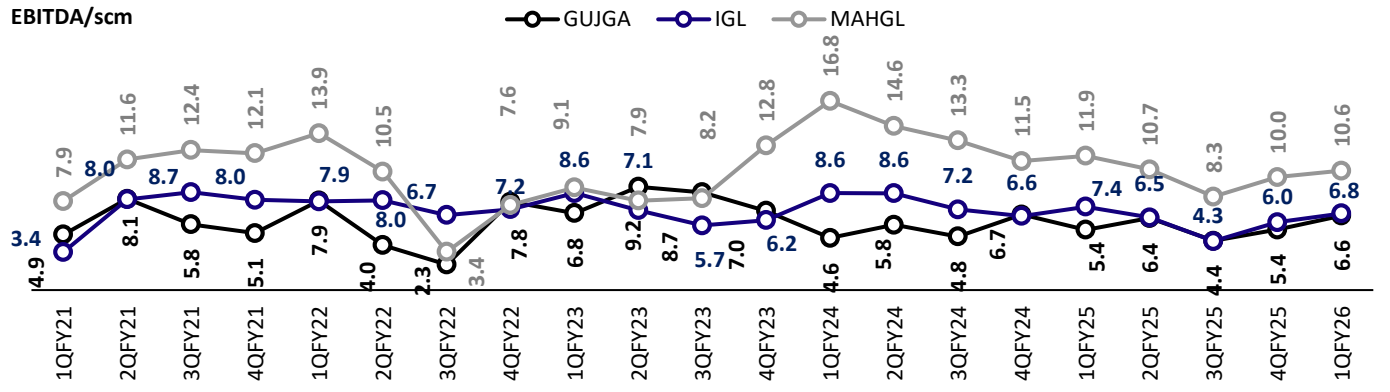
Source: Company, MOFSL

Exhibit 6: Volume snapshot of CGDs (mmscmd)



Source: Company, MOFSL

Exhibit 7: Margin snapshot of CGDs (INR/scm)

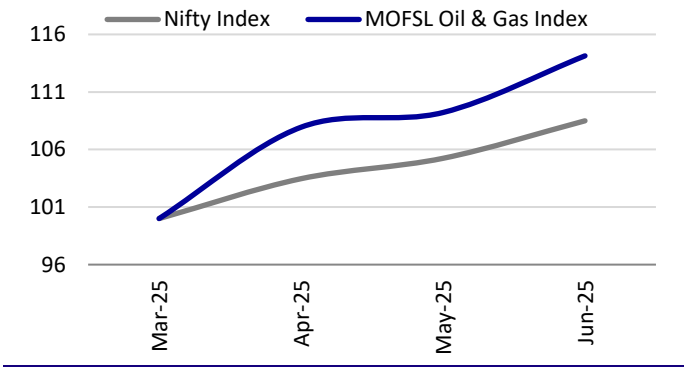


Source: Company, MOFSL

Exhibit 8: Valuation summary

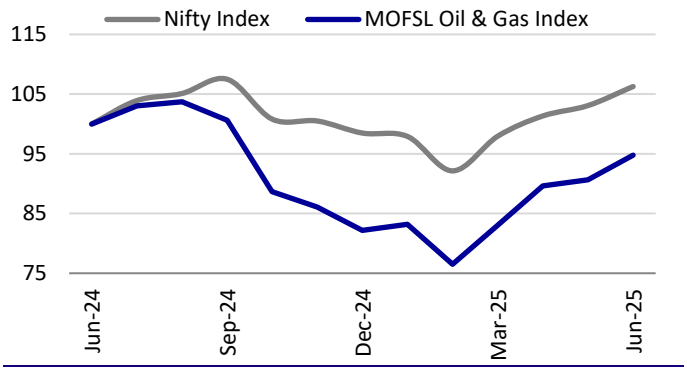
Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Oil & Gas						**17.0**	**16.6**	**16.3**	**1.7**	**1.7**	**1.6**	**9.7**	**10.5**	**9.9**
Aegis Logistics	745	Neutral	18.9	20.9	23.0	39.4	35.6	32.4	5.6	5.1	4.6	15.6	15.1	15.1
BPCL	332	Neutral	31.8	36.5	27.5	10.4	9.1	12.1	1.7	1.5	1.4	17.3	17.9	12.1
Castrol India	225	Buy	9.4	9.6	9.9	24.0	23.5	22.6	9.8	9.0	8.3	42.1	39.8	38.3
GAIL	190	Buy	14.4	14.2	15.5	13.2	13.3	12.3	1.7	1.5	1.4	9.5	12.7	12.6
Gujarat Gas	480	Buy	16.6	18.3	21.3	28.8	26.2	22.5	3.9	3.6	3.2	14.2	14.2	15.0
Gujarat State Petronet	335	Neutral	14.3	12.6	13.6	23.4	26.6	24.7	1.8	1.7	1.6	7.7	6.4	6.6
HPCL	441	Buy	31.6	57.0	44.1	13.9	7.7	10.0	1.8	1.6	1.5	13.7	22.0	15.2
Indraprastha Gas	216	Buy	10.5	11.3	12.7	20.6	19.2	17.0	3.3	3.0	2.7	16.5	16.2	16.5
IOC	147	Buy	7.8	13.6	11.1	19.0	10.8	13.2	1.1	1.0	1.0	5.8	9.7	7.5
Mahanagar Gas	1,491	Buy	105.8	111.8	118.7	14.1	13.3	12.6	2.5	2.2	2.0	18.9	17.8	17.0
MRPL	143	Sell	0.3	11.6	11.3	495.0	12.3	12.6	1.9	1.7	1.6	0.4	14.8	12.9
Oil India	434	Buy	37.6	34.3	36.6	11.6	12.7	11.9	1.6	1.4	1.3	13.7	11.8	11.6
ONGC	243	Buy	30.6	31.4	33.5	8.0	7.7	7.3	0.9	0.8	0.8	11.3	11.1	11.0
Petronet LNG	300	Buy	26.2	26.6	31.0	11.5	11.3	9.7	2.3	2.1	1.8	21.6	19.4	20.0
Reliance Inds.	1,528	Buy	51.5	59.9	66.4	29.7	25.5	23.0	4.9	2.3	2.1	8.5	9.2	9.4

Exhibit 7: Relative performance – three months (%)



Sources: Bloomberg, MOFSL

Exhibit 8: Relative performance – one year (%)



Sources: Bloomberg, MOFSL

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Aegis Logistics — Neutral

CMP: INR745 | TP: INR807 (+8%) — **EPS CHANGE (%): FY26|27: +10|+13**

- Expect EBITDA of INR2.8b due to an increase in India's LPG imports and capacity expansions.
- Recovery in sourcing volume will be a key monitorable.
- Watch out for updates on the Ammonia terminal and LPG terminal capacity in Mangalore, and the liquid capacity expansion in Kochi.

Consolidated – Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**16,013**	**17,504**	**17,070**	**17,050**	**17,651**	**19,138**	**18,713**	**19,334**	**67,638**	**74,835**
YoY Change (%)	-23.8	41.8	-8.9	-7.2	10.2	9.3	9.6	13.4	-4.0	10.6
EBITDA	**2,323**	**2,239**	**2,329**	**4,088**	**2,781**	**2,581**	**2,725**	**5,018**	**10,980**	**13,105**
Margin (%)	14.5	12.8	13.6	24.0	15.8	13.5	14.6	26.0	16.2	17.5
Depreciation	368	374	373	407	425	431	430	469	1,522	1,756
Interest	313	300	514	525	398	381	652	666	1,653	2,097
Other Income	435	395	600	654	482	437	663	724	2,084	2,305
PBT	**2,077**	**1,960**	**2,041**	**3,810**	**2,441**	**2,206**	**2,305**	**4,606**	**9,888**	**11,558**
Tax	496	440	446	632	615	556	581	1,161	2,014	2,913
Rate (%)	23.9	22.4	21.8	16.6	25.2	25.2	25.2	25.2	20.4	25.2
MI & P/L of Asso. Cos.	266	261	353	361	326	326	326	326	1,240	1,302
Reported PAT	**1,315**	**1,260**	**1,243**	**2,817**	**1,500**	**1,325**	**1,399**	**3,120**	**6,634**	**7,343**
YoY Change (%)	13.5	-0.8	-4.5	43.5	14.1	5.2	12.6	10.8	16.5	10.7
Margin (%)	8.2	7.2	7.3	16.5	8.5	6.9	7.5	16.1	9.8	9.8

BPCL — Neutral

CMP: INR332 | TP: INR300 (-10%) — **EPS CHANGE (%): FY26|27: +32|-3**

- Expect refinery throughput at 10.1mmt.
- Expect marketing sales (excluding exports) volumes of 13.7mmt (+4% YoY, +2%QoQ) during the quarter.
- Expect reported GRM at USD9/bbl, with blended gross marketing margin at INR6.7/lit.
- Watch out for updates on the expansion of Bina refinery and the construction of Andhra Refinery and Petrochemical complex.

Standalone – Quarterly Earnings Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**1,131.0**	**1,027.6**	**1,131.4**	**1,111.8**	**909.3**	**847.3**	**851.9**	**853.7**	**4,401.7**	**3,462.2**
YoY Change (%)	0.1	-0.2	-2.0	-4.6	-19.6	-17.5	-24.7	-23.2	-1.8	-21.3
EBITDA	**56.5**	**45.1**	**75.8**	**78.1**	**109.2**	**53.0**	**54.9**	**54.8**	**255.6**	**271.9**
Margins (%)	5.0	4.4	6.7	7.0	12.0	6.3	6.4	6.4	5.8	7.9
Depreciation	16.8	17.7	18.0	19.7	17.7	18.6	19.0	20.8	72.3	76.0
Interest	4.4	4.7	4.3	5.5	4.4	4.6	4.2	5.4	18.9	18.7
Other Income	4.8	9.6	11.0	7.9	4.9	9.7	11.1	8.0	33.4	33.7
PBT before EO expense	**40.3**	**31.9**	**61.8**	**60.4**	**92.1**	**39.5**	**42.8**	**36.6**	**194.4**	**210.9**
Extra-Ord expense	0.0	0.0	0.0	17.7	0.0	0.0	0.0	0.0	17.7	0.0
PBT	**40.3**	**31.9**	**61.8**	**42.6**	**92.1**	**39.5**	**42.8**	**36.6**	**176.6**	**210.9**
Tax	10.2	8.0	15.3	10.5	23.2	9.9	10.8	9.2	43.9	53.1
Tax Rate (%)	25.2	24.9	24.7	24.6	25.2	25.2	25.2	25.2	24.8	25.2
Reported PAT	**30.1**	**24.0**	**46.5**	**32.1**	**68.9**	**29.5**	**32.0**	**27.4**	**132.8**	**157.8**
Adj PAT	**30.1**	**24.0**	**46.5**	**45.5**	**68.9**	**29.5**	**32.0**	**27.4**	**146.1**	**157.8**
YoY Change (%)	-71.4	-71.8	36.9	-18.3	128.5	23.2	-31.1	-39.8	-47.8	8.0
Margins (%)	2.7	2.3	4.1	4.1	7.6	3.5	3.8	3.2	3.3	4.6

Castrol (India) — Buy

CMP: INR225 | TP: INR258 (+15%) — **EPS CHANGE (%): CY25|26: 0|-1**

- Forecast volumes at 64.7m liters (up 6%/4% YoY/QoQ) during the quarter.
- Expect EBITDA margin to expand 1% YoY to 23.3%.
- Expect realization of ~INR226/lit during the quarter (vs. INR229 in 2QCY24).
- Raw material volatility, product launches, and OEM tie-ups to remain key monitorables.

Quarterly Performance (INR m)

Y/E December	CY24				CY25				CY24	CY25E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Volume (m lit)	**58.0**	**61.0**	**55.0**	**59.0**	**62.0**	**64.7**	**58.3**	**62.0**	**233.0**	**247.0**
Realization	**228**	**229**	**234**	**229**	**229**	**226**	**226**	**223**	230	226
Net Sales	**13,252**	**13,975**	**12,882**	**13,539**	**14,220**	**14,617**	**13,179**	**13,815**	**53,649**	**55,831**
YoY Change (%)	2.4	4.8	8.9	7.1	7.3	4.6	2.3	2.0	5.7	4.1
EBITDA	**2,937**	**3,224**	**2,861**	**3,759**	**3,074**	**3,403**	**2,987**	**3,386**	**12,782**	**12,851**
YoY Change (%)	-0.4	4.1	6.5	14.2	4.6	5.5	4.4	-9.9	6.3	0.5
Margin (%)	22.2	23.1	22.2	27.8	21.6	23.3	22.7	24.5	23.8	23.0
Depreciation	237	261	245	254	246	267	251	260	998	1,020
Interest	21	26	20	27	23	27	21	28	94	98
Other Income	241	204	209	232	322	209	214	238	886	909
PBT before EO expense	**2,921**	**3,142**	**2,805**	**3,709**	**3,127**	**3,319**	**2,930**	**3,336**	**12,576**	**12,642**
PBT	**2,921**	**3,142**	**2,805**	**3,709**	**3,127**	**3,319**	**2,930**	**3,336**	**12,576**	**12,642**
Tax	758	820	730	995	793	836	738	818	3,304	3,186
Rate (%)	26.0	26.1	26.0	26.8	25.3	25.2	25.2	24.5	26.3	25.2
PAT	**2,162**	**2,322**	**2,074**	**2,714**	**2,335**	**2,483**	**2,192**	**2,518**	**9,272**	**9,456**
YoY Change (%)	6.8	3.1	6.7	12.2	8.0	6.9	5.7	-7.2	7.3	2.0

GAIL — Buy

CMP: INR190 | TP: INR215 (+13%) — **EPS CHANGE (%): FY26|27: -8|-9**

- Expect transmission volumes to remain soft and trading EBIT to remain stable.
- Expect petchem volumes of 145.3kmt; however, the segment is likely to remain EBIT-negative.
- Potential gas price-related tariff hikes remain a key monitorable; for every INR1/mmbtu increase in tariff, the company's FY26E PAT rises by ~1.3%.
- Updates on the progress of ongoing pipeline projects remain the key monitorable.

Standalone quarterly performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**336.7**	**329.1**	**349.4**	**356.9**	**342.0**	**345.9**	**344.9**	**348.8**	**1,372.1**	**1,381.6**
Change (%)	3.9	3.4	2.0	10.4	1.6	5.1	-1.3	-2.3	4.9	0.7
EBITDA	**45.3**	**37.4**	**28.4**	**32.2**	**35.9**	**34.2**	**34.3**	**36.5**	**143.3**	**140.9**
% of Net Sales	13.4	11.4	8.1	9.0	10.5	9.9	9.9	10.5	10.4	10.2
Depreciation	10.5	8.2	8.3	9.0	11.1	8.6	8.8	9.6	36.0	38.1
Interest	2.1	1.9	1.7	1.8	1.9	1.7	1.5	1.6	7.4	6.7
Other Income	3.7	7.1	7.5	5.7	4.0	7.6	8.0	6.0	24.0	25.6
Extraordinary item	0.0	0.0	24.4	0.0	0.0	0.0	0.0	0.0	24.4	0.0
PBT	**36.4**	**34.5**	**50.3**	**27.0**	**26.8**	**31.5**	**32.0**	**31.4**	**148.2**	**121.7**
Rate (%)	25.2	22.6	23.1	24.1	23.2	23.2	23.2	23.2	23.7	23.2
PAT	**27.2**	**26.7**	**38.7**	**20.5**	**20.6**	**24.2**	**24.6**	**24.1**	**113.1**	**93.5**
Change (%)	71.1	11.1	36.0	-5.9	-24.3	-9.4	-36.5	17.6	25.5	-17.4
Extraord.: Tax Prov. Write Back	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adj PAT	**27.2**	**26.7**	**14.3**	**20.5**	**20.6**	**24.2**	**24.6**	**24.1**	**88.7**	**82.1**
Change (%)	71.1	11.1	-49.8	-5.9	-24.3	-9.4	72.0	17.6	-1.6	-7.5

Gujarat Gas — Buy

CMP: INR480 | TP: INR555 (+16%) — **EPS CHANGE (%): FY26|27: +2|+1**

- Expect volumes at 9.5mmscmd (down 13% YoY/flat QoQ) due to prevailing weakness in ceramic exports.
- Expect EBITDA/scm to rise 22% QoQ to INR6.6.
- Pickup in volumes at Morbi to be the key monitorable.
- A push for industrial gas usage in Thane rural, Ahmedabad rural, and new areas in Rajasthan would be the key factors for growth.

Standalone - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**44,503**	**37,818**	**41,529**	**41,020**	**41,963**	**41,493**	**43,688**	**46,040**	**164,870**	**173,184**
YoY Change (%)	17.7	-1.7	5.7	-0.8	-5.7	9.7	5.2	12.2	5.1	5.0
EBITDA	**5,356**	**5,142**	**3,805**	**4,495**	**5,628**	**4,937**	**5,194**	**5,376**	**18,798**	**21,135**
Margin (%)	12.0	13.6	9.2	11.0	13.4	11.9	11.9	11.7	11.4	12.2
Depreciation	1,231	1,295	1,294	1,286	1,289	1,357	1,355	1,347	5,106	5,348
Interest	78	80	93	74	73	75	87	70	325	305
Other Income	386	386	585	744	254	254	386	491	2,100	1,386
PBT before EO expense	**4,433**	**4,152**	**3,002**	**3,878**	**4,520**	**3,761**	**4,137**	**4,451**	**15,466**	**16,869**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**4,433**	**4,152**	**3,002**	**3,878**	**4,520**	**3,761**	**4,137**	**4,451**	**15,466**	**16,869**
Tax	1,135	1,083	786	1,007	1,139	948	1,043	1,117	4,011	4,246
Rate (%)	25.6	26.1	26.2	26.0	25.2	25.2	25.2	25.1	25.9	25.2
Reported PAT	**3,298**	**3,069**	**2,216**	**2,872**	**3,381**	**2,813**	**3,095**	**3,334**	**11,455**	**12,623**
Adj. PAT	**3,298**	**3,069**	**2,216**	**2,872**	**3,381**	**2,813**	**3,095**	**3,334**	**11,455**	**12,623**
YoY Change (%)	53.3	3.1	0.6	-22.0	2.5	-8.4	39.6	16.1	4.0	10.2

Gujarat State Petronet — Neutral

CMP: INR335 | TP: INR356 (+6%) — **EPS CHANGE (%): FY26|27: +13|+16**

- Expect transmission volumes of 26.0mmscmd (-29% YoY/ flat QoQ).
- EBITDA expected to decline 46% YoY due to the continuation of the full impact of tariff cuts in 1QFY26.
- Commissioning of Phase-II Mehsana-Bhatinda pipeline and further expansion/debottlenecking of three pipelines connecting three LNG terminals remain key monitorables.
- Tariff-related updates remain the key monitorables.

Standalone - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**3,354**	**2,379**	**2,361**	**2,017**	**2,087**	**2,539**	**2,539**	**2,601**	**10,111**	**9,767**
YoY Change (%)	-14.8	-47.5	-48.2	-55.7	-12.3	7.5	25.9	NA	-42.5	-3.4
EBITDA	**3,010**	**1,929**	**1,925**	**1,247**	**1,627**	**2,032**	**2,008**	**1,991**	**8,112**	**7,659**
YoY Change (%)	-10.5	-53.0	-49.3	-67.0	-15.7	5.6	61.0	NA	-46.1	-5.6
Margin (%)	89.7	81.1	81.5	61.8	77.9	80.0	79.1	76.6	80.2	78.4
Depreciation	490	511	512	522	532	555	557	567	2,035	2,211
Interest	13	11	9	52	8	7	6	33	85	54
Other Income	328	2,939	412	362	333	2,983	418	368	4,041	4,102
PBT before EO expense	**2,835**	**4,346**	**1,816**	**1,035**	**1,419**	**4,453**	**1,864**	**1,758**	**10,033**	**9,495**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**2,835**	**4,346**	**1,816**	**1,035**	**1,419**	**4,453**	**1,864**	**1,758**	**10,033**	**9,495**
Tax	715	453	460	328	357	1,121	469	443	1,957	2,390
Rate (%)	25.2	10.4	25.3	31.7	25.2	25.2	25.2	25.2	19.5	25.2
Reported PAT	**2,120**	**3,893**	**1,356**	**707**	**1,062**	**3,332**	**1,395**	**1,316**	**8,076**	**7,105**
YoY Change (%)	-7.5	-26.8	-48.3	-72.9	-72.7	145.8	97.2	NA	-37.1	-12.0
Margin (%)	63.2	163.6	57.4	35.1	50.9	131.2	54.9	50.6	79.9	72.8

HPCL

Buy

CMP: INR441 | TP: INR505 (+15%) **EPS CHANGE (%): FY26|27: +29|0**

- Expect refining throughput at 6.6mmt (+15% YoY).
- Expect marketing sales volumes at 13.1mmt (+4% YoY).
- Expect reported GRM at USD7.5/bbl, with gross marketing margin at INR6.4/lit.
- Watch out for the commissioning of the bottom upgrade project and the new Rajasthan refinery.

Standalone - Quarterly Earnings Model **(INR b)**

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**1,138.0**	**999.3**	**1,105.1**	**1,094.9**	**895.2**	**830.5**	**841.0**	**842.0**	**4,337.3**	**3,408.7**
YoY Change (%)	1.6	4.4	-0.7	-4.4	-21.3	-16.9	-23.9	-23.1	0.0	-21.4
EBITDA	**20.8**	**27.7**	**64.5**	**57.6**	**84.1**	**45.5**	**49.6**	**49.2**	**170.6**	**228.4**
Margins (%)	1.8	2.8	5.8	5.3	9.4	5.5	5.9	5.8	3.9	6.7
Depreciation	14.8	15.2	15.1	15.8	15.8	16.3	16.1	16.9	60.9	65.1
Forex loss	-0.3	0.4	4.8	-0.5	0.0	0.0	0.0	0.0	4.5	0.0
Interest	7.3	9.4	9.3	7.1	9.0	11.6	11.4	10.6	33.1	42.6
Other Income	5.7	5.7	4.8	7.9	6.4	6.5	5.4	10.2	24.2	28.5
PBT	**4.7**	**8.4**	**40.1**	**43.0**	**65.8**	**24.1**	**27.4**	**31.9**	**96.2**	**149.2**
Tax rate (%)	24.5	24.4	24.6	22.1	25.2	25.2	25.2	25.2	23.5	25.2
MI & Profit/Loss of Asso. Cos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Reported PAT	**3.6**	**6.3**	**30.2**	**33.5**	**49.2**	**18.0**	**20.5**	**23.9**	**73.6**	**111.6**
YoY Change (%)	-94.3	-87.7	471.4	18.0	1,282.9	185.5	-32.2	-28.8	-49.9	51.6

Indraprastha Gas

Buy

CMP: INR216 | TP: INR250 (+16%) **EPS CHANGE (%): FY26|27: +3|+2**

- Expect total volumes at 9.2mmscmd (up 6% YoY/flat QoQ).
- Expect EBITDA/scm at INR6.8, up 13% QoQ, while Brent/Henry Hub declined 10%/23% QoQ.
- An increase in sales volumes from GAs – both existing and newly awarded ones – will be a key monitorable.
- Slowing D-PNG growth and increasing competition from alternate fuels in the I/C segment will be the key risks to long-term volume growth prospects.

Standalone Quarterly performance **(INR m)**

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**35,206**	**36,973**	**37,591**	**39,506**	**40,249**	**42,919**	**43,330**	**42,605**	**149,275**	**169,104**
Change (%)	3.3	6.9	5.9	9.8	14.3	16.1	15.3	7.8	6.6	13.3
EBITDA	**5,819**	**5,359**	**3,636**	**4,972**	**5,680**	**5,728**	**5,665**	**5,010**	**19,786**	**22,083**
EBITDA (INR/scm)	7.4	6.5	4.3	6.0	6.8	6.4	6.3	5.7	6.0	6.3
Change (%)	-9.4	-18.4	-34.9	-4.8	-2.4	6.9	55.8	0.8	-16.4	11.6
Depreciation	1,143	1,184	1,216	1,198	1,187	1,230	1,262	1,244	4,741	4,923
Interest	22	23	21	26	22	23	20	25	92	90
Other Income	727	1,493	1,288	908	664	1,365	1,177	830	4,416	4,037
PBT before EO	**5,380**	**5,645**	**3,687**	**4,656**	**5,135**	**5,841**	**5,559**	**4,571**	**19,369**	**21,107**
Tax	1,366	1,334	829	1,164	1,293	1,470	1,399	1,157	4,693	5,319
Rate (%)	25.4	23.6	22.5	25.0	25.2	25.2	25.2	25.3	24.2	25.2
PAT	**4,015**	**4,311**	**2,858**	**3,492**	**3,843**	**4,371**	**4,160**	**3,414**	**14,676**	**15,788**
PAT (INR/scm)	5.1	5.2	3.4	4.2	4.6	4.9	4.6	3.9	4.3	4.1
Change (%)	-8.4	-19.4	-27.1	-8.8	-4.3	1.4	45.5	-2.2	-16.0	7.6

IOC — Buy

CMP: INR147 | TP: INR167 (+14%) — **EPS CHANGE (%): FY26|27: +33|+2**

- Expect refinery throughput of 18.7mmt (flat YoY).
- Petchem cracks have remained subdued, which should have a bearing on the company's petchem division.
- Expect reported GRM at USD7/bbl, with gross marketing margin at INR6.3/lit.

Standalone - Quarterly Earnings Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**1932.4**	**1738.5**	**1939.0**	**1949.7**	**1879.9**	**1709.4**	**1850.6**	**1838.6**	**7559.5**	**7278.6**
YoY Change (%)	-2.2	-3.3	-2.6	-1.5	-2.7	-1.7	-4.6	-5.7	-2.4	-3.7
EBITDA	**86.3**	**41.9**	**91.7**	**135.7**	**150.1**	**88.3**	**90.5**	**89.8**	**355.7**	**418.6**
Margin (%)	4.5	2.4	4.7	7.0	8.0	5.2	4.9	4.9	4.7	5.8
Depreciation	37.6	37.2	39.0	39.1	39.2	38.8	40.7	40.9	152.8	159.6
Forex loss	0.0	4.2	20.5	0.0	0.0	0.0	0.0	0.0	24.7	0.0
Interest	19.6	24.1	23.1	20.5	20.9	25.7	24.6	21.8	87.3	92.9
Other Income	5.3	13.7	18.8	11.7	3.6	9.3	12.7	16.1	49.6	41.6
PBT	**34.5**	**1.7**	**34.7**	**87.9**	**93.7**	**33.0**	**37.8**	**43.2**	**158.8**	**207.7**
Rate (%)	23.4	-4.2	17.2	17.3	24.5	25.2	25.2	25.2	18.4	24.9
Adj PAT	**26.4**	**-9.8**	**21.9**	**72.6**	**70.7**	**24.7**	**28.3**	**32.4**	**111.2**	**156.1**
YoY Change (%)	-80.8	-107.5	-72.8	50.2	167.5	-352.8	29.1	-55.5	-71.9	40.3
Margin (%)	1.4	-0.6	1.1	3.7	3.8	1.4	1.5	1.8	1.5	2.1

Mahanagar Gas — Buy

CMP: INR1,491| TP: INR1,780 (+19%) — **EPS CHANGE (%): FY26|27: 0|-2**

- Expect volume growth of 9% YoY to 4.2mmscmd, with CNG volumes rising 8% YoY.
- EBITDA margin expected at INR10.6/scm.
- Incentives for CNG vehicles to pick up demand in the segment – a key monitorable.
- Watch out for updates on volumes at UEPL.

Standalone - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**15,896**	**17,116**	**17,576**	**18,649**	**18,294**	**19,395**	**19,752**	**19,680**	**69,237**	**77,121**
YoY Change (%)	3.4	9.0	12.0	19.0	15.1	13.3	12.4	5.5	10.9	11.4
EBITDA	**4,185**	**3,985**	**3,144**	**3,784**	**4,057**	**4,018**	**4,092**	**4,131**	**15,098**	**16,298**
EBITDA/SCM	11.9	10.7	8.3	10.0	10.6	9.9	9.9	10.1	10.2	10.1
Margins (%)	26.3	23.3	17.9	20.3	22.2	20.7	20.7	21.0	21.8	21.1
Depreciation	719	735	791	818	769	786	847	876	3,063	3,277
Interest	31	31	34	39	35	34	38	43	134	150
Other Income	402	512	463	464	413	526	476	477	1,840	1,893
PBT	**3,837**	**3,731**	**2,782**	**3,391**	**3,667**	**3,723**	**3,683**	**3,690**	**13,741**	**14,763**
Tax	992	903	529	869	923	937	927	929	3,292	3,716
Rate (%)	25.8	24.2	19.0	25.6	25.2	25.2	25.2	25.2	24.0	25.2
Reported PAT	**2,845**	**2,828**	**2,254**	**2,522**	**2,744**	**2,786**	**2,756**	**2,761**	**10,449**	**11,047**
YoY Change (%)	-22.8	-16.5	-28.9	-4.8	-3.6	-1.5	22.3	9.5	-18.9	5.7
Margins (%)	17.9	16.5	12.8	13.5	15.0	14.4	14.0	14.0	15.1	14.3

MRPL — Sell

CMP: INR143 | TP: INR104 (-27%) — **EPS CHANGE (%): FY26|27: +2|-2**

- Expect refinery throughput of 4.0mmt (-8% YoY).
- Persistent high valuations remain a concern, given the current highly volatile macro environment.
- Expect reported GRM at USD7.5/bbl, factoring in the inventory loss.

Standalone - Quarterly Earnings Model (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**232.5**	**249.7**	**218.7**	**246.0**	**183.3**	**187.6**	**187.6**	**197.9**	**946.8**	**756.4**
YoY Change (%)	20.9	29.8	-11.3	-2.9	-21.1	-24.9	-14.2	-19.5	4.7	-20.1
EBITDA	**6.2**	**-4.3**	**11.9**	**11.2**	**14.4**	**12.5**	**12.5**	**13.0**	**25.0**	**52.4**
Margin (%)	2.7	-1.7	5.5	4.6	7.8	6.7	6.7	6.6	2.6	6.9
Depreciation	3.4	3.4	3.3	3.4	3.5	3.6	3.5	3.6	13.5	14.3
Forex loss	0.1	0.4	1.6	-0.1	0.0	0.0	0.0	0.0	2.0	0.0
Interest	2.1	2.8	2.6	2.5	2.0	2.6	2.4	2.3	10.1	9.4
Other Income	0.4	0.6	0.3	0.4	0.5	0.7	0.4	0.5	1.8	2.1
PBT before EO expense	**1.0**	**-10.4**	**4.7**	**5.8**	**9.3**	**7.0**	**7.0**	**7.6**	**1.1**	**30.9**
PBT	**1.0**	**-10.4**	**4.7**	**5.8**	**9.3**	**7.0**	**7.0**	**7.6**	**1.1**	**30.9**
Tax	0.4	-3.6	1.7	2.2	3.2	2.4	2.4	2.6	0.6	10.5
Rate (%)	34.8	34.5	35.2	37.9	34.0	34.0	34.0	34.0	55.3	34.0
Reported PAT	**0.7**	**-6.8**	**3.0**	**3.6**	**6.2**	**4.6**	**4.6**	**5.0**	**0.5**	**20.4**
YoY Change (%)	-93.8	PL	-21.4	-68.2	838.7	LP	50.9	38.6	-98.6	3,926.6
Margin (%)	0.3	-2.7	1.4	1.5	3.4	2.4	2.4	2.5	0.1	2.7

Oil India — Buy

CMP: INR434 | TP: INR521 (+20%) — **EPS CHANGE (%): FY26|27: -18|-19**

- Update on the progress of the NRL capacity expansion and IGGL phase I to remain the key monitorables.
- Expect oil/gas sales at 0.82mmt/0.65bcm (flat YoY).
- An increase in production at the Baghjan field is a key monitorable for the medium term.

Quarterly Performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**58.4**	**55.2**	**52.4**	**55.2**	**49.2**	**51.5**	**51.7**	**54.6**	**221.2**	**207.1**
Change (%)	25.7	-6.7	-9.9	-4.1	-15.7	-6.7	-1.3	-1.0	-0.1	-6.4
EBITDA	**24.7**	**21.8**	**21.3**	**19.8**	**21.7**	**22.2**	**20.6**	**20.4**	**87.7**	**84.9**
% of Net Sales	42.2	39.6	40.7	36.0	44.0	43.2	39.8	37.4	39.6	41.0
Change (%)	5.9	-12.3	1.3	-15.0	-12.2	1.9	-3.4	2.9	-5.3	-3.1
D,D&A	4.6	5.0	5.3	4.3	4.7	5.2	5.4	4.4	19.2	19.7
Interest	2.0	2.3	2.4	2.0	2.1	2.5	2.6	2.1	8.7	9.3
OI (incl. oper. other inc)	1.6	8.6	1.9	6.6	1.6	8.5	1.9	6.6	18.7	18.6
PBT before exceptional	**19.7**	**23.1**	**15.5**	**20.2**	**16.5**	**23.1**	**14.4**	**20.5**	**78.5**	**74.5**
Exceptional item	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
PBT after exceptional	**19.7**	**23.1**	**15.5**	**20.2**	**16.5**	**23.1**	**14.4**	**20.5**	**78.5**	**74.5**
Tax	5.1	4.7	3.3	4.3	4.1	5.8	3.6	5.2	17.4	18.8
Rate (%)	25.7	20.4	21.2	21.2	25.2	25.2	25.2	25.2	22.1	25.2
PAT	**14.7**	**18.3**	**12.2**	**15.9**	**12.3**	**17.3**	**10.8**	**15.3**	**61.1**	**55.8**
Change (%)	-9.1	463.8	-22.9	-21.6	-15.9	-5.7	-11.5	-3.7	10.1	-8.8
Adj. PAT	**14.7**	**18.3**	**12.2**	**15.9**	**12.3**	**17.3**	**10.8**	**15.3**	**61.1**	**55.8**

ONGC

Buy

CMP: INR243 | TP: INR275 (+13%) **EPS CHANGE (%): FY26|27: -7|-6**

- Expect oil, gas, and VAP volumes to be flat YoY.
- Update on the ramp-up of gas production remains the key monitorable.
- A delay in peak oil production from the KG Basin and the decline in oil prices below USD65/bbl are the key downside risks.

Standalone - Quarterly Earning Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**352.7**	**338.8**	**337.2**	**349.8**	**303.8**	**314.4**	**321.2**	**322.0**	**1,378.5**	**1,261.4**
YoY Change (%)	4.3	0.2	-4.1	0.6	-12.3	-10.8	-5.2	-4.5	-0.4	-8.5
EBITDA	**186.2**	**182.4**	**190.6**	**190.1**	**165.9**	**174.0**	**177.4**	**175.2**	**752.1**	**692.5**
Margin (%)	52.8	53.8	56.5	54.3	54.6	55.3	55.2	54.4	54.6	54.9
Depreciation	75.4	68.1	87.0	111.3	73.9	76.7	81.4	98.6	341.8	330.7
Interest	11.8	11.6	10.7	11.9	11.0	10.8	10.0	11.1	46.0	42.9
Other Income	20.6	47.7	17.2	20.7	21.7	50.1	18.1	20.3	104.8	110.2
PBT	**119.6**	**150.4**	**110.0**	**87.7**	**102.6**	**136.6**	**104.0**	**85.7**	**469.1**	**429.0**
Tax	30.2	30.5	27.6	23.2	25.8	34.4	26.2	21.6	111.5	108.0
Rate (%)	25.2	20.3	25.1	26.5	25.2	25.2	25.2	25.2	23.8	25.2
Reported PAT	**89.4**	**119.8**	**82.4**	**64.5**	**76.8**	**102.2**	**77.9**	**64.2**	**357.6**	**321.0**

Petronet LNG

Buy

CMP: INR300 | TP: INR410 (37%) **EPS CHANGE (%): FY26|27: -6|0**

- We build in Dahej/Kochi utilization at 87%/25%.
- LNG imports remained strong, while LNG prices remained volatile during 1Q.
- Progress on ongoing projects is a key monitorable.
- Expect total PLNG volumes to decrease 21% YoY.

Standalone - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**134,151**	**130,218**	**122,269**	**123,158**	**121,605**	**124,204**	**121,993**	**138,441**	**509,796**	**506,244**
YoY Change (%)	15.1	3.9	-17.1	-10.7	-9.4	-4.6	-0.2	12.4	-3.3	-0.7
EBITDA	**15,630**	**12,005**	**12,477**	**15,129**	**12,210**	**14,644**	**14,374**	**18,055**	**55,241**	**59,283**
Margin (%)	11.7	9.2	10.2	12.3	10.0	11.8	11.8	13.0	10.8	11.7
Depreciation	1,946	1,963	2,096	2,058	2,226	2,245	2,398	2,354	8,062	9,223
Interest	667	654	651	609	761	746	742	694	2,580	2,944
Other Income	2,181	2,016	1,961	1,995	1,758	1,624	1,580	1,608	8,153	6,570
PBT	**15,199**	**11,404**	**11,691**	**14,458**	**10,981**	**13,276**	**12,814**	**16,615**	**52,752**	**53,687**
Tax	3,783	2,928	3,021	3,757	2,767	3,346	3,229	4,366	13,488	13,708
Rate (%)	24.9	25.7	25.8	26.0	25.2	25.2	25.2	26.3	25.6	25.5
Reported PAT	**11,416**	**8,476**	**8,670**	**10,702**	**8,213**	**9,931**	**9,585**	**12,249**	**39,264**	**39,978**
Adj PAT	**11,416**	**8,476**	**8,670**	**10,702**	**8,213**	**9,931**	**9,585**	**12,249**	**39,264**	**39,978**
YoY Change (%)	44.5	3.6	-27.2	45.1	-28.1	17.2	10.6	14.5	11.0	1.8
Margin (%)	8.5	6.5	7.1	8.7	6.8	8.0	7.9	8.8	7.7	7.9

Reliance Industries

Buy

CMP: INR1525 | TP: INR1685 (+10%)

EPS CHANGE (%): FY26|27: +1|0

- Expect consolidated EBITDA to rise 17% YoY to INR453b.
- Expect production meant for sale at 16.9mmt (down 5% YoY).
- Expect standalone EBITDA at INR155b (up 9% YoY).
- Further clarity on INR750b announcements in the new energy business, growth in Retail store additions, and any pricing action in Telecom are the key monitorables.

Consolidated - Quarterly Earnings Model (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**2,318**	**2,315**	**2,400**	**2,614**	**2,661**	**2,653**	**2,816**	**2,839**	**9,647**	**10,968**
YoY Change (%)	11.7	-0.2	6.6	10.5	14.8	14.6	17.3	8.6	7.1	13.7
EBITDA	**388**	**391**	**438**	**438**	**453**	**460**	**476**	**487**	**1,654**	**1,875**
Margins (%)	16.7	16.9	18.2	16.8	17.0	17.3	16.9	17.1	17.1	17.1
Depreciation	136	129	132	135	138	140	142	153	531	572
Interest	59	60	62	62	64	66	67	69	243	265
Other Income	40	49	42	49	48	48	49	51	180	197
PBT	**232**	**250**	**286**	**291**	**299**	**303**	**317**	**316**	**1,060**	**1,235**
Rate (%)	24.9	23.7	23.9	22.9	23.7	23.7	23.8	23.7	23.8	23.7
Minority Interest & Profit/Loss of Asso. Cos.	23.1	25.4	32.6	30.3	28.3	29.3	31.6	42.7	111.4	131.9
Reported PAT	**151**	**166**	**185**	**194**	**200**	**202**	**210**	**198**	**696**	**810**
YoY Change (%)	-5.5	-4.8	7.4	2.4	32.1	21.8	13.3	2.2	0.0	16.3
Margins (%)	6.5	7.2	7.7	7.4	7.5	7.6	7.5	7.0	7.2	7.4

Real Estate

Company
Anant Raj
Brigade Enterprises
DLF
Godrej Properties
Kolte Patil
Macrotech Developers
Mahindra Lifespace
Oberoi Realty
Phoenix Mills
Prestige Estates
Signature Global
Sobha
Sunteck Realty

Robust sales driven by stable demand

- Our coverage universe is expected to report presales of INR501b, up 59% YoY/51% QoQ, in 1QFY26. Volumes are expected at 32msf, up 26% YoY/35% QoQ.
- LODHA/KPDL/OBER/SOBHA are estimated to report 25-62% YoY growth in bookings. DLF/BRGD/PEPL are expected to clock presales of INR128b/INR25b/ INR118b, up 2x/2x/4x YoY. Accordingly, cumulative presales of these three companies would be INR271b, representing 54% of total presales of our coverage universe, driven by new launches in the quarter.
- Collections for our coverage companies are likely to increase 58% YoY to INR293b, implying collection efficiency of ~58%.
- Revenue recognition for our coverage is expected to stand at INR167b (up 31% YoY), with EBITDA of INR50b (up 44% YoY) and a margin of 30%.
- Adj. PAT is expected to stand at INR41b, up 40% YoY with Adj. PAT margin at 25%.

Strong presales and expansion plans propel 1QFY26 growth

- **DLF:** After the stellar execution of The Dahlias and Privana West in FY25, DLF's performance in 1QFY26 is expected to be driven by the recent launch of Privana North with GDV of INR110b, which was sold out within just a few days of launch. The company is also set to launch its Mumbai project with 0.9msf area after recent RERA approval. While the company typically launches two to three projects per year, it is now well-equipped to handle four to five residential and two to three rental/commercial project launches annually.
- **OBER:** OBER is expected to post presales of INR16b in 1QFY26, up 52% YoY, primarily driven by the recent launch of Elysian Tower D, wherein gross bookings of INR9.7b have already been done, along with some from sustenance sales. It has also opened a new Sky City Mall in Borivali East, which had its soft launch last quarter and is expected to make a significant contribution to FY26 rentals.
- **GPL:** GPL is expected to record strong presales, guided by a mix of launches and sustenance sales from ongoing projects. It has already launched MSR City, Riverine and Astra. The company is expected to achieve bookings of INR80b in 1QFY26.
- **PEPL:** In 1QFY26, PEPL launched Indirapuram in NCR with GDV of INR90b (INR65b already been sold). Inclusive of Phase 2, the NCR project has a potential of INR120b. Nautilus Mumbai was launched in 4QFY25. Supported by these launches and sustenance sales, we expect PEPL to clock presales of INR118b in 1QFY26, reflecting 4x YoY growth.
- **BRGD:** With premium/mid-premium launches of Insignia, Citrine, Lumina and Lakecrest and its first plotted project in Bengaluru, the company is expected to clock presales of INR25b, up 2x YoY.
- **SOBHA**: While we estimate sales to come from launches of Sector 36 and Marina 1 (combined 1.62msf) and Magnus (4 acres), the company has ~INR124b of unsold stock across ongoing projects. We expect SOBHA to report presales of INR30b, up 62% YoY.

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- **SIGNATUR:** The company is expected to achieve presales of INR14b from two new launches in Gurugram (Twin Tower DXP and Titanium SPR) with combined GDV of INR60b. About ~INR15b of presales are estimated to be achieved from sustenance sales. While maintaining its focus on middle-income housing, the company foresees consumption trends to be steady with steady supply.
- **SUNTECK:** The company is likely to report sales of INR6b (up 13% YoY) in spite of a higher base, absence of new launches, and lower sales across all key projects.
- **KOLTE PATIL:** Steady sales, coupled with a few small launches, should drive bookings to INR11b, marking a 49% YoY increase.
- **LODHA:** The company expects to launch around 17 projects in FY26 with GDV of INR188b. LODHA aims to achieve bookings of INR51b in 1QFY26, up 25% YoY. Collections for the quarter are also projected to rise 61% YoY to INR43b.
- **MLDL:** MLDL confirmed the redevelopment of two societies in Lokhandwala, Andheri, with GDV of INR12b. It expects to clock presales of INR7b, down 33% YoY, primarily due to a weak response to ongoing projects.

Top picks: PEPL, SIGNATUR, and LODHA

- India's top 7 tier-I cities witnessed a decline in launches and absorption in FY25 by 5% and 10% YoY, respectively. This was due to the absence of material launches in the year owing to the lack of approvals because of national and state elections. 4QFY25 saw a pickup in launches, although most of the planned launches of the top 10 developers would spill over to FY26. Hence, FY26 is expected to be a year of launches. We are already seeing this trend in DLF, PEPL, and OBER, among others. They have launched high-value projects and sold a majority of inventory in 1QFY26.
- With strong demand, a stable inventory position, healthy pricing power, and market consolidation opportunities, we anticipate steady growth in the real estate sector for at least the next two years. Therefore, we maintain a positive outlook on the sector.
- We have a BUY rating on ARCP, BRGD, DLFU, GPL, KPDL, LODHA, PEPL, SIGNATUR, SOBHA, and SRIN, and a Neutral rating on MLDL, PHNX, and OBER. **LODHA, PEPL, and SIGNATUR** are our top picks.

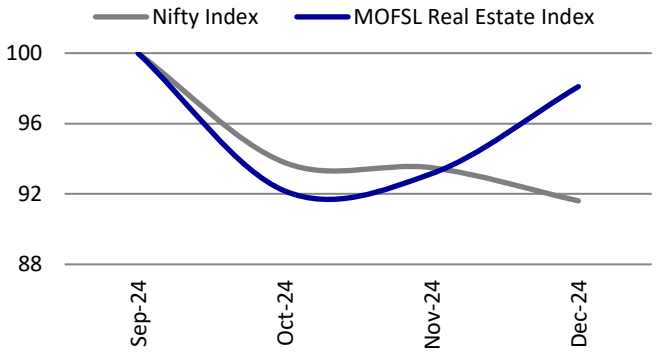
Exhibit 1: Summary of financial performance estimates

Sector	Revenue (INR b)			EBITDA (INR b)			Net Profit (INR b)		
	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Anant Raj	4	-7	-19	1.6	54	12	1.0	14	-13
Brigade Enterprise	10	-11	-35	3.4	15	-19	1.8	120	-25
DLF	17	23	-46	6.2	170	-37	9.3	44	-28
Godrej Properties	10	37	-52	1.3	NA	16	4.7	-10	24
Kolte Patil	9	151	19	1.8	533	65	1.1	NA	69
Macrotech Developers	40	40	-6	11.4	50	-7	8.0	67	-13
Mahindra Lifespaces	1	-25	NA	-0.3	NA	NA	0.1	14	-83
Oberoi Realty	14	2	25	8.5	5	38	6.0	3	39
Phoenix Mills	11	24	10	6.9	31	24	3.8	61	39
Prestige Estates	24	26	54	5.6	-30	3	2.0	-16	682
Signature Global	11	183	118	2.1	NA	370	0.8	NA	92
SOBHA	10	63	-16	1.3	133	39	0.3	48	-33
Sunteck Realty	6	13	-35	0.4	32	-39	2.0	NA	233
Real Estate	**167**	**31**	**-10**	**50**	**44**	**3**	**41**	**40**	**3**

Exhibit 2: Summary of operational performance estimates

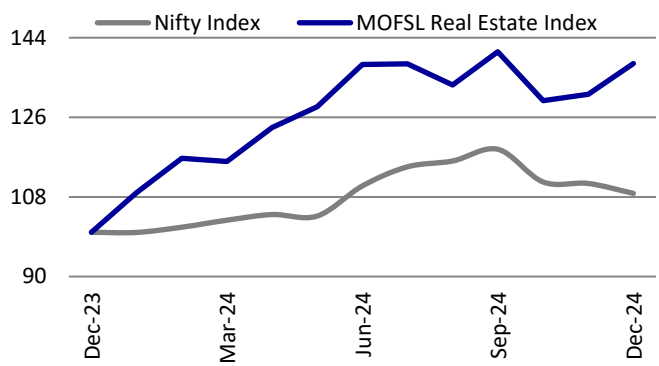
Sector	Presales (INR b)			Volume (MSF)			Collections (INR b)		
	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Brigade Enterprise	25	134	4	2.6	122	26	25	56	30
DLF	128	100	529	2.0	-47	529	51	72	54
Godrej Properties	80	-7	-21	5.9	-34	-21	66	91	-14
Kolte Patil	11	49	67	1.2	28	54	8	34	17
Macrotech Developers	51	25	5	3.6	48	3	43	61	-2
Mahindra Lifespaces	7	-33	-35	0.7	-44	-37	6	7	24
Oberoi Realty	16	52	88	0.4	85	184	17	69	123
Prestige Estates	118	290	70	10.3	259	128	39	45	30
Signature Global	30	-4	85	1.8	-10	35	15	27	31
SOBHA	30	62	65	2.8	137	79	17	26	10
Sunteck Realty	6	13	-35	0.4	13	-35	4	29	43
Real Estate	**501**	**59**	**51**	**32**	**26**	**35**	**293**	**58**	**15**

Exhibit 3: Relative performance – three months (%)



Source: Bloomberg, MOFSL

Exhibit 4: Relative performance – one year (%)



Source: Bloomberg, MOFSL

Exhibit 5: Real estate coverage – operational snapshot

	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26E	YoY (%)	QoQ (%)
Sales (INR b)										
Brigade Enterprise	12	15	22	11	18	25	24	25	134	4
DLF	22	90	15	64	7	121	20	128	100	529
Godrej Properties	50	57	95	86	52	54	102	80	-7	-21
Kolte Patil	6	7	7	7	8	7	6	11	49	67
Macrotech	35	34	42	40	43	45	48	51	25	5
Mahindra Lifespaces	5	5	11	10	4	3	11	7	-33	-35
Oberoi Realty	10	8	18	11	14	19	9	16	52	88
Prestige Estates	71	53	47	30	40	30	70	118	290	70
Signature Global	10	13	41	31	28	28	16	30	-4	85
SOBHA	17	20	15	19	12	14	18	30	62	65
Sunteck Realty	4	5	7	5	5	6	9	6	13	-35
Aggregate Sales (INR b)	**243**	**307**	**320**	**315**	**231**	**353**	**333**	**501**	**59**	**51**
Volume (msf)										
Brigade Enterprise	1.7	1.7	2.7	1.2	1.8	2.2	2.0	2.6	122	26
DLF	1.3	5.0	0.5	3.8	1.0	1.9	0.3	2.0	-47	529
Godrej Properties	5.2	4.3	8.2	9.0	5.1	4.1	7.5	5.9	-34	-21
Kolte Patil	1.0	1.0	1.0	1.0	1.0	0.8	0.8	1.2	28	54
Macrotech	2.6	2.6	3.3	2.4	3.2	3.0	3.4	3.6	48	3
Mahindra Lifespaces	0.7	0.5	0.9	1.2	0.7	0.5	1.0	0.7	-44	-37
Oberoi Realty	0.2	0.3	0.4	0.2	0.2	0.7	0.1	0.4	85	184
Prestige Estates	6.8	5.5	4.1	2.9	5.0	2.2	4.5	10.3	259	128
Signature Global	1.0	1.1	3.1	2.0	2.4	2.5	1.4	1.8	-10	35
SOBHA	1.7	1.7	1.3	1.2	1.8	1.0	1.6	2.8	137	79
Sunteck Realty			0.5	0.4	0.4	0.5	0.7	0.4	13	-35
Aggregate Volume (msf)	**22.2**	**23.7**	**26.1**	**25.1**	**22.6**	**19.3**	**23.4**	**31.6**	**26**	**35**
Collections (INR b)										
Brigade Enterprise	14	14	18	16	19	18	19	25	56	30
DLF	24	25	22	30	24	31	33	51	72	54
Godrej Properties	24	24	53	34	43	35	76	66	91	-14
Kolte Patil	5	5	6	6	6	6	7	8	34	17
Macrotech	28	26	35	27	31	43	44	43	61	-2
Mahindra Lifespaces	3	4	4	5	5	4	5	6	7	24
Oberoi Realty	11	9	11	10	12	14	8	17	69	123
Prestige Estates	24	29	33	27	26	31	30	39	45	30
Signature Global	7	8	10	12	9	11	12	15	27	31
SOBHA	13	13	13	14	13	13	16	17	26	10
Sunteck Realty	2	4	3	3	3	3	3	4	29	43
Aggregate Collections (INR b)	**154.0**	**160.6**	**209.1**	**185.1**	**189.5**	**207.6**	**253.4**	**292.6**	**58**	**15**

Source: Company, MOFSL

Exhibit 6: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Real Estate						**43.5**	**36.7**	**32.5**	**4.2**	**4.4**	**3.9**	**9.7**	**12.1**	**12.1**
Anant Raj	565	Buy	12.4	14.7	13.0	45.6	38.6	43.6	4.7	4.2	3.8	10.2	10.8	8.8
Brigade Enterpr.	1,095	Buy	33.6	44.9	64.2	32.6	24.4	17.1	4.0	3.4	2.9	15.0	15.1	18.3
DLF	843	Buy	17.6	19.1	15.6	47.8	44.2	54.2	3.5	3.2	3.0	10.7	10.6	8.0
Godrej Properties	2,315	Buy	50.0	89.2	86.7	46.3	26.0	26.7	3.7	3.3	2.9	10.2	13.4	11.5
Kolte Patil Dev.	493	Buy	14.1	48.7	45.2	35.0	10.1	10.9	4.5	3.1	2.4	13.6	36.4	25.0
Macrotech Developers	1,391	Buy	28.7	37.9	40.2	48.5	36.7	34.6	6.6	5.7	5.0	14.6	16.7	15.4
Mahindra Lifespace	362	Neutral	4.0	3.3	16.8	91.6	111.2	21.5	3.0	2.9	2.6	3.3	2.7	13.0
Oberoi Realty	1,912	Neutral	61.2	79.4	96.9	31.2	24.1	19.7	4.4	3.8	3.2	15.1	17.0	17.7
Phoenix Mills	1,547	Neutral	27.5	43.8	59.0	56.2	35.4	26.2	5.3	4.6	3.9	9.9	14.0	16.3
Prestige Estates	1,637	Buy	13.6	22.6	25.9	120.3	72.6	63.3	4.0	3.8	3.6	3.8	5.3	5.8
SignatureGlobal	1,248	Buy	7.2	55.7	125.3	173.5	22.4	10.0	24.1	11.6	5.4	14.9	70.0	73.6
Sobha	1,492	Buy	8.9	33.7	50.6	168.5	44.2	29.5	3.5	3.3	3.0	2.7	7.6	10.5
Sunteck Realty	441	Buy	10.3	12.2	26.1	42.9	36.3	16.9	2.0	1.9	1.7	4.7	5.3	10.6

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

Anant Raj — Buy

CMP: INR565 | TP: INR784 (39%) — **EPS CHANGE (%): FY26|27: 0|0**

- Revenue is expected to decline 7% YoY to INR4.4b, primarily due to the lower ticket size of projects affecting revenue recognition.
- Estate Residences (Group housing 2/3) would be launched in FY26 with total GDV of INR51b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**4,718**	**5,129**	**5,346**	**5,407**	**4,404**	**5,324**	**5,800**	**6,175**	**20,600**	**21,704**
YoY Change (%)	49.2	54.3	36.3	22.2	-6.7	3.8	8.5	14.2	38.9	5.4
Total Expenditure	3,689	4,001	4,011	3,983	2,836	3,428	3,735	3,977	15,683	13,976
EBITDA	**1,030**	**1,128**	**1,336**	**1,424**	**1,568**	**1,896**	**2,065**	**2,199**	**4,917**	**7,728**
Margins (%)	21.8	22.0	25.0	26.3	35.6	35.6	35.6	35.6	23.9	35.6
Depreciation	55	81	82	87	236	285	310	331	305	1,162
Interest	36	15	29	30	53	65	70	75	110	263
Other Income	98	109	93	103	86	104	113	120	403	423
PBT before EO expense	**1,037**	**1,141**	**1,318**	**1,409**	**1,365**	**1,650**	**1,798**	**1,914**	**4,905**	**6,726**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,037**	**1,141**	**1,318**	**1,409**	**1,365**	**1,650**	**1,798**	**1,914**	**4,905**	**6,726**
Tax	142	97	223	228	344	415	452	482	690	1,693
Rate (%)	13.7	8.5	16.9	16.2	25.2	25.2	25.2	25.2	14.1	25.2
MI & Profit/Loss of Asso. Cos.	15	11	10	5	0	0	0	0	41	0
Reported PAT	**895**	**1,044**	**1,094**	**1,181**	**1,021**	**1,235**	**1,345**	**1,432**	**4,215**	**5,033**
Adj PAT	**910**	**1,056**	**1,104**	**1,186**	**1,021**	**1,235**	**1,345**	**1,432**	**4,257**	**5,033**
YoY Change (%)	79.7	75.7	53.7	38.2	12.2	16.9	21.8	20.7	60.1	18.2
Margins (%)	19.3	20.6	20.7	21.9	23.2	23.2	23.2	23.2	20.7	23.2

Brigade Enterprise — Buy

CMP: INR1,095 | TP: INR1,580 (44%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue at INR9.6b, down 11% YoY.
- EBITDA is likely to reach INR3.4b, with a margin of 35%.
- New bookings for the quarter are likely to reach INR25b, up 2x YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**10,777**	**10,722**	**14,639**	**14,604**	**9,556**	**12,178**	**13,116**	**14,909**	**50,742**	**49,758**
YoY Change (%)	64.8	-21.5	24.7	-14.2	-11.3	13.6	-10.4	2.1	3.6	-1.9
Total Expenditure	7,851	7,802	10,502	10,444	6,188	7,886	8,494	9,654	36,600	32,222
EBITDA	**2,926**	**2,919**	**4,137**	**4,160**	**3,368**	**4,292**	**4,623**	**5,254**	**14,142**	**17,536**
Margins (%)	27.1	27.2	28.3	28.5	35.2	35.2	35.2	35.2	27.9	35.2
Depreciation	679	689	763	756	608	774	834	948	2,888	3,165
Interest	1,519	1,226	1,143	1,066	924	1,177	1,268	1,441	4,955	4,809
Other Income	357	660	657	719	483	615	662	753	2,393	2,513
PBT before EO expense	**1,084**	**1,664**	**2,888**	**3,057**	**2,319**	**2,955**	**3,183**	**3,618**	**8,693**	**12,076**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,084**	**1,664**	**2,888**	**3,057**	**2,319**	**2,955**	**3,183**	**3,618**	**8,693**	**12,076**
Tax	279	513	533	563	504	642	691	1,203	1,888	3,039
Rate (%)	25.7	30.8	18.5	18.4	21.7	21.7	21.7	33.2	21.6	14.1
MI & Profit/Loss of Asso. Cos.	-32	-39	-7	25	-29	-37	-40	-45	-53	-150
Reported PAT	**837**	**1,190**	**2,362**	**2,468**	**1,844**	**2,350**	**2,531**	**2,461**	**6,858**	**9,186**
Adj PAT	**837**	**1,190**	**2,362**	**2,468**	**1,844**	**2,350**	**2,531**	**2,461**	**6,858**	**9,186**
YoY Change (%)	117.3	-10.9	221.5	19.8	120.3	97.5	7.2	-0.3	51.9	34.0
Margins (%)	7.8	11.1	16.1	16.9	19.3	19.3	19.3	16.5	13.5	18.5

DLF — Buy

CMP: INR843 | TP: INR1005 (19%) — **EPS CHANGE (%): FY26|27: 9|19**

- We expect revenue to increase 23% YoY to INR16.8b.
- DLF is expected to report EBITDA of INR6.2b, with a 37% margin.
- New bookings are expected to increase 2x YoY to INR128b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**13,624**	**19,750**	**15,287**	**31,276**	**16,750**	**19,621**	**20,056**	**25,318**	**79,937**	**81,745**
YoY Change (%)	-4.3	46.5	0.5	46.5	22.9	-0.7	31.2	-19.0	24.4	2.3
Total Expenditure	11,337	14,730	11,287	21,496	10,580	12,393	12,668	15,992	58,850	51,633
EBITDA	**2,286**	**5,020**	**4,000**	**9,780**	**6,170**	**7,228**	**7,388**	**9,327**	**21,086**	**30,113**
Margins (%)	16.8	25.4	26.2	31.3	36.8	36.8	36.8	36.8	26.4	36.8
Depreciation	373	377	387	369	326	382	390	492	1,507	1,589
Interest	1,012	935	939	1,086	659	772	789	996	3,972	3,217
Other Income	3,675	2,058	2,088	2,202	1,089	1,275	1,304	1,646	10,022	5,313
PBT before EO expense	**4,576**	**5,766**	**4,761**	**10,527**	**6,274**	**7,350**	**7,512**	**9,484**	**25,630**	**30,620**
Extra-Ord expense	0	0	3,024	0	0	0	0	0	3,024	0
PBT	**4,576**	**5,766**	**1,737**	**10,527**	**6,274**	**7,350**	**7,512**	**9,484**	**22,606**	**30,620**
Tax	1,183	-4,668	-8,396	1,666	1,992	1,992	1,992	1,727	-10,214	7,704
Rate (%)	25.9	-81.0	-483.3	15.8	31.8	27.1	26.5	18.2	-45.2	25.2
MI & Profit/Loss of Asso. Cos.	3,054	3,378	6,183	4,108	4,982	5,836	5,965	7,530	16,723	24,312
Reported PAT	**6,447**	**13,812**	**16,316**	**12,969**	**9,263**	**11,193**	**11,485**	**15,286**	**49,544**	**47,228**
Adj PAT	**6,447**	**13,812**	**10,587**	**12,822**	**9,263**	**11,193**	**11,485**	**15,286**	**43,668**	**47,228**
YoY Change (%)	22.5	122.1	61.5	39.4	43.7	-19.0	8.5	19.2	60.3	8.2
Margins (%)	47.3	69.9	69.3	41.0	55.3	57.0	57.3	60.4	54.6	57.8

Source: Company, MOFSL

Godrej Properties — Buy

CMP: INR2,315 | TP: INR2,843 (23%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to increase 37% YoY to INR10.2b.
- EBITDA is expected at INR1.3b vs. loss of INR1.3b YoY.
- PAT is expected to decline 10% YoY to INR4.7b.
- Presales are expected to decline 7% YoY to INR80b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**7,390**	**10,932**	**9,689**	**21,217**	**10,158**	**11,286**	**13,973**	**18,326**	**49,228**	**53,743**
YoY Change (%)	-21.0	218.7	193.2	48.8	37.5	3.2	44.2	-13.6	62.2	9.2
Total Expenditure	8,641	10,613	9,413	20,118	8,881	9,868	12,217	16,023	48,785	46,990
EBITDA	**-1,251**	**319**	**276**	**1,100**	**1,276**	**1,418**	**1,756**	**2,303**	**444**	**6,754**
Margins (%)	-16.9	2.9	2.8	5.2	12.6	12.6	12.6	12.6	0.9	12.6
Depreciation	166	183	177	211	139	155	192	251	737	737
Interest	408	446	424	460	836	929	1,150	1,509	1,737	4,424
Other Income	9,605	2,533	2,711	5,593	5,550	6,166	7,635	10,013	20,442	29,364
PBT before EO expense	**7,780**	**2,224**	**2,385**	**6,022**	**5,851**	**6,501**	**8,049**	**10,556**	**18,412**	**30,956**
PBT	**7,780**	**2,224**	**2,385**	**6,022**	**5,851**	**6,501**	**8,049**	**10,556**	**18,412**	**30,956**
Tax	1,974	-1,145	621	1,884	1,463	1,625	2,012	2,639	3,334	7,739
Rate (%)	25.4	-51.5	26.0	31.3	25.0	25.0	25.0	25.0	18.1	25.0
MI & Profit/Loss of Asso. Cos.	-618	-32	-183	-354	297	329	408	535	-1,186	1,569
Reported PAT	**5,188**	**3,338**	**1,582**	**3,784**	**4,685**	**5,205**	**6,444**	**8,452**	**13,892**	**24,786**
Adj PAT	**5,188**	**3,338**	**1,582**	**3,784**	**4,685**	**5,205**	**6,444**	**8,452**	**13,892**	**24,786**
YoY Change (%)	288.3	359.5	152.2	-20.8	-9.7	55.9	307.4	123.3	86.0	78.4
Margins (%)	70.2	30.5	16.3	17.8	46.1	46.1	46.1	46.1	28.2	46.1

Source: Company, MOFSL

Kolte Patil Developers — Buy

CMP: INR493 | TP: INR571 (16%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to grow ~2.5x YoY to INR8.5b.
- We expect EBITDA of INR1.8b, with a gradual margin expansion to 21%.
- Steady sales from ongoing projects should drive bookings to INR10.6b, up 49% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**3,408**	**3,083**	**3,497**	**7,187**	**8,555**	**5,710**	**6,853**	**7,435**	**17,174**	**28,552**
YoY Change (%)	-40	56	361	37	151	85	96	3	25.2	66.3
Total Expenditure	3,130	2,921	3,241	6,123	6,797	4,537	5,445	5,908	15,415	22,687
EBITDA	**278**	**162**	**256**	**1,064**	**1,757**	**1,173**	**1,408**	**1,527**	**1,759**	**5,865**
Margins (%)	8.2	5.2	7.3	14.8	20.5	20.5	20.5	20.5	10.2	20.5
Depreciation	42	24	34	43	48	32	39	42	143	161
Interest	187	107	61	64	98	66	79	85	419	328
Other Income	95	127	196	45	139	93	111	121	464	464
PBT before EO expense	**144**	**157**	**357**	**1,003**	**1,750**	**1,168**	**1,402**	**1,521**	**1,661**	**5,840**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**144**	**157**	**357**	**1,003**	**1,750**	**1,168**	**1,402**	**1,521**	**1,661**	**5,840**
Tax	104	69	96	350	652	435	522	566	618	2,175
Rate (%)	72.2	44.0	26.8	34.9	37.2	37.2	37.2	37.2	0.4	0.4
MI & Profit/Loss of Asso. Cos.	-22	-10	8	0	-7	-5	-6	-6	-24	-24
Reported PAT	**62**	**97**	**253**	**653**	**1,105**	**738**	**885**	**960**	**1,066**	**3,689**
Adj PAT	**62**	**97**	**253**	**653**	**1,105**	**738**	**885**	**960**	**1,066**	**3,689**
YoY Change (%)	-86	-138	-140	-342	1,674	657	250	47	-253.9	246.1
Margins (%)	1.8	3.2	7.2	9.1	12.9	12.9	12.9	12.9	6.2	12.9

Lodha Developers — Buy

CMP: INR1,391 | TP: INR1,870 (34%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to increase 40% YoY to INR39.8b.
- EBITDA is expected to increase 50% YoY to INR11.3b, while margin will stand at 29%.
- The company is expected to report bookings of INR50.5b, up 25% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**28,465**	**26,257**	**40,830**	**42,243**	**39,841**	**32,597**	**50,707**	**57,951**	**1,37,795**	**1,81,097**
YoY Change (%)	76	50	39	5	40	24	24	37	33.6	31.4
Total Expenditure	20,897	19,211	27,771	30,036	28,487	23,307	36,256	41,435	97,915	1,29,484
EBITDA	**7,568**	**7,046**	**13,059**	**12,207**	**11,355**	**9,290**	**14,452**	**16,516**	**39,880**	**51,613**
Margins (%)	26.6	26.8	32.0	28.9	28.5	28.5	28.5	28.5	28.9	28.5
Adj. EBITDA (as per co.)	**9,600**	**9,600**	**15,900**	**14,600**	**11,355**	**9,290**	**14,452**	**16,516**	**49,700**	**51,455**
Margins (%)	33.7	36.6	38.9	34.6	28.5	28.5	28.5	28.5	36.1	28.4
Depreciation	604	665	672	778	708	579	901	1,029	2,719	3,216
Interest	1,172	1,365	1,441	1,517	725	593	923	1,055	5,495	3,297
Other Income	718	589	636	1,960	398	326	507	579	3,903	1,811
PBT before EO expense	**6,510**	**5,605**	**11,582**	**11,872**	**10,320**	**8,444**	**13,135**	**15,011**	**35,569**	**46,910**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**6,510**	**5,605**	**11,582**	**11,872**	**10,320**	**8,444**	**13,135**	**15,011**	**35,569**	**46,910**
Tax	1,747	1,368	2,137	2,637	2,289	1,873	2,913	3,329	7,889	10,404
Rate (%)	26.8	24.4	18.5	22.2	22.2	22.2	22.2	22.2	0.2	0.2
MI & Profit/Loss of Asso. Cos.	10	8	1	18	8	7	10	12	37	37
Reported PAT	**4,753**	**4,229**	**9,444**	**9,217**	**8,023**	**6,564**	**10,211**	**11,670**	**27,643**	**36,469**
Adj PAT (as per co.)	**4,800**	**4,200**	**9,400**	**9,200**	**8,023**	**6,564**	**10,211**	**11,670**	**27,600**	**36,469**
YoY Change (%)	182	100	65	37	67	56	9	27	70.4	32.1
Margins (%)	16.9	16.0	23.0	21.8	20.1	20.1	20.1	20.1	20.0	20.1

Source: Company, MOFSL

Mahindra Lifespaces — Neutral

CMP: INR362 | TP: INR382 (6%) — **EPS CHANGE (%): FY26|27: 0|0**

- Revenue is expected to decline 25% YoY to INR1.4b.
- We expect MLDL to report quarterly bookings of INR7b, declining 33% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Income from Operations	**1,881**	**76**	**1,673**	**92**	**1,418**	**857**	**1,360**	**1,279**	**3,723**	**4,915**
YoY Change (%)	91.9	-57.2	104.0	-35.3	-24.6	1,026.8	-18.7	1,284.5	75.5	32.0
Total Expenditure	2,297	554	1,927	644	1,687	1,020	1,617	1,522	5,422	5,845
EBITDA	**-416**	**-478**	**-254**	**-552**	**-269**	**-162**	**-258**	**-242**	**-1,699**	**-931**
Margins (%)	-22.1	-627.5	-15.2	-597.2	-18.9	-18.9	-18.9	-18.9	-45.6	-18.9
Depreciation	43	40	40	55	66	40	63	59	178	228
Interest	60	70	42	21	70	42	67	63	194	243
Other Income	186	84	185	462	57	34	54	51	916	197
PBT before EO expense	**-334**	**-504**	**-151**	**-166**	**-348**	**-210**	**-333**	**-314**	**-1,155**	**-1,205**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**-334**	**-504**	**-151**	**-166**	**-348**	**-210**	**-333**	**-314**	**-1,155**	**-1,205**
Tax	-97	0	173	15	28	17	26	25	92	95
Rate (%)	28.9	0.0	-114.6	-8.9	-7.9	-7.9	-7.9	-7.9	-7.9	-7.9
MI & Profit/Loss of Asso. Cos.	365	364	99	1,032	521	315	499	470	1,859	1,805
Reported PAT	**127**	**-141**	**-225**	**851**	**146**	**88**	**140**	**131**	**613**	**505**
Adj PAT	**127**	**-141**	**-225**	**851**	**146**	**88**	**140**	**131**	**613**	**505**
YoY Change (%)	NM	NM	NM	19.0	NM	NM	NM	-84.6	-37.6	-17.6
Margins (%)	6.8	-184.6	-13.4	920.8	10.3	10.3	10.3	10.3	16.5	10.3

Oberoi Realty — Neutral

CMP: INR1,912 | TP: INR1,850 (-3%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to increase 2% YoY to INR14b.
- New bookings are expected to increase to INR16b, up 52% YoY, from Elysian Tower D and sustenance sales.
- EBITDA would reach INR8.5b, with margin levels at 59%.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**14,052**	**13,199**	**14,111**	**11,501**	**14,363**	**15,394**	**20,061**	**18,925**	**52,863**	**68,744**
YoY Change (%)	54.4	8.4	33.9	-12.5	2.2	16.6	42.2	64.5	17.6	30.0
Total Expenditure	5,901	5,061	5,549	5,321	5,826	6,245	8,138	7,677	21,832	27,886
EBITDA	**8,151**	**8,138**	**8,561**	**6,181**	**8,537**	**9,150**	**11,923**	**11,248**	**31,030**	**40,858**
Margins (%)	58.0	61.7	60.7	53.7	59.4	59.4	59.4	59.4	58.7	59.4
Depreciation	202	208	233	242	325	348	453	428	885	1,553
Interest	589	517	745	801	583	625	815	769	2,652	2,792
Other Income	368	387	492	632	359	385	502	473	1,879	1,719
PBT before EO expense	**7,728**	**7,800**	**8,076**	**5,769**	**7,988**	**8,562**	**11,157**	**10,525**	**29,373**	**38,231**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**7,728**	**7,800**	**8,076**	**5,769**	**7,988**	**8,562**	**11,157**	**10,525**	**29,373**	**38,231**
Tax	1,905	1,930	1,919	1,439	1,956	2,097	2,733	2,578	7,194	9,364
Rate (%)	24.7	24.7	23.8	24.9	24.5	24.5	24.5	24.5	24.5	24.5
MI & Profit/Loss of Asso. Cos.	23	25	27	2	0	0	0	0	76	0
Reported PAT	**5,845**	**5,894**	**6,184**	**4,332**	**6,032**	**6,465**	**8,424**	**7,947**	**22,255**	**28,868**
Adj PAT	**5,845**	**5,894**	**6,184**	**4,332**	**6,032**	**6,465**	**8,424**	**7,947**	**22,255**	**28,868**
YoY Change (%)	81.7	29.0	71.7	-45.0	3.2	9.7	36.2	83.5	15.5	29.7
Margins (%)	41.6	44.7	43.8	37.7	42.0	42.0	42.0	42.0	42.1	42.0

Source: Company, MOFSL

Phoenix Mills — Neutral

CMP: INR1,547 | TP: INR1,673 (8%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to increase 24% YoY to INR11.2b.
- EBITDA is likely to increase 31% YoY to INR6.9b, with margin reaching 62%.

Consolidated quarterly earnings model (INR m)

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**s 9,180**	**9,751**	**10,163**	**11,214**	**10,747**	**12,149**	**12,616**	**38,136**	**46,726**	
YoY Change (%)	11.5	4.9	-1.1	-22.2	24.0	17.1	24.6	24.1	-4.1	22.5
Total Expenditure	3,731	4,003	4,223	4,567	4,284	4,105	4,641	4,819	16,524	17,848
EBITDA	**5,310**	**5,177**	**5,528**	**5,597**	**6,931**	**6,642**	**7,508**	**7,797**	**21,612**	**28,878**
Margins (%)	58.7	56.4	56.7	55.1	61.8	61.8	61.8	61.8	56.7	61.8
Depreciation	775	775	813	902	835	800	905	939	3,265	3,479
Interest	1,031	1,031	1,029	941	973	932	1,054	1,094	4,032	4,053
Other Income	383	371	304	451	386	370	418	434	1,509	1,607
PBT before EO expense	**3,887**	**3,741**	**3,991**	**4,204**	**5,509**	**5,279**	**5,968**	**6,197**	**15,824**	**22,953**
Extra-Ord expense	-5	0	160	-27	0	0	0	0	127	0
PBT	**3,882**	**3,741**	**4,151**	**4,177**	**5,509**	**5,279**	**5,968**	**6,197**	**15,951**	**22,953**
Tax	747	835	641	712	1,014	972	1,098	1,141	2,936	4,224
Rate (%)	19.3	22.3	15.4	16.9	18.4	18.4	18.4	18.4	18.4	18.4
MI & P/L of Asso. Cos.	809	725	862	777	741	710	803	833	3,173	3,087
Reported PAT	**2,326**	**2,181**	**2,648**	**2,688**	**3,754**	**3,598**	**4,067**	**4,223**	**9,842**	**15,642**
Adj PAT	**2,326**	**2,181**	**2,648**	**2,693**	**3,754**	**3,598**	**4,067**	**4,223**	**9,842**	**15,642**
YoY Change (%)	-3.3	-13.7	-5.2	-17.6	61.4	65.0	53.6	56.8	-10.5	58.9
Margins (%)	25.7	23.8	27.2	26.5	33.5	33.5	33.5	33.5	25.8	33.5

Prestige Estates — Buy

CMP: INR1,637 | TP: INR2,000 (22%) — **EPS CHANGE (%): FY26|27: 0|0**

- We expect revenue to grow 26% YoY to INR24b in 1QFY26.
- PEPL is expected to report EBITDA of INR5.6b, with a 24% margin.
- PEPL is likely to report bookings of INR118b, up 4x YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**18,621**	**23,044**	**16,545**	**15,284**	**23,510**	**28,062**	**28,215**	**34,526**	**73,494**	**1,14,313**
YoY Change (%)	10.8	3.0	-7.9	-29.4	26.3	21.8	70.5	125.9	-6.7	55.5
Total Expenditure	10,658	16,731	10,644	9,873	17,910	21,378	21,494	26,302	47,906	87,084
EBITDA	**7,963**	**6,313**	**5,901**	**5,411**	**5,600**	**6,684**	**6,721**	**8,224**	**25,588**	**27,229**
Margins (%)	42.8	27.4	35.7	35.4	23.8	23.8	23.8	23.8	34.8	23.8
Depreciation	1,905	2,004	2,047	2,167	1,956	2,334	2,347	2,872	8,123	9,509
Interest	3,461	3,565	3,451	2,861	2,180	2,602	2,616	3,202	13,338	10,600
Other Income	1,624	1,194	434	609	1,293	1,543	1,552	1,899	3,861	6,287
PBT before EO expense	**4,221**	**1,938**	**837**	**992**	**2,757**	**3,291**	**3,309**	**4,049**	**7,988**	**13,407**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**4,221**	**1,938**	**837**	**992**	**2,757**	**3,291**	**3,309**	**4,049**	**7,988**	**13,407**
Tax	1,023	-519	445	440	479	572	575	1,751	1,389	3,378
Rate (%)	24.2	-26.8	53.2	44.4	17.4	17.4	17.4	43.3	17.4	25.2
MI & Profit/Loss of Asso. Cos.	872	535	215	302	323	385	387	474	1,924	1,569
Reported PAT	**2,326**	**1,922**	**177**	**250**	**1,955**	**2,334**	**2,346**	**1,824**	**4,675**	**8,460**
Adj PAT	**2,326**	**1,922**	**177**	**250**	**1,955**	**2,334**	**2,346**	**1,824**	**4,675**	**8,460**
YoY Change (%)	-12.9	3.6	-84.8	-82.1	-15.9	21.4	1,225.7	629.6	-34.0	81.0
Margins (%)	12.5	8.3	1.1	1.6	8.3	8.3	8.3	5.3	6.4	7.4

SOBHA — Buy

CMP: INR1,492 | TP: INR1,778 (19%) — **EPS CHANGE (%): FY26|27: 0|0**

- Revenue to grow 63% YoY to INR10b in 1QFY26.
- EBITDA likely to jump 2x YoY to INR1.3b with a margin of 12.5%.
- SOBHA is likely to report bookings of INR30b, marking 62% YoY growth.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**6,404**	**9,336**	**12,241**	**12,406**	**10,430**	**11,679**	**13,073**	**15,152**	**40,387**	**50,333**
YoY Change (%)	-29.5	25.9	78.7	62.6	62.9	25.1	6.8	22.1		
Total Expenditure	5,845	8,565	11,569	11,466	9,125	10,218	11,438	13,257	37,444	44,038
EBITDA	**559**	**771**	**672**	**941**	**1,305**	**1,461**	**1,635**	**1,895**	**2,943**	**6,296**
Margins (%)	8.7	8.3	5.5	7.6	12.5	12.5	12.5	12.5	7.3	12.5
Depreciation	204	232	233	230	197	221	247	286	898	950
Interest	539	494	473	450	275	308	344	399	1,956	1,326
Other Income	295	317	328	301	268	300	336	390	1,241	1,295
PBT before EO expense	**111**	**362**	**295**	**562**	**1,101**	**1,233**	**1,380**	**1,600**	**1,330**	**5,314**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**111**	**362**	**295**	**562**	**1,101**	**1,233**	**1,380**	**1,600**	**1,330**	**5,314**
Tax	50	101	78	154	317	355	398	637	383	1,707
Rate (%)	45.4	28.0	26.4	27.3	28.8	28.8	28.8	39.8	28.8	32.1
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**61**	**261**	**217**	**409**	**784**	**878**	**983**	**963**	**947**	**3,608**
Adj PAT	**61**	**261**	**217**	**409**	**784**	**878**	**983**	**963**	**947**	**3,608**
YoY Change (%)	-49.8	74.6	43.8	481.1	1,194.5	236.5	353.1	135.7	92.8	281.0
Margins (%)	0.9	2.8	1.8	3.3	7.5	7.5	7.5	6.4	2.3	7.2

Sunteck — Buy

CMP: INR441 | TP: INR540 (23%) — **EPS CHANGE (%): FY26|27: 0|0**

- Revenue may decline 26% YoY to INR2.3b.
- Lower sales in ongoing projects may lead to bookings of INR5.7b.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**3,163**	**1,690**	**1,618**	**2,060**	**2,349**	**2,450**	**3,709**	**3,855**	**8,531**	**12,363**
YoY Change (%)	348.2	577.3	281.1	-51.7	-25.7	44.9	129.3	87.1		
Total Expenditure	2,849	1,317	1,134	1,374	1,933	2,016	3,052	3,173	6,673	10,175
EBITDA	**314**	**374**	**484**	**687**	**416**	**434**	**657**	**682**	**1,858**	**2,188**
Margins (%)	9.9	22.1	29.9	33.3	17.7	17.7	17.7	17.7	21.8	17.7
Depreciation	34	36	31	28	25	26	40	41	129	133
Interest	103	99	87	119	77	81	122	127	409	406
Other Income	117	130	130	118	96	100	152	158	495	505
PBT before EO expense	**295**	**368**	**495**	**658**	**409**	**427**	**646**	**672**	**1,816**	**2,155**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**295**	**368**	**495**	**658**	**409**	**427**	**646**	**672**	**1,816**	**2,155**
Tax	70	22	69	170	75	78	118	123	331	393
Rate (%)	23.9	5.9	13.9	25.9	18.2	18.2	18.2	18.2	18.2	18.2
MI & Profit/Loss of Asso. Cos.	-3	1	1	-17	-3	-4	-6	-6	-18	-18
Reported PAT	**228**	**346**	**425**	**504**	**338**	**353**	**534**	**555**	**1,503**	**1,780**
Adj PAT	**228**	**346**	**425**	**504**	**338**	**353**	**534**	**555**	**1,503**	**1,780**
YoY Change (%)	-438.0	-349.6	-537.1	-50.3	48.3	1.9	25.6	10.2	111.9	18.4
Margins (%)	7.2	20.5	26.3	24.5	14.4	14.4	14.4	14.4	17.6	14.4

Signature Global

Buy

CMP: INR1,248 | TP: INR1,760 (41%) **EPS CHANGE (%): FY25|26: 0|0**

- Revenue is expected to grow 2.8x to INR11.3b, driven by strong deliveries.
- EBITDA to be at INR2b, with EBITDA margin of 18.2%.
- Bookings are expected to reach INR30b, down 4% YoY.

Consolidated quarterly earnings model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**4,006**	**7,493**	**8,277**	**5,204**	**11,336**	**8,720**	**12,208**	**11,336**	**24,980**	**43,601**
YoY Change (%)	141.5	660.5	193.7	-25.0	183.0	16.4	47.5	117.8	101.4	74.5
Total Expenditure	4,019	7,609	8,142	4,766	9,275	7,135	9,989	9,275	24,535	35,673
EBITDA	**-13**	**-116**	**135**	**439**	**2,061**	**1,585**	**2,220**	**2,061**	**446**	**7,927**
Margins (%)	-0.3	-1.5	1.6	8.4	18.2	18.2	18.2	18.2	1.8	18.2
Depreciation	52	68	75	79	82	63	88	82	274	315
Interest	75	169	142	130	301	232	325	301	515	1,160
Other Income	274	281	345	500	437	336	470	437	1,400	1,680
PBT before EO expense	**135**	**-71**	**263**	**730**	**2,114**	**1,627**	**2,277**	**2,114**	**1,057**	**8,133**
Extra-Ord expense	2	0	0	3	0	0	0	0	6	0
PBT	**133**	**-72**	**263**	**727**	**2,114**	**1,627**	**2,277**	**2,114**	**1,051**	**8,133**
Tax	65	-113	-29	116	78	60	84	78	39	299
Rate (%)	48.8	157.9	-11.0	15.9	3.7	3.7	3.7	3.7	-3.9	-1.4
MI & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	1	1
Reported PAT	**68**	**41**	**291**	**611**	**2,036**	**1,566**	**2,193**	**2,036**	**1,011**	**7,832**
Adj PAT	**68**	**41**	**291**	**611**	**2,036**	**1,566**	**2,193**	**2,036**	**1,011**	**7,832**
YoY Change (%)	-199.4	-121.3	1,195.2	46.4	2,910.2	3,714.1	653.2	233.3	452.8	674.8
Margins (%)	1.7	0.5	3.5	11.7	18.0	18.0	18.0	18.0	4.0	18.0

Retail

Company
Aditya Birla Fashion & Retail
Aditya Birla Lifestyle Brands
Avenue Supermarts
Bata India
Campus Activewear
Go Fashions
Metro Brands
Relaxo Footwear
Shoppers Stop
Trent
V-Mart Retail
Vedant Fashions
Raymond Lifestyle

Demand trends weak; low base supports growth

Overall demand trends remain muted, with certain pockets of resilience

- The demand environment remained weak in 1QFY26, though a low base supported marginal sequential recovery. Preponement of Eid to 4QFY25 and early monsoons weighed on demand sentiment, leading to muted SSSG across players.
- Large retailers, such as Trent and DMart, continued to lead with strong double-digit growth; however, the growth rate has been decelerating for the past few quarters.
- Footwear retailers (excl. Metro) posted weak mid-single-digit growth. Metro Brands sustained the momentum seen in 2HFY25, aided by premiumization.
- Ethnic wear retailers, Vedant Fashions and Raymond Lifestyle, are set to report growth in early-teens, though this is largely optical given a low base in 1QFY25.
- However, subdued trends continue for premium retailers such as Shoppers Stop and ABFRL with mid-single-digit growth
- Reliance Retail is likely to report ~17%/19% YoY growth in revenue/operating EBITDA, aided by broad-based growth recovery after the recent rationalization.

Expect 13% YoY revenue/EBITDA growth for our coverage universe

- For our retail coverage universe (13 stocks, excl. Reliance Retail), aggregate revenue is expected to grow ~14% YoY in 1QFY26, slight pick-up from ~13% YoY in 4QFY25. However, this is primarily led by a lower base in 1QFY25 (no wedding days).
- Value retailers are likely to sustain the growth momentum, primarily driven by new store additions; however, the preponement pre-buying of Eid has materially affected SSSG in 1Q.
- Among the segments, apparel (excl. DMart) is set to report 13% YoY growth (vs. 10% YoY in 4Q), while footwear is likely to grow 6% YoY (vs. 2% in 4Q), owing to a low base.
- Aggregate gross profit is likely to improve ~12% YoY (vs. ~10% YoY in 4Q) as blended gross margin is expected to contract at a lower pace of ~45bp YoY (vs. 80bp decline in 3Q-4Q) to 32.1%.
- Aggregate EBITDA is also likely to grow ~13% YoY (vs. ~10% YoY in 4Q) as EBITDA margin is expected to decline ~10bp YoY (vs. 30bp YoY decline in 3Q-4Q), reflecting cost controls and operating leverage benefits.
- Aggregate PAT is likely to grow ~17% YoY (vs. ~22% YoY in 1Q), impacted by a sharp deceleration for Trent.

Retail: Demand trend muted; low base drives optically higher growth

- Apparel retailers under our coverage are expected to report aggregate revenue growth of ~13% YoY in 1QFY26, improving from 10% YoY in 4QFY25, largely driven by a recovery in ethnic wear retailers (on a low base of 1QFY25).
- Most retailers under our coverage are likely to deliver double-digit growth (on a low base). However, premium players such as SHOP and ABFRL are likely to post modest mid-single-digit revenue growth. Growth continue to decelerate for Trent.
- Including DMart, revenue for departmental retailers is expected to grow ~15% YoY in 1Q (vs. 14% in 4Q).

- Gross profit (excl. DMart) is estimated to rise ~13% YoY (vs. 11% YoY in 4Q), with margins stable YoY at 48.7%, reflecting stable inventory and discounting trends.
- EBITDA (excl. DMart) is projected to grow ~14% YoY (vs. 15% in 4Q), as growth on a low base for Raymond (~2x YoY) will be offset by a deceleration in Trent (+18% YoY, vs. ~38% YoY in 4Q). EBITDA margin is expected to inch up by 15bp YoY to 13.5%.
- For DMart, gross profit and EBITDA are expected to grow ~16% and ~13% YoY, respectively, with ~25bp margin contraction due to lower SPSF growth and sustained higher operating costs.

Footwear: Another subdued quarter for footwear players

- We expect ~6% YoY revenue growth (vs. 2% YoY in 4QFY25) for the footwear stocks in our coverage. Metro is likely to outperform the peers with ~11% YoY growth.
- Gross profit is projected to rise by ~6% YoY (vs. 2% YoY decline in 4QFY25) and gross margins may contract ~10bp YoY to 57.5%.
- We anticipate ~9% YoY growth in combined EBITDA (vs. 7% YoY in 4Q), with 60bp margin expansion on account of tight cost controls and operating leverage. Metro is likely to lead with ~14% YoY growth, while we expect Relaxo to post 2% YoY decline.
- Aggregate PAT is likely to decline ~3% YoY (vs. ~5% YoY decline in 4QFY25).

Store additions likely to pick up in 2HFY26

- Store expansion continues at a robust pace for value retailers, while premium retailers continue to be more measured in store openings.
- However, we expect store additions to pick up in 2H as demand trends recover.
- VMART/DMART/Trent, in their pre-quarter updates, reported 13/9/1 net store additions in 1QFY26.

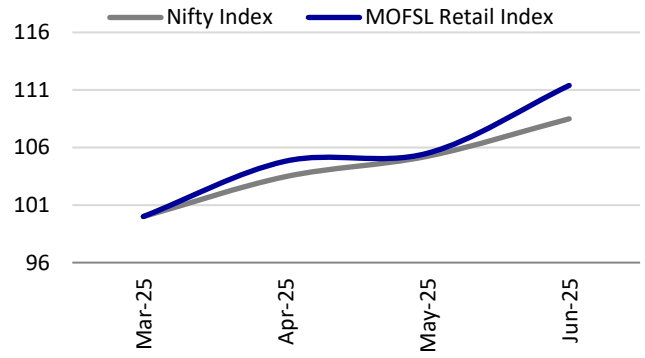
Our view

- Overall, TRENT and DMART remain our long-term preferred picks in retail space, given their robust store economics, healthy balance sheets and operational discipline. However, their growth has decelerated in the past few quarters due to a weak discretionary environment and higher competitive intensity, respectively.
- We continue to like value retailers such as VMART, given tailwinds from unorganized to organized shift in tier 2 and beyond towns.
- In the footwear space, we prefer METRO, given its industry-leading store economics and a significant growth opportunity in the sports and athleisure category through FILA and Foot Locker licenses, albeit delayed due to challenges posed by BIS.

Exhibit 1: Summary of our quarterly estimates

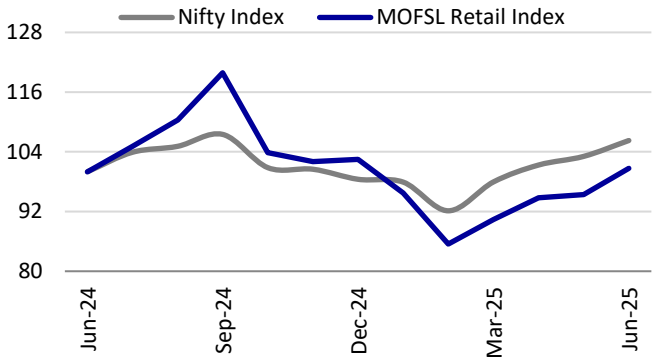
Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Aditya Birla Fashion	74	Neutral	17,533	NA	2.0	912	NA	-55.5	-1,536	Loss	Loss
Avenue Supermarts	4452	Buy	1,63,787	16.4	10.1	13,604	11.4	42.4	8,201	6.0	48.9
Barbeque Nation	315	Neutral	3,020	-1.2	3.2	538	5.6	0.9	-60	Loss	Loss
Bata India	1232	Neutral	9,732	3.0	23.5	2,034	10.0	14.0	717	-15.5	56.1
Campus Activewear	278	Buy	3,621	6.8	-10.8	565	9.2	-20.9	254	0.1	-27.5
Devyani Intl.	169	Buy	13,334	9.1	10.0	2,267	1.5	12.8	131	-53.5	LP
Go Fashion	882	Buy	2,450	11.3	19.6	815	13.0	30.5	294	2.5	47.7
Jubilant Foodworks	709	Neutral	17,131	19.0	7.9	3,321	19.4	8.7	665	29.1	34.4
Kalyan Jewellers	570	Buy	70,772	27.9	14.5	4,645	23.5	16.3	2,324	30.9	23.8
Metro Brands	1136	Buy	6,407	11.2	-0.3	2,052	13.8	4.1	994	7.7	4.3
P N Gadgil Jewellers	605	Buy	17,431	4.5	9.8	767	19.3	-18.5	451	27.7	-27.2
Raymond Lifestyle	1284	Buy	13,638	11.8	-8.7	1,181	97.7	771.5	200	LP	LP
Relaxo Footwear	439	Sell	7,803	4.3	12.2	968	-2.2	-13.6	435	-2.0	-22.6
Restaurant Brands	83	Buy	5,502	12.2	12.3	772	24.9	-0.7	-174	Loss	Loss
Sapphire Foods	327	Buy	7,823	8.9	10.0	1,182	-4.9	11.2	-2	PL	PL
Senco Gold	341	Neutral	17,970	28.0	30.4	1,366	25.6	7.5	693	35.1	10.9
Shoppers Stop	501	Neutral	10,943	5.9	7.0	1,501	5.6	-11.4	-337	Loss	PL
Titan Company	3700	Buy	1,56,868	18.2	5.2	15,950	27.9	3.8	9,747	36.3	11.9
Trent	6141	Buy	47,901	20.0	16.7	7,185	17.7	9.5	3,560	4.1	1.8
V-Mart Retail	852	Neutral	8,850	12.6	13.4	1,099	11.1	61.4	257	111.7	LP
Vedant Fashions	815	Neutral	2,686	12.0	-26.9	1,237	9.7	-25.4	681	9.0	-32.6
Westlife Foodworld	769	Neutral	6,669	8.2	10.6	856	7.1	7.8	67	104.8	338
Retail			**6,11,870**	**12.8**	**9.1**	**64,814**	**11.6**	**11.1**	**27,560**	**22.8**	**23.2**

Exhibit 2: Relative performance – three months (%)



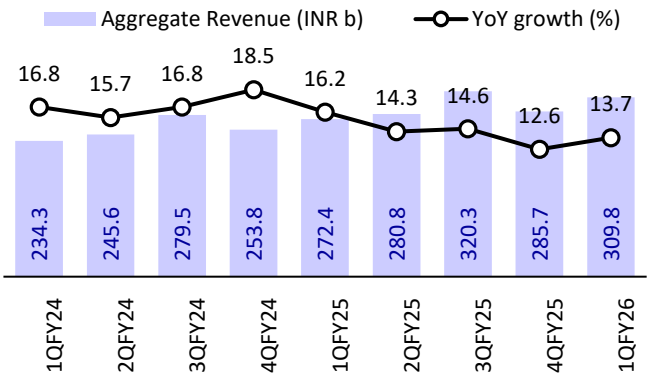
Source: Bloomberg, MOFSL

Exhibit 3: Relative performance – one year (%)



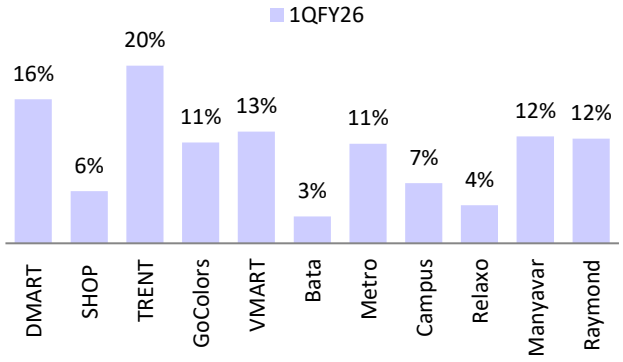
Source: Bloomberg, MOFSL

Exhibit 4: Aggregate revenue growth for our retail universe to improve modestly to ~14% YoY (vs. 13% in 4Q)



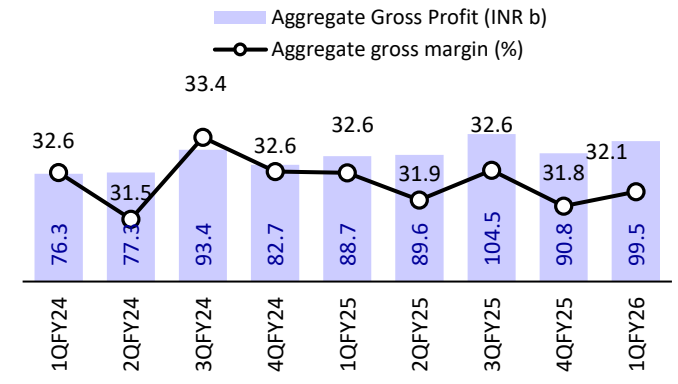
Source: Company, MOFSL

Exhibit 5: Broad-based growth recovery in 1QFY26, albeit aided by a low base



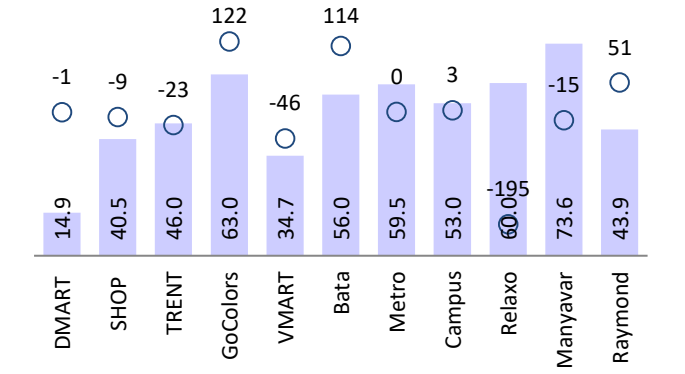
Source: Company, MOFSL

Exhibit 6: Aggregate gross profit to grow ~12% YoY, as gross margin contracts by ~45bp YoY (vs. ~80bp dip in 3Q-4Q)



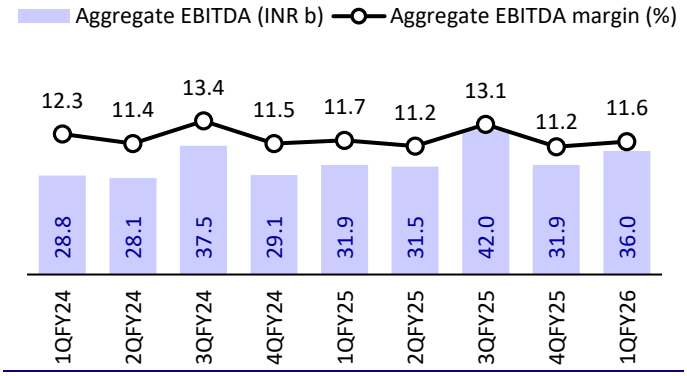
Source: Company, MOFSL

Exhibit 7: Go Colors and BATA likely to witness robust YoY gross margin expansion in 1QFY26



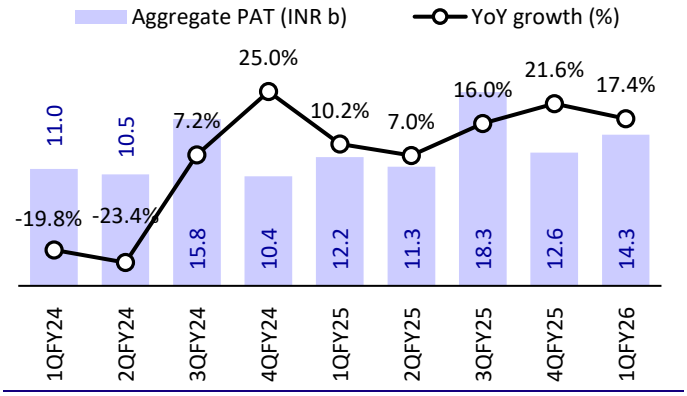
Source: Company, MOFSL

Exhibit 8: Aggregate EBITDA to grow ~13% YoY, as aggregate EBITDA margin is expected to remain stable YoY



Source: Company, MOFSL

Exhibit 9: Aggregate PAT to grow ~17% YoY



Source: Company, MOFSL

Exhibit 10: Retail store footprint and net store additions

Total store count	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Madura EBOs	2,643	2,660	2,696	2,679	2,636	2,569	2,533	2,489	2,514
Pantaloons	434	439	446	417	417	417	412	405	405
DMart	327	336	341	365	371	377	387	415	424
Shoppers Stop	98	102	105	112	114	112	109	112	112
Westside	221	223	227	232	228	226	238	248	248
Zudio	388	411	460	545	559	577	635	765	766
Go Colors	655	678	704	714	734	755	775	776	808
V-Mart	431	437	454	444	448	467	488	497	510
Vedant Fashions	662	669	673	676	662	650	666	678	678
Metro Brands	789	817	840	839	854	873	895	908	931
Store additions									
Madura EBOs	-7	17	36	-17	-43	-67	-36	-44	25
Pantaloons	3	5	7	-29	-	-	-5	-7	-
DMart	3	9	5	24	6	6	10	28	9
Shoppers Stop	-	4	3	7	2	-2	-3	3	-
Westside	7	2	4	5	-4	-2	12	10	-
Zudio	36	23	49	85	14	18	58	130	1
Go Colors	25	23	26	10	20	21	20	1	32
V-Mart	8	6	17	-10	4	19	21	9	13
Vedant Fashions	13	7	4	3	-14	-12	16	12	-
Metro Brands	25	28	23	-1	15	19	22	13	23

Source: Company, MOFSL

Exhibit 11: Summary of Performance

% YoY Growth	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
Revenues	**16.8**	**15.7**	**16.8**	**18.5**	**16.2**	**14.3**	**14.6**	**12.6**	**13.7**
D-Mart	18.1	18.5	17.2	19.9	18.4	14.2	17.5	16.7	16.2
Footwear	7.2	1.7	3.0	2.3	-1.0	3.7	2.9	1.6	5.7
Apparel retail	18.1	16.1	19.9	21.3	18.5	17.1	14.0	10.3	12.5
Gross Margin	**32.6**	**31.5**	**33.4**	**32.6**	**32.6**	**31.9**	**32.6**	**31.8**	**32.1**
D-Mart	14.6	14.0	14.2	13.7	14.9	14.2	14.1	13.5	14.9
Footwear	56.3	57.3	56.4	57.8	57.7	56.9	56.0	56.0	57.5
Apparel retail	48.5	47.1	49.4	48.9	48.7	48.2	49.0	49.4	48.7
Gross Margin (Change in bps)	**119.3**	**247.7**	**348.1**	**408.6**	**-1.2**	**45.1**	**-77.8**	**-81.3**	**-44.1**
D-Mart	-125.0	-52.4	-8.8	29.1	34.1	21.4	-13.6	-23.7	-0.6
Footwear	64.1	461.6	211.7	292.8	141.7	-41.2	-33.1	-184.0	-12.1
Apparel retail	513.4	686.3	824.5	979.9	29.1	107.8	-44.6	45.9	0.8
EBITDA (YoY Change)	**-5.1**	**4.4**	**15.7**	**20.0**	**10.9**	**12.1**	**12.0**	**9.8**	**12.7**
D-Mart	2.8	11.9	15.0	20.2	17.8	10.3	10.2	4.4	12.9
Footwear	4.3	10.2	-8.8	5.0	-14.0	0.5	12.4	6.5	8.9
Apparel retail	-14.3	-2.2	24.5	26.5	17.1	17.2	12.9	14.5	13.9
% EBITDA Margin	**12.3**	**11.4**	**13.4**	**11.5**	**11.7**	**11.2**	**13.1**	**11.2**	**11.6**
D-Mart	8.9	8.1	8.5	7.6	8.9	7.9	7.9	6.8	8.7
Footwear	22.8	19.3	19.3	21.1	19.8	18.7	21.0	22.1	20.4
Apparel retail	13.5	13.7	17.6	13.7	13.3	13.7	17.4	14.3	13.5
EBITDA Margin (Change in bps)	**-282.4**	**-123.9**	**-11.9**	**14.9**	**-56.6**	**-22.7**	**-30.2**	**-28.5**	**-10.8**
D-Mart	-133.1	-47.8	-15.8	2.0	-4.2	-27.4	-52.6	-80.1	-25.5
Footwear	-64.8	148.9	-248.0	54.1	-299.7	-59.2	177.9	100.7	60.2
Apparel retail	-507.9	-255.5	64.2	56.3	-15.5	1.8	-17.7	52.0	15.6
PAT (YoY Change)	**-19.3**	**-23.0**	**7.0**	**24.3**	**10.1**	**6.9**	**15.8**	**22.0**	**17.1**
D-Mart	2.3	-9.8	14.9	19.6	16.8	7.9	6.5	2.6	9.3
Footwear	-2.3	3.9	-19.8	10.8	-14.3	-0.8	21.0	-4.9	-2.8
Apparel retail	-73.2	-68.2	12.1	420.9	26.4	9.8	24.8	113.5	77.8

Source: Company, MOFSL

Exhibit 12: Comparative valuations

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Retail						**98.2**	**84.7**	**67.5**	**12.4**	**12.6**	**11.0**	**12.7**	**14.9**	**16.3**
Aditya Birla Fashion	74	Neutral	-6.1	-4.5	-3.4	-12.1	-16.5	-22.0	1.1	1.2	1.3	-13.0	-8.4	-6.8
Aditya Birla Lifestyle	156	Neutral	1.3	2.1	3.0	120.7	74.4	52.5	14.9	12.4	10.1	12.4	18.2	21.2
Avenue Supermarts	4,452	Buy	41.6	47.3	56.6	107.0	94.2	78.7	13.5	11.8	10.3	13.5	13.4	14.0
Barbeque Nation	315	Neutral	-6.9	-5.5	-4.8	-45	-57	-65.4	3.4	3.6	3.8	-7.5	-6.3	-5.8
Bata India	1,232	Neutral	19.4	23.7	27.6	63.4	52.0	44.7	10.1	9.2	8.3	16.1	18.4	19.5
Campus Activewear	278	Buy	4.0	5.1	6.7	70.2	54.4	41.3	11.2	9.3	7.6	16.0	17.1	18.4
Devyani Intl.	169	Buy	0.2	0.5	1.3	901.8	349.0	129.3	18.6	30.3	38.7	2.1	6.6	26.3
Go Fashion	882	Buy	17.3	19.1	23.9	51.0	46.1	36.8	10.0	8.9	7.9	14.4	13.2	14.7
Jubilant Foodworks	709	Neutral	3.6	6.1	9.2	198.8	115.9	77.1	22.3	22.1	21.1	11.2	19.0	27.3
Kalyan Jewellers	570	Buy	7.8	10.7	13.0	72.9	53.0	43.9	12.2	10.5	9.1	17.9	21.3	22.3
Metro Brands	1,136	Buy	13.9	16.2	19.7	81.5	70.2	57.8	17.6	15.1	12.9	21.2	23.8	24.7
P N Gadgil Jewellers	605	Buy	17.4	21.4	27.5	34.7	28.3	22.0	5.3	4.4	3.7	22.6	17.1	18.4
Raymond Lifestyle	1,284	Buy	16.5	48.8	68.7	77.8	26.3	18.7	0.8	0.8	0.8	2.3	6.6	8.7
Relaxo Footwear	439	Sell	6.8	7.9	9.3	64.1	55.3	47.0	5.2	4.9	4.5	8.3	9.1	10.0
Restaurant Brands	83	Buy	-4.0	-2.4	-0.4	-20.8	-35.1	-198.4	5.4	6.4	6.6	-30.6	-16.7	-3.3
Sapphire Foods	327	Buy	1.0	1.6	3.2	327.9	201.0	102.3	7.5	7.2	6.8	2.3	3.7	6.8
Senco Gold	341	Neutral	12.4	14.2	16.7	27.6	24.1	20.4	2.8	2.6	2.3	12.1	11.2	11.9
Shoppers Stop	501	Neutral	0.6	0.4	-1.3	819	1,381	-374.2	16.2	12.2	12.7	2.0	1.2	-4.4
Titan Company	3,700	Buy	42.3	53.5	63.3	87.5	69.1	58.5	28.3	22.0	17.4	35.8	35.9	33.3
Trent	6,141	Buy	43.2	53.2	64.8	142	116	94.8	37.4	28.5	22.1	32.2	30.0	28.1
V-Mart Retail	852	Neutral	2.6	15.7	21.9	328	54	38.9	8.3	7.2	6.1	2.6	14.2	17.0
Vedant Fashions	815	Neutral	16.0	17.4	18.9	51	47	43.1	11.4	10.1	9.0	22.9	20.9	20.3
Westlife Foodworld	769	Neutral	0.8	2.2	4.9	982	348.7	157.2	19.9	18.3	16.4	2.0	5.5	11.0

The tables below provide a snapshot of the actual and estimated numbers for companies under the MOFSL Coverage Universe. Highlighted columns indicate the quarter/financial year under review.

Aditya Birla Fashion and Retail (Demerged) — Neutral

CMP: INR74 | TP: INR85 (+14%) — **EPS CHANGE (%): FY26|27: NA|NA**

- Pantaloons revenue likely to decline by ~3% YoY due to impact of store closures and renovations.
- Ethnic/TMRW revenue growth might optically appear elevated due to benefits of acquisitions in FY25
- Overall EBITDA margin could decline sharply QoQ, due to lower margins in Pantaloons.

Consolidated - Quarterly Summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue			**22,005**	**17,195**	**17,533**	**19,702**	**24,182**	**18,991**	**73,547**	**80,409**
YoY Change (%)				9.2			9.9	10.4	14.2	9.3
Total Expenditure			18,989	15,146	16,621	18,626	21,348	17,587	66,783	74,182
EBITDA			**3,017**	**2,049**	**912**	**1,076**	**2,834**	**1,404**	**6,764**	**6,227**
Change, YoY (%)							-6.0	-31.5	82.8	-7.9
Depreciation			3,007	3,016	2,289	2,403	2,716	3,089	11,664	10,497
Interest			1,507	1,434	1,168	1,236	1,481	1,472	5,674	5,357
Other Income			349	959	491	534	546	681	1,957	2,252
PBT before EO expense			**-1,148**	**-1,442**	**-2,054**	**-2,029**	**-817**	**-2,476**	**-8,616**	**-7,375**
Extra-Ord expense			0	0	0	0	0	0	1,433	0
Share in JV			-89	-54	0	0	0	0		
PBT			**-1,238**	**-1,496**	**-2,054**	**-2,029**	**-817**	**-2,476**	**-7,184**	**-7,375**
Tax			-178	113	-518	-511	-206	-624	-942	-1,856
Rate (%)			14.4	-7.6	25.2	25.2	25.2	25.2	13.1	25.2
Reported PAT			**-1,059**	**-1,609**	**-1,536**	**-1,517**	**-611**	**-1,852**	**-6,242**	**-5,519**
Adj PAT			**-1,059**	**-1,609**	**-1,536**	**-1,517**	**-611**	**-1,852**	**-7,674**	**-5,519**
YoY Change (%)									-16.6	-28.1

E: MOFSL Estimates

Aditya Birla Lifestyle Brands — Neutral

CMP: INR157 | TP: INR170 (+9%) — **EPS CHANGE (%): FY26|27: (14)|(15)**

- Expect 5% YoY growth in revenue for Lifestyle brands, driven largely by retail LTL.
- Lifestyle Brands' margins likely to decline ~35bp YoY to 18.5%, due to higher A&P spends.
- Overall revenue at INR18.9b impacted by weaker growth in Lifestyle brands.
- Consol. EBITDA likely at INR2.6b with margins at ~13.9%.

Consolidated - Quarterly Summary (INR m)

Y/E March	FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q		
Revenue	**18,884**	**21,046**	**23,108**	**21,389**	**78,300**	**84,427**
YoY Change (%)						
Total Expenditure	16,254	17,909	19,399	17,813	66,382	71,374
EBITDA	**2,631**	**3,137**	**3,709**	**3,576**	**11,918**	**13,053**
Change, YoY (%)						
Depreciation	1,894	1,894	1,894	1,894	7,057	7,575
Interest	727	727	727	727	3,820	2,908
Other Income	214	214	214	214	777	855
PBT before EO expense	**224**	**730**	**1,302**	**1,169**	**1,817**	**3,425**
Extra-Ord expense	-	-	-	-	-983	0
PBT	**224**	**730**	**1,302**	**1,169**	**834**	**3,425**
Tax	56	184	328	292	238	862
Rate (%)	25.2	25.2	25.2	25.0	28.5	25.2
Reported PAT	**167**	**546**	**974**	**877**	**596**	**2,563**
Adj PAT	**167**	**546**	**974**	**877**	**1,579**	**2,563**
YoY Change (%)						62.3

E: MOFSL Estimates

Avenue Supermarts — Buy

CMP: INR4,452| TP: INR4,800 (+8%) — **EPS CHANGE (%): FY26|27: 1|3**

- Consolidated revenue to grow ~16% YoY led by store adds (+14%) and mid to high single digit SSSG.
- DMart added 9 stores QoQ, taking its total store count to 424.
- Expect EBITDA margin to contract ~40bp YoY to 8.3% on continued higher cost of retailing and weak SPSF.
- Expect PAT to grow 7% YoY.

Consolidated - Quarterly summary (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue	**140.7**	**144.4**	**159.7**	**148.7**	**163.8**	**171.4**	**189.1**	**173.6**	**594**	**698**
YoY Change (%)	18.6	14.4	17.7	16.9	16.4	18.7	18.4	16.7	16.9	17.6
Total Expenditure	128.5	133.5	147.6	139.2	150.2	158.5	174.8	162.2	549	646
EBITDA	**12.2**	**10.9**	**12.2**	**9.6**	**13.6**	**13.0**	**14.3**	**11.3**	**45**	**52**
EBITDA margin (%)	**8.7**	**7.6**	**7.6**	**6.4**	**8.3**	**7.6**	**7.5**	**6.5**	**7.6**	**7.5**
Change YoY (%)	18.0	8.8	8.7	1.2	(4.3)	0.0	(1.0)	1.8	9.3	16.3
Depreciation	1.9	2.1	2.3	2.4	2.4	2.6	2.7	2.7	9	10
Interest	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1	1
Other Income	0.4	0.3	0.2	0.3	0.2	0.2	0.2	0.2	1	1
PBT	**10.5**	**9.0**	**10.0**	**7.2**	**11.1**	**10.4**	**11.6**	**8.6**	**37**	**42**
Tax	2.8	2.4	2.7	1.7	2.9	2.7	3.0	2.3	10	11
Rate (%)	26.6	27.0	27.3	23.5	26.3	26.3	26.3	26.3	26.3	26.3
Reported PAT	**7.7**	**6.6**	**7.2**	**5.5**	**8.2**	**7.7**	**8.5**	**6.4**	**27**	**31**
Adj PAT	**7.7**	**6.6**	**7.2**	**5.5**	**8.2**	**7.7**	**8.5**	**6.4**	**27**	**31**
YoY Change (%)	17.5	5.8	4.7	(2.2)	6.0	16.1	17.8	15.6	7	14

E: MOFSL Estimates

Bata India — Neutral

CMP: INR1,232| TP: INR1,150 (-7%) — **EPS CHANGE (%): FY26|27: (5)|(8)**

- Revenue growth to remain weak at 3% YoY, largely led by ~2% YoY volume growth.
- EBITDA margin to expand by ~130bp YoY, driving 10% EBITDA growth.
- Expect adj. PAT to increase by 7% YoY.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue	**9,446**	**8,371**	**9,188**	**7,882**	**9,732**	**9,007**	**9,950**	**8,493**	**34,888**	**37,182**
YoY Change (%)	-1.4	2.2	1.7	-1.2	3.0	7.6	8.3	7.8	0.3	6.6
Gross Profit	5,182	4,740	5,163	4,559	5,450	5,179	5,672	5,079	19,644	21,379
Gross margin%	54.9	56.6	56.2	57.8	56.0	57.5	57.0	59.8	56.3	57.5
Total Expenditure	7,597	6,625	7,193	6,099	7,698	7,030	7,731	6,357	27,514	28,816
EBITDA	**1,849**	**1,746**	**1,995**	**1,784**	**2,034**	**1,977**	**2,219**	**2,136**	**7,374**	**8,366**
EBITDA margin	19.6	20.9	21.7	22.6	20.9	22.0	22.3	25.2	21.1	22.5
Change YoY (%)	-22.8	-3.9	9.4	-2.2	10.0	13.2	11.2	19.8	-6.2	13.4
Depreciation	872	902	902	1,037	980	980	980	980	3,713	3,920
Interest	308	318	311	348	292	292	292	292	1,285	1,168
Other Income	162	172	99	223	197	197	197	197	656	787
PBT before EO expense	**832**	**698**	**881**	**622**	**959**	**902**	**1,144**	**1,061**	**3,032**	**4,065**
Extra-Ord expense	-1,340	0	108	0	0	0	0	0	-1,232	0
PBT	**2,171**	**698**	**773**	**622**	**959**	**902**	**1,144**	**1,061**	**4,264**	**4,065**
Tax	431	178	186	163	242	227	288	266	957	1,023
Rate (%)	19.8	25.5	24.1	26.2	25.2	25.2	25.2	25.1	22.4	25.2
MI & Profit/Loss of Asso. Cos.										
Reported PAT	**1,741**	**520**	**587**	**459**	**717**	**674**	**855**	**795**	**3,307**	**3,042**
Adj PAT	**849**	**520**	**669**	**459**	**717**	**674**	**855**	**795**	**2,497**	**3,042**
YoY Change (%)	-21	-19	15	-28	-16	30	28	73	-15	22
Margins (%)	9%	6%	7%	6%	7%	7%	9%	9%	7%	8%

E: MOFSL Estimates

Campus Activewear — Buy

CMP: INR278| TP: INR325 (+17%) — EPS CHANGE (%): FY26|27: (7)|(7)

- Expect 7% YoY revenue growth, driven by the 4% increase in ASP and ~3% volume growth.
- Expect EBITDA margin to inch up by ~35bp YoY, driven by better operating leverage.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue	**3,392**	**3,333**	**5,148**	**4,057**	**3,621**	**3,729**	**5,759**	**4,707**	**15,930**	**17,816**
YoY Change (%)	-4.1	28.9	9.1	11.5	6.8	11.9	11.9	16.0	10.0	11.8
Gross Profit	**1,797**	**1,745**	**2,617**	**2,098**	**1,919**	**1,957**	**2,937**	**2,433**	**8,257**	**9,246**
Gross margin	53.0	52.4	50.8	51.7	53.0	52.5	51.0	51.7	51.8	51.9
Total Expenditure	2,874	2,951	4,326	3,343	3,056	3,236	4,763	3,768	13,494	14,823
EBITDA	**517**	**382**	**822**	**715**	**565**	**492**	**996**	**940**	**2,435**	**2,993**
EBITDA margins (%)	15.3	11.5	16.0	17.6	15.6	13.2	17.3	20.0	15.3	16.8
Depreciation	162	176	189	228	227	227	227	227	755	908
Interest	37	45	43	64	50	50	50	50	188	198
Other Income	23	34	37	53	51	51	51	51	147	205
PBT	**341**	**196**	**626**	**476**	**340**	**267**	**771**	**714**	**1,639**	**2,092**
Tax	87	53	162	126	85	67	194	180	428	526
Rate (%)	25.6	27.0	25.8	26.4	25.2	25.2	25.2	25.2	26.1	25.2
Reported PAT	**254**	**143**	**465**	**350**	**254**	**200**	**577**	**534**	**1,212**	**1,565**
Adj PAT	**254**	**143**	**465**	**350**	**254**	**200**	**577**	**534**	**1,212**	**1,565**
YoY Change (%)	-19	4,369	87	7	0	40	24	53	35.5	29.2

E: MOFSL Estimates

Go Fashion — Buy

CMP: INR882| TP: INR1,077(+22%) — EPS CHANGE (%): FY26|27: (4)|(4)

- Expect 11% YoY revenue growth, driven by 4% area growth and 3% SSSG.
- Expect EBITDA margin to inch up by ~50bp because of better gross margins.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue	**2,201**	**2,085**	**2,147**	**2,048**	**2,450**	**2,421**	**2,556**	**2,355**	**8,482**	**9,783**
YoY Change (%)	16	10	6	13	11	16	19	15	11	15
Gross Profit	**1,360**	**1,315**	**1,377**	**1,316**	**1,544**	**1,519**	**1,604**	**1,472**	**5,368**	**6,139**
Gross margin	61.8	63.1	64.1	64.3	63.0	62.8	62.8	62.5	63.3	62.8
Total Expenditure	1,480	1,450	1,449	1,424	1,635	1,655	1,746	1,572	5,802	6,609
EBITDA	**721**	**635**	**698**	**624**	**815**	**766**	**810**	**783**	**2,680**	**3,173**
EBITDA margins (%)	32.8	30.4	32.5	30.5	33.3	31.6	31.7	33.2	31.6	32.4
Depreciation	295	311	317	314	335	349	369	358	1,237	1,411
Interest	110	115	116	122	148	146	154	142	464	591
Other Income	58	71	58	66	60	52	55	43	254	209
PBT	**374**	**281**	**323**	**254**	**393**	**322**	**341**	**325**	**1,233**	**1,381**
Tax	88	76	79	55	99	81	86	82	298	348
Rate (%)	23	27	25	22	25	25	25	25	24	25
Reported PAT	**287**	**205**	**243**	**199**	**294**	**241**	**255**	**243**	**935**	**1,034**
Adj PAT	**287**	**205**	**243**	**199**	**294**	**241**	**255**	**243**	**935**	**1,034**
YoY Change (%)	9	2	4	52	3	18	5	22	13	11

E: MOFSL Estimates

Metro Brands — Buy

CMP: INR1,136 | TP: INR1,375 (+21%) — **EPS CHANGE (%): FY26|27: (2)|(2)**

- Revenue is expected to grow 11% YoY, led by footprint additions and low-single-digit SSSG.
- Expect 23 net store additions, taking the total store count to 931.
- Expect EBITDA margin to improve ~70bp YoY, led by better cost controls and operating leverage.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Revenue	**5,761**	**5,855**	**7,031**	**6,428**	**6,407**	**6,650**	**7,979**	**7,513**	**25,074**	**28,548**
YoY Change (%)	-1.1	5.4	10.6	10.3	11.2	13.6	13.5	16.9	6.4	13.9
Total Expenditure	3,957	4,306	4,781	4,456	4,355	4,812	5,391	5,141	17,500	19,698
EBITDA	**1,804**	**1,548**	**2,250**	**1,972**	**2,052**	**1,838**	**2,589**	**2,372**	**7,574**	**8,850**
EBITDA Margin (%)	31.3	26.4	32.0	30.7	32.0	27.6	32.4	31.6	30.2	31.0
Depreciation	600	624	655	701	708	715	722	724	2,580	2,870
Interest	208	218	235	244	260	286	314	207	905	1,066
Other Income	234	234	232	231	244	244	244	244	930	976
PBT	**1,230**	**939**	**1,593**	**1,258**	**1,329**	**1,081**	**1,796**	**1,685**	**5,019**	**5,890**
Tax	309	225	649	309	334	272	452	424	1,491	1,483
Rate (%)	25.1	23.9	40.7	24.5	25.2	25.2	25.2	25.2	29.7	25.2
MI & Profit/Loss of Asso. Cos.	2	3	7	4	0	0	0	0	16	0
PAT before MI	**921**	**715**	**944**	**949**	**994**	**809**	**1,344**	**1,261**	**3,528**	**4,408**
Adj PAT post MI	**923**	**718**	**1,201**	**953**	**994**	**809**	**1,344**	**1,261**	**3,795**	**4,408**
YoY Change (%)	-1	6	22	10	8	13	12	32	9.5	16.1

E: MOFSL Estimates

Raymond Lifestyle — Buy

CMP: INR1,284| TP: INR1,500 (+17%) — **EPS CHANGE (%): FY26|27: 0|0**

- Expect 12% YoY growth in revenue (on a low base), led by recovery in branded textile and branded apparel.
- Expect EBITDA margin to recover to 8.7%, led by better operating leverage.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Revenue	**12,201**	**17,083**	**17,542**	**14,942**	**13,638**	**18,989**	**19,305**	**16,142**	**61,767**	**68,074**
YoY Change (%)	-8%	-5%	2%	-11%	12%	11%	10%	8%	-5%	10%
Total Expenditure	11,604	14,935	15,745	14,806	12,457	16,676	16,693	14,775	57,090	60,223
EBITDA	**597**	**2,148**	**1,797**	**136**	**1,181**	**2,313**	**2,612**	**1,368**	**4,678**	**7,851**
EBITDA Margin	**4.9%**	**12.6%**	**10.2%**	**0.9%**	**8.7%**	**12.2%**	**13.5%**	**8.5%**	**7.6%**	**11.5%**
Change YoY (%)	-59%	-17%	-0.4	-0.9	98%	8%	45%	909%	-50%	68%
Depreciation	746	763	794	911	724	912	927	879	3,214	3,442
Interest	463	532	544	534	508	524	518	480	2,074	2,029
Other Income	294	270	413	856	319	444	451	377	1,832	1,591
PBT	**-323**	**528**	**867**	**-473**	**267**	**1,321**	**1,618**	**387**	**600**	**3,971**
Tax	-91	106	226	-23	67	333	407	192	218	999
Rate (%)	28.1%	20.1%	26.0%	4.9%	25.2%	25.2%	25.2%	49.7%	36.4%	25.2%
Reported PAT	**-232**	**422**	**642**	**-450**	**200**	**989**	**1,211**	**194**	**382**	**2,971**
Adj PAT	**-227**	**1,016**	**645**	**-430**	**200**	**989**	**1,211**	**194**	**1,005**	**2,971**
YoY Change (%)	-139.5%	-27.1%	-1	-134.7%	-188%	-2.7%	88%	-145.2%	-79.4%	195.7%

Relaxo Footwear — Sell

CMP: INR439| TP: INR385 (-12%) — **EPS CHANGE (%): FY26|27: (2)|(1)**

- Expect modest 4% YoY revenue growth, driven by ~2% volume growth and ASP improvement.
- Margins likely to remain under pressure with gross/EBITDA margin contracting 200bp/80bp YoY.

Consolidated - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Gross Sales	**7,482**	**6,794**	**6,669**	**6,952**	**7,803**	**7,324**	**7,250**	**7,224**	**27,896**	**29,601**
YoY Change (%)	1.3	-5.0	-6.4	-7.0	4.3	7.8	8.7	3.9	-4.3	6.1
Total RM Cost	2,847	2,648	2,861	3,134	3,121	2,930	3,081	3,005	11,489	12,136
Gross Profit	**4,635**	**4,146**	**3,808**	**3,818**	**4,682**	**4,394**	**4,168**	**4,220**	**16,407**	**17,464**
Margins (%)	62.0	61.0	57.1	54.9	60.0	60.0	57.5	58.4	58.8	59.0
Total Expenditure	6,493	5,917	5,835	5,831	6,835	6,408	6,256	5,912	24,076	25,412
EBITDA	**989**	**877**	**834**	**1,121**	**968**	**915**	**993**	**1,312**	**3,820**	**4,188**
Margins (%)	13.2	12.9	12.5	16.1	12.4	12.5	13.7	18.2	13.7	14.2
Depreciation	391	398	402	394	406	418	430	371	1,584	1,624
Interest	49	50	54	54	52	52	52	52	207	206
Other Income	54	66	68	81	71	71	71	71	270	283
PBT before EO expense	**603**	**496**	**446**	**754**	**581**	**517**	**582**	**961**	**2,299**	**2,642**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**603**	**496**	**446**	**754**	**581**	**517**	**582**	**961**	**2,299**	**2,642**
Tax	160	128	116	192	146	130	147	242	596	666
Rate (%)	26.5	25.9	26.0	25.4	25.2	25.2	25.2	25.2	25.9	25.2
Reported PAT	**444**	**367**	**330**	**562**	**435**	**387**	**435**	**719**	**1,703**	**1,976**
Adj PAT	**444**	**367**	**330**	**562**	**435**	**387**	**435**	**719**	**1,703**	**1,976**
YoY Change (%)	-21.2	-16.9	-14.4	-8.4	-2.0	5.3	31.9	27.9	-15.0	16.0
Margins (%)	5.9	5.4	4.9	8.1	5.6	5.3	6.0	9.9	6.1	6.7

E: MOFSL Estimates

Shoppers Stop — Neutral

CMP: INR501| TP: INR475 (-5%) — **EPS CHANGE (%): FY26|27: NA|NA**

- Expect modest revenue growth of 6% YoY, led by Intune store additions amid muted SSSG in Departmental.
- Expect 5 store additions in Intune QoQ. Overall expect 7 new store additions.
- EBITDA is expected to grow by 6% YoY, with broadly stable margins YoY.
- Expect the company to report losses once again.

Standalone - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Total Revenue from Operations	**10,337**	**10,681**	**13,115**	**10,224**	**10,943**	**11,651**	**14,203**	**11,169**	**44,356**	**47,966**
YoY Change (%)	5.3	4.2	8.7	2.3	5.9	9.1	8.3	9.2	5.3	8.1
Total Expenditure	8,916	9,213	10,715	8,530	9,442	9,998	11,578	9,201	37,374	40,218
EBITDA	**1,421**	**1,468**	**2,399**	**1,694**	**1,501**	**1,653**	**2,626**	**1,968**	**6,982**	**7,748**
EBITDA Margin (%)	13.7	13.7	18.3	16.6	13.7	14.2	18.5	17.6	15.7	16.2
Depreciation	1,167	1,214	1,293	1,243	1,260	1,311	1,397	1,369	4,916	5,337
Interest	604	638	647	691	728	728	728	728	2,579	2,914
Other Income	35	97	223	174	37	102	234	182	530	556
PBT before EO expense	**-314**	**-286**	**682**	**-66**	**-451**	**-284**	**735**	**53**	**16**	**53**
Extra-Ord expense	0	-21	0	21	0	0	0	0	0	0
PBT	**-314**	**-307**	**682**	**-45**	**-451**	**-284**	**735**	**53**	**16**	**53**
Tax	-89	-87	195	-70	-114	-72	185	13	-52	13
Rate (%)	28.4	28.3	28.5	154.5	25.2	25.2	25.2	25.2	-328.7	25.2
Reported PAT	**-225**	**-220**	**488**	**25**	**-337**	**-212**	**550**	**40**	**67**	**40**
Adj PAT	**-225**	**-199**	**488**	**4**	**-337**	**-212**	**550**	**40**	**67**	**40**
YoY Change (%)	-250.7	-482.6	37.2	-91.2	-49.9	-6.5	12.7	-11.6	-88.9	-63.2

E: MOFSL Estimates

Trent

Buy

CMP: INR6,141 | TP: INR6,600 (+7%)

EPS CHANGE (%): FY26|27: (6)|(8)

- Revenue growth moderated to ~20% YoY despite ~30% store additions, implying weak SSSG.
- Westside/Zudio added 0/1 net stores QoQ.
- EBITDA margin is expected to marginally contract ~30bp YoY to 15%.
- Adj. PAT growth likely to be modest 4% YoY.

Standalone - Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Revenue	**39,917**	**40,356**	**45,347**	**41,061**	**47,901**	**51,453**	**57,818**	**51,266**	**166,681**	**208,438**
YoY Change (%)	57.4	39.6	36.9	28.8	20.0	27.5	27.5	24.9	39.8	25.1
Total Expenditure	33,812	33,949	36,971	34,497	40,716	43,452	47,381	42,913	139,229	174,463
EBITDA	**6,106**	**6,407**	**8,376**	**6,564**	**7,185**	**8,001**	**10,436**	**8,353**	**27,452**	**33,975**
EBITDA Margin (%)	15.3	15.9	18.5	16.0	15.0	15.6	18.1	16.3	16.5	16.3
Depreciation	1,759	1,915	2,393	2,631	2,657	2,763	2,819	2,587	8,699	10,827
Interest	312	324	363	371	397	425	454	559	1,369	1,835
Other Income	461	1,387	564	970	553	1,387	676	1,172	3,381	3,788
PBT before EO expense	**4,496**	**5,554**	**6,184**	**4,532**	**4,684**	**6,199**	**7,839**	**6,379**	**20,766**	**25,102**
Extra-Ord expense	-	-	-	-	-	-	-	-	-	-
PBT	**4,496**	**5,554**	**6,184**	**4,532**	**4,684**	**6,199**	**7,839**	**6,379**	**20,766**	**25,102**
Tax	1,074	1,320	1,490	1,033	1,124	1,488	1,881	1,531	4,918	6,024
Reported PAT	**3,422**	**4,234**	**4,693**	**3,499**	**3,560**	**4,712**	**5,958**	**4,848**	**15,848**	**19,077**
Adj PAT	**3,422**	**4,234**	**4,693**	**3,499**	**3,560**	**4,712**	**5,958**	**4,848**	**15,848**	**19,077**
YoY Change (%)	130.8	46.2	36.6	41.3	4.1	11.3	26.9	38.6	54.0	20.4

E: MOFSL Estimates

V-Mart Retail

Neutral

CMP: INR852| TP: INR945 (+11%)

EPS CHANGE (%): FY26|27: (3)|(5)

- Revenue grew ~13% YoY, as the preponement of EID impacted SSSG at 1% (vs 8% in 4Q).
- Gross margins are expected to contract ~45bp YoY due to lower LR contribution.
- V-Mart added net 13 stores, taking the total store count to 510 (+14% YoY).
- Expect EBITDA to grow by 11% YoY, as we build in ~20bp contraction in EBITDA margin to 12.4% due to lower SSSG.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Revenue	**7,861**	**6,610**	**10,267**	**7,801**	**8,850**	**7,802**	**12,271**	**9,148**	**32,539**	**38,071**
YoY Change (%)	15.9	20.3	15.5	16.7	12.6	18.0	19.5	17.3	16.8	17.0
Total Expenditure	6,871	6,224	8,554	7,119	7,751	7,225	10,102	8,157	28,768	33,235
EBITDA	**990**	**386**	**1,714**	**681**	**1,099**	**576**	**2,169**	**991**	**3,771**	**4,836**
EBITDA Margin (%)	12.6	5.8	16.7	8.7	12.4	7.4	17.7	10.8	11.6	12.7
Depreciation	568	592	626	544	489	504	504	488	2,330	1,985
Interest	375	391	424	174	319	333	361	347	1,365	1,359
Other Income	46	18	34	23	51	23	45	41	121	160
PBT before EO expense	**93**	**-580**	**697**	**-13**	**343**	**-237**	**1,349**	**198**	**198**	**1,653**
PBT	**93**	**-580**	**697**	**229**	**343**	**-237**	**1,349**	**198**	**198**	**1,653**
Tax	-28	-15	-19	44	86	-59	337	49	-18	413
Rate (%)	-30.3	2.6	-2.7	19.1	25.0	25.0	25.0	25.0	-9.2	192.3
Reported PAT	**121**	**-565**	**716**	**185**	**257**	**-178**	**1,012**	**148**	**458**	**1,240**
Adj PAT	**121**	**-565**	**716**	**-57**	**257**	**-178**	**1,012**	**148**	**216**	**1,240**
YoY Change (%)	-155.3	-11.9	153.7	-85.4	111.7	-68.6	41.3	-361.7	-122.3	474.2

E: MOFSL Estimates

Vedant Fashions

Neutral

CMP: INR815| TP: INR775 (-5%)

EPS CHANGE (%): FY26|27: (1)|(3)

- Expect ~12% YoY revenue growth, led by slight recovery in revenue productivity (on a low base).
- EBITDA margin is expected to contract 100bp YoY to 46% due to higher A&P spends.
- Expect PAT growth of 9% YoY.

Quarterly summary (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Revenue	**2,398**	**2,679**	**5,113**	**3,674**	**2,686**	**2,891**	**5,565**	**3,953**	**13,865**	**15,096**
YoY Change (%)	-23.0	22.7	7.8	1.2	12.0	7.9	8.8	7.6	1.4	8.9
Total Expenditure	1,271	1,460	2,691	2,017	1,450	1,597	2,893	2,145	7,439	8,084
EBITDA	**1,127**	**1,220**	**2,422**	**1,657**	**1,237**	**1,295**	**2,672**	**1,809**	**6,426**	**7,012**
EBITDA margins (%)	47.0	45.5	47.4	45.1	46.0	44.8	48.0	45.8	46.3	46.5
Change YoY (%)	-23.9	31.4	0.1	-5.3	9.7	6.1	10.3	9.1	63.2	188.5
Depreciation	372	373	391	395	406	419	431	496	1,531	1,753
Interest	139	137	139	136	143	141	144	138	552	566
Other Income	215	192	224	221	223	216	251	247	852	937
PBT before EO expense	**831**	**902**	**2,115**	**1,347**	**910**	**950**	**2,348**	**1,422**	**5,195**	**5,630**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
Tax	206	233	535	336	229	239	591	358	1,310	1,417
Rate (%)	24.8	25.8	25.3	24.9	25.2	25.2	25.2	25.2	25.2	25.2
Reported PAT	**625**	**669**	**1,580**	**1,011**	**681**	**711**	**1,757**	**1,064**	**3,885**	**4,213**
Adj PAT	**625**	**669**	**1,580**	**1,011**	**681**	**711**	**1,757**	**1,064**	**3,885**	**4,213**
YoY Change (%)	-32	37	0	-13	9	6	11	5	-6	8

E: MOFSL Estimates

Technology

Indian IT's stop-start recovery

Growth remains uneven, but early signs of stability welcomed

- **1QFY26 has been an uncertain, albeit better-than-expected quarter for IT services,** in our view. While a host of geopolitical events as well as tariff uncertainty would have played spoilsport on notable deal signings, widespread client deferrals/ ramp-downs have largely been avoided. We expect 1Q numbers to reflect this reality: QoQ revenue and deal TCV across large-caps could be unexciting (expect QoQ cc growth range of -2.5% to +1.5% for large-caps. Mid-caps are expected to outperform once again with a growth range of -2.0% to +7.0%). A weak dollar against a basket of currencies will lead to **100-200bp of QoQ cross-currency tailwinds**, aiding estimates.
- **Outlook on deal signing in 2QFY26 and beyond will be crucial.** While this environment is not conducive to discretionary spending, we expect client enthusiasm to pick up, as serious GenAI projects, especially around productivity gains, start picking up and clients shrug off the uncertainty to focus on critical upgrades.
- **On margins:** We expect margins to be range-bound and supply-side pressures to remain muted; however, meaningful margin gains are restricted by low growth, visa costs and pressure from a strong INR vs USD.
- As argued in our note (dated 28th Apr'25: What lies ahead for Indian IT: The good, the bad, and the unlikely), a **major re-rating for the sector hinges on the emergence of a new tech cycle and meaningful earnings upgrade**. The set-up for IT services stocks, selectively, however, looks good: a US fed rate cut cycle on the horizon, a seasonally strong 1HFY26, and improving deal win rates, especially for a few mid-tier firms. Valuations across the sector are also palatable: not cheap, but there is room to expand if earnings and outlook spring a surprise.
- Our top picks earlier in the year have focused on bottom-up execution and revenue visibility (view our note dated 11th Mar'25: **Recovery stuck in second gear**). **We believe there is a chance to look at more "risk-on" stocks now**, with improving deal outlook and good vertical exposures. **Our top picks in the large-cap space remain HCLT and TECHM**. We could turn constructive on Infosys if commentary/guidance meaningfully improves and deal wins pick up. **In mid-caps, Coforge remains our top pick**, and we also like LTIMindtree in an improving environment. A materially better deal TCV outlook for MPHL could prompt us to upgrade our rating on the stock. Persistent's execution remains the best in class, but admittedly potential for re-rating is now restricted.
- For 1Q, we expect aggregate revenue for our coverage universe to grow by 6.0% YoY, while EBIT and PAT are likely to grow at 7.0% and 6.5% YoY (all in INR terms), respectively.

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Growth expectations across our coverage

- We expect TCS and HCLT to report QoQ cc revenue decline of 0.5% and 1.2%, respectively, in 1QFY26. INFO is anticipated to clock 1.5% growth, driven by recent deal ramp-ups and 20bp inorganic contribution from its recent acquisition. Meanwhile, TECHM/WPRO are likely to post QoQ cc revenue decline of 1.0%/2.5%. LTIM could deliver 1.5% QoQ cc growth, driven by deal ramp-ups and seasonally strong 1Q.
- Among mid-tier firms, we expect COFORGE to lead the pack with ~7% cc QoQ revenue growth, driven by strong organic momentum and steady ramp-up of the Sabre deal, along with contributions from recent acquisitions. PSYS/HEXT are also likely to deliver 4.0%/2.2% cc QoQ growth, while Mphasis could post 1.5% cc QoQ growth.
- We expect Cyient DET to report yet another weak quarter, with QoQ cc revenue decline of 2.0%. We are factoring in a cross-currency tailwind of ~100-150bp for most companies.

Margins a mixed bag

- We expect TCS EBIT margins to remain flat QoQ, with some pressure from talent investments and constrained operating leverage. HCLT's margin may decline 50bp QoQ, in line with the typical 1Q software seasonality reset similar to prior years. Infosys may see a dip of 10bp due to wage hikes (effective Apr'25) for senior pyramid levels and ramp-up of large deals.
- LTIM's EBIT margins are likely to improve by 60bp QoQ as visa-related headwinds are offset by operating leverage.
- Among mid-caps, Coforge margins may rise to 14.0% (80bp up QoQ) as most one-offs are now behind. HEXT margins are expected to stay flat QoQ at ~14.3%, with ERP costs phasing out by end-Jun'25. LTTS may see a 40bp QoQ margin dip, due to the ramp-up of large deals and muted revenue growth.

HCLT and COFORGE remain our top picks

- Our top picks earlier in the year have focused on bottom-up execution and revenue visibility (view our note dated 11th Mar'25: **Recovery stuck in second gear**). We believe there is a chance to look at more "risk-on" stocks now, with an improving deal outlook and good vertical exposures. **Our top picks in the large-cap space remain HCLT and TECHM.** HCLT benefits from its all-weather business mix, which should support growth in the current environment. We could turn constructive on Infosys if commentary/guidance meaningfully improves and deal wins pick up.
- **In mid-caps, Coforge remains our top pick**, and we also like LTIM in an improving environment. MPHL's recent strong TCV wins and healthy conversion trends lend confidence to the near-term momentum. A material improvement in its deal TCV outlook could prompt us to upgrade our rating on the stock.

Exhibit 1: Expect Tier-I companies' aggregate revenue (USD) to grow by 1.2% QoQ

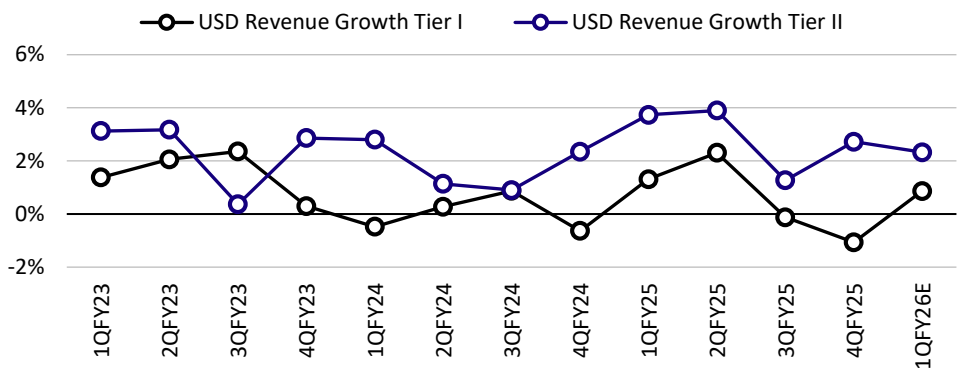
	Revenue (USD m)					Revenue (INR b)				
Company	**1QFY26**	**4QFY25**	**QoQ (%)**	**1QFY25**	**YoY (%)**	**1QFY26**	**4QFY25**	**QoQ (%)**	**1QFY25**	**YoY (%)**
TCS	7,555	7,465	1.2%	7,505	0.7%	646	645	0.2%	626	3.2%
INFO	4,868	4,730	2.9%	4,714	3.3%	417	409	1.8%	393	5.9%
HCLT	3,517	3,498	0.5%	3,364	4.5%	301	302	-0.5%	281	7.2%
WPRO	2,569	2,597	-1.0%	2,626	-2.2%	220	225	-2.0%	220	0.4%
TECHM	1,557	1,549	0.5%	1,559	-0.1%	133	134	-0.5%	130	2.4%
LTIM	1,157	1,131	2.3%	1,096	5.5%	99	98	1.3%	91	8.3%
Tier I aggregate	**21,223**	**20,970**	**1.2%**	**20,864**	**1.7%**	**1,816**	**1,813**	**0.2%**	**1,741**	**4.3%**
	EBIT margin (%)					**Adjusted PAT (INR b)**				
Company	**1QFY26**	**4QFY25**	**QoQ (%)**	**1QFY25**	**YoY (%)**	**1QFY26**	**4QFY25**	**QoQ (%)**	**1QFY25**	**YoY (%)**
TCS	24.2	24.2	-	24.7	-50.0	124.6	122.9	1.3%	121.1	2.9%
INFO	20.9	21.0	-10.0	21.1	-20.0	66.4	68.1	-2.5%	63.7	4.2%
HCLT	17.5	18.0	-50.0	17.1	40.0	42.8	43.1	-0.7%	42.6	0.5%
WPRO	17.5	17.4	10.0	16.4	110.0	32.4	35.9	-9.8%	30.4	6.6%
TECHM	10.7	10.5	20.0	8.5	220.0	11.6	11.4	1.2%	8.6	34.2%
LTIM	14.4	13.8	60.0	15.0	-60.0	12.0	11.3	6.6%	11.4	5.9%
Tier I aggregate	**20.0**	**20.0**	**-**	**19.9**	**10.0**	**290**	**293**	**-1.0%**	**278**	**4.3%**

Exhibit 2: Expect Tier-II companies' revenue (USD) to be up 3.2% QoQ

	Revenue (USD m)					Revenue (INR b)				
Company	**1QFY26**	**4QFY25**	**QoQ (%)**	**1QFY25**	**YoY (%)**	**1QFY26**	**4QFY25**	**QoQ (%)**	**1QFY25**	**YoY (%)**
LTTS	341	345	-1.1	295	15.7	29.2	29.8	-2.1	24.6	18.7
MPHL	440	430	2.3	410	7.4	37.7	37.2	1.4	34.2	10.2
Hexaware*	384	372	3.5	352	9.3	32.9	32.1	2.6	29.4	12.1
COFORGE	438	404	8.5	291	50.2	37.4	34.1	9.8	24.0	56.0
PSYS	392	375	4.5	328	19.5	33.5	32.4	3.5	27.4	22.6
ZENT	160	157	2.0	154	3.5	13.7	13.6	0.7	12.9	6.2
CYL	170	170	-0.3	170	0.0	14.5	14.7	-1.4	14.1	2.6
Tier II aggregate	**2,326**	**2,253**	**3.2%**	**2,001**	**16.2%**	**199.0**	**193.9**	**2.6**	**166.6**	**19.4%**
	EBIT margin (%)					**Adjusted PAT (INR b)**				
Company	**1QFY26**	**4QFY25**	**QoQ (%)**	**1QFY25**	**YoY (%)**	**1QFY26**	**4QFY25**	**QoQ (%)**	**1QFY25**	**YoY (%)**
LTTS	12.8	13.2	-40.0	15.6	-280.0	3.1	3.1	-1.3	3.1	-2.6
MPHL	15.3	15.3	-	15.0	30.0	4.5	4.5	1.8	4.0	12.4
Hexaware*	14.3	14.2	10.0	-	NA	3.6	3.3	8.6	-	NA
COFORGE	14.0	13.2	80.0	13.7	30.0	3.8	2.9	34.0	2.3	67.5
PSYS	15.8	15.6	20.0	14.0	180.0	4.3	4.0	8.3	3.1	39.9
ZENT	13.3	13.9	-60.0	13.3	-	1.7	1.8	-4.3	1.6	6.9
CYL	12.9	13.0	-10.0	13.5	-60.0	1.5	1.6	-7.2	1.4	32.2
Tier II aggregate	**14.3**	**14.2**	**10.0**	**14.4**	**-10.0**	**22.5**	**21.1**	**6.8**	**15.5**	**21.9**

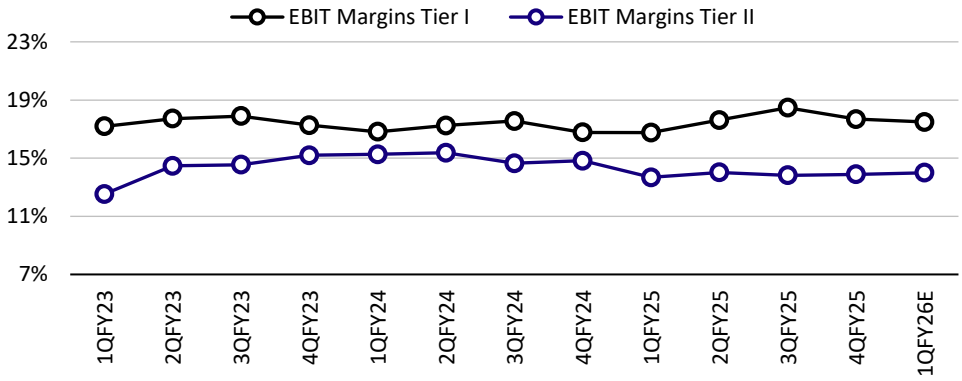
*Note: Estimates for 2QCY25, Source: Company, MOFSL

Exhibit 3: Tier II companies shall outperform Tier I companies



Source: MOFSL, Company

Exhibit 4: Margins largely remain range-bound for most Tier-I and Tier-II companies



Source: MOSL, Company

Exhibit 5: Cross-currency impact on 1Q USD Growth

	CC growth QoQ (%)	USD growth QoQ (%)	Cross-currency impact (bp)
TCS	-0.5	1.2	170
INFO	1.5	2.9	140
HCLT	-1.2	0.5	170
WPRO	-2.5	-1.0	150
TECHM	-1.0	0.5	150
LTIM	1.5	2.3	80
LTTS	-2.0	-1.1	90
MPHL	1.5	2.3	80
Hexaware	2.2	3.5	130
COFORGE	7.0	8.5	150
PSYS	4.0	4.5	50
ZENT	1.0	2.0	100
CYL (DET)	-2.0	-0.3	170

Source: Company, MOFSL

Exhibit 6: Summary of quarterly performance estimates

Companies	CMP (INR)	Rating	Sales (INR b)			EBIT (INR b)			Adjusted net profit (INR b)		
			Jun'25E	Variance YoY (%)	Variance QoQ (%)	Jun'25E	Variance YoY (%)	Variance QoQ (%)	Jun'25E	Variance YoY (%)	Variance QoQ (%)
TCS	3,462	Buy	646.4	3.2	0.2	156.4	1.3	0.3	124.6	2.9	1.3
INFO	1,602	Neutral	416.5	5.9	1.8	87.1	5.0	1.5	66.4	4.2	-2.5
HCLT	1,729	Buy	300.9	7.2	-0.5	52.6	9.6	-3.4	42.8	0.5	-0.7
WPRO	266	Sell	220.5	0.4	-2.0	38.6	7.0	-1.3	32.4	6.6	-9.8
TECHM	1,687	Buy	133.2	2.4	-0.5	14.3	29.3	1.4	11.6	34.2	1.2
LTIM	5,317	Buy	99.0	8.3	1.3	14.3	4.0	5.9	12.0	5.9	6.6
LTTS	4,402	Neutral	29.2	18.7	-2.1	3.7	-2.5	-5.1	3.1	-2.6	-1.3
MPHL	2,845	Neutral	37.7	10.2	1.4	5.8	12.1	1.4	4.5	12.4	1.8
Hexaware	851	Buy	32.9	12.1	2.6	4.7	NA	3.6	3.6	NA	8.6
COFORGE	1,925	Buy	37.4	56.0	9.8	5.2	59.7	16.3	3.8	67.5	34.0
PSYS	6,042	Buy	33.5	22.6	3.5	5.3	38.0	4.9	4.3	39.9	8.3
ZENT	843	Neutral	13.7	6.2	0.7	1.8	6.2	-3.5	1.7	6.9	-4.3
CYL	1,289	Sell	14.5	2.6	-1.4	1.9	-1.7	-2.2	1.5	7.0	-7.2
Sector aggregate (INR b)			2,015	5.7	0.4	391	7.0	0.3	312	6.5	-0.5

Source: Company, MOFSL

Exhibit 7: Comparative valuations

Company	CMP (INR)	M-cap (INR b)	TP	Upside/ Downside	EPS (INR)			EPS CAGR (%)	P/E (x)		
					FY25	FY26E	FY27E	FY25-27E	FY25	FY26E	FY27E
TCS	3,462	12,526	3,850	11%	134.2	141.8	152.8	6.7	25.8	24.4	22.7
INFO	1,602	6,654	1,800	12%	63.9	68.0	73.2	7.1	25.1	23.5	21.9
HCLT	1,729	4,691	2,000	16%	63.9	69.5	76.4	9.4	27.1	24.9	22.6
WPRO	266	2,788	230	-14%	12.5	12.4	12.9	1.6	21.2	21.5	20.6
TECHM	1,687	1,652	2,050	22%	47.9	61.4	78.1	27.7	35.2	27.5	21.6
LTIM	5,317	1,576	6,000	13%	155.3	175.9	199.5	13.3	34.2	30.2	26.6
MPHL	2,845	541	3,150	10%	89.3	99.7	110.9	11.5	31.9	28.6	25.7
LTTS	4,402	467	4,400	0%	119.0	135.1	159.3	15.7	37.0	32.6	27.6
Hexaware*	851	518	950	12%	19.3	24.2	28.5	21.6	44.1	35.2	29.8
PSYS	6,042	945	7,000	16%	90.2	117.1	144.1	26.4	67.0	51.6	41.9
COFORGE	1,925	644	2,400	25%	25.0	48.9	60.2	55.1	76.9	39.3	32.0
CYL	1,289	143	1,120	-13%	54.6	69.3	82.0	22.5	23.6	18.6	15.7
ZENT	843	191	750	-11%	28.4	31.2	34.9	10.9	29.7	27.0	24.1

*Note: Estimates for CY25E/CY26E/CY27E. Source: Company, MOFSL

The tables below provide a snapshot of actual and estimated numbers for IT companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Coforge — Buy

CMP INR1,924| TP: INR2,400 (+25%) — **EPS CHANGE (%): FY26|27: 5.7|3.7**

- We expect revenue to grow ~7% QoQ in CC terms, driven by strong organic momentum and steady ramp-up of the Sabre deal, along with contributions from recent acquisitions.
- We expect 100bp expansion in reported EBITDA margin. EBIT margin should rise to 14.0% as most one-offs are now behind.
- Deal activity remains healthy, with a strong pipeline across BFS and Insurance - both offering significant cross-sell and upsell potential in acquired accounts.
- **Key things to watch out for:** Margin expansion despite Sabre deal ramp-up, benefits from Cigniti's cross-selling, and deal TCV in BFS and Insurance (~48.5% of revenue).

Quarterly Performance (IND-AS)

Y/E March	FY25				FY26E				FY25	FY26E
(Consolidated)	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Rev. (USD m)	**291**	**369**	**391**	**404**	**438**	**469**	**488**	**510**	**1,445**	**1,905**
QoQ (%)	3.7	26.8	5.7	3.3	8.5	7.2	4.0	4.5	31.5	31.8
Revenue (INR m)	**24,008**	**30,623**	**32,581**	**34,099**	**37,450**	**40,707**	**42,336**	**44,241**	**1,20,507**	**1,64,734**
YoY (%)	8.1	34.5	40.2	47.1	56.0	32.9	29.9	29.7	33.8	36.7
GPM (%)	**33.0**	**32.4**	**33.4**	**34.1**	**35.0**	**33.8**	**34.2**	**34.2**	**33.6**	**34.3**
SGA (%)	**15.1**	**15.9**	**15.7**	**15.4**	**15.3**	**15.3**	**15.3**	**15.3**	**15.6**	**15.3**
EBITDA (INRm)	**4,099**	**4,840**	**5,072**	**5,761**	**6,741**	**6,920**	**7,578**	**7,919**	**19,960**	**29,158**
EBITDA Margin (%)	17.1	15.8	15.6	16.9	18.0	17.0	17.9	17.9	16.6	17.7
EBIT (INRm)	**3,284**	**3,597**	**3,907**	**4,507**	**5,243**	**5,373**	**5,885**	**6,172**	**15,684**	**22,673**
EBIT Margin (%)	13.7	11.7	12.0	13.2	14.0	13.2	13.9	14.0	13.0	13.8
Other income	-272	-173	-329	-300	-112	-122	-127	-133	-1,080	-494
ETR (%)	31.8	25.5	25.5	22.2	24.5	24.5	24.8	24.8	25.7	24.7
Minority Interest	-61.0	-314.0	-404.0	-461.0	-25.7	-26.0	-26.0	-26.0	-1,240.0	-103.7
Reported PAT	**1,344**	**2,021**	**2,142**	**2,611**	**3,848**	**3,939**	**4,304**	**4,515**	**8,372**	**16,606**
QoQ (%)	-40.2	50.4	6.0	21.9	47.4	2.4	9.3	4.9		
YoY (%)	-19.4	11.7	-10.0	16.3	186.4	94.9	100.9	73.0	0.9	98.3
Extra-ordinary items	953	290	162	261	0	0	0	0	1,666	713
Adj. PAT	**2,297**	**2,311**	**2,304**	**2,872**	**3,848**	**3,939**	**4,304**	**4,515**	**9,783**	**16,606**
EPS (INR)	**4.2**	**6.0**	**6.3**	**7.7**	**11.3**	**11.6**	**12.7**	**13.3**	**25.0**	**48.9**

Cyient — Sell

CMP INR1,289 | TP: INR1,120 (-13%) — **EPS CHANGE (%): FY26|27: -1.6|0.4**

- Expect 2.0% QoQ CC decline for DET in 1QFY26, impacted by spillover weakness from deal deferrals in Mar'25 and elongated closure cycles.
- Sustainability was under pressure due to project delays, but the signing of new business in the Connectivity vertical - tied to a large client renewal - in Apr'25 is expected to lend some support.
- EBIT margin for the DET segment is expected to be around 12.9%, weighed down by muted revenue, ongoing structural investments and challenges.
- We believe a weak FY25 exit and seasonally weak 1H could lead to lower revenue growth in 1HFY26, and could impact margins.

DET Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**170**	**173**	**175**	**170**	**170**	**172**	**174**	**179**	**688**	**694**
QoQ (%)	-5.4	2.0	1.3	-3.0	-0.3	1.3	1.5	2.5	-3.7	1.0
Revenue (INR m)	**14,144**	**14,496**	**14,799**	**14,719**	**14,507**	**14,897**	**15,120**	**15,498**	**58,158**	**60,023**
YoY (%)	-2.8	-1.8	-0.8	-1.2	2.6	2.8	2.2	5.3	-1.6	3.2
GPM (%)	**39.5**	**39.7**	**38.9**	**38.8**	**38.3**	**39.0**	**38.8**	**38.0**	**39.2**	**38.5**
SGA (%)	**21.9**	**21.5**	**21.6**	**21.9**	**21.5**	**21.5**	**21.3**	**21.3**	**21.7**	**21.4**
EBITDA	**2,487**	**2,642**	**2,562**	**2,481**	**2,437**	**2,607**	**2,646**	**2,588**	**10,172**	**10,278**
EBITDA Margin (%)	**17.6**	**18.2**	**17.3**	**16.9**	**16.8**	**17.5**	**17.5**	**16.7**	**17.5**	**17.1**
EBIT	**1,903**	**2,058**	**1,995**	**1,914**	**1,871**	**2,026**	**2,056**	**1,984**	**7,870**	**7,938**
EBIT Margin (%)	**13.5**	**14.2**	**13.5**	**13.0**	**12.9**	**13.6**	**13.6**	**12.8**	**13.5**	**13.2**
Other income	-54	282	-338	271	145	149	151	155	161	600
ETR (%)	23.5	24.5	25.3	25.4	25.0	25.0	25.0	25.0	24.7	25.0
Adj. PAT	**1,414**	**1,766**	**1,238**	**1,630**	**1,512**	**1,631**	**1,656**	**1,604**	**6,048**	**6,403**
QoQ (%)	-18.5	24.9	-29.9	31.7	-7.2	7.9	1.5	-3.1		
YoY (%)	-17.0	2.2	-28.3	-6.1	7.0	-7.6	33.7	-1.6	-12.3	5.9
EPS (INR)	**13**	**16**	**11**	**15**	**14**	**15**	**15**	**15**	**55**	**58**

HCL Technologies

Buy

CMP INR1,729| TP: INR2,000 (+16%)

EPS CHANGE (%): FY25|26|27: 0.6|1.4

- We expect HCL to report a 1.2% QoQ revenue decline in a seasonally weak quarter. Services may decline 1.2% QoQ CC, while the P&P segment may see a 1.0% drop.
- Margins are expected to decline 50bp QoQ, in line with the typical 1Q seasonal reset similar to prior years.
- We expect BFSI and Hi-tech to perform relatively better. Manufacturing remains under pressure, particularly in auto, though signs of bottoming out are visible.
- We expect the company to retain its FY26 revenue growth guidance of 2-5%.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**3,364**	**3,445**	**3,533**	**3,498**	**3,517**	**3,566**	**3,764**	**3,811**	**13,840**	**14,658**
QoQ (%)	-1.9	2.4	2.5	-1.0	0.5	1.4	5.6	1.3	4.3	5.9
Revenue (INR b)	**281**	**289**	**299**	**302**	**301**	**309**	**326**	**331**	**1,171**	**1,267**
YoY (%)	6.7	8.2	5.1	6.1	7.2	7.2	9.2	9.3	6.5	8.2
GPM (%)	**34.5**	**34.9**	**35.6**	**34.7**	**34.9**	**35.5**	**37.0**	**36.0**	**34.9**	**35.9**
SGA (%)	12.4	11.5	11.3	11.8	12.5	12.5	12.5	12.5	11.7	12.5
EBITDA	**58**	**64**	**69**	**65**	**63**	**67**	**76**	**73**	**255**	**279**
EBITDA Margin (%)	20.6	22.1	23.0	21.5	21.0	21.6	23.2	22.2	21.8	22.0
EBIT	**48**	**54**	**58**	**54**	**53**	**56**	**64**	**61**	**214**	**234**
EBIT Margin (%)	17.1	18.6	19.5	18.0	17.5	18.0	19.6	18.6	18.3	18.4
Other income	9	3	3	3	5	5	5	5	18	19
ETR (%)	25.4	25.5	25.1	24.9	25.0	25.0	25.0	25.0	25.2	25.0
Adjusted PAT	**43**	**42**	**46**	**43**	**43**	**45**	**52**	**50**	**174**	**189**
QoQ (%)	6.8	-0.5	8.4	-6.2	-0.7	5.7	14.1	-3.5		
YoY (%)	20.5	10.5	5.5	8.1	0.4	6.8	12.3	15.6	10.8	8.9
EPS	**15.7**	**15.6**	**16.9**	**15.9**	**15.8**	**16.7**	**19.0**	**18.4**	**63.9**	**69.5**

Hexaware Technologies

Buy

CMP INR850| TP: INR950 (+12%)

EPS CHANGE (%): CY25 |26: 1.0|1.6

- Hexaware is expected to report ~2.2% QoQ CC growth in 2QCY25. Growth is expected to be broad-based across verticals, with BFS outpacing other segments and HTPS and H&I growing at par with company average.
- One of the two GSE clients saw a sharp ramp-down (~2.5-month impact), but both are part of USD20-35m consolidation deals, with partial ramp-ups starting in 2Q and full scale-up in CY26.
- Margins are expected to stay flat QoQ at 14.3%. ERP-related costs are expected to phase out by end-June, aiding margin stability in the coming quarters.
- TTH may see slight weakness due to macro pressures, while Manufacturing and Consumer remain soft. Commentary on demand trends, key accounts' growth, BFS ramp-ups, and recovery in TTH will be key monitorables.

Quarterly Performance

Y/E March	CY24		CY25E				CY24	CY25E
	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue (USD m)	**374**	**372**	**372**	**384**	**409**	**419**	**1,429**	**1,584**
QoQ (%)	6.4	-0.5	-0.2	3.5	6.3	2.5		
Revenue (INR m)	**31,357**	**31,544**	**32,079**	**32,898**	**35,450**	**36,336**	**1,19,744**	**1,36,763**
YoY (%)	18.3	20.6	16.7	12.1	13.1	15.2		14.2
GPM (%)	**42.3**	**42.3**	**41.9**	**42.0**	**42.5**	**42.3**	**41.8**	**42.2**
Other (%)	26.6	26.8	25.5	25.5	25.2	25.0	26.6	25.3
EBITDA	**4,911**	**4,904**	**5,278**	**5,428**	**6,133**	**6,286**	**18,302**	**23,125**
EBITDA Margin (%)	**15.7**	**15.5**	**16.5**	**16.5**	**17.3**	**17.3**	**15.3**	**16.9**
EBIT	**4,173**	**4,141**	**4,543**	**4,704**	**5,318**	**5,450**	**15,514**	**20,015**
EBIT Margin (%)	**13.3**	**13.1**	**14.2**	**14.3**	**15.0**	**15.0**	**13.0**	**14.6**
Other income	-114	29	-180	33	35	36	89	-75
PBT	**4,059**	**4,170**	**4,363**	**4,737**	**5,353**	**5,487**		**19,940**
ETR (%)	26.2	23.1	25.0	25.0	25.0	25.0	24.8	25.0
Minority Interest	0.0	0.0	0.0	0.0	0.0	0.0		
Reported PAT	**2,997**	**3,207**	**3,271**	**3,553**	**4,015**	**4,115**	**11,740**	**14,954**
QoQ (%)	NA	7.0	2.0	8.6	13.0	2.5		
YoY (%)	NA	67.6	17.2	NA	34.0	28.3	17.7	27.4
Extra-ordinary items	0	0	0	0	0	0	0	0
Adj. PAT	**2,997**	**3,207**	**3,271**	**3,553**	**4,015**	**4,115**	**11,740**	**14,954**
EPS (INR)	**5.0**	**5.2**	**5.3**	**5.7**	**6.5**	**6.7**	**19.3**	**24.2**

Infosys — Neutral

CMP INR1,602| TP: INR1,800 (+12%) — **EPS CHANGE (%): FY26 |27: 0.6|0.4**

- INFO is likely to clock 1.5% QoQ CC, supported by seasonally better calendar days, recent deal ramp-ups and 20bp inorganic contribution from its recent acquisition.
- 1H is likely to shoulder the growth burden in line with recent years; BFSI in the US expected to remain resilient, while retail continues to see softness. Automotive is weak, but core manufacturing and industrial segments remain solid and could offset this weakness partially.
- Operating margin is expected to dip by 10bp due to wage hikes (effective Apr'25) for senior pyramid levels and ramp-up of large deals. Third-party costs are expected to be lower YoY in FY26.
- Expect Infosys to upgrade the lower end of its guidance by 100bp to account for inorganic impact (current guide: 0-3% cc for FY26, estimated inorganic contribution of 80bp).

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**4,714**	**4,894**	**4,939**	**4,730**	**4,868**	**5,028**	**5,028**	**5,078**	**19,277**	**20,001**
QoQ (%)	3.3	3.8	0.9	-4.2	2.9	3.3	0.0	1.0	3.9	3.8
Revenue (INR b)	**393**	**410**	**418**	**409**	**417**	**436**	**436**	**440**	**1,630**	**1,729**
YoY (%)	3.6	5.1	7.6	7.9	5.9	6.4	4.4	7.6	6.1	6.1
GPM (%)	**30.9**	**30.5**	**30.3**	**30.2**	**30.3**	**31.0**	**30.5**	**30.5**	**30.5**	**30.6**
SGA (%)	**9.8**	**9.4**	**8.9**	**9.2**	**9.4**	**9.2**	**8.9**	**9.1**	9.3	9.1
EBITDA	**94**	**99**	**101**	**98**	**99**	**108**	**107**	**107**	**392**	**420**
EBITDA Margin (%)	**24.0**	**24.1**	**24.3**	**23.9**	**23.8**	**24.7**	**24.5**	**24.3**	**24.1**	**24.3**
EBIT	**83**	**86**	**89**	**86**	**87**	**95**	**94**	**94**	**344**	**371**
EBIT Margin (%)	**21.1**	**21.1**	**21.3**	**21.0**	**20.9**	**21.8**	**21.6**	**21.4**	**21.1**	**21.4**
Other income	7	6	8	8	6	6	6	6	29	24
ETR (%)	29.3	29.6	29.5	27.0	28.5	28.5	28.5	28.5	28.9	28.5
PAT	**64**	**65**	**68**	**68**	**66**	**72**	**72**	**72**	**265**	**282**
QoQ (%)	4.8	2.2	4.6	0.0	-2.4	8.9	-0.7	0.0		
YoY (%)	7.1	4.7	11.5	12.1	4.3	11.2	5.5	5.5	8.8	6.6
EPS (INR)	**15.4**	**15.7**	**16.4**	**16.4**	**16.0**	**17.4**	**17.3**	**17.3**	**63.9**	**68.0**

LTIMindtree — Buy

CMP INR5,317| TP: INR6,000 (+13%) — **EPS CHANGE (%): FY26| 27: 1.6|3.1**

- LTIM is expected to report 1.5% QoQ CC growth in 1QFY26, driven by deal ramp-ups, pass-through elements, and cross-currency tailwinds.
- EBIT margins are likely to improve by 60bp QoQ to 14.4%, as visa-related headwinds are offset by operating leverage.
- Growth is expected to be broad-based across verticals. BFSI continues to grow steadily, while Hi-tech is improving as Microsoft productivity issues ease. Retail/CPG supported by agro-tech deal ramp-up.
- Commentary on demand, deal ramp up, BFSI/Hi-tech vertical, and margins will be closely monitored.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**1,096**	**1,127**	**1,139**	**1,131**	**1,157**	**1,193**	**1,211**	**1,241**	**4,493**	**4,802**
QoQ (%)	2.5	2.8	1.1	-0.7	2.3	3.1	1.5	2.5	4.8	6.9
Revenue (INR B)	**91**	**94**	**97**	**98**	**99**	**103**	**105**	**108**	**380**	**415**
YoY (%)	5.1	5.9	7.1	9.9	8.3	9.7	8.7	10.1	7.0	9.2
GPM (%)	**30.3**	**30.8**	**28.8**	**27.9**	**28.6**	**29.5**	**28.5**	**30.0**	**29.4**	**29.2**
SGA (%)	12.7	12.8	12.3	11.6	11.6	11.8	11.5	11.3	12.3	11.5
EBITDA	**16**	**17**	**16**	**16**	**17**	**18**	**18**	**20**	**65**	**73**
EBITDA Margin (%)	**17.6**	**18.0**	**16.5**	**16.3**	**17.0**	**17.7**	**17.0**	**18.7**	**17.1**	**17.6**
EBIT	**14**	**15**	**13**	**13**	**14**	**16**	**15**	**17**	**55**	**62**
EBIT Margin (%)	**15.0**	**15.5**	**13.8**	**13.8**	**14.4**	**15.0**	**14.3**	**16.0**	**14.5**	**14.9**
Other income	**1.5**	**2.3**	**1.4**	**1.8**	**1.8**	**1.9**	**1.9**	**1.9**	**7**	**7**
ETR (%)	25.6	25.8	26.2	26.2	25.0	25.0	25.0	25.0	25.9	25.0
Adj PAT	**11**	**13**	**11**	**11**	**12**	**13**	**13**	**14**	**46**	**52**
QoQ (%)	3.1	10.3	-13.2	3.9	6.6	8.4	-2.7	13.3		
YoY (%)	-1.5	7.7	-7.1	2.5	5.9	4.2	16.7	27.3	0.4	13.2
EPS (INR)	**38.2**	**42.2**	**36.6**	**38.0**	**40.6**	**44.0**	**42.8**	**48.5**	**155.0**	**175.9**

LTTS — Neutral

CMP INR4,402| TP: INR4,400 — **EPS CHANGE (%): FY26| 27: -4.0|-1.8%**

- We expect revenue to decline 2.0% QoQ CC in 1Q, driven by seasonality in SWC business, partly offset by deal ramp-ups.
- EBIT margins to decline 40bp QoQ due to large deal ramp-ups and muted revenue growth.
- We expect the strong deal momentum seen in 4QFY25 to sustain in 1QFY26, as deals won in 3Q are ramping up and contributing to revenue in 1QFY26.
- We expect LTTS to retain its FY26 double-digit revenue growth guidance, and overall organic revenue growth in FY26 is expected to be better than in FY25.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**295**	**307**	**312**	**345**	**341**	**348**	**357**	**370**	**1,259**	**1,417**
QoQ (%)	-3.2	3.9	1.7	10.6	-1.1	2.1	2.5	3.5	8.2	12.5
Revenue (INR m)	**24,619**	**25,729**	**26,530**	**29,824**	**29,213**	**30,217**	**30,973**	**32,057**	**1,06,702**	**1,22,459**
YoY (%)	7.0	7.8	9.5	17.5	18.7	17.4	16.7	7.5	10.6	14.8
GPM (%)	**29.3**	**29.3**	**29.0**	**27.8**	**27.0**	**28.2**	**27.9**	**29.3**	**28.8**	**28.1**
SGA (%)	10.8	11.2	10.3	11.8	11.5	11.0	11.0	11.0	11.1	11.1
EBITDA	**4,562**	**4,660**	**4,947**	**4,755**	**4,528**	**5,197**	**5,234**	**5,866**	**18,924**	**20,826**
EBITDA Margin (%)	**18.5**	**18.1**	**18.6**	**15.9**	**15.5**	**17.2**	**16.9**	**18.3**	**17.7**	**17.0**
EBIT	**3,836**	**3,877**	**4,219**	**3,939**	**3,739**	**4,412**	**4,460**	**5,065**	**15,871**	**17,676**
EBIT Margin (%)	**15.6**	**15.1**	**15.9**	**13.2**	**12.8**	**14.6**	**14.4**	**15.8**	**14.9**	**14.4**
Other income	491	531	180	334	467	483	496	513	1,536	1,959
ETR (%)	27.5	27.4	27.4	27.4	27.4	27.4	27.4	27.4	27.4	27.4
Adj. PAT	**3,136**	**3,196**	**3,166**	**3,093**	**3,054**	**3,554**	**3,598**	**4,049**	**12,591**	**14,254**
QoQ (%)	-8.0	1.9	-0.9	-2.3	-1.3	16.4	1.2	12.5		
YoY (%)	0.8	1.3	-5.8	-9.3	-2.6	11.2	13.6	30.9	-3.4	13.2
EPS (INR)	29.6	29.8	30.4	29.3	28.9	33.7	34.1	38.4	119.0	135.1

Mphasis — Neutral

CMP INR2,845 | TP: INR3,150 (+10%) — **EPS CHANGE (%): FY26| 27: -0.4|1.2**

- We expect 1.5% QoQ CC growth, supported by ramp-up in BFSI and TMT verticals.
- Expect notable improvement in TCV win rate in FY26; this could meaningfully improve growth visibility for the next 4-6 quarters, top client ramp-down notwithstanding.
- Margin performance in 1Q is likely to be range-bound, with utilization expected to hold steady and no material change in amortization or SG&A ratios.
- Commentary around demand environment, the volume recovery for its mortgage business deal TCV and logistics vertical will be worth tracking.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**410**	**421**	**419**	**430**	**440**	**452**	**463**	**479**	**1,680**	**1,835**
QoQ (%)	-0.2	2.7	-0.5	2.7	2.3	2.6	2.5	3.5	**4.4**	**9.2**
Revenue (INR m)	**34,225**	**35,362**	**35,613**	**37,101**	**37,607**	**39,110**	**40,090**	**41,495**	**1,42,301**	**1,58,302**
YoY (%)	5.2	7.9	6.7	8.7	9.9	10.6	12.6	11.8	**7.2**	**11.2**
GPM (%)	**30.8**	**31.3**	**31.7**	**31.8**	**31.4**	**31.1**	**30.6**	**30.6**	**31.4**	**30.9**
SGA (%)	**12.7**	**12.9**	**12.7**	**12.9**	**12.6**	**12.5**	**12.0**	**12.3**	**12.8**	**12.3**
EBITDA	**6,185**	**6,480**	**6,781**	**7,026**	**7,070**	**7,274**	**7,457**	**7,594**	**26,472**	**29,395**
EBITDA Margin (%)	**18.1**	**18.3**	**19.0**	**18.9**	**18.8**	**18.6**	**18.6**	**18.3**	**18.6**	**18.6**
EBIT	**5,135**	**5,444**	**5,458**	**5,673**	**5,754**	**5,906**	**6,134**	**6,266**	**21,710**	**24,059**
EBIT Margin (%)	**15.0**	**15.4**	**15.3**	**15.3**	**15.3**	**15.1**	**15.3**	**15.1**	**15.3**	**15.2**
Other income	238	182	235	239	263	274	281	290	**894**	**1,108**
ETR (%)	24.7	24.7	24.8	24.5	24.5	24.5	24.5	24.5	**24.7**	**24.5**
PAT	**4,045**	**4,234**	**4,279**	**4,466**	**4,545**	**4,668**	**4,845**	**4,953**	**17,024**	**19,012**
QoQ (%)	2.9	4.7	1.1	4.4	1.8	2.7	3.8	2.2		
YoY (%)	2.1	8.0	14.5	13.6	12.4	10.2	13.2	10.9	**9.5**	**11.7**
EPS (INR)	21.3	22.2	22.4	23.4	23.8	24.5	25.4	26.0	**89.3**	**99.7**

Persistent Systems — Buy

CMP INR6,041 | TP: INR7,000 (+16%) — **EPS CHANGE (%): FY26| 27: 2.7|2.0**

- We expect 4.0% QoQ CC revenue growth in 1QFY26. Growth to be led by BFSI and Hi-tech, as top healthcare client faces slowdown due to offshoring.
- Margins are expected to increase 20bp to 15.8%, aided by steady rationalization of SG&A and employee costs. Comments around offshoring mix shall be looked at, as it becomes a key margin lever.
- HLS vertical, impacted by lower federal funding, warrants close monitoring in upcoming commentary.
- Management remains confident in the strength of the deal pipeline, which should result in strong deal TCV in 1QFY26.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
(Consolidated)	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**328**	**346**	**360**	**375**	**392**	**412**	**430**	**449**	**1,409**	**1,683**
QoQ (%)	5.6	5.3	4.3	4.2	4.5	5.1	4.3	4.5	18.8	19.4
Revenue (INR m)	**27,372**	**28,972**	**30,623**	**32,421**	**33,546**	**35,734**	**37,270**	**38,947**	**1,19,387**	**1,45,498**
QoQ (%)	5.7	5.8	5.7	5.9	3.5	6.5	4.3	4.5		
YoY (%)	17.9	20.1	22.6	25.2	22.6	23.3	21.7	20.1	21.6	21.9
GPM (%)	**33.0**	**33.4**	**34.7**	**34.9**	**35.0**	**33.6**	**35.0**	**35.0**	**34.0**	**34.7**
SGA (%)	**16.4**	**16.8**	**17.1**	**16.8**	**16.7**	**16.6**	**16.6**	**16.6**	16.8	16.6
EBITDA	**4,552**	**4,807**	**5,378**	**5,844**	**6,139**	**6,075**	**6,858**	**7,166**	**20,581**	**26,238**
EBITDA Margin (%)	**16.6**	**16.6**	**17.6**	**18.0**	**18.3**	**17.0**	**18.4**	**18.4**	**17.2**	**18.0**
EBIT	**3,840**	**4,062**	**4,557**	**5,053**	**5,300**	**5,181**	**5,926**	**6,193**	**17,512**	**22,600**
EBIT Margin (%)	**14.0**	**14.0**	**14.9**	**15.6**	**15.8**	**14.5**	**15.9**	**15.9**	**14.7**	**15.5**
Other income	165	283	263	-1	268	286	298	312	710	1,164
ETR (%)	23.5	25.2	22.6	21.7	23.0	23.0	23.3	23.5	23.2	23.2
Adj. PAT	**3,064**	**3,250**	**3,729**	**3,958**	**4,288**	**4,210**	**4,774**	**4,976**	**14,001**	**18,247**
QoQ (%)	-2.8	6.1	14.7	6.1	8.3	-1.8	13.4	4.2		
YoY (%)	10.5	23.4	30.3	25.5	39.9	29.5	28.0	25.7	22.6	30.3
Reported EPS (INR)	**19.9**	**21.0**	**23.9**	**25.4**	**27.5**	**27.0**	**30.6**	**31.9**	**90.2**	**117.1**

TCS — Buy

CMP INR3,462 | TP: INR3,850 (+11%) — **EPS CHANGE (%): FY26| 27: -0.5|-0.2**

- TCS is expected to post revenue decline of 0.5% QoQ CC as clients largely prefer to wait out near-term uncertainty.
- BFSI is expected to remain resilient, while healthcare clients have adopted a wait-and-watch approach. Delays and pauses in decision-making persist, albeit sporadically without cancellations.
- Outlook on near-term demand & tech budgets, BFSI vertical, and deal wins are key monitorables.
- EBIT margin is likely to remain flat QoQ, with some pressure from talent investments, lower utilization and constrained operating leverage. Pyramid and productivity gains remain key levers.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
IT Services Revenue (USD m)	**7,505**	**7,670**	**7,539**	**7,465**	**7,555**	**7,682**	**7,567**	**7,643**	**30,179**	**30,447**
QoQ (%)	1.9	2.2	-1.7	-1.0	1.2	1.7	-1.5	1.0	3.8	0.9
Overall Revenue (INR b)	**626**	**643**	**640**	**645**	**646**	**666**	**656**	**663**	**2,553**	**2,632**
QoQ (%)	2.2	2.6	-0.4	0.8	0.2	3.1	-1.5	1.0		
YoY (%)	5.4	7.7	5.6	5.3	3.2	3.7	2.6	2.8	6.0	3.1
GPM (%)	**42.6**	**38.2**	**38.8**	**38.8**	**39.0**	**38.2**	**39.0**	**40.0**	**39.6**	**39.0**
SGA (%)	18.0	14.1	14.3	14.6	14.8	14.3	14.3	14.3	15.2	14.4
EBITDA	**167**	**168**	**170**	**169**	**170**	**174**	**176**	**185**	**674**	**705**
EBITDA Margin (%)	26.7	26.1	26.5	26.2	26.4	26.1	26.9	27.9	26.4	26.8
EBIT	**154**	**155**	**157**	**156**	**156**	**159**	**162**	**170**	**622**	**648**
EBIT Margin (%)	24.7	24.1	24.5	24.2	24.2	23.9	24.7	25.7	24.3	24.6
Other income	8	6	10	8	10	11	10	11	32	42
PBT	**162**	**160**	**167**	**164**	**167**	**170**	**173**	**181**	**653**	**690**
ETR (%)	25.4	25.4	25.3	25.1	25.3	25.3	25.3	25.3	25.3	25.3
Adj. PAT	**121**	**120**	**124**	**123**	**125**	**127**	**129**	**135**	**488**	**516**
Exceptional items	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reported PAT	**121**	**120**	**124**	**123**	**125**	**127**	**129**	**135**	**488**	**516**
QoQ (%)	-3.2	-1.2	4.1	-1.2	1.3	1.9	1.6	4.8		
YoY (%)	8.9	5.1	12.1	-1.7	2.9	6.2	3.6	10.0	5.5	5.7
EPS (INR)	33.3	32.9	34.2	33.8	34.2	34.9	35.4	37.2	134.2	141.8

Tech Mahindra — Buy

CMP INR1,687 | TP: INR2,050 (+22%) — **EPS CHANGE (%): FY26| 27: 0.9|1.5**

- Revenue growth may see a decline of 1.0% QoQ CC due to a muted recovery in Telecom and Manufacturing (~50% of revenue). While the communications vertical has stabilized, recovery may take time.
- Margins are expected to rise by 20bp, supported by lower subcontractor costs and SG&A efficiency. That said, weak revenue growth may limit upside.
- Deal wins have picked up pace, with TECHM outperforming peers. Management sees a sustainable TCV baseline of USD600-800m.
- The outlook on segments such as BFS vertical and CME, especially in US and deal TCV, will be the key monitorable.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**1,559**	**1,589**	**1,567**	**1,549**	**1,557**	**1,592**	**1,616**	**1,648**	**6,264**	**6,413**
QoQ (%)	0.7	1.9	-1.4	-1.1	0.5	2.2	1.5	2.0	-0.2	2.4
Revenue (INR b)	**130**	**133**	**133**	**134**	**133**	**138**	**140**	**143**	**530**	**554**
YoY (%)	-1.2	3.5	1.4	4.0	2.4	3.7	5.5	6.8	1.9	4.6
GPM (%)	**26.5**	**27.9**	**28.8**	**29.2**	**28.8**	**29.5**	**30.0**	**28.5**	**28.1**	**29.2**
SGA (%)	**14.5**	**14.8**	**15.2**	**15.2**	**14.6**	**14.0**	**13.8**	**13.0**	14.9	13.8
EBITDA	**16**	**18**	**18**	**19**	**19**	**21**	**23**	**22**	**70**	**85**
EBITDA Margin (%)	**12.0**	**13.1**	**13.6**	**14.0**	**14.2**	**15.5**	**16.2**	**15.5**	**13.2**	**15.4**
EBIT	**11**	**13**	**14**	**14**	**14**	**17**	**18**	**18**	**51**	**67**
EBIT Margin (%)	**8.5**	**9.6**	**10.2**	**10.5**	**10.7**	**12.2**	**13.2**	**12.5**	**9.7**	**12.2**
Other income	1	4	-1	1	1	1	1	1	5	4
ETR (%)	26.7	26.6	23.9	22.0	24.5	24.5	24.5	24.5	24.8	24.5
Adj. PAT	**9**	**13**	**10**	**12**	**12**	**14**	**15**	**14**	**43**	**55**
QoQ (%)	-12.2	46.8	-21.4	18.7	-0.3	17.1	9.3	-3.1		
YoY (%)	-10.9	27.8	36.8	20.3	36.5	8.9	51.3	23.5	17.4	28.2
Extra-Ordinary Item	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Reported PAT	**9**	**13**	**10**	**12**	**12**	**14**	**15**	**14**	**43**	**55**
EPS (INR)	**9.6**	**14.1**	**11.1**	**13.2**	**13.1**	**15.3**	**16.8**	**16.2**	**47.9**	**61.4**

Wipro — Sell

CMP INR266 | TP: INR 230 (-14%) — **EPS CHANGE (%): FY26| 27: 2.7|2.8**

- WPRO is likely to report a 2.5% cc decline in revenue in IT service business (midpoint of its quarterly guidance) as deterioration in client spends was observed as of 4Q end.
- Ongoing client-specific challenges and project ramp-downs may keep Europe under pressure, though new leadership execution and a major deal ramp-up in 2H may offer some respite.
- Margins are likely to stay in a tight range (~17.5%), with potential pressure arising from a challenging revenue environment and pricing constraints in vendor consolidation engagements.
- Any change in client stance on transformation projects should be monitored, as the company indicated that some projects are being paused or timelines are being realigned.

Quarterly Performance (IFRS)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
IT Services Revenue (USD m)	**2,626**	**2,660**	**2,629**	**2,597**	**2,569**	**2,600**	**2,611**	**2,637**	**10,512**	**10,417**
QoQ (%)	-1.2	1.3	-1.2	-1.2	-1.0	1.2	0.4	1.0	-2.7	-0.9
Overall Revenue (INR b)	**220**	**223**	**223**	**225**	**220**	**226**	**227**	**229**	**891**	**903**
QoQ (%)	-1.1	1.5	0.1	0.8	-2.0	2.6	0.4	1.0		
YoY (%)	-3.8	-1.0	0.5	1.3	0.4	1.4	1.7	1.9	-0.6	1.4
GPM (%)	**30.2**	**30.5**	**31.0**	**30.9**	**30.2**	**30.2**	**30.7**	**30.2**	**30.7**	**30.3**
SGA (%)	13.7	13.6	13.8	13.6	12.8	13.1	13.3	13.3	13.7	13.1
EBITDA	**43**	**45**	**46**	**47**	**46**	**46**	**47**	**47**	**181**	**186**
EBITDA Margin (%)	**19.7**	**20.0**	**20.8**	**20.7**	**20.8**	**20.5**	**20.8**	**20.3**	**20.3**	**20.6**
IT Serv. EBIT (%)	**16.5**	**16.8**	**17.5**	**17.5**	**17.6**	**17.3**	**17.6**	**17.1**	**17.1**	**17.4**
EBIT Margin (%)	**16.4**	**16.7**	**17.5**	**17.4**	**17.5**	**17.2**	**17.5**	**17.0**	**17.0**	**17.3**
Other income	4	6	6	8	4	4	4	4	24	17
ETR (%)	24.5	24.6	24.4	24.3	24.5	24.5	24.5	24.5	24.5	24.5
PAT	**30**	**32**	**34**	**36**	**32**	**32**	**33**	**32**	**131**	**130**
QoQ (%)	5.9	6.8	4.5	6.4	-10.1	0.8	2.0	-1.7		
YoY (%)	4.6	21.3	24.5	25.9	6.9	0.9	-1.6	-9.1	19.2	-1.1
EPS (INR)	5.7	3.1	3.2	3.4	3.1	3.1	3.1	3.1	12.5	12.4

Zensar Technologies

Neutral

CMP INR842| TP: INR750 (-11%)

EPS CHANGE (%): FY26| 27: -2.1|-0.8

- We expect 1% QoQ cc growth in 1QFY26.
- We anticipate EBITDA margins to decline by 50bp QoQ to 15.1%, led by investments in SG&A.
- BFS shall continue to grow. TMT may see growth in 1Q, but uncertainties are likely to remain.
- Deal TCV may see seasonality this quarter. Comments around deal pipeline and client conversations shall be monitored.

Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (USD m)	**154**	**156**	**157**	**157**	**160**	**165**	**167**	**172**	**624**	**664**
QoQ (%)	4.3	1.2	0.5	-0.1	2.0	3.0	1.5	3.0	5.4	6.3
Revenue (INR m)	**12,881**	**13,080**	**13,256**	**13,589**	**13,678**	**14,282**	**14,496**	**14,931**	**52,806**	**57,387**
YoY (%)	5.0	5.4	10.1	10.5	6.2	9.2	9.4	9.9	7.7	8.7
GPM (%)	**30.4**	**28.1**	**30.1**	**30.3**	**30.1**	**29.3**	**29.8**	**30.5**	**29.7**	**29.9**
SGA (%)	15.2	12.7	14.5	14.7	15.0	15.0	14.5	14.5	14.3	14.7
EBITDA	**1,961**	**2,011**	**2,069**	**2,125**	**2,065**	**2,042**	**2,218**	**2,389**	**8,166**	**8,715**
EBITDA Margin (%)	**15.2**	**15.4**	**15.6**	**15.6**	**15.1**	**14.3**	**15.3**	**16.0**	**15.5**	**15.2**
EBIT	**1,714**	**1,714**	**1,832**	**1,887**	**1,821**	**1,787**	**1,959**	**2,122**	**7,147**	**7,690**
EBIT Margin (%)	**13.3**	**13.1**	**13.8**	**13.9**	**13.3**	**12.5**	**13.5**	**14.2**	**13.5**	**13.4**
Other income	383	366	270	411	410	428	435	448	1,430	1,722
ETR (%)	24.7	25.1	24.0	23.2	24.3	24.2	24.0	24.0	24.2	24.1
Adj. PAT	**1,579**	**1,558**	**1,597**	**1,764**	**1,689**	**1,679**	**1,819**	**1,954**	**6,498**	**7,140**
QoQ (%)	-8.9	-1.3	2.5	10.5	-4.3	-0.6	8.3	7.4		
YoY (%)	1.1	-10.4	-1.2	1.8	6.9	7.8	13.9	10.7	-2.3	9.9
EPS (INR)	**6.9**	**6.8**	**7.0**	**7.7**	**7.4**	**7.3**	**7.9**	**8.5**	**28.4**	**31.2**

Telecom

Company
Bharti Airtel
Bharti Hexacom
Indus Towers
Reliance Jio
Tata Communications
Vodafone Idea

Likely a steady quarter; next tariff hike key monitorable

Steady quarter with 2-3% QoQ revenue/EBITDA growth likely for telcos

We expect ~2-3% sequential growth in combined wireless revenue/EBITDA for the three private telcos in 1QFY26. We build in a 1.5% sequential uptick in the blended ARPU for the three private telcos, driven by one extra day (vs. 4QFY25) and the residual benefit of tariff hikes. Subscriber net adds for private telcos continue to improve with the stabilization of initial churn after the tariff hikes. We expect Indus Towers (Indus) to benefit from full-quarter contribution from Bharti's acquired towers, while TCOM is expected to report a muted quarter. Commentary on the potential next round of tariff hikes, RJio's IPO plans, and Indus' potential buyback plans will be the key things to watch out for in 1QFY26.

Tariff hike impact largely in the base; subscriber trends improving

The flow-through of the Jul'24 tariff hike has shown divergent trends across telcos, with Bharti registering 16% wireless ARPU growth since 1QFY25, compared to lower growth of ~12-13% for RJio and Vi. Given one extra day QoQ in 1QFY26, we expect a modest sequential ARPU uptick, with RJio likely to lead with ~2% QoQ ARPU growth (INR210), followed by ~1% QoQ growth for Bharti (INR248) and Vi (INR165). Wireless net adds continue to improve for private telcos, with RJio (~+8m) and Bharti (+3.5m) continuing to gain market share at Vi's (-1m) expense. Overall, we expect ~3%/2% QoQ growth in wireless revenue for RJio/Bharti, while Vi's wireless revenue could remain flat QoQ. Among Bharti's other businesses, we expect strong growth to continue in Homes (+8% QoQ), driven by FWA ramp-up, while Enterprise revenue is expected to further decline ~2% QoQ due to the rationalization of low-margin businesses. We expect Bharti's reported consolidated revenue to rise ~1.5% QoQ to INR486b.

Margin expansion to take a pause; RJio likely to be the biggest gainer

With the bulk of tariff hike benefits in the base, Bharti's incremental margins could revert to ~65% in 1QFY26 (vs. over 85% in the past two quarters). Overall, we expect RJio to be the biggest gainer in 1Q with ~4% QoQ EBITDA growth, followed by 2.5-3% QoQ for Bharti Airtel and Hexacom respectively. Given the commencement of Vi's network rollouts and continued subscriber losses, we expect ~2% QoQ decline in Vi's reported EBITDA, with pre-Ind AS EBITDA moderating to ~INR21.8b (from INR23.2b QoQ). Bharti's reported consolidated EBITDA is likely to improve ~1% QoQ to INR273b, as higher growth in the Africa and Homes businesses is expected to be offset by weaker performance in the Enterprise business and the absence of prior-period reversals for Indus (vs. INR2.3b QoQ).

Indus to benefit from contribution from Bharti's acquired towers; buyback likely in 2Q

We expect Indus' recurring EBITDA (excluding provisions and one-offs) to rise ~4% QoQ, driven by the full benefit of Bharti's acquired towers (vs. eight days in 4QFY25) and robust tenancy additions from Vi's ongoing rollout. We do not expect any bad

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debt provision reversals in 1QFY26 (vs. ~INR2.3b QoQ). Despite strong FCF generation in FY25, Indus had deferred decision on returning cash to shareholders. We expect the company to undertake a share buyback, likely after Sep'25.

Muted 1Q for TCOM; digital growth and margin recovery key monitorables

We expect ~10% YoY (~1% QoQ) growth in data revenue for TCOM, driven primarily by robust ~16% YoY growth in the digital portfolio. Consolidated EBITDA margin is expected to expand ~65bp QoQ to ~19.4% (though still ~95bp lower YoY).

Limited upside across the board after recent strong run-up

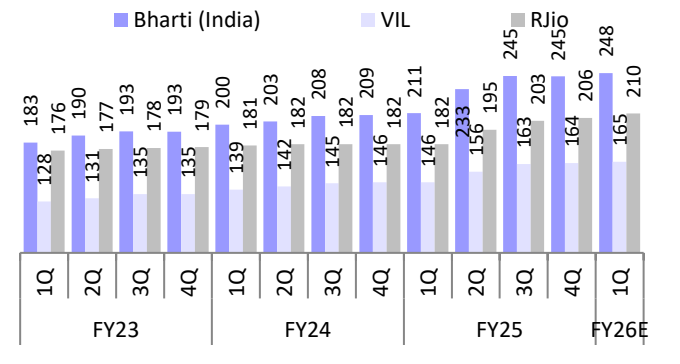
Given the consolidated market structure in the Indian telecom industry, higher data consumption, lower ARPU, and inadequate returns generated by telcos, we expect at least one more tariff reset. We continue to build in a ~15% tariff hike (or INR50/month on the base plan) in Dec'25. However, beyond the next headline tariff hike, we believe the industry should consider the change in tariff construct to usage-based plans.

We continue to prefer Bharti (improved FCF, deleveraging) and RIL (market share gains, potential listing of consumer businesses) in the telecom space. However, following the strong run-up, further re-rating is contingent on higher LT ARPU growth (vs. our assumption of ~6% CAGR over FY28-35E). GoI's recent equity conversions have provided another lifeline for Vi. However, we remain concerned about Vi's long-term competitiveness given its continued subscriber losses and reiterate our SELL rating on Vi.

Exhibit 1: Expected quarterly performance summary

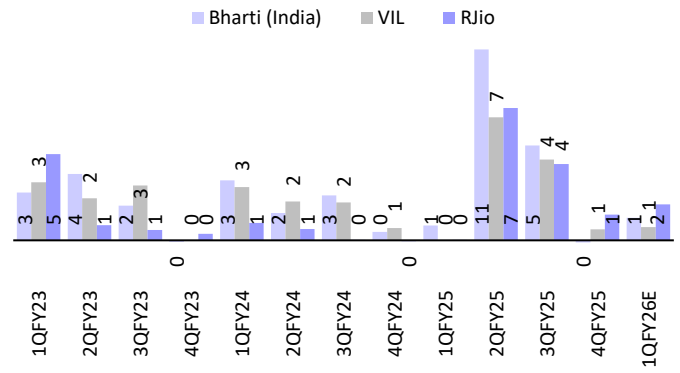
Sector	CMP (INR)	RECO	SALES (INR M)			EBDITA (INR M)			NET PROFIT (INR M)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
Bharti Airtel	2019	Buy	4,85,916	26.2	1.5	2,73,476	38.8	1.3	61,011	108.6	16.8
Bharti Hexacom	2006	Neutral	23,441	22.7	2.4	12,058	37.7	3.3	4,137	114.5	8.8
Indus Towers	420	Neutral	80,338	8.8	4.0	42,441	-5.8	-1.8	16,483	21.4	2.4
Tata Comm	1728	Neutral	60,857	8.8	1.6	11,781	3.6	5.0	2,984	20.7	-35.5
Vodafone Idea	7	Sell	1,09,997	4.7	-0.1	45,661	8.6	-2.0	-74,596	Loss	Loss
Telecom			**7,60,549**	**19.0**	**1.5**	**3,85,417**	**26.7**	**0.7**	**10,019**	**LP**	**97.6**

Exhibit 2: QoQ ARPU trends for private telcos (INR)



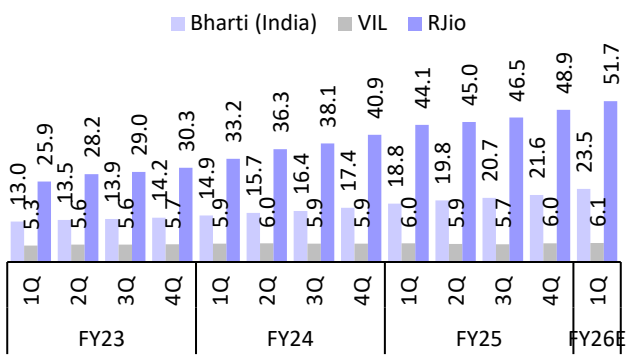
Sources: Company, MOFSL

Exhibit 3: QoQ ARPU growth trends for private telcos (%)



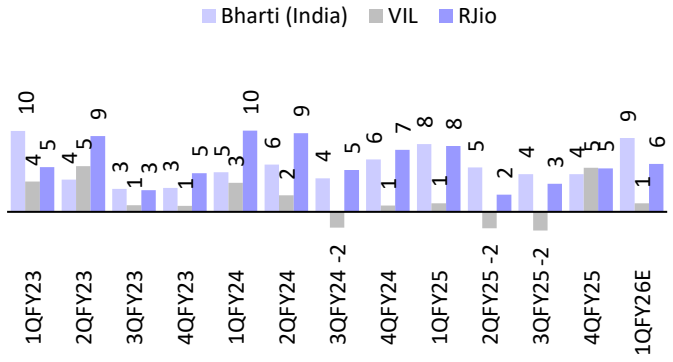
Sources: Company, MOFSL

Exhibit 4: QoQ data traffic trends for private telcos (b GB)



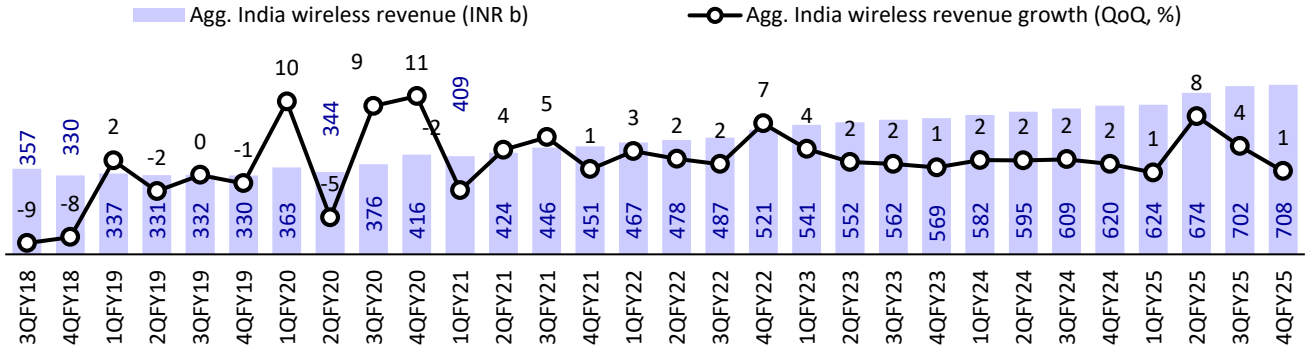
Sources: Company, MOFSL

Exhibit 5: QoQ growth trends in data traffic for private telcos (%)



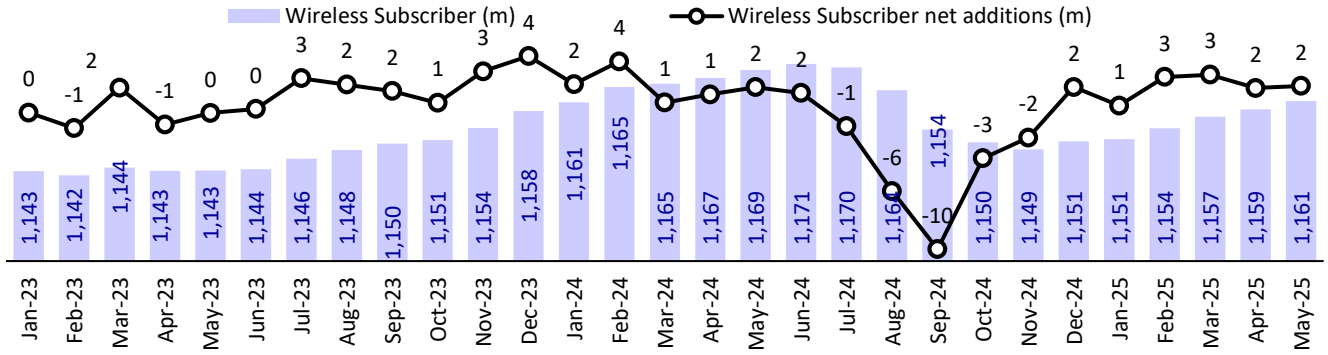
Sources: Company, MOFSL

Exhibit 6: India wireless adjusted gross revenue (AGR) and growth trends (QoQ, %)



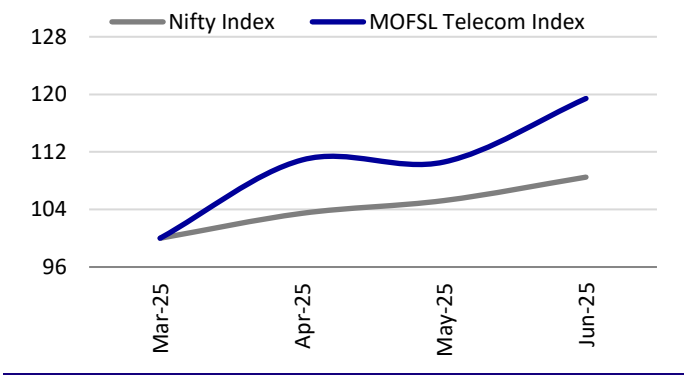
Sources: TRAI, MOFSL

Exhibit 7: Aggregate India wireless subscriber and growth trends (MoM, %)



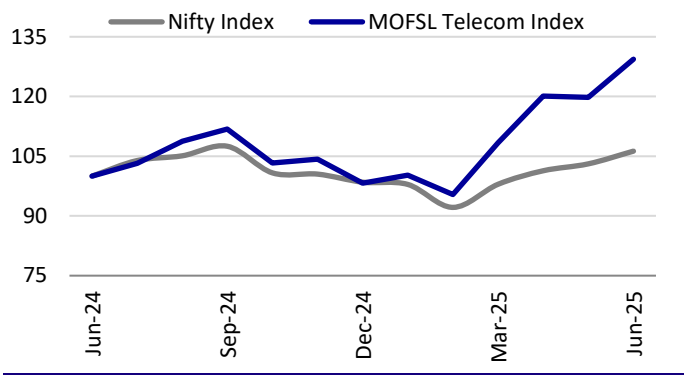
Sources: TRAI, MOFSL

Exhibit 8: Relative performance – three months (%)



Sources: Bloomberg, MOFSL

Exhibit 9: Relative performance – one year (%)



Sources: Bloomberg, MOFSL

Exhibit 10: Comparative valuation

Company Name	CMP (INR)	Reco	EPS (INR)			PE (x)			PB (x)			ROE (%)		
			FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Telecom						**-452**	**239**	**77.3**	**15.3**	**13.4**	**12.7**	**-3.4**	**5.6**	**16.5**
Bharti Airtel	2,019	Buy	30.3	48.1	63.7	66.6	42.0	31.7	9.9	8.6	6.6	18.0	22.7	25.7
Bharti Hexacom	2,006	Neutral	25.6	38.3	55.5	78.3	52.4	36.2	16.9	13.7	11.0	24.2	28.8	33.7
Indus Towers	420	Neutral	18.4	26.0	29.1	22.9	16.2	14.4	3.5	2.9	3.3	16.3	19.1	20.7
Tata Comm	1,728	Neutral	28.7	54.0	70.5	60.1	32.0	24.5	16.3	13.0	9.6	34.1	45.1	45
Vodafone Idea	7	Sell	-3.8	-2.9	-2.9	-1.9	-2.6	-2.6	-0.3	-0.4	-0.2	NM	NM	NM

Exhibit 11: Wireless KPI comparison

	FY23				FY24				FY25				FY26E	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	(%)	(%)
EOP Wireless SUBS (m)															
Bharti (India)	327	328	332	335	339	342	346	352	355	352	357	362	365	3.0	1.0
VIL	240	234	229	226	221	220	215	213	210	205	200	198	197	-6.2	-0.6
RJio	420	428	433	439	449	460	471	482	490	479	482	488	498	1.6	1.9
Avg. Wireless Subs (m)															
Bharti (India)	327	328	330	334	337	340	344	349	353	353	354	359	363	2.8	1.2
VIL	242	237	232	227	224	221	218	214	211	208	202	199	198	-6.5	-0.7
RJio	415	424	430	436	444	454	465	476	486	484	480	485	493	1.5	1.6
ARPU (INR/month)															
Bharti (India)	183	190	193	193	200	203	208	209	211	233	245	245	248	17.8	1.2
VIL	128	131	135	135	139	142	145	146	146	156	163	164	165	13.2	0.7
RJio	176	177	178	179	181	182	182	182	182	195	203	206	210	15.8	2.0
MOU/Sub (min)															
Bharti (India)	1,104	1,082	1,094	1,122	1,138	1,123	1,127	1,158	1,128	1,135	1,160	1,163	1,140	1.1	-1.9
VIL	620	601	611	623	626	613	615	626	607	586	593	598	596	-1.8	-0.3
RJio	1001	968	984	1004	1002	979	981	1008	974	977	1013	1024	997	2.4	-2.6
Wireless traffic (B min)															
Bharti (India)	1,079	1,063	1,082	1,124	1,149	1,148	1,161	1,210	1,195	1,200	1,233	1,254	1,243	4.0	-0.9
VIL	450	428	424	425	420	406	401	402	385	365	360	357	353	-8.2	-1.0
RJio	1246	1230	1270	1313	1335	1334	1370	1440	1420	1420	1460	1490	1475	3.9	-1.0
Data usage/Sub (Gb)															
Bharti (India)	19.5	20.3	20.3	20.3	21.1	21.7	22.0	22.6	23.7	23.9	24.5	25.1	26.9	13.4	7.2
VIL	13.0	13.7	13.9	13.9	14.4	14.6	14.2	14.3	14.5	14.4	14.2	15.0	15.1	4.2	1.0
Rjio (including FTTH)	20.8	22.2	22.4	23.1	24.9	26.6	27.3	28.6	30.3	31.0	32.3	33.6	35.0	15.5	4.0
Data traffic (B Gb)															
Bharti (India)	13.0	13.5	13.9	14.2	14.9	15.7	16.4	17.4	18.8	19.8	20.7	21.6	23.5	24.9	8.7
VIL	5.3	5.6	5.6	5.7	5.9	6.0	5.9	5.9	6.0	5.9	5.7	6.0	6.1	1.9	1.0
RJio	25.9	28.2	29.0	30.3	33.2	36.3	38.1	40.9	44.1	45.0	46.5	48.9	51.7	17.2	5.7

Exhibit 12: Quarterly financials

	FY23				FY24E				FY25				FY26E	YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	(%)	(%)
Revenue (INR b)															
Bharti (India wireless)	182	190	194	195	204	210	216	221	225	248	263	266	272	20.9	2.3
Bharti (consolidated)	328	345	358	360	374	370	379	376	385	415	451	479	486	26.2	1.5
VIL	104	106	106	105	107	107	107	106	105	109	111	110	110	4.7	-0.1
RJio	219	225	230	234	240	248	254	260	265	283	293	300	311	17.5	3.6
EBITDA (INR b)															
Bharti (India wireless)	92	99	104	105	112	115	119	122	125	142	155	158	161	28.9	2.5
Bharti (consolidated)	165	176	185	187	196	195	198	194	197	218	246	270	273	38.8	1.3
VIL	43	41	42	42	42	43	44	43	42	45	47	47	46	8.6	-2.0
RJio	110	115	120	122	126	130	133	136	139	150	155	159	164	18.1	3.7
EBITDA Margin (%)															
Bharti (India wireless)	50.7	52.4	53.8	53.8	54.8	54.9	55.1	55.1	55.6	57.1	58.8	59.2	59.3	366bps	9bps
Bharti (consolidated)	50.3	51.0	51.5	51.9	52.3	52.7	52.3	51.5	51.2	52.7	54.5	56.4	56.3	510bps	-13bps
VIL	41.6	38.6	39.4	40.0	39.0	40.0	40.8	40.9	40.0	41.6	42.4	42.3	41.5	150bps	-80bps
RJio	50.1	51.0	52.2	52.2	52.3	52.3	52.3	52.4	52.6	53.1	52.8	52.8	52.9	29bps	5bps
PAT (INR b)															
Bharti (consolidated)	16	21	21	26	29	30	25	30	29	39	55	52.2	61	108.6	16.8
VIL	(73)	(76)	(80)	(64)	(78)	(87)	(70)	(77)	(64)	(72)	(66)	(72)	(75)	-16.0	-4.1
RJio	43	45	46	47	49	51	52	53	54	62	65	66	68	24.4	2.0
EPS (INR)															
Bharti (consolidated)	2.8	3.8	3.7	4.6	5.1	5.2	4.4	5.2	5.1	6.8	9.5	9.0	10.5	108.0	16.8
VIL	(2.3)	(2.4)	(2.5)	(1.3)	(1.6)	(1.8)	(1.4)	(1.5)	(0.9)	(1.1)	(1.0)	(1.1)	(1.1)	16.0	4.1

Exhibit 13: Bharti Airtel segmental result

	1QFY25	4QFY25	1QFY26E	YoY	QoQ
Segmental revenue (INR b)					
India (incl. Indus)	**324**	**367**	**373**	**15.3**	**1.7**
Wireless	**225**	**266**	**272**	**20.9**	**2.3**
Homes	13.7	16.0	17.2	25.9	7.8
DTH	7.8	7.6	7.8	0.2	1.9
Airtel Business	55	53	52	(5.0)	(2.1)
Passive infra	74	77	80	8.8	4.0
Africa	**96**	**114**	**116**	**19.9**	**1.6**
Consolidated	**419**	**479**	**486**	**16.1**	**1.5**
Eliminations	(54)	(55)	(59)		
Segmental EBITDA (INR b)					
India (incl. Indus)	**187**	**220**	**220**	**18.0**	**0.1**
Wireless	**125**	**158**	**161**	**28.9**	**2.5**
Homes	6.9	8.0	8.6	25.5	8.3
DTH	4.4	3.8	3.9	(10.9)	1.9
Airtel Business	20	22	21	3.4	(8.2)
Passive infra	46	45	44	(4.6)	(2.2)
Africa	**44**	**54**	**55**	**26.7**	**2.7**
Consolidated	**230**	**270**	**273**	**18.8**	**1.3**
Eliminations	(16)	(20)	(20)		
Segmental EBITDA margin (%)					
India (incl. Indus)	**57.7**	**60.0**	**59.0**	**137.1**	**(92.6)**
Wireless	**55.6**	**59.2**	**59.3**	**366.4**	**8.7**
Homes	50.2	49.9	50.1	(15.1)	23.1
DTH	56.6	50.4	50.4	(627.1)	2.1
Airtel Business	36.3	42.1	39.5	321.8	(259.1)
Passive infra	62.3	58.1	54.7	(767.6)	(342.2)
Africa	**45.3**	**47.3**	**47.8**	**254.9**	**51.1**
Consolidated	**55.0**	**56.4**	**56.3**	**127.4**	**(13.3)**

Note: Restated including Indus from 1QFY25

Exhibit 14: Bharti's key performance indicators

	1QFY25	4QFY25	1QFY26E	YoY	QoQ
Operating metrics					
India wireless					
Wireless ARPU	**211**	**245**	**248**	**17.8**	**1.2**
EoP reported subs (m)	**354.5**	**361.6**	**365.1**	**3.0**	**1.0**
Net adds (m)	2.3	5.0	3.5		
EoP data subs (m)	**267.1**	**281.2**	**286.2**	**7.1**	**1.8**
Data net adds (m)	6.3	3.6	5.0		
Data subs proportion (%)	75.4	77.8	78.4	304 bps	62 bps
EoP 4G subs (m)	**259.4**	**276.8**	**282.3**	**8.8**	**2.0**
4G net adds (m)	6.7	6.6	5.5		
Homes					
Reported ARPU (INR/month)	**572**	**543**	**539**	**(5.8)**	**(0.9)**
Calculated ARPU (INR/month)	585	552	547	(6.5)	(1.0)
EoP reported subs (m)	**8.0**	**10.0**	**10.9**	**37.3**	**9.0**
Net adds ('000)	348	812	900		
DTH*					
ARPU (Rs/month)	**159**	**162**	**161.5**	**1.4**	**(0.1)**
EoP active DTH subs (m)	**16.3**	**15.9**	**16.1**	**(1.5)**	**1.3**
Net adds ('000)	194	76	200		

The tables below provide a snapshot of the actual and estimated numbers of companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Bharti Airtel — Buy

CMP: INR 2,019| TP: INR2,200 (+9%) — **EPS CHANGE (%): FY26|27: 1|1**

- Expect modest ~2% QoQ revenue (~26% YoY) growth driven by India wireless, Homes, and Africa.
- Expect ~1% QoQ growth in consolidated EBITDA, as good show in Homes, Wireless, and Africa will be offset by weaker performance in Enterprise and the absence of prior period reversals in Indus.
- Expect ~2%/3% QoQ growth in India Wireless revenue/EBITDA.
- Expect wireless ARPU of INR248 (+1% QoQ) and 3.5m/5.5m paying wireless/4G net adds.

Consolidated – Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue	**385**	**415**	**451**	**479**	**486**	**497**	**519**	**536**	**1,730**	**2,039**
YoY Change (%)	2.8	12.0	19.1	27.3	26.2	19.8	15.1	12.0	15.3	17.8
Total Expenditure	188	196	205	209	212	222	222	232	798	889
EBITDA	**197**	**218**	**246**	**270**	**273**	**275**	**297**	**304**	**932**	**1,150**
YoY Change (%)	0.6	12.0	24.1	39.5	38.8	25.7	20.9	12.7	19.0	23.4
Depreciation	105	110	117	123	123	126	126	128	456	503
Net Finance cost	52	54	57	55	49	50	50	51	218	198
Other Income	13	13	21	5	4	4	4	4	53	17
PBT before EO expense	**53**	**68**	**93**	**97**	**106**	**104**	**126**	**130**	**311**	**465**
Extra-Ord expense	-7	9	-75	1	0	0	0	0	-73	0
PBT	**60**	**59**	**169**	**96**	**106**	**104**	**126**	**130**	**384**	**465**
Tax	13	17	8	-29	31	32	32	33	9	128
Rate (%)	21.7	29.6	4.5	-30.2	29.0	30.9	25.4	25.6	2.4	27.5
Minority Interest & P/L of Asso. Cos.	6	6	14	15	14	15	15	15	39	58
Reported PAT	**42**	**36**	**148**	**110**	**61**	**57**	**80**	**81**	**336**	**279**
Adj PAT	**29**	**39**	**55**	**52**	**61**	**57**	**80**	**81**	**176**	**279**
YoY Change (%)	0.8	32.2	121.3	76.9	108.6	45.7	44.3	55.8	55.4	58.7

Bharti Hexacom — Neutral

CMP: INR 2,006|TP: INR 1,950 (+3%) — **EPS CHANGE (%): FY26|27: 0|0**

- Expect ~2% QoQ (+23% YoY) growth in overall revenue and ~3% QoQ (+38% YoY) growth in reported EBITDA.
- Expect wireless ARPU at INR245 (+1% QoQ) and 265k/434k paying wireless/4G net adds.

Consolidated – Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue	**19,106**	**20,976**	**22,507**	**22,890**	**23,441**	**24,034**	**24,902**	**26,244**	**85,479**	**98,621**
YoY Change (%)	13.6%	20.7%	25.0%	22.5%	22.7%	14.6%	10.6%	14.7%	20.6%	15.4%
Total Expenditure	10,348	10,957	10,990	11,212	11,383	11,908	11,823	11,812	43,507	46,926
EBITDA	**8,758**	**10,019**	**11,517**	**11,678**	**12,058**	**12,126**	**13,079**	**14,431**	**41,972**	**51,695**
YoY Change (%)	5.5%	21.3%	39.2%	33.0%	37.7%	21.0%	13.6%	23.6%	49.1	52.4
Depreciation	4,957	5,361	5,315	5,312	5,403	5,457	5,512	5,797	20,945	22,169
Net Finance Costs	1,615	1,754	1,802	1,712	1,626	1,594	1,562	1,160	6,883	5,942
Other Income	399	491	450	478	500	500	500	500	1,818	2,000
PBT before EO expense	**2,585**	**3,395**	**4,850**	**5,132**	**5,529**	**5,575**	**6,505**	**7,974**	**15,962**	**25,583**
Extra-Ord expense	-3,183	0	1,057	0	0	0	0	0	-2,126	0
PBT	**5,768**	**3,395**	**3,793**	**5,132**	**5,529**	**5,575**	**6,505**	**7,974**	**18,088**	**25,583**
Tax	656.0	864.0	1,184.0	448.0	1,391.6	1,403.1	1,637.4	2,007.0	3,152.0	6,439.2
Rate (%)	11.4%	25.4%	31.2%	8.7%	25.2%	25.2%	25.2%	25.2%	17.4%	25.2%
Reported PAT	**5,112**	**2,531**	**2,609**	**4,684**	**4,137**	**4,171**	**4,868**	**5,967**	**14,936**	**19,144**
Adj PAT	**1,929**	**2,531**	**3,666**	**3,802**	**4,137**	**4,171**	**4,868**	**5,967**	**12,810**	**19,144**
YoY Change (%)	-23.8%	112.8%	72.4%	70.8%	114.5%	64.8%	32.8%	56.9%	58.7%	49.4%

E: MOFSL Estimates

Indus Towers — Neutral

CMP: INR 420|TP: INR400(-5%) — **EPS CHANGE (%): FY26|27: 2|-2**

- Recurring EBITDA (excl. one-offs and provision reversals) to rise ~4% QoQ on account of full benefit of Bharti's acquired towers.
- Expect 3.5k net tower additions in 1QFY26, while tenancy additions are likely to be higher at ~7k.

Quarterly Performance (INRb)

Y/E March (Consolidated)	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	FY26E 1QE	FY26E 2QE	FY26E 3QE	FY26E 4QE	FY25	FY26E
Revenue from operations	74	75	75	77	80	82	83	84	301	328
YoY Change (%)	4.3	4.7	4.8	7.4	8.8	9.2	9.5	8.5	5.3	9.0
Total Expenditure	29	26	6	34	38	38	39	38	95	153
Provisions / (reversals)	-8	-11	-30	-2	0	0	0	0	-51	
Recurring EBITDA	**37**	**38**	**39**	**41**	**42**	**43**	**44**	**45**	**156**	**175**
EBITDA	**45**	**49**	**70**	**43**	**42**	**43**	**44**	**45**	**207**	**175**
YoY Change (%)	29.4	42.2	94.1	6.2	-5.8	-10.8	-36.7	5.0	41.9	-15.1
Depreciation	16	16	16	17	17	18	18	18	64	71
Interest	4	4	3	4	4	4	4	4	14	16
Other Income	1	1	1	1	1	1	1	1	3	4
PBT before EO expense	**26**	**30**	**52**	**24**	**22**	**23**	**23**	**24**	**132**	**92**
Extra-Ord expense	-8	-11	-30	-2	0	0	0	0	-51	0
PBT	**18**	**19**	**22**	**21**	**22**	**23**	**23**	**24**	**81**	**92**
Tax	7	8	12	6	6	6	6	6	32	23
Rate (%)	25.7	25.4	23.3	24.7	25.2	25.2	25.2	25.2	24.5	25.2
Reported PAT	**19**	**22**	**40**	**18**	**16**	**17**	**17**	**18**	**99**	**69**
Adj PAT	**14**	**14**	**17**	**16**	**16**	**17**	**17**	**18**	**61**	**69**
YoY Change (%)	-3.9	1.7	9.6	1.7	21.4	19.4	-0.7	11.4	2.4	12.0

E: MOFSL Estimates

Reliance Jio

CMP: NR|TP: NR — **EPS CHANGE (%): FY26|27: -1|-1**

- Expect ~3.5% sequential revenue growth, driven by ARPU uptick and recovery in subscriber net adds.
- Build in ~2% QoQ increase in reported ARPU to INR210 and 9.5m EoP subscriber net adds.
- Expect ~4% QoQ EBITDA growth, while margins are likely to expand ~5bp QoQ to 52.9%.

Quarterly Performance (INRb)

Y/E March	FY25 1Q	FY25 2Q	FY25 3Q	FY25 4Q	FY26E 1Q	FY26E 2Q	FY26E 3Q	FY26E 4Q	FY25	FY26E
Net Revenue	**265**	**283**	**293**	**300**	**311**	**322**	**332**	**348**	**1,141**	**1,313**
YoY Change (%)	10.1	14.5	15.5	15.6	17.5	21.5	17.2	18.9	14.0	15.1
Total Expenditure	126	133	138	142	147	151	156	161	539	614
EBITDA	**139**	**150**	**155**	**159**	**164**	**170**	**176**	**188**	**603**	**699**
Margins (%)	52.6	53.1	52.8	52.8	52.9	53.0	53.1	53.9	52.8	53.2
Depreciation	56	57	58	59	62	64	65	67	231	258
Finance Cost	11	11	13	13	15	16	16	17	48	64
Other Income	1	2	3	3	4	4	4	4	9	14
PBT	**73**	**84**	**87**	**89**	**91**	**95**	**98**	**107**	**333**	**391**
Tax	19	21	22	23	23	24	25	27	85	100
Rate (%)	26%	26%	26%	26%	26%	26%	26%	26%	26%	23%
PAT	**54**	**62**	**65**	**66**	**68**	**70**	**73**	**80**	**248**	**291**
Margins (%)	20.6	22.0	22.1	22.1	21.8	21.9	22.0	22.9	21.7	22.2
YoY Change (%)	12.0	23.2	24.4	24.5	24.4	29.4	17.5	23.2	21.2	17.4

Tata Communications

Neutral

CMP: INR 1,728|TP: INR 1,705 (-1%)

EPS CHANGE (%): FY26|27:3|1

- We expect a 1% QoQ (10% YoY) uptick in data revenue, driven by continued momentum in digital (+16% YoY).
- We expect a 2% QoQ (9% YoY) growth in the overall revenue.
- We expect the consolidated EBITDA margin to expand ~65bp QoQ to ~19.4%, driven by lower losses in the digital portfolio.

Consolidated Quarterly performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue	**55.9**	**56.4**	**57.7**	**59.9**	**60.9**	**62.1**	**63.8**	**64.6**	**229.9**	**251.4**
YoY Change (%)	17.2	15.8	2.4	5.2	8.8	10.1	10.6	7.8	9.7	9.3
Total Expenditure	44.6	46.0	46.2	48.7	49.1	49.8	50.9	51.4	185.4	201.2
EBITDA	**11.4**	**10.4**	**11.5**	**11.2**	**11.8**	**12.3**	**13.0**	**13.2**	**44.5**	**50.2**
YoY Change (%)	11.0	2.7	1.6	6.2	3.6	18.0	12.4	17.3	5.3	12.7
EBITDA Margin (%)	20.3	18.5	20.0	18.7	19.4	19.8	20.3	20.4	19.4	20.0
Depreciation	6.3	6.5	6.4	6.7	6.7	6.8	6.9	5.1	25.9	25.6
Interest	1.7	1.9	1.9	1.8	1.7	1.7	1.7	1.7	7.3	6.7
Other Income	0.2	0.1	0.3	0.7	0.3	0.3	0.3	0.4	1.3	1.3
PBT before EO expense	**3.5**	**2.2**	**3.6**	**3.4**	**3.7**	**4.1**	**4.7**	**6.7**	**12.6**	**19.2**
Exceptional (gain)/loss	-0.9	-1.3	-0.1	-5.8	0.0	0.0	0.0	0.0	-8.1	0.0
PBT	**4.4**	**3.4**	**3.7**	**9.1**	**3.7**	**4.1**	**4.7**	**6.7**	**20.7**	**19.2**
Tax	0.9	1.0	1.3	1.8	0.8	0.9	1.1	1.5	4.9	4.3
Rate (%)	19.7	28.3	34.0	19.2	22.5	22.5	22.5	22.5	23.5	22.5
MI & P/L of Asso. Cos.	0.2	0.2	0.1	-3.0	-0.1	-0.1	-0.1	-0.1	-2.5	-0.5
Reported PAT	**3.3**	**2.3**	**2.4**	**10.4**	**3.0**	**3.3**	**3.8**	**5.3**	**18.4**	**15.4**
Adj PAT	**2.5**	**1.0**	**2.2**	**4.6**	**3.0**	**3.3**	**3.8**	**5.3**	**10.3**	**7.8**
YoY Change (%)	-34.9	-55.8	-3.5	24.0	20.7	237.5	68.8	15.5	-14.5	-24.0

E: MOFSL Estimates

Vodafone Idea

Sell

CMP: INR7.4|TP: INR6.5 (-13%)

EPS CHANGE (%): FY26|27: 1|1

- Expect flat QoQ wireless revenue on account of continued subscriber base declines, offset by a slight uptick in ARPU.
- ARPU is likely to increase ~1% QoQ to INR165, while the EoP subscriber base is expected to decline ~1.2m.
- Expect reported EBITDA to decline ~2% QoQ, with EBITDA margin contracting ~80bp QoQ to 41.5%. Pre-IND AS 116 EBITDA is likely to decline 6% QoQ to INR21.8b.
- Expect capex of INR36b (vs. ~INR42b QoQ).

Consolidated – Quarterly Performance

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2QE	3Q	4Q		
Revenue	**105**	**109**	**111**	**110**	**110**	**111**	**112**	**119**	**436**	**451**
YoY Change (%)	-1.4	2.0	4.2	3.8	4.7	1.2	0.9	7.7	2.2	3.6
Total Expenditure	63	64	64	64	64	67	68	67	254	267
EBITDA	**42**	**45**	**47**	**47**	**46**	**43**	**44**	**51**	**181**	**185**
YoY Change (%)	1.1	6.2	8.3	7.5	8.6	-4.9	-5.7	10.1	5.8	1.9
Depreciation	54	54	56	56	57	57	57	56	220	226
Net Finance Costs	53	63	57	63	64	68	72	72	235	275
PBT before EO expense	**-64**	**-72**	**-66**	**-72**	**-75**	**-81**	**-84**	**-77**	**-274**	**-316**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**-64**	**-72**	**-66**	**-72**	**-75**	**-81**	**-84**	**-77**	**-274**	**-316**
Tax	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Rate (%)	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
Reported PAT	**-64**	**-72**	**-66**	**-72**	**-75**	**-81**	**-84**	**-77**	**-274**	**-316**
Adj PAT	**-64**	**-72**	**-66**	**-72**	**-75**	**-81**	**-84**	**-77**	**-274**	**-316**
YoY Change (%)	-18.0	-17.9	-14.6	-6.6	16.0	12.8	27.1	7.3	-14.4	15.6

E:MOFSL Estimates

Utilities

Company name
ACME Solar
IEX
INOX Wind
JSW Energy
NTPC
Power Grid
Suzlon Energy
Tata Power

Soft quarter as power demand slows

- India's power sector witnessed a mixed start to FY26. Overall power generation fell by 2% YoY in 1QFY26 to 472.7 billion units (BUs), as a 17% jump in renewable generation was offset by a decline in conventional sources. In Apr-May'25, the country added 6.7GW of renewable capacity (largely solar) and 0.6GW of nuclear capacity, whereas thermal capacity fell by 6.9GW as aging coal and gas plants were phased out. While current demand remains soft, peak demand months have shown great variability historically, and power demand could bounce back in the coming months.
- For **ACME Solar**, we expect EBITDA to jump 64% YoY/2% QoQ, supported by incremental contributions from 350MW of newly commissioned capacity during the quarter (comprising 300MW of solar and 50MW of wind). **JSW Energy's** EBITDA is anticipated to grow 52% QoQ/69% YoY, driven by a full-quarter contribution from the KSK Mahanadi acquisition and Utkal Unit 2 (350MW). This growth is further supported by the full-quarter contribution from ~478MW of organic wind capacity commissioned in 4QFY25, alongside partial contributions from O2 Power, ~215MW of solar and 66MW of wind capacity commissioned in 1QFY26. **NTPC** is likely to achieve adjusted PAT growth of 5% YoY, driven by Ayana's operational assets and an expected additional ~0.6GW RE expansion in installed capacity at the standalone level in 1QFY26. We expect **IEX** to report revenue/EBITDA growth of 14%/17% YoY, underpinned by an 18% YoY increase in electricity volumes to ~33.2BUs in 1QFY26, led by robust demand in the real-time market (RTM) and green energy segments. Additionally, REC volumes are expected to surge ~150% YoY. **TPWR's** adjusted PAT is estimated to grow 32% YoY, driven by the commissioning of 752MW of solar capacity in 1QFY26, healthy Mundra PLF given the continuation of Section XI for coal plants, and steady performance from the Odisha distribution business. For **PowerGrid**, we estimate 6%/7% growth in EBITDA/adj. PAT, as capex and capitalization start picking up. **SUEL's** revenue/EBITDA are projected to improve 60%/64% YoY, as we build in deliveries of ~450MW of wind turbine orders in 1QFY26, representing a 65% YoY increase. **INOX Wind's** revenue/adj. PAT would improve 55%/22% YoY, supported by the execution of ~170MW of wind orders and the contribution from its new 2GW solar O&M contracts in 1QFY26.
- **We have a BUY rating on JSW Energy, ACME Solar, and Suzlon and a Neutral stance on IEX and NTPC.**

India's power generation – 2% decline in 1QFY26

- Total power generation in India declined 2% YoY in 1QFY26 to 472.7BUs.
- Generation from renewable sources grew 17% YoY to 75BUs, which was offset by a 5% YoY decline in generation from conventional sources to 397.7BUs.

Renewable additions offset decline in thermal and gas in Apr-May'25

- In Apr-May'25, the renewable energy sector added 6.7GW of power generation capacity — ~78% solar installations, 19% wind and 3% hydro. Nuclear capacity addition stood at 0.6GW.
- In contrast, thermal capacity (coal and gas) declined to 240GW in Apr-May'25 from 246.9GW in Mar'25.

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- The nation's gas capacity totaled 20.1GW as of May'25 end, compared with 24.5GW as of Mar'25 end. India has phased out ~4.4GW of gas-fired power capacity (that became inoperable after being left idle for years Link).

Power demand growth slows amid high base, cooler weather

- Between FY22 and FY24, India witnessed power demand growth of 7-9% annually, driven by strong economic activity and rising consumption. However, in FY25, this momentum moderated, with demand growth easing to ~5%.
- In Apr-May'25, YoY growth further slowed by ~1.2%, primarily due to a high base from the previous year and relatively milder temperatures this year.
- In Apr-May'25, India's peak power demand declined to 235GW from 250GW in Apr-May'24.
- While current demand remains soft, peak demand months have shown great variability historically, and power demand could bounce back in the coming months.

Transmission and substation expansion falls short of targets in Apr-May'25

- During Apr-May'25, transmission line commissioning stood at 620ckm, achieving only 31% of the targeted 1,983ckm for the period.
- Substation capacity additions also fell short of targets, with 16,590 MVA commissioned against the planned 17,330 MVA.

Exhibit 1: Key snapshot

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	1QFY26
Total generation growth (%)	**5.4**	**5.2**	**0.7**	**-0.6**	**8.1**	**9.0**	**7.2**	**5.0**	**-2.4**
Conv. Generation growth (%)	4.1	3.6	0.0	-1.6	7.1	7.7	6.7	4.0	-5.4
RE generation growth (%)	24.9	24.4	7.8	7.7	16.2	19.1	10.9	11.7	16.9

Source: CEA, NPP, MOFSL

Exhibit 2: Capacity addition (GW)

Capacity addition (GW)	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Apr-May'25
Thermal	5.4	3.4	4.3	4.1	1.4	1.2	5.9	3.7	-6.9
Nuclear	0.0	0.0	0.0	0.0	0.0	0.0	1.4	0.0	0.6
Hydro	0.8	0.1	0.3	0.5	0.5	0.1	0.1	0.8	0.2
Solar	9.4	6.5	6.4	5.5	13.9	12.8	15.0	23.8	5.2
Wind	1.8	1.6	2.1	1.6	1.1	2.3	3.3	4.2	1.3
Other RE	0.6	0.5	0.9	0.4	0.4	0.2	0.2	0.7	0.0
Total capacity addition	**18.0**	**12.1**	**14.0**	**12.0**	**17.3**	**16.6**	**25.9**	**33.3**	**0.4**

Source: CEA, NPP, MOFSL

Exhibit 3: All-India installed capacity (GW)

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	Apr-May'25
Thermal	222.9	226.3	230.6	234.7	236.1	237.3	243.2	246.9	240.1
Nuclear	6.8	6.8	6.8	6.8	6.8	6.8	8.2	8.2	8.8
Hydro	45.3	45.4	45.7	46.2	46.7	46.9	46.9	47.7	47.9
Solar	21.7	28.2	34.6	40.1	54.0	66.8	81.8	105.6	110.8
Wind	34.0	35.6	37.7	39.2	40.4	42.6	45.9	50.0	51.3
Other RE	13.3	13.8	14.7	15.1	15.5	15.7	15.9	16.7	16.7
Total capacity (GW)	**344.0**	**356.1**	**370.1**	**382.2**	**399.5**	**416.1**	**442.0**	**475.2**	**475.6**

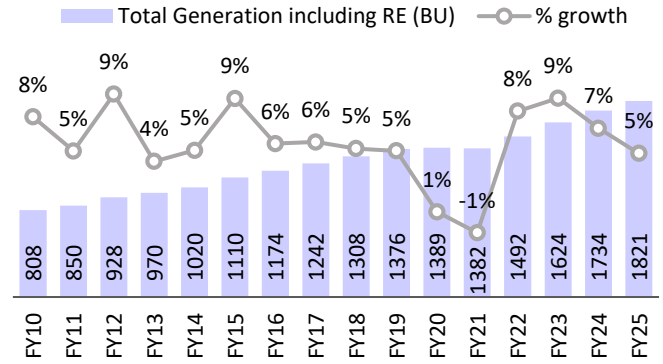
Source: CEA, NPP, MOFSL

Exhibit 4: Summary of the Jun'25-quarter earnings estimates

Sector	CMP (INR)	RECO	Sales (INR b)			EBITDA (INR b)			PAT (INR b)		
			Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ	Jun-25	Var % YoY	Var % QoQ
NTPC	333	Neutral	453	2.1	3.3	123	-0.9	9.6	44	5.0	-11.9
TPWR	406	Buy	184	6.4	7.6	33	-7.8	1.9	11	32.3	11.1
PWGR	298	Buy	106	5.1	-3.6	93	5.9	0.4	37	6.6	-14.1
JSWE	527	Buy	49	68.6	52.2	23	58.8	87.0	6	8.8	93.9
IEX	193	Neutral	1	14.0	-0.3	1	17.0	-4.0	1	14.7	-4.3
ACME	249	Buy	5	66.6	6.0	4	64.2	2.4	1	8188.4	-16.2
SUEL	67	Buy	32	60.2	-14.6	6	64.0	-12.5	5	58.4	-17.7
INXW	173	Buy	10	55.0	-22.3	2	22.1	-34.6	1	69.5	-59.9
Utilities			**841**	**8.1**	**4.0**	**285**	**5.2**	**7.8**	**105**	**11.5**	**-9.2**

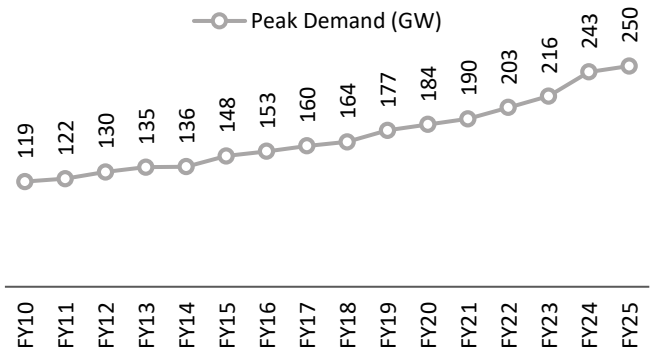
Source: MOFSL

Exhibit 5: India's power demand growth



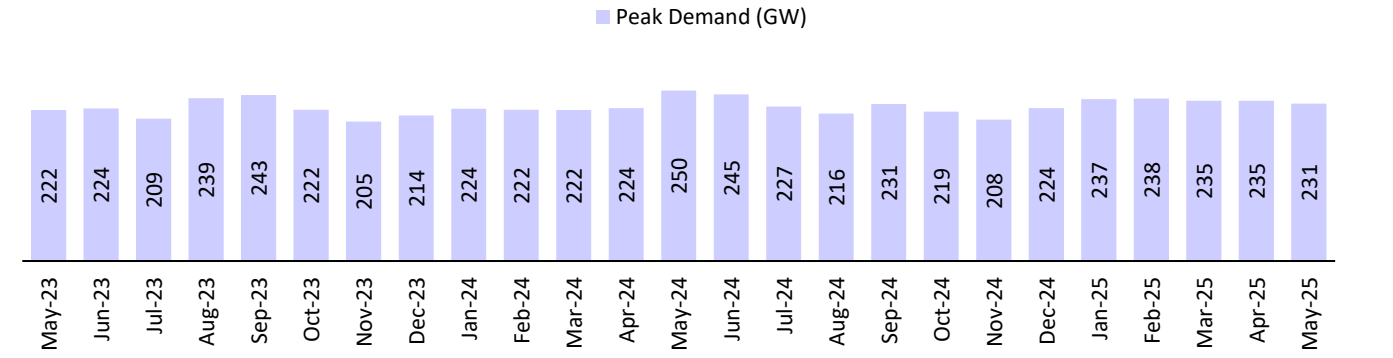
Source: CEA, MOFSL

Exhibit 6: Peak demand growth



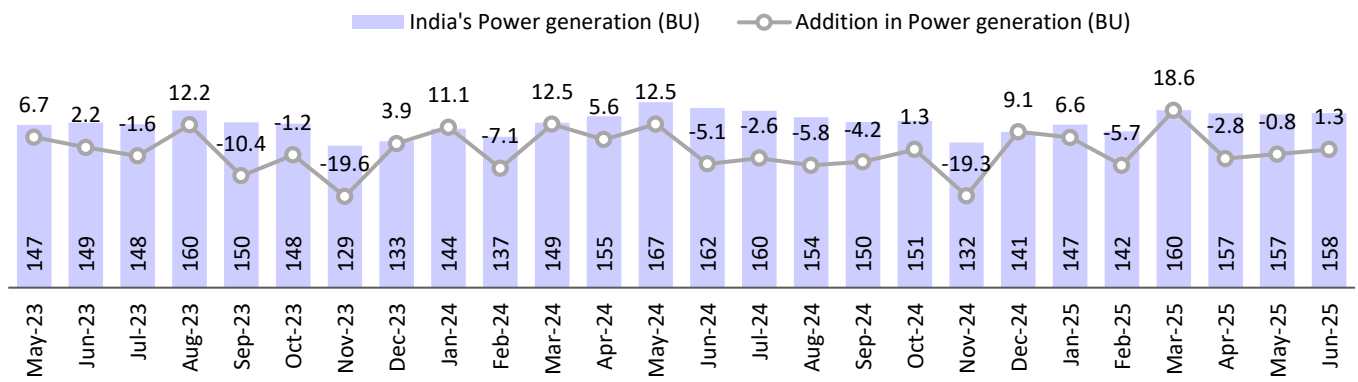
Source: CEA, MOFSL

Exhibit 7: India's peak demand (GW)



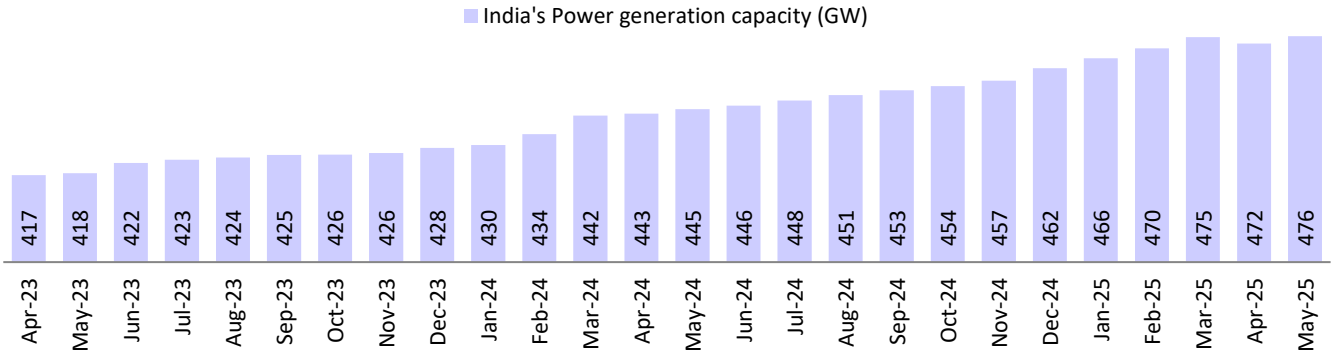
Source: CEA, MOFSL

Exhibit 8: India's power generation



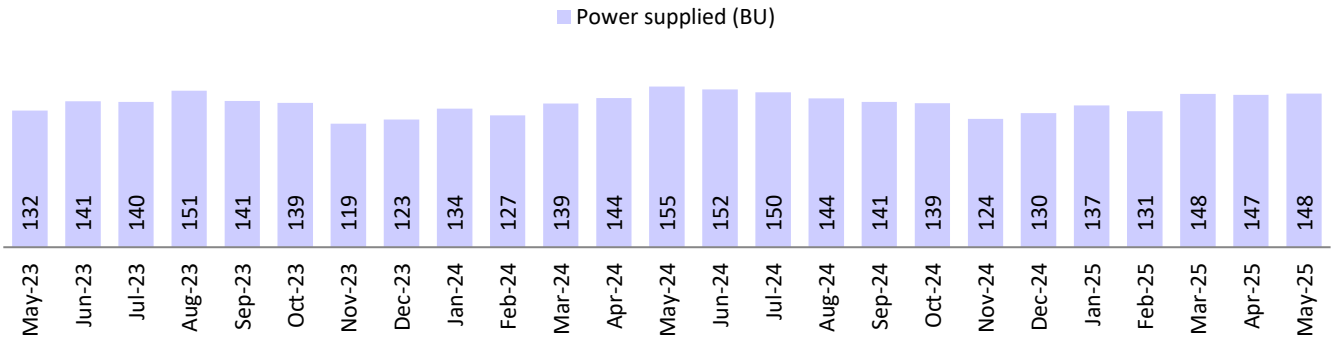
Source: NPP, MOFSL

Exhibit 9: India's power generation capacity



Source: NPP, MOFSL

Exhibit 10: India's power supply



Source: CEA, MOFSL

Exhibit 11: Valuation summary

Company Name	CMP (INR)	Reco	EPS (INR)		PE (x)		PB (x)		ROE (%)	
			FY26E	FY27E	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
NTPC	333	Neutral	25.8	28.0	12.9	11.9	1.7	1.5	13.6	13.6
TPWR	406	Buy	15.0	17.1	26.5	23.3	3.1	2.8	12.6	12.6
PWGR	298	Buy	19.0	19.9	15.7	14.9	2.8	2.6	18.4	17.9
JSWE	527	Buy	12.6	16.9	41.7	31.2	3.1	2.9	7.8	9.6
IEX	193	Neutral	5.1	5.9	37.7	32.7	13.4	11.5	38.4	37.9
ACME	249	Buy	7.5	10.3	33.3	24.2	3.0	2.7	9.5	11.8
SUEL	67	Buy	1.7	2.3	40.1	28.6	10.9	7.9	31.5	32.0
INXW	173	Buy	5.8	8.4	29.6	20.5	3.9	3.3	14.0	17.3

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

ACME Solar — Buy

CMP: INR249 | TP: INR347 (+40%) — **EPS CHANGE (%): FY26|27: 0|0**

- Acme Solar is projected to report revenue growth of ~67% YoY/6% QoQ to INR5.2b.
- EBITDA to jump 2% QoQ, driven by contributions from 350MW (300MW Solar and 50MW wind) of newly commissioned capacity in the quarter.

Consolidated performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**3,096**	**2,596**	**3,490**	**4,869**	**5,160**	**5,449**	**5,556**	**6,206**	**14,051**	**22,371**
YoY Change (%)	-0.2	-20%	5%	65%	67%	110%	59%	27%	7%	59%
Total Expenditure	379	388	418	511	700	719	731	743	1,697	2,892
EBITDA	**2,717**	**2,208**	**3,072**	**4,357**	**4,460**	**4,730**	**4,825**	**5,463**	**12,354**	**19,478**
Margin (%)	88%	85%	88%	89%	86%	87%	87%	88%	88%	87%
Depreciation	556	599	697	1,022	1,063	1,181	1,240	1,240	2,873	4,725
Interest	1,963	1,783	1,791	2,055	2,219	2,371	2,478	3,029	7,592	10,097
Other Income	304	356	518	524	317	254	322	322	1,701	1,215
PBT before EO expense	**503**	**181**	**1,103**	**1,803**	**1,495**	**1,431**	**1,429**	**1,516**	**3,590**	**5,871**
Extra-Ord income/(exp.)	0	0	-69	-141	0	0	0	0	-210	0
PBT	**503**	**181**	**1,034**	**1,663**	**1,495**	**1,431**	**1,429**	**1,516**	**3,380**	**5,871**
Tax	489	28	-87	442	344	329	329	349	872	1,350
Tax rate	97%	16%	-8%	27%	23%	23%	23%	23%	26%	23%
Minority Interest	0.0	0.0	0.0	-12.9	0.0	0.0	0.0	0.0	-12.9	0.0
Reported PAT	**14**	**153**	**1,121**	**1,234**	**1,151**	**1,102**	**1,100**	**1,167**	**2,521**	**4,520**
Adj PAT	**14**	**153**	**1,190**	**1,374**	**1,151**	**1,102**	**1,100**	**1,167**	**2,731**	**4,520**
YoY Change (%)	-1.0	LP	206%	LP	8188%	620%	-8%	-15%	LP	66%
Margin (%)	0%	6%	34%	28%	22%	20%	20%	19%	19%	20%

IEX — Neutral

CMP: INR193 | TP: INR209 (+8%) — **EPS CHANGE (%): FY26|27: 0|0**

- IEX is projected to report revenue growth of 14% YoY to INR1.4b.
- EBITDA is expected to rise 17% YoY to INR1.2b.
- The positive outlook is driven by 18% YoY growth in electricity volumes to ~33,240MUs in 1QFY26, led by strong demand for RTM and green energy products. REC volumes may surge ~150% YoY.

Standalone Qtrly performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**1,236**	**1,392**	**1,313**	**1,413**	**1,409**	**1,452**	**1,542**	**1,605**	**5,354**	**6,008**
YoY Change (%)	18.8	28.3	13.9	16.5	14.0	4.3	17.5	13.7	19.2	12.2
EBITDA	**1,000**	**1,203**	**1,128**	**1,220**	**1,171**	**1,244**	**1,342**	**1,399**	**4,551**	**5,157**
Margin (%)	81.0	86.4	85.9	86.3	83.1	85.7	87.0	87.2	85.0	85.8
Depreciation	52	53	54	53	53	54	55	54	212	217
Interest	7	7	7	6	7	7	7	6	26	26
Other Income	308	286	285	310	297	276	275	298	1,189	1,146
PBT before EO items	**1,249**	**1,429**	**1,353**	**1,471**	**1,407**	**1,459**	**1,555**	**1,638**	**5,502**	**6,059**
Extraordinary Inc / (Exp)	0	0	0	0	0	0	0	0	0	0
PBT	**1,249**	**1,429**	**1,353**	**1,471**	**1,407**	**1,459**	**1,555**	**1,638**	**5,502**	**6,059**
Tax	315	368	322	351	336	406	354	397	1,356	1,493
Rate (%)	25.2	25.8	23.8	23.8	23.8	27.8	22.8	24.3	24.6	24.6
JV and Associates	0	0	0	0	0	0	0	0	0	0
Reported PAT	**934**	**1,061**	**1,031**	**1,120**	**1,072**	**1,053**	**1,201**	**1,241**	**4,146**	**4,566**
Adj PAT	**934**	**1,061**	**1,031**	**1,120**	**1,072**	**1,053**	**1,201**	**1,241**	**4,146**	**4,566**
YoY Change (%)	26.0	28.0	15.5	17.8	14.7	-0.7	16.4	10.8	21.4	10.1
Margin (%)	75.6	76.2	78.6	79.3	76.1	72.5	77.9	77.3	77.5	76.0

INOX Wind — Buy

CMP: INR173 | TP: INR210 (+21%) — **EPS CHANGE (%): FY26|27: 0|0**

- Revenue to grow ~55% YoY, aided by execution of ~170MW wind orders and the commencement of revenue from its new 2GW solar O&M contracts in 1QFY26.
- EBITDA to increase 22% YoY to ~INR1.6b.

Consolidated performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**6,388**	**7,322**	**9,113**	**12,748**	**9,903**	**14,603**	**16,829**	**22,390**	**35,572**	**63,725**
YoY Change (%)	83%	98%	81%	142%	55%	99%	85%	76%		
EBITDA	**1,361**	**1,729**	**2,037**	**2,543**	**1,662**	**2,453**	**2,832**	**3,778**	**7,572**	**10,725**
Margin (%)	21%	24%	22%	20%	17%	17%	17%	17%	21%	17%
Depreciation	416	444	473	477	491	551	588	619	1,823	2,250
Interest	582	443	345	348	466	477	482	542	1,690	1,966
Other Income	117	95	835	358	188	338	488	488	1,444	1,500
PBT before EO expense	**480**	**938**	**2,055**	**2,076**	**892**	**1,763**	**2,250**	**3,105**	**5,503**	**8,009**
Extra-Ord income/(exp.)	0	0	-135	0	0	0	0	0	-135	0
PBT	**480**	**938**	**1,920**	**2,076**	**892**	**1,763**	**2,250**	**3,105**	**5,368**	**8,009**
Tax	8	36	804	173	0	0	0	0	1,018	0
Rate (%)	2%	4%	42%	8%	0%	0%	0%	0%	19%	0%
Share of JV & associates	0	0	0	0	0	0	0	0	0	0
Profit from continued operations	472	902	1,116	1,903	892	1,763	2,250	3,105	4,351	8,009
Profit from Discontinued Operations before tax	23	-7	-15	0	0	0	0	0	0	0
Tax Credit from (Discontinued operations)	10	7	9	0	0	0	0	0	26	0
Minority Interest	-14	-27	-50	-15	54	99	112	129	-106	394
Reported PAT	**518**	**929**	**1,160**	**1,918**	**838**	**1,663**	**2,138**	**2,975**	**4,482**	**7,615**
Adj PAT	**495**	**964**	**2,096**	**2,089**	**838**	**1,663**	**2,138**	**2,975**	**5,598**	**7,615**
YoY Change (%)	LP	LP	4384%	238%	69%	72%	2%	42%	LP	36%
Margin (%)	8%	13%	23%	16%	8%	11%	13%	13%	16%	12%

JSW Energy — Buy

CMP: INR527 | TP: INR620 (+18%) — **EPS CHANGE (%): FY26|27: -11.6|-8.5**

- EBITDA is anticipated to grow 52% QoQ/69%YoY to INR22.5b, and adjusted PAT is expected to rise 9% YoY to ~INR5.7b, supported by a full-quarter contribution from the KSK Mahanadi acquisition and Utkal Unit 2 (350MW).
- It is also driven by the full-quarter contribution of ~478MW of organic wind capacity added in 4QFY25, along with partial contributions from O2 Power, ~215MW of solar and 66MW of wind capacity commissioned in 1QFY26.

Consolidated performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**28.8**	**32.4**	**24.4**	**31.9**	**48.5**	**57.4**	**47.5**	**51.1**	**117.5**	**204.6**
YoY Change (%)	-1.7	4.8	-4.1	15.7	68.6	77.3	94.8	60.3	3.8	74.2
Total Expenditure	14.6	15.5	15.3	19.8	26.0	27.0	25.8	26.4	65.2	105.2
EBITDA	**14.2**	**16.8**	**9.1**	**12.0**	**22.5**	**30.4**	**21.7**	**24.7**	**52.2**	**99.3**
Margin (%)	49.2	52.0	37.5	37.8	46.4	53.0	45.6	48.3	44.4	48.6
Depreciation	3.8	3.9	4.1	4.8	6.2	6.5	6.7	8.0	16.5	27.5
Interest	5.1	5.2	5.6	6.8	9.9	12.3	13.4	13.4	22.7	49.1
Other Income	1.6	2.2	2.0	2.1	1.8	2.5	2.2	2.3	7.9	8.8
PBT before EO expense	**6.9**	**10.0**	**1.4**	**2.6**	**8.1**	**14.1**	**3.8**	**5.6**	**20.9**	**31.6**
Extra-Ord income/(exp.)	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	1.0	0.0
PBT	**6.9**	**10.0**	**1.4**	**3.6**	**8.1**	**14.1**	**3.8**	**5.6**	**21.9**	**31.6**
Tax	1.6	1.3	-0.1	-0.5	1.9	3.3	0.9	1.3	2.3	7.4
Rate (%)	23.6	12.9	-5.1	-15.1	23.5	23.5	23.5	23.5	10.5	23.5
Minority Interest	0.1	0.2	-0.1	0.1	0.6	1.7	-0.8	0.8	0.3	2.4
Share of JV & associates	0.0	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.2	0.2
Reported PAT	**5.2**	**8.5**	**1.7**	**4.1**	**5.7**	**9.1**	**3.7**	**3.6**	**19.5**	**22.0**
Adj PAT	**5.2**	**8.5**	**1.7**	**2.9**	**5.7**	**9.1**	**3.7**	**3.6**	**18.4**	**22.0**
YoY Change (%)	80.0	19.0	-27.4	-16.6	8.8	6.6	120.1	21.7	15.6	20.0
Margin (%)	18.1	26.4	6.9	9.2	11.7	15.8	7.8	7.0	15.6	10.8

NTPC — Neutral

CMP: INR333 | TP: INR380 (+14%) — **EPS CHANGE (%): FY26|27: 3.2|5.1**

- Its standalone financial outlook indicates marginal 2% revenue growth at INR453b.
- EBITDA to remain stable YoY at INR123b.
- Adjusted PAT may grow 5% YoY, driven by Ayana's operational assets and an expected additional ~0.6GW RE expansion in installed capacity at the standalone level in 1QFY26.

Standalone performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**444.2**	**403.3**	**413.5**	**439.0**	**453.4**	**451.2**	**435.5**	**447.9**	**1,700.4**	**1,787.9**
YoY Change (%)	13.5	-1.3	4.8	3.2	2.1	11.9	5.3	2.0	5.0	5.1
EBITDA	**124.5**	**96.8**	**119.6**	**112.6**	**123.3**	**122.0**	**118.8**	**139.9**	**453.7**	**504.0**
Margin (%)	28.0	24.0	28.9	25.6	27.2	27.0	27.3	31.2	26.7	28.2
Depreciation	36.5	36.5	37.2	40.3	38.7	38.8	39.1	39.6	150.6	156.2
Interest	26.5	31.1	22.0	31.0	29.5	28.4	29.8	28.0	110.6	115.7
Other Income	6.3	9.2	9.5	19.1	6.6	7.6	9.8	19.9	43.8	43.9
PBT before EO items	61.7	60.5	66.3	81.0	61.7	62.4	59.7	92.3	269.5	276.1
Extra-Ord inc/(exp)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PBT	**61.7**	**60.5**	**66.3**	**81.0**	**61.7**	**62.4**	**59.7**	**92.3**	**269.5**	**276.1**
Tax	16.6	14.0	19.1	23.2	17.6	15.7	15.2	23.3	73.0	71.8
Rate (%)	26.9	23.2	28.9	28.7	28.6	25.1	25.4	25.3	27.1	26.0
Reported PAT	**45.1**	**46.5**	**47.1**	**57.8**	**44.1**	**46.7**	**44.5**	**69.0**	**196.5**	**204.3**
Adj PAT	**41.9**	**42.0**	**46.2**	**50.0**	**44.1**	**46.7**	**44.5**	**69.0**	**180.2**	**204.3**
YoY Change (%)	13.9	28.9	6.0	0.4	5.0	11.2	-3.6	37.9	9.8	13.4
Margin (%)	9.4	10.4	11.2	11.4	9.7	10.4	10.2	15.4	10.6	11.4

Power Grid — Buy

CMP: INR298 | TP: INR370 (+24%) — **EPS CHANGE (%): FY26|27: -0.3|-0.05**

- Standalone revenue is expected to rise marginally by 5% YoY to INR105b.
- EBITDA/adjusted PAT may rise 6%/7% YoY, as capex and capitalization start picking up.

Standalone Quarterly Performance (INR b)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales	**100.7**	**102.6**	**101.2**	**109.8**	**105.8**	**107.9**	**106.4**	**115.4**	**414.3**	**435.5**
YoY Change (%)	-1.7	5.3	-5.2	-0.6	5.1	5.1	5.1	5.1	-0.9	5.1
EBITDA	**87.4**	**87.9**	**85.2**	**92.2**	**92.6**	**93.2**	**90.6**	**97.9**	**352.8**	**374.3**
YoY Change (%)	-2.9	3.0	-9.3	0.9	5.9	6.1	6.3	6.2	-2.5	6.1
As of % Sales	86.8	85.6	84.2	84.0	87.5	86.4	85.2	84.8	85.1	86.0
Depreciation	30.7	31.6	30.7	30.4	32.3	33.2	32.3	32.0	123.5	129.8
Interest	21.6	26.0	21.3	25.9	21.8	26.3	21.5	26.1	94.8	95.8
Other Income	7.8	11.2	14.9	15.0	8.1	11.6	15.4	15.6	48.9	50.7
Extraordinary Inc / (Exp)	-0.6	2.5	0.4	0.5	0.0	0.0	0.0	0.0	2.8	0.0
PBT	**42.3**	**43.9**	**48.5**	**51.4**	**46.6**	**45.3**	**52.3**	**55.4**	**186.2**	**199.6**
Tax	8.2	6.8	9.6	8.1	9.7	8.0	11.4	9.5	32.7	38.6
Effective Tax Rate (%)	19.4	15.5	19.8	15.7	20.8	17.7	21.7	17.2	17.5	19.4
Reported PAT	**34.1**	**37.1**	**38.9**	**43.4**	**36.9**	**37.3**	**40.9**	**45.8**	**153.5**	**160.9**
YoY Change (%)	-3.7	-3.2	-1.9	5.0	8.1	0.5	5.1	5.7	-0.8	4.8
Adjusted PAT	**34.6**	**35.0**	**38.6**	**42.9**	**36.9**	**37.3**	**40.9**	**45.8**	**151.2**	**160.9**
YoY Change (%)	-8.7	4.8	-0.4	0.5	6.6	6.5	6.1	6.7	-1.1	6.5

Suzlon Energy — Buy

CMP: INR67 | TP: INR82 (+22%) — **EPS CHANGE (%): FY26|27: -1.6|-1.2**

- Revenue likely to rise ~60% YoY as we expect execution of ~450MW of wind turbine orders in 1QFY26 (up 65% YoY/down 21% QoQ).
- EBITDA is likely to increase 64% YoY to ~INR6b.

Consolidated performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**20,216**	**21,034**	**29,748**	**37,899**	**32,380**	**31,430**	**52,891**	**51,953**	**1,08,897**	**1,68,654**
YoY Change (%)	50%	48%	91%	73%	60%	49%	78%	37%	67%	55%
Total Expenditure	16,515	18,092	24,753	30,965	26,312	26,595	43,730	44,091	90,325	1,40,728
EBITDA	**3,701**	**2,942**	**4,995**	**6,935**	**6,068**	**4,835**	**9,161**	**7,862**	**18,572**	**27,925**
Margin (%)	18%	14%	17%	18%	19%	15%	17%	15%	17%	17%
Depreciation	458	544	662	928	934	934	934	934	2,592	3,735
Interest	445	560	695	847	624	624	624	624	2,548	2,495
Other Income	228	179	275	353	294	294	294	294	1,034	1,176
PBT before EO expense	**3,025**	**2,016**	**3,913**	**5,512**	**4,804**	**3,572**	**7,897**	**6,598**	**14,466**	**22,872**
Extra-Ord income/(exp.)	0	0	0	5,999	0	0	0	0	5,999	0
PBT	**3,025**	**2,016**	**3,913**	**11,512**	**4,804**	**3,572**	**7,897**	**6,598**	**20,465**	**22,872**
Tax	2	10	36	-298	0	0	0	0	-251	0
Rate (%)	0%	0%	1%	-3%	0%	0%	0%	0%	-1%	0%
Share of JV & associates	0	0	0	0	0	0	0	0	0	0
Minority Interest	0	4	8	-12	13	13	13	13	0	54
Reported PAT	**3,023**	**2,002**	**3,869**	**11,822**	**4,791**	**3,558**	**7,884**	**6,585**	**20,716**	**22,818**
Adj PAT	**3,025**	**2,012**	**3,905**	**5,823**	**4,791**	**3,558**	**7,884**	**6,585**	**14,717**	**22,818**
YoY Change (%)	226%	46%	92%	108%	58%	77%	102%	13%	106%	55%
Margin (%)	15.0	9.6	13.1	15.4	14.8	11.3	14.9	12.7	13.5	13.5

Tata Power — Buy

CMP: INR406 | TP: INR476 (+17%) — **EPS CHANGE (%): FY26|27: -3.0|0**

- Adj. PAT to grow 32% YoY, driven by the commissioning of 752MW solar capacity in 1Q, healthy Mundra PLFs given continuation of Section XI for coal plants, and steady performance from the Odisha distribution business.
- Pace of commissioning of RE capacity, ramp-up at cell and module facility, and performance of distribution assets remain key monitorables.

Consolidated performance (INRb)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**172.9**	**157.0**	**153.9**	**171.0**	**184.0**	**199.3**	**190.0**	**196.5**	**654.8**	**769.9**
YoY Change (%)	13.7	-0.3	5.1	7.9	6.4	27.0	23.5	15.0	6.6	17.6
EBITDA	**35.9**	**37.5**	**33.5**	**32.5**	**33.1**	**41.9**	**40.1**	**37.7**	**139.3**	**152.8**
Margins (%)	20.7	23.9	21.8	19.0	18.0	21.0	21.1	19.2	21.3	19.8
Depreciation	9.7	9.9	10.4	11.2	11.2	11.6	11.7	11.9	41.2	46.4
Interest	11.8	11.4	11.7	12.1	13.0	14.6	15.0	15.3	47.0	57.9
Other Income	2.5	5.1	4.0	3.5	3.7	3.6	3.2	4.7	15.1	15.3
Rate regulated activity	-6.9	-6.7	-2.7	1.7	0.0	0.0	0.0	0.0	-14.7	0.0
PBT before EO expense	**10.0**	**14.5**	**12.7**	**14.3**	**12.6**	**19.4**	**16.7**	**15.2**	**51.5**	**63.8**
Extra-ord items	2.0	-2.2	0.0	0.8	0.0	0.0	0.0	0.0	0.7	0.0
PBT	**12.0**	**12.4**	**12.7**	**15.2**	**12.6**	**19.4**	**16.7**	**15.2**	**52.3**	**63.8**
Tax	3.0	3.8	2.7	2.9	2.8	4.4	3.8	3.6	12.4	14.5
Rate (%)	25	31	21	19	22	22	23	24	24	23
Share of associates and JV	2.9	2.4	1.9	0.8	3.0	2.4	1.9	0.9	7.9	8.2
Minority Interest	2.2	1.7	1.6	2.6	1.9	2.6	2.2	2.8	8.0	9.5
Reported PAT	**9.7**	**9.3**	**10.3**	**10.4**	**10.8**	**14.9**	**12.6**	**9.6**	**39.7**	**47.9**
Adj PAT	**8.2**	**10.8**	**10.3**	**9.7**	**10.8**	**14.9**	**12.6**	**9.6**	**39.2**	**47.9**

Others | Various Sectors

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

APL Apollo Tubes — Buy

CMP INR1,760 | TP: INR2,040 (+16%) — **EPS CHANGE (%): FY26|FY27: +0 |+3**

- APL witnessed volume growth of ~10% YoY to 794,350 MT in 1QFY26.
- EBITDA/MT is expected to rise to ~INR4,837, up 16% YoY in 1QFY26.
- Revenue is likely to grow ~6% YoY in 1QFY26 to INR52.6b.
- The company expects volumes to improve from Q2 onwards, along with further margin expansion.

Cons Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**49,743**	**47,739**	**54,327**	**55,086**	**52,607**	**60,297**	**65,965**	**67,809**	**2,06,895**	**2,46,678**
YoY Change (%)	9.4	3.1	30.0	15.6	5.8	26.3	21.4	23.1	14.2	19.2
Total Expenditure	46,727	46,359	50,872	50,949	48,765	55,896	61,141	62,812	1,94,906	2,28,614
EBITDA	**3,016**	**1,381**	**3,456**	**4,137**	**3,842**	**4,401**	**4,824**	**4,997**	**11,990**	**18,064**
Margins (%)	6.1	2.9	6.4	7.5	7.3	7.3	7.3	7.4	5.8	7.3
Depreciation	465	469	503	576	580	600	650	705	2,013	2,535
Interest	278	364	368	323	200	180	170	150	1,333	700
Other Income	247	148	217	349	273	290	320	350	961	1,233
PBT before EO expense	**2,520**	**696**	**2,801**	**3,587**	**3,335**	**3,911**	**4,324**	**4,492**	**9,604**	**16,062**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**2,520**	**696**	**2,801**	**3,587**	**3,335**	**3,911**	**4,324**	**4,492**	**9,604**	**16,062**
Tax	589	158	631	656	840	984	1,088	1,131	2,034	4,043
Rate (%)	23.4	22.7	22.5	18.3	25.2	25.2	25.2	25.2	21.2	25.2
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**1,932**	**538**	**2,170**	**2,931**	**2,496**	**2,927**	**3,235**	**3,361**	**7,571**	**12,019**
Adj PAT	**1,932**	**538**	**2,170**	**2,931**	**2,496**	**2,927**	**3,235**	**3,361**	**7,571**	**12,019**
YoY Change (%)	-0.2	-73.5	31.1	72.0	29.2	443.9	49.1	14.7	3.4	58.8
Margins (%)	3.9	1.1	4.0	5.3	4.7	4.9	4.9	5.0	3.7	4.9

Astral — Buy

CMP INR1,495 | TP: INR1,800 (+20%) — **EPS CHANGE (%): FY26|FY27: +22|+28**

- Revenue is anticipated to grow 10% YoY. EBITDA margin may remain flat YoY at ~15.5% in 1QFY26.
- We expect the company's adhesives business to clock 22% growth and to contribute 30% to total revenue vs. 27% last year.
- We expect EBITDA/adj. PAT to grow 11%/10% YoY in 1QFY26.
- A higher mix of value-added products such as CPVC plumbing and adhesives should help to sustain margins in the challenging environment.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Gross Sales	**13,836**	**13,704**	**13,970**	**16,814**	**15,264**	**15,584**	**15,732**	**19,333**	**58,324**	**65,914**
YoY Change (%)	7.8	0.5	2.0	3.5	10.3	13.7	12.6	15.0	3.4	13.0
Total Expenditure	11,692	11,603	11,775	13,795	12,895	13,091	13,122	15,817	48,865	54,924
EBITDA	**2,144**	**2,101**	**2,195**	**3,019**	**2,369**	**2,493**	**2,610**	**3,516**	**9,459**	**10,989**
Margins (%)	15.5	15.3	15.7	18.0	15.5	16.0	16.6	18.2	16.2	16.7
Depreciation	556	599	631	648	670	700	739	780	2,434	2,889
Interest	76	102	139	96	88	70	74	50	413	282
Other Income	119	88	118	88	145	160	170	184	413	659
PBT before EO expense	**1,631**	**1,488**	**1,543**	**2,363**	**1,756**	**1,883**	**1,967**	**2,870**	**7,025**	**8,477**
Extra-Ord expense	0	0	0	163	0	0	62	183	0	0
PBT	**1,631**	**1,488**	**1,543**	**2,200**	**1,756**	**1,883**	**1,905**	**2,687**	**7,025**	**8,477**
Tax	436	401	416	583	443	475	496	718	1,836	2,131
Rate (%)	26.7	26.9	27.0	26.5	25.2	25.2	26.0	26.7	26.1	25.1
MI & Profit/Loss of Asso. Cos.	-9	-13	-14	-13	-12	-14	-15	-15	0	4
Reported PAT	**1,204**	**1,100**	**1,141**	**1,630**	**1,326**	**1,423**	**1,425**	**1,984**	**5,189**	**6,342**
Adj PAT	**1,204**	**1,100**	**1,141**	**1,793**	**1,326**	**1,423**	**1,487**	**2,167**	**5,189**	**6,342**
YoY Change (%)	0.5	-16.2	0.5	-1.3	10.1	29.3	30.3	20.9	-5.2	22
Margins (%)	8.7	8.0	8.2	10.7	8.7	9.1	9.4	11.2	8.9	9.6

Cello — Buy

CMP INR605| TP: INR720 (+19%) — **EPS CHANGE (%): FY26|FY27: -4|-1**

- Revenue is likely to grow ~8% YoY, led by growth in consumerware.
- Writing instruments are expected to remain muted in both the export and the domestic markets.
- EBITDA margins are expected at ~23% during 1QFY26, compared to ~26% in 1QFY25.
- Ramp-up of the glassware segment will be the key focus area.

Cons Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**5,007**	**4,901**	**5,568**	**5,888**	**5,413**	**5,566**	**6,408**	**6,978**	**21,364**	**24,365**
YoY Change (%)	6.1	0.2	5.7	14.9	8.1	13.6	15.1	18.5	6.8	14.0
Total Expenditure	3,714	3,715	4,296	4,536	4,176	4,265	4,908	5,327	16,260	18,676
EBITDA	**1,293**	**1,186**	**1,273**	**1,352**	**1,238**	**1,301**	**1,500**	**1,650**	**5,104**	**5,689**
Margins (%)	25.8	24.2	22.9	23.0	22.9	23.4	23.4	23.7	23.9	23.3
Depreciation	141	148	151	180	190	200	250	277	620	917
Interest	6	3	3	3	0	0	0	0	15	0
Other Income	60	133	124	130	70	135	130	152	447	487
PBT before EO expense	**1,206**	**1,168**	**1,243**	**1,299**	**1,118**	**1,236**	**1,380**	**1,526**	**4,916**	**5,259**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,206**	**1,168**	**1,243**	**1,299**	**1,118**	**1,236**	**1,380**	**1,526**	**4,916**	**5,259**
Tax	311	300	318	338	280	310	346	388	1,267	1,324
Rate (%)	25.8	25.7	25.6	26.0	25.1	25.1	25.1	25.4	25.8	25.2
Minority Interest & Profit/Loss of Asso. Cos.	69	51	61	80	74	65	70	83	261	292
Reported PAT	**826**	**816**	**864**	**882**	**764**	**861**	**964**	**1,055**	**3,388**	**3,643**
Adj PAT	**826**	**816**	**864**	**882**	**764**	**861**	**964**	**1,055**	**3,388**	**3,643**
YoY Change (%)	6.6	2.1	1.8	-0.7	-7.5	5.5	11.6	19.6	2.3	7.5
Margins (%)	16.5	16.7	15.5	15.0	14.1	15.5	15.0	15.1	15.9	15.0

Coromandel International — Buy

CMP INR2,325| TP: INR2,750 (+18%) — **EPS CHANGE (%): FY26|FY27: 0|-1**

- Fertilizer manufacturing volumes/trading volumes are expected to grow 14%/52% YoY, respectively.
- The Crop Protection segment is expected to witness growth in the domestic market.
- Fertilizer manufacturing (NPK and DAP) EBITDA/MT is expected to be ~INR6,903.
- The raw material and product pricing scenario will be the key monitorable.

Cons Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
Consolidated	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**47,288**	**74,328**	**69,352**	**49,884**	**61,910**	**85,715**	**82,058**	**58,536**	**2,40,852**	**2,88,219**
YoY Change (%)	-16.9	6.4	26.9	27.5	30.9	15.3	18.3	17.3	9.2	19.7
Total Expenditure	42,231	64,581	62,134	45,624	54,270	74,214	73,936	53,364	2,14,569	2,55,784
EBITDA	**5,058**	**9,748**	**7,218**	**4,260**	**7,641**	**11,500**	**8,122**	**5,172**	**26,283**	**32,435**
Margins (%)	10.7	13.1	10.4	8.5	12.3	13.4	9.9	8.8	10.9	11.3
Depreciation	653	690	708	854	760	775	780	797	2,904	3,112
Interest	574	661	731	659	600	550	450	400	2,624	2,000
Other Income	541	650	1,137	1,260	649	780	1,307	1,389	3,587	4,125
PBT before EO expense	**4,372**	**9,047**	**6,916**	**4,007**	**6,930**	**10,955**	**8,199**	**5,364**	**24,342**	**31,448**
Extra-Ord expense	0	0	0	-3,468	0	0	0	0	-3,468	0
PBT	**4,372**	**9,047**	**6,916**	**7,475**	**6,930**	**10,955**	**8,199**	**5,364**	**27,810**	**31,448**
Tax	1,125	2,328	1,752	1,524	1,744	2,757	2,064	1,350	6,728	7,915
Rate (%)	25.7	25.7	25.3	20.4	25.2	25.2	25.2	25.2	24.2	25.2
Minority Interest & P/L of Asso. Cos.	137	79	46	154	144	120	70	227	417	561
Reported PAT	**3,110**	**6,641**	**5,118**	**5,797**	**5,042**	**8,078**	**6,065**	**3,787**	**20,665**	**22,971**
Adj PAT	**3,110**	**6,641**	**5,118**	**3,036**	**5,042**	**8,078**	**6,065**	**3,787**	**18,036**	**22,971**
YoY Change (%)	-37.1	-12.3	121.6	89.4	62.1	21.6	18.5	24.7	9.8	27.4
Margins (%)	6.6	8.9	7.4	6.1	8.1	9.4	7.4	6.5	7.5	8.0

DreamFolks — Buy

CMP INR236 | TP: 280 (+18%) — **EPS CHANGE (%): FY26|27: -7.6|-8.8**

- Recent developments at the company make us cautious about growth visibility. The company has discontinued lounge access programs with two banks, effective 1st Jul'25. Further, the company is now facing competition from airport operators.
- We expect revenue to grow 10.8% YoY in 1QFY26.
- The company's commentary in light of current developments will be the key to monitor. We expect a slight decline in its market share (currently at 68%), which could lead to lower volumes and potentially affect gross margin as well.

Consolidated - Quarterly performance (INR m)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**3,208**	**3,169**	**3,401**	**3,142**	**3,555**	**3,627**	**3,496**	**3,449**	**12,919**	**14,127**
YoY Change (%)	20.5	12.2	11.5	11.7	10.8	14.5	2.8	9.8	13.8	9.4
GPM (%)	11.7	12.4	11.2	11.2	11.5	12.0	12.5	12.5	11.6	12.1
Employee benefit expenses (%)	3.2	3.6	3.2	3.1	2.9	2.9	2.8	2.8	13.2	11.4
EBITDA	**229**	**231**	**230**	**200**	**259**	**283**	**294**	**290**	**889**	**1,126**
Margins (%)	7.1	7.3	6.7	6.4	7.3	7.8	8.4	8.4	6.9	8.0
Depreciation	9.0	9.3	9.9	10.2	10.7	10.9	10.5	10.3	38.3	42.4
EBIT	**220**	**222**	**220**	**190**	**249**	**272**	**283**	**279**	**851**	**1,083**
Margins (%)	6.9	7.0	6.5	6.1	7.0	7.5	8.1	8.1	6.6	7.7
Interest	3	8	4	23	4	4	3	3	38	14
Other Income	17	8	19	41	21	22	21	21	86	85
PBT	**234**	**221**	**235**	**208**	**267**	**290**	**301**	**297**	**899**	**1,154**
Tax	63	61	66	59	74	81	84	83	248	322
Rate (%)	26.8	27.4	28.0	28.4	27.7	27.9	28.0	28.0	27.6	27.9
PAT	**171**	**160**	**169**	**149**	**193**	**209**	**217**	**214**	**650**	**832**
YoY Change (%)	32.3	-9.3	-15.5	-16.6	12.5	30.6	28.0	43.1	-5.2	28.0
Margins (%)	5.3	5.1	5.0	4.8	5.4	5.8	6.2	6.2	5.0	5.9

EPL — Buy

CMP INR243 | TP: INR290 (+19%) — **EPS CHANGE (%): FY26|FY27: 0|0**

- Revenue is expected to grow 11% YoY on broad-based growth across geographies.
- Increasing the share of fully recyclable tubes will be a key focus area.
- EBIT margins in Europe are expected to expand 170bp in 1QFY26, driven by restructuring and cost optimization initiatives.
- EBITDA margin is likely to expand ~200bp YoY.

Cons Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**10,074**	**10,862**	**10,143**	**11,054**	**11,222**	**12,149**	**10,883**	**11,954**	**42,133**	**46,208**
YoY Change (%)	10.7	8.4	4.0	7.4	11.4	11.8	7.3	8.1	7.6	9.7
Total Expenditure	8,216	8,657	8,127	8,774	8,933	9,481	8,736	9,387	33,774	36,538
EBITDA	**1,858**	**2,205**	**2,016**	**2,280**	**2,289**	**2,667**	**2,147**	**2,566**	**8,359**	**9,670**
Margins (%)	18.4	20.3	19.9	20.6	20.4	22.0	19.7	21.5	19.8	20.9
Depreciation	836	852	863	876	900	920	1,000	1,042	3,427	3,862
Interest	290	291	274	284	180	170	155	152	1,139	657
Other Income	65	140	127	104	115	120	135	138	436	508
PBT before EO expense	**797**	**1,202**	**1,006**	**1,224**	**1,324**	**1,697**	**1,127**	**1,510**	**4,229**	**5,659**
Extra-Ord expense	0	0	0	36	0	0	0	0	36	0
PBT	**797**	**1,202**	**1,006**	**1,188**	**1,324**	**1,697**	**1,127**	**1,510**	**4,193**	**5,659**
Tax	139	301	64	73	265	339	225	302	577	1,132
Rate (%)	17.4	25.0	6.4	6.1	20.0	20.0	20.0	20.0	13.8	20.0
Minority Interest & Profit/Loss of Asso. Cos.	-16	-31	-7	28	-21	-20	-3	14	-26	-30
Reported PAT	**642**	**870**	**935**	**1,143**	**1,038**	**1,338**	**899**	**1,223**	**3,590**	**4,497**
Adj PAT	**642**	**870**	**935**	**1,170**	**1,038**	**1,338**	**899**	**1,223**	**3,617**	**4,497**
YoY Change (%)	18.2	72.3	8.6	72.9	61.7	53.8	-3.9	4.5	39.9	24.3
Margins (%)	6.4	8.0	9.2	10.6	9.3	11.0	8.3	10.2	8.6	9.7

Eternal — Buy

CMP INR261| TP: INR310 (+19%) — **EPS CHANGE (%): FY26|27: -15.9|22.6**

- GOV for FD/QC business is expected to achieve 16%/139% YoY growth, with take rates of 21% and 18.2%, driving an overall revenue increase of 62% YoY in 1QFY26.
- Blinkit is projected to sustain its growth momentum with 25%/128% QoQ/YoY growth. Hyperpure should also continue its upward trajectory.
- For Food Delivery, adjusted EBITDA as a % of GOV margin is expected to inch up 10bp QoQ to 4.5%. Blinkit is expected to post a contribution margin of 3.0% and adj. EBITDA margin of -1.2% in 1Q.
- Watch out for the outlook on Blinkit, FD GOV growth, and margin.

Consolidated - Quarterly Earnings Model

Y/E march	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (net of delivery)	**42,060**	**47,990**	**54,050**	**58,330**	**68,085**	**77,447**	**87,809**	**96,759**	**2,02,430**	**3,30,100**
YoY Change (%)	74.1	68.5	64.4	63.8	61.9	61.4	62.5	65.9	67.1	63.1
Inventory of traded goods	10,990	13,340	15,000	16,320	20,192	22,817	25,099	27,609	55,650	95,717
Employee Expenses	5,290	5,900	6,890	7,500	8,625	9,919	11,407	13,118	25,580	43,068
Delivery expenses	13,280	13,980	14,500	15,520	17,623	19,919	22,151	23,900	57,280	83,593
Gross Profit	**12,500**	**14,770**	**17,660**	**18,990**	**21,645**	**24,792**	**29,152**	**32,133**	**63,920**	**1,07,722**
Margins (%)	29.7	30.8	32.7	32.6	31.8	32.0	33.2	33.2	31.6	32.6
Advertisement and sales promotion	3,960	4,210	5,210	6,340	6,664	6,879	7,059	7,082	19,720	27,685
Others	6,770	8,300	10,830	11,930	12,300	14,754	16,959	19,712	37,830	63,725
EBITDA	**1,770**	**2,260**	**1,620**	**720**	**2,681**	**3,159**	**5,134**	**5,338**	**6,370**	**16,313**
Margins (%)	4.2	4.7	3.0	1.2	3.9	4.1	5.8	5.5	3.1	4.9
Depreciation	1,490	1,800	2,470	2,870	3,064	3,485	3,951	4,354	8,630	14,855
Interest	250	300	430	560	477	542	615	677	1,540	2,311
Other Income	2,360	2,210	2,520	3,680	3,404	3,872	4,390	4,838	10,770	16,505
PBT before EO expense	**2,390**	**2,370**	**1,240**	**970**	**2,545**	**3,004**	**4,959**	**5,145**	**6,970**	**15,652**
PBT	**2,390**	**2,370**	**1,240**	**970**	**2,545**	**3,004**	**4,959**	**5,145**	**6,970**	**15,652**
Tax	-140	610	650	580	-200	-200	-200	-200	1,700	-800
Rate (%)	-5.9	25.7	52.4	59.8	-7.9	-6.7	-4.0	-3.9	NA	NA
Reported PAT	**2,530**	**1,760**	**590**	**390**	**2,745**	**3,204**	**5,159**	**5,345**	**5,270**	**16,452**
Adj PAT	**2,530**	**1,760**	**590**	**390**	**2,745**	**3,204**	**5,159**	**5,345**	**5,270**	**16,452**
YoY Change (%)	12,550.0	389	-57.2	-77.7	8.5	82.1	774.4	1,270.5	50.1	212.2
Margins (%)	6.0	3.7	1.1	0.7	4.0	4.1	5.9	5.5	2.6	5.0

Godrej Agrovet — Buy

CMP INR786 | TP: INR920 (+17%) — **EPS CHANGE (%):FY26|FY27: 1|-2**

- We expect revenue growth of ~10% YoY in 1QFY26, driven by palm oil, animal feed, and crop protection.
- The performance outlook on Astec and the domestic crop protection business will be key focus areas.
- EBITDA margins are likely to expand 40bp to 10%.
- Raw material (such as maize and soybean) and palm oil prices are the key monitorables.

Cons Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25E	FY26E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Gross Sales	**23,508**	**24,488**	**24,496**	**21,336**	**25,823**	**27,425**	**27,741**	**26,160**	**93,828**	**1,07,150**
YoY Change (%)	-6.4	-4.8	4.5	0.0	9.8	12.0	13.2	22.6	-1.9	14.2
Total Expenditure	21,246	22,254	22,296	19,870	23,230	24,871	25,113	23,941	85,666	97,155
EBITDA	**2,261**	**2,234**	**2,200**	**1,467**	**2,593**	**2,554**	**2,628**	**2,220**	**8,162**	**9,995**
Margins (%)	9.6	9.1	9.0	6.9	10.0	9.3	9.5	8.5	8.7	9.3
Depreciation	546	583	567	565	590	625	650	700	2,261	2,565
Interest	302	398	345	289	340	345	355	369	1,334	1,409
Other Income	92	126	87	130	120	120	120	111	435	471
PBT before EO expense	**1,506**	**1,379**	**1,376**	**742**	**1,783**	**1,705**	**1,743**	**1,262**	**5,002**	**6,492**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,506**	**1,379**	**1,376**	**742**	**1,783**	**1,705**	**1,743**	**1,262**	**5,002**	**6,492**
Tax	345	541	414	204	449	429	439	318	1,504	1,634
Rate (%)	22.9	39.3	30.1	27.5	25.2	25.2	25.2	25.2	30.1	25.2
Minority Interest & Profit/Loss of Asso. Cos.	-190	-286	-153	-170	-220	-200	-200	-219	-799	-839
Reported PAT	**1,352**	**1,123**	**1,115**	**708**	**1,554**	**1,476**	**1,504**	**1,163**	**4,297**	**5,697**
Adj PAT	**1,352**	**1,123**	**1,115**	**708**	**1,554**	**1,476**	**1,504**	**1,163**	**4,297**	**5,697**
YoY Change (%)	28.3	6.7	21.4	23.9	15.0	31.4	34.9	64.4	19.5	32.6
Margins (%)	5.7	4.6	4.6	3.3	6.0	5.4	5.4	4.4	4.6	5.3

Gravita Industries — Buy

CMP INR1,849| TP: INR2,290 (+24%) — **EPS CHANGE (%): FY26|FY27: 6|-1**

- Revenue is expected to grow ~14% YoY, led by healthy growth across all segments.
- Increase in domestic scrap, led by favorable regulatory policies, will be the focus area.
- Adj. EBITDA margins are likely to remain stable in 1QFY26 at 10.2%.
- The ramp-up of aluminum operations and the plastic segment will be key monitorables.

Cons Quarterly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Sales	**9,079**	**9,274**	**9,964**	**10,371**	**10,313**	**11,039**	**12,366**	**13,336**	**38,688**	**47,054**
YoY Change (%)	29.1	10.9	31.5	20.1	13.6	19.0	24.1	28.6	22.4	21.6
Total Expenditure	8,166	8,259	8,942	9,286	9,256	9,839	11,092	11,937	34,652	42,125
Adjusted EBITDA	**912**	**1,015**	**1,023**	**1,085**	**1,057**	**1,199**	**1,274**	**1,399**	**4,036**	**4,929**
Margins (%)	10.1	10.9	10.3	10.5	10.2	10.9	10.3	10.5	10.4	10.5
Depreciation	65	72	76	78	90	100	110	119	291	419
Interest	130	120	128	56	60	55	55	60	434	230
Other Income	33	23	73	194	180	170	160	150	324	660
PBT before EO expense	**751**	**847**	**891**	**1,146**	**1,087**	**1,214**	**1,269**	**1,369**	**3,635**	**4,940**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**751**	**847**	**891**	**1,146**	**1,087**	**1,214**	**1,269**	**1,369**	**3,635**	**4,940**
Tax	71	128	111	197	186	134	140	134	506	593
Rate (%)	9.4	15.1	12.4	17.2	17.1	11.0	11.0	9.8	13.9	12.0
Minority Interest & Profit/Loss of Asso. Cos.	7	-1	1	-2	1	1	1	2	5	5
Reported PAT	**673**	**720**	**779**	**951**	**900**	**1,080**	**1,128**	**1,233**	**3,124**	**4,342**
Adj PAT	**673**	**720**	**779**	**951**	**900**	**1,080**	**1,128**	**1,233**	**3,124**	**4,342**
YoY Change (%)	29.3	24.4	29.3	37.9	33.7	50.0	44.8	29.6	30.6	39.0
Margins (%)	7.4	7.8	7.8	9.2	8.7	9.8	9.1	9.2	8.1	9.2

IndiaMART — Buy

CMP: INR2,597 | TP: INR2,950 (+14%) — **EPS CHANGE (%): FY26|27: 0.7|-1.8**

- Revenue is expected to grow ~10% YoY in 1QFY26. Expect 2%/8% QoQ/YoY growth in ARPU.
- INMART's margin is likely to remain flat at ~36.4% due to low supplier additions and cost-optimization initiatives. We believe that as customer growth picks up, customer acquisition costs will rise, leading to normalized margins.
- Outlook on Silver bucket churn rate, ARPU growth in Platinum/Gold accounts, and margin are key monitorables.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**3,313**	**3,477**	**3,543**	**3,551**	**3,643**	**3,705**	**3,827**	**3,935**	**13,884**	**15,111**
YoY Change (%)	17.4	18.0	16.0	12.8	10.0	6.6	8.0	10.8	16.0	8.8
Total Expenditure	2,120	2,130	2,160	2,248	2,318	2,390	2,489	2,574	8,658	9,771
EBITDA	**1,193**	**1,347**	**1,383**	**1,303**	**1,325**	**1,315**	**1,338**	**1,361**	**5,226**	**5,340**
Margins (%)	36.0	38.7	39.0	36.7	36.4	35.5	35.0	34.6	37.6	35.3
Depreciation	81	82	83	83	86	88	91	93	329	357
Interest	20	19	18	17	18	18	18	18	74	72
Other Income	532	655	449	1,090	497	517	538	560	2,726	2,113
PBT before EO expense	**1,624**	**1,901**	**1,731**	**2,293**	**1,719**	**1,727**	**1,768**	**1,810**	**7,549**	**7,023**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,624**	**1,901**	**1,731**	**2,293**	**1,719**	**1,727**	**1,768**	**1,810**	**7,549**	**7,023**
Tax	374	422	380	380	360	362	370	379	1,556	1,471
Rate (%)	23.0	22.2	22.0	16.6	20.9	20.9	20.9	20.9	20.6	20.9
Minority Interest & Profit/Loss of Asso. Cos.	112	127	141	111	155	155	155	155	491	620
Reported PAT	**1,138**	**1,352**	**1,210**	**1,802**	**1,204**	**1,210**	**1,243**	**1,276**	**5,502**	**4,933**
Adj PAT	**1,138**	**1,352**	**1,210**	**1,802**	**1,204**	**1,210**	**1,243**	**1,276**	**5,502**	**4,933**
YoY Change (%)	34.0	95.7	48.5	80.4	5.8	-10.5	2.7	-29.2	64.0	-10.3
Margins (%)	34.3	38.9	34.2	50.7	33.0	32.7	32.5	32.4	39.6	32.6

Indian Hotels — Buy

CMP INR762 | TP: 930 (+22%) — **EPS CHANGE (%):FY26|FY27: -6|-3**

- Revenue is expected to grow 32% YoY, while EBITDA margin is expected to be ~29.6% in 1QFY26.
- Key domestic markets, such as Mumbai, Delhi, Hyderabad, and Bangalore, are expected to continue witnessing strong traction.
- The demand scenario in key markets, along with improvements in occupancy and ARR, is the key focus area.
- RevPar growth is expected to be ~12-14% YoY.

Cons Qtrly Earning Model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**15,502**	**18,261**	**25,331**	**24,251**	**20,395**	**22,350**	**29,208**	**28,438**	**83,345**	**1,00,391**
YoY Change (%)	5.7	27.4	29.0	27.3	31.6	22.4	15.3	17.3	23.1	20.5
Total Expenditure	11,006	13,249	15,714	15,684	14,364	15,672	17,946	17,852	55,652	65,834
EBITDA	**4,496**	**5,013**	**9,617**	**8,568**	**6,031**	**6,678**	**11,262**	**10,586**	**27,693**	**34,557**
Margins (%)	29.0	27.5	38.0	35.3	29.6	29.9	38.6	37.2	33.2	34.4
Depreciation	1,173	1,249	1,339	1,420	1,425	1,490	1,495	1,522	5,182	5,932
Interest	499	522	524	539	540	550	555	555	2,084	2,200
Other Income	460	641	587	616	650	700	735	726	2,305	2,811
PBT before EO expense	**3,285**	**3,882**	**8,340**	**7,225**	**4,716**	**5,338**	**9,947**	**9,235**	**22,733**	**29,236**
Extra-Ord expense	0	-3,074	0	26	0	0	0	0	-3,048	0
PBT	**3,285**	**6,956**	**8,340**	**7,200**	**4,716**	**5,338**	**9,947**	**9,235**	**25,781**	**29,236**
Tax	943	1,224	2,202	1,800	1,415	1,601	2,984	2,771	6,168	8,771
Rate (%)	28.7	17.6	26.4	25.0	30.0	30.0	30.0	30.0	23.9	30.0
Minority Interest & Profit/Loss of Asso. Cos.	-142	186	315	177	169	253	274	295	537	990
Reported PAT	**2,484**	**5,546**	**5,823**	**5,223**	**3,132**	**3,484**	**6,689**	**6,170**	**19,076**	**19,475**
Adj PAT	**2,484**	**3,241**	**5,823**	**5,242**	**3,132**	**3,484**	**6,689**	**6,170**	**16,790**	**19,475**
YoY Change (%)	11.7	94.1	28.8	25.5	26.1	7.5	14.9	17.7	51.5	2.1
Margins (%)	16.0	17.7	23.0	21.6	15.4	15.6	22.9	21.7	20.1	19.4

Info Edge — Neutral

CMP: INR1,450 | TP: INR1,350 (-7%) — **EPS CHANGE (%): FY26|27: -4.0|-6.8**

- Expect steady growth in the recruitment vertical to continue, driven by the non-IT segment. That said, we believe IT services still account for the lion's share of hiring and are critical to a sustained turnaround.
- Both 99acres and JeevanSathi businesses are nearing break-even levels, with profitability anticipated in FY26.
- For JeevanSathi, INFOE is targeting 20-25% growth in FY26E while gradually moving toward breakeven.
- The outlook on IT hiring and investee companies is the key monitorable.

Standalone Quarterly Performance (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenues	**6,389**	**6,561**	**6,715**	**6,871**	**7,398**	**7,432**	**7,651**	**7,670**	**26,536**	**29,699**
YoY (%)	9.3	10.6	12.8	13.0	15.8	13.3	13.9	11.6	11.4	11.9
Salary costs	2,587	2,624	2,681	2,923	2,992	3,050	3,090	3,083	10,815	12,215
Ad and Promotion costs	856	755	667	846	888	877	903	905	3,125	3,573
Other Expenses	452	437	470	512	510	498	505	506	1,871	2,020
EBITDA	**2,495**	**2,744**	**2,897**	**2,589**	**3,007**	**3,007**	**3,153**	**3,175**	**10,726**	**11,892**
EBITDA Margin (%)	39.0	41.8	43.1	37.7	40.7	40.5	41.2	41.4	40.4	40.0
Depreciation	175	186	217	224	222	223	214	192	801	851
EBIT Margin (%)	36.3	39.0	39.9	34.4	37.7	37.5	38.4	38.9	37.4	37.2
Other Income	770	803	781	784	873	877	903	905	3,138	3,558
PBT bef. Extra-ordinary	**3,043**	**3,315**	**3,415**	**3,099**	**3,607**	**3,609**	**3,788**	**3,835**	**12,871**	**14,388**
Provision for Tax	720	3,537	820	624	848	848	890	901	5,701	3,487
ETR (%)	23.7	106.7	24.0	20.1	23.5	23.5	23.5	23.5	44.3	24.2
Adj. PAT	**2,323**	**-222**	**2,595**	**2,474**	**2,759**	**2,761**	**2,898**	**2,934**	**7,170**	**10,901**
EOI	0	1,080	-593	-76	0	0	0	0	564	0
Reported PAT	**2,323**	**859**	**2,002**	**2,551**	**2,759**	**2,761**	**2,898**	**2,934**	**7,734**	**10,901**
QoQ (%)	10.1	-63.0	133.1	27.4	8.2	0.1	5.0	1.2		
YoY (%)	16.2	-58.9	-6.3	20.9	18.8	221.5	44.8	15.0	-7.2	40.9
EPS (INR)	**3.6**	**1.3**	**3.1**	**3.8**	**4.3**	**4.3**	**4.5**	**4.5**	**11.9**	**16.8**

InterGlobe Aviation — Buy

CMP INR5,966 | TP: INR6,900 (+16%) — **EPS CHANGE (%): FY26|27: +6|-3**

- Expect ASK at 41.7b (+15% YoY), PLF at 85.5% (down from 86.8% in 1QFY25), and RPK of 35.6b (up 13% YoY)
- The outlook on P&W engine-fitted aircraft (being grounded in CY25) is a key monitorable. Further, the commentary on impending competition would be keenly monitored.
- According to our database, INDIGO's average fare was flat QoQ at INR5,943 on one-month forward bookings in 1QFY26, while the same was down 6% QoQ at INR6,038 on 15-day forward bookings.
- International expansion is the focus area for the management with the addition of new networks and code-share agreements.

Standalone Quarterly performance (INR b)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**195.7**	**169.7**	**221.1**	**221.5**	**213.5**	**200.6**	**219.9**	**239.9**	**808.0**	**873.9**
YoY Change (%)	17.3	13.6	13.7	24.3	9.1	18.2	-0.5	8.3	17.3	8.2
EBITDAR	**57.7**	**23.8**	**59.2**	**69.5**	**61.4**	**54.5**	**70.9**	**86.4**	**210.2**	**273.1**
Margin (%)	29.5	14.0	26.8	31.4	28.8	27.1	32.2	36.0	26.0	31.3
Net Rentals	6.2	7.6	7.6	8.6	8.8	8.9	9.1	9.3	30.1	36.1
EBITDA	**51.5**	**16.2**	**51.6**	**60.8**	**52.7**	**45.5**	**61.8**	**77.1**	**180.1**	**237.1**
Margin (%)	26.3	9.5	23.3	27.5	24.7	22.7	28.1	32.1	22.3	27.1
Depreciation	18.7	20.8	22.2	24.8	25.4	25.7	26.1	26.8	86.4	104.1
Interest	11.6	12.4	13.1	13.8	13.9	14.3	14.8	15.6	50.9	58.7
Other Income	6.8	7.9	8.8	9.5	11.3	11.9	12.1	12.2	33.1	47.4
PBT	**28.0**	**-9.1**	**25.2**	**31.8**	**24.6**	**17.4**	**32.9**	**46.8**	**75.9**	**121.8**
Tax	0.8	0.8	0.8	1.0	0.8	0.6	1.1	11.2	3.3	13.6
Rate (%)	2.7	-8.7	3.1	3.2	3.2	3.2	3.2	23.9	4.4	11.2
Reported PAT	**27.3**	**-9.9**	**24.4**	**30.7**	**23.8**	**16.8**	**31.9**	**35.6**	**72.5**	**108.2**
EPS	**70.6**	**-25.6**	**63.2**	**79.5**	**61.7**	**43.5**	**82.5**	**92.2**	**187.7**	**280.0**
YoY Change (%)	-11.7	PL	-18.6	62.3	-12.5	LP	30.5	16.0	-11.2	49.2

Kajaria Ceramics — Buy

CMP INR1,075 | TP: INR1,250(+16%) — **EPS CHANGE (%): FY26|27: 4.5 |15.8**

- Expect sales volume to grow 6% YoY (-5% QoQ) in 1QFY26. Realization is estimated to dip 2% YoY and 1% QoQ.
- Gross margin is estimated to contract 1.4pp YoY to ~37%.
- EBITDA is estimated to decline 10% YoY, and OPM is likely to contract 1.9pp YoY to ~13.1%.
- Adjusted net profit after MI is estimated to dip 7% YoY to INR834m.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**11,137**	**11,793**	**11,556**	**12,219**	**11,516**	**12,433**	**12,703**	**13,364**	**46,351**	**50,017**
YoY Change (%)	4.6	5.1	0.3	1.1	3.4	5.4	9.9	9.4	3.6	7.9
Total Expenditure	9,466	10,204	10,023	10,835	10,008	10,767	10,874	11,334	40,089	42,982
EBITDA	**1,671**	**1,589**	**1,533**	**1,384**	**1,509**	**1,666**	**1,829**	**2,031**	**6,262**	**7,035**
Margins (%)	15.0	13.5	13.3	11.3	13.1	13.4	14.4	15.2	13.5	14.1
Depreciation	421	406	397	434	440	445	460	490	1,654	1,835
Interest	47	47	74	60	55	58	70	56	200	239
Other Income	102	99	103	125	110	100	115	139	427	464
PBT before EO expense	**1,304**	**1,235**	**1,166**	**1,014**	**1,124**	**1,263**	**1,414**	**1,623**	**4,835**	**5,424**
Extra-Ord expense	0	0	59	308	0	0	0	0	-483	0
PBT after EO Expense	**1,304**	**1,235**	**1,107**	**706**	**1,124**	**1,263**	**1,414**	**1,623**	**5,318**	**5,424**
Tax	327	341	300	311	280	315	352	579	1,360	1,525
Rate (%)	25.0	27.6	25.7	30.7	24.9	24.9	24.9	35.7	28.1	28.1
Reported PAT (Pre minority)	**898**	**843**	**777**	**425**	**834**	**938**	**1,050**	**1,025**	**2,944**	**3,846**
MI & P/L of Asso. Cos.	48	42	22	-63	10	11	12	20	49	53
Adj PAT	**898**	**843**	**836**	**733**	**834**	**938**	**1,050**	**1,025**	**3,426**	**3,846**
YoY Change (%)	-16.4	-21.9	-19.7	-30.3	-7.2	11.3	25.6	39.8	-21.0	12.2
Margins (%)	8.1	7.1	7.2	6.0	7.2	7.5	8.3	7.7	7.4	7.7

Lemon Tree Hotels — Buy

CMP INR139 | TP: INR185 (+33%) — **EPS CHANGE (%):FY26|FY27: -5|-2**

- Revenue is expected to grow 17% YoY and EBITDA margin is expected to be ~44% in 1QFY26.
- The demand scenario in key markets (Mumbai and Delhi) and Occupancy/ARR trend are the key monitorables.
- We anticipate Aurika Mumbai to report higher occupancy rates on a YoY basis.
- The pace of signing management contracts will be a key focus area.

Cons. Qtrly earning model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**2,680**	**2,844**	**3,552**	**3,785**	**3,128**	**3,435**	**4,029**	**4,252**	**12,861**	**14,843**
YoY Change (%)	20.6	25.2	23.0	15.6	16.7	20.8	13.4	12.3	20.7	15.4
Total Expenditure	1,530	1,536	1,710	1,744	1,752	1,772	1,862	1,899	6,520	7,285
EBITDA	**1,151**	**1,307**	**1,842**	**2,041**	**1,376**	**1,662**	**2,167**	**2,353**	**6,341**	**7,558**
Margins (%)	42.9	46.0	51.9	53.9	44.0	48.4	53.8	55.3	49.3	50.9
Depreciation	346	348	351	349	351	353	353	353	1,393	1,410
Interest	518	513	503	472	450	420	400	359	2,007	1,629
Other Income	4	5	6	9	10	12	14	18	23	54
PBT before EO expense	**291**	**451**	**994**	**1,229**	**585**	**901**	**1,428**	**1,659**	**2,965**	**4,573**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**291**	**451**	**994**	**1,229**	**585**	**901**	**1,428**	**1,659**	**2,965**	**4,573**
Tax	91	102	197	141	170	207	286	232	531	895
Rate (%)	31.2	22.7	19.8	11.5	29.0	23.0	20.0	14.0	17.9	19.6
MI & P/L of Asso. Cos.	2	52	173	241	121	151	241	287	468	800
Reported PAT	**198**	**296**	**625**	**846**	**294**	**543**	**901**	**1,140**	**1,966**	**2,878**
Adj PAT	**198**	**296**	**625**	**846**	**294**	**543**	**901**	**1,140**	**1,966**	**2,878**
YoY Change (%)	-15.6	30.9	76.5	26.3	48.5	83.2	44.2	34.6	32.4	46.4
Margins (%)	7.4	10.4	17.6	22.4	9.4	15.8	22.4	26.8	15.3	19.4

MTAR Technologies — Buy

CMP INR1,590| TP: INR1,900 (+19%) — **EPS CHANGE (%):FY26|FY27: -6|-3**

- The company expects to post revenue/ EBITDA growth of ~25%/83% YoY in 1QFY26.
- Capex is expected to be in the range of INR750-800m for FY26.
- EBITDA margin is expected to expand to ~19% in 1QFY26 vs ~12.9% in 1QFY26, led by a higher gross margin.
- Order inflow in the nuclear segment will be the key focus area.

Consolidated – Quarterly earning model (INRm)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**1,283**	**1,902**	**1,745**	**1,831**	**1,603**	**2,282**	**2,268**	**2,380**	**6,760**	**8,534**
YoY Change (%)	-15.9	14.0	47.4	28.1	25.0	20.0	30.0	30.0	16.4	26.2
Total Expenditure	1,117	1,534	1,412	1,489	1,299	1,820	1,775	1,852	5,552	6,747
EBITDA	**166**	**368**	**333**	**341**	**304**	**462**	**493**	**528**	**1,208**	**1,787**
Margins (%)	12.9	19.4	19.1	18.7	19.0	20.2	21.7	22.2	17.9	20.9
Depreciation	61	78	87	96	70	80	90	101	322	341
Interest	48	52	63	59	55	50	40	25	222	170
Other Income	5	14	31	0	25	20	20	4	52	68
PBT before EO expense	**62**	**253**	**214**	**186**	**204**	**352**	**382**	**406**	**716**	**1,345**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**62**	**253**	**214**	**186**	**204**	**352**	**382**	**406**	**716**	**1,345**
Tax	18	65	55	49	51	89	96	102	187	338
Rate (%)	28.6	25.8	25.5	26.3	25.2	25.2	25.2	25.2	26.1	25.2
Minority Interest & Profit/Loss of Asso. Cos.	0	0	0	0	0	0	0	0	0	0
Reported PAT	**44**	**188**	**160**	**137**	**153**	**263**	**286**	**304**	**529**	**1,006**
Adj PAT	**44**	**188**	**160**	**137**	**153**	**263**	**286**	**304**	**529**	**1,006**
YoY Change (%)	-78.2	-8.2	52.8	181.7	244.6	40.3	79.2	121.5	-5.8	90.2
Margins (%)	3.5	9.9	9.2	7.5	9.5	11.5	12.6	12.8	7.8	11.8

Prince Pipes & Fittings — Buy

CMP INR371| TP: INR500 (+35%) — **EPS CHANGE (%): FY26|FY27: +145|+65**

- Revenue is expected to decline marginally by 1% YoY, due to slow restocking by channel partners.
- EBITDA margin is expected to contract 360bp YoY, impacted by 220bp decrease in gross margin and operating deleverage.
- The company has invested in the East to sustain growth, but channel checks indicate weaker performance compared to the Western market.
- Demand trends and PVC prices remain key monitorable.

Consolidated - Quarterly Earning Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**6,045**	**6,221**	**5,777**	**7,197**	**5,977**	**7,255**	**7,172**	**8,047**	**25,239**	**28,450**
YoY Change (%)	9.2	-5.2	-6.6	-2.8	-1.1	16.6	24.1	11.8	-1.7	12.7
Total Expenditure	5,462	5,764	5,748	6,648	5,618	6,637	6,433	7,180	23,621	25,868
EBITDA	**583**	**457**	**30**	**548**	**359**	**618**	**739**	**867**	**1,618**	**2,582**
Margins (%)	9.6	7.3	0.5	7.6	6.0	8.5	10.3	10.8	6.4	9.1
Depreciation	257	276	264	273	275	290	295	295	1,070	1,155
Interest	14	16	32	33	35	45	47	45	97	172
Other Income	26	39	15	57	40	37	35	43	137	155
PBT before EO expense	**337**	**204**	**-252**	**299**	**89**	**320**	**432**	**570**	**588**	**1,410**
PBT	**337**	**204**	**-252**	**299**	**89**	**320**	**432**	**570**	**588**	**1,410**
Tax	90	57	-48	58	22	80	109	144	157	355
Rate (%)	26.7	28.0	18.9	19.2	25.2	25.1	25.2	25.2	26.7	25.2
Reported PAT	**247**	**147**	**-204**	**242**	**66**	**239**	**323**	**427**	**431**	**1,055**
Adj PAT	**247**	**147**	**-204**	**242**	**66**	**239**	**323**	**427**	**431**	**1,055**
YoY Change (%)	25.8	-72.1	-154.3	-55.8	-73.1	62.9	-258.1	76.5	-73.8	145
Margins (%)	4.1	2.4	-3.5	3.4	1.1	3.3	4.5	5.3	1.7	3.7

Quess — Neutral

CMP INR300| TP: INR340 (+13%) — **EPS CHANGE (%): FY26|27: -3.1|-4.3**

- Expect flat growth QoQ in 1QFY26. The NBFC-led headwinds in general staffing are expected to persist for this quarter as well.
- Margin recovery to remain gradual; margins should largely remain flat QoQ. FY26 exit is pegged at 2%.
- The overseas business is experiencing mixed trends, with visa delays creating headwinds in Singapore, while Malaysia is showing signs of recovery in IT staffing.
- Commentaries on IT staffing, GCC offerings, and margins would be the key monitorables.

Consolidated - Quarterly (INR m)

Y/E March	FY25				FY26E				FY25*	FY26E
	1Q	2Q	3Q*	4Q*	1QE	2QE	3QE	4QE		
Net Sales	**50,031**	**51,794**	**40,191**	**36,564**	**36,486**	**38,796**	**40,916**	**42,588**	**1,49,672**	**1,58,786**
YoY Change (%)	8.8	9.1	-17.0	-25.5	-27.1	-25.1	1.8	16.5	9%	6%
Total Expenditure	48,147	49,838	39,567	35,891	35,795	38,035	40,101	41,700	1,47,049	1,55,630
EBITDA	**1,884**	**1,956**	**625**	**674**	**691**	**761**	**816**	**888**	**2,623**	**3,156**
Margins (%)	3.8	3.8	1.6	1.8	1.9	2.0	2.0	2.1	1.8	2.0
Depreciation	690	697	99	102	119	119	119	119	412	476
EBIT	**1,194**	**1,259**	**525**	**572**	**572**	**642**	**697**	**769**	**2,211**	**2,680**
Margins (%)	2.4	2.4	1.3	1.6	1.6	1.7	1.7	1.8	1.5	1.7
Interest	282	284	92	91	107	107	107	107	386	429
Other Income	102	44	49	109	60	60	60	60	236	238
PBT before EO expense	**1,014**	**1,018**	**482**	**591**	**525**	**594**	**649**	**721**	**2,061**	**2,489**
Recurring Tax	69	85	4	-35	42	53	58	65	-41	219
Rate (%)	6.8	8.4	0.8	-5.9	8.0	9.0	9.0	9.0	-2.0	8.8
MI & P/L of Asso. Cos.	78.7	12.4	0	0	0	0	0	0	1	0
Adjusted PAT	**867**	**921**	**478**	**625**	**483**	**541**	**591**	**656**	**2,101**	**2,270**
Extraordinary items	-171	-3	61	1,580	0	0	0	0	1,643	0
Reported PAT	**1,038**	**924**	**417**	**-955**	**483**	**541**	**591**	**656**	**458**	**2,270**
YoY Change (%)	117.1	28.5	-34.8	-201.2	-53.5	-41.5	41.7	-168.7	-66%	396%
Margins (%)	2.1	1.8	1.0	-2.6	1.3	1.4	1.4	1.5	0.3	1.4

*3QFY25/4QFY25 and FY25 figures are re-stated for demerger

SIS — Buy

CMP INR371| TP: INR430 (+16%) — **EPS CHANGE (%): FY26|27: 3.9|4.2**

- Expect low double-digit YoY growth in 1QFY26.
- FM's business is expected to post mid-teens growth. An increasing share of solution-led contracts should offer structural margin improvements.
- International security is facing labor constraints, driving up labor costs. As a result, margin performance in this segment will need to be monitored.
- Comments around the recovery in international business, client addition trends across industries, and margin guidance reaffirmations shall be closely monitored.

Consolidated - Quarterly Earnings Model (INR m)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**31,299**	**32,688**	**33,625**	**34,279**	**34,537**	**35,784**	**36,987**	**37,006**	**1,31,891**	**1,44,314**
YoY Change (%)	5.1	6.3	9.4	9.3	10.3	9.5	10.0	8.0	7.6	9.4
Total Expenditure	29,925	31,241	32,057	32,631	32,936	34,098	35,120	35,133	1,25,853	1,37,287
EBITDA	**1,374**	**1,447**	**1,568**	**1,648**	**1,601**	**1,685**	**1,867**	**1,874**	**6,037**	**7,027**
Margins (%)	4.4	4.4	4.7	4.8	4.6	4.7	5.0	5.1	4.6	4.9
Depreciation	427	420	407	384	392	409	427	434	1,638	1,662
Interest	422	404	405	376	243	243	243	243	1,606	973
Other Income	118	76	321	166	105	105	105	105	681	420
PBT	**643**	**699**	**1,076**	**1,055**	**1,070**	**1,138**	**1,302**	**1,301**	**3,474**	**4,812**
Tax	70	72	122	291	96	102	117	117	556	433
Rate (%)	10.9	10.3	11.3	27.6	9.0	9.0	9.0	9.0	16.0	9.0
Minority Interest & Profit/Loss of Asso. Cos.	69	61	67	62	65	64	65	64	258	257
Adjusted PAT	**642**	**688**	**1,021**	**825**	**1,039**	**1,100**	**1,250**	**1,248**	**3,176**	**4,636**
YoY Change (%)	-28.3	-8.6	176.5	NA	61.8	59.9	22.4	51.2	67.2	46.0
Margins (%)	2.1	2.1	3.0	2.4	3.0	3.1	3.4	3.4	2.4	3.2

Supreme Industries — Buy

CMP: INR4,374 | TP: INR5,400 (+23%) — **EPS CHANGE (%): FY26|27: +22|+32**

- We expect revenue to grow 7% YoY and EBITDA margin to contract 70bp YoY to 14%. Growth is mainly sustained by healthy growth expectation in segments other than plastic pipes.
- We expect revenue growth of 5%/9%/16%/18% in plastic piping/industrial products/packaging/consumer segments.
- Adj. PAT is expected to marginally decline by 3% YoY due to increased run rate of depreciation than last year.
- Key monitorables to be execution in new composite cylinder segment.

Consol. Quarterly Earning Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**26,364**	**22,730**	**25,099**	**30,271**	**28,266**	**27,228**	**28,870**	**32,951**	**1,04,463**	**1,17,316**
YoY Change (%)	11.3	-1.5	2.5	0.6	7.2	19.8	15.0	8.9	3.1	12.3
Total Expenditure	22,490	19,537	22,011	26,108	24,314	23,415	24,460	28,025	90,146	1,00,213
EBITDA	**3,873**	**3,192**	**3,088**	**4,163**	**3,952**	**3,814**	**4,410**	**4,926**	**14,317**	**17,102**
Margins (%)	14.7	14.0	12.3	13.8	14.0	14.0	15.3	14.9	13.7	14.6
Depreciation	860	899	913	914	980	1,000	1,100	1,001	3,586	4,081
Interest	33	26	30	30	35	30	30	30	119	125
Other Income	214	151	89	125	180	216	250	303	578	949
PBT before EO expense	**3,194**	**2,417**	**2,235**	**3,344**	**3,117**	**2,999**	**3,530**	**4,198**	**11,190**	**13,845**
PBT	**3,194**	**2,417**	**2,235**	**3,344**	**3,117**	**2,999**	**3,530**	**4,198**	**11,190**	**13,845**
Tax	836	629	584	732	781	756	890	1,058	2,782	3,484
Rate (%)	26.2	26.0	26.2	21.9	25.1	25.2	25.2	25.2	24.9	25.2
MI & Profit/Loss of Asso. Cos.	375	278	220	328	309	345	350	344	1,201	1,348
Reported PAT	**2,734**	**2,066**	**1,870**	**2,939**	**2,646**	**2,588**	**2,991**	**3,484**	**9,609**	**11,709**
Adj PAT	**2,734**	**2,066**	**1,870**	**2,939**	**2,646**	**2,588**	**2,991**	**3,484**	**9,609**	**11,709**
YoY Change (%)	26.8	-15.0	-27.0	-17.2	-3.2	25.3	60.0	18.5	-10.2	21.9
Margins (%)	10.4	9.1	7.4	9.7	9.4	9.5	10.4	10.6	9.2	10.0

Swiggy — Neutral

CMP INR394| TP: INR350 (-11%) — **EPS CHANGE (%): FY26|27: 3.8|-6.3**

- GOV for FD/QC business is expected to achieve 17%/114% YoY growth, with take rates of 22.3% and 15.2% in 1QFY26.
- Instamart is anticipated to grow 28% QoQ with an adjusted EBITDA of -16.0% for 1Q, while out-of-home consumption is anticipated to near breakeven with 54% YoY revenue growth.
- FD's adjusted EBITDA as a percentage of GOV is expected to drop 40bp QoQ to 2.5%. Instamart is projected to report a -5.1% contribution margin and -16.0% adjusted EBITDA margin in 4Q.
- Key factors to monitor include Instamart's GOV and AOV growth, dark store additions, and margins.

Consolidated - Quarterly Earnings Model (INR m)

Y/E march	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue (net of delivery)	**32,222**	**36,015**	**39,931**	**44,100**	**49,063**	**53,575**	**57,738**	**60,881**	**1,52,268**	**2,21,256**
YoY Change (%)	34.8	30.3	31.0	44.8	52.3	48.8	44.6	38.1	35.4	45.3
Inventory of traded goods	11,954	13,874	15,650	18,538	20,522	22,060	23,713	25,490	60,015	91,784
Employee Expenses	5,892	6,073	6,568	6,956	6,241	6,878	7,611	8,173	25,489	28,903
Delivery expenses	10,460	10,949	11,269	11,614	16,716	18,042	19,054	19,563	44,292	73,375
Gross Profit	**3,916**	**5,119**	**6,444**	**6,992**	**5,584**	**6,595**	**7,360**	**7,655**	**22,472**	**27,194**
Margins (%)	12.2	14.2	16.1	15.9	11.4	12.3	12.7	12.6	14.8	12.3
Advertisement and sales promotion	4,454	5,371	7,515	9,777	9,366	8,921	8,464	7,966	27,117	34,716
Others	4,905	5,290	6,185	6,833	6,841	7,809	8,550	9,410	23,213	32,610
EBITDA	**-5,442**	**-5,542**	**-7,257**	**-9,618**	**-10,622**	**-10,135**	**-9,654**	**-9,721**	**-27,858**	**-40,132**
Margins (%)	-16.9	-15.4	-18.2	-21.8	-21.7	-18.9	-16.7	-16.0	-18.3	-18.1
Depreciation	1,217	1,309	1,540	2,057	1,717	1,875	2,021	2,131	6,123	7,744
Interest	198	231	256	322	200	200	200	200	1,006	800
Other Income	879	848	1,028	1,207	1,300	1,300	1,300	1,300	3,962	5,200
PBT before EO expense	**-5,978**	**-6,233**	**-8,024**	**-10,790**	**-11,239**	**-10,910**	**-10,575**	**-10,752**	**-31,025**	**-43,476**
Tax	0	0	0	0	0	0	0	0	0	0
Adj PAT	**-5,978**	**-6,233**	**-8,024**	**-10,790**	**-11,239**	**-10,910**	**-10,575**	**-10,752**	**-31,025**	**-43,476**
Extra-Ord expense	-132	-21	35	0	0	0	0	0	-118	0
Reported PAT	**-6,111**	**-6,255**	**-7,991**	**-10,812**	**-11,239**	**-10,910**	**-10,575**	**-10,752**	**-31,169**	**-43,476**
YoY Change (%)	8%	-5%	39%	NA	NA	NA	NA	NA	33%	39%
Margins (%)	-19.0	-17.4	-20.0	-24.5	-22.9	-20.4	-18.3	-17.7	-20.5	-19.6

TeamLease — Buy

CMP INR2,011 | TP: INR2,400 (+19%) — **EPS CHANGE (%): FY26|27: -4.7|0.6**

- Expect revenue growth of 5%/17% QoQ/YoY. BFSI remained mixed throughout FY25, but we believe the insourcing impact from the RBI circular is largely behind.
- Softer demand in IT hiring shall weigh on specialized staffing.
- We expect EBITDA margin to be around 1.1%, a 20bp improvement YoY.
- Commentaries on PAPM, IT hiring, and GCC trends will be important to monitor.

Consolidated Quarterly Performance

	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Revenue	**25,799**	**27,968**	**29,213**	**28,579**	**30,006**	**32,513**	**33,735**	**32,993**	**1,11,559**	**1,29,248**
YoY Change (%)	19%	23%	19%	18%	16%	16%	15%	15%	20%	16%
Total Expenditure	25,576	27,634	28,864	28,104	29,664	32,050	33,211	32,459	1,10,178	1,27,383
Reported EBITDA	**223**	**335**	**349**	**475**	**342**	**464**	**525**	**535**	**1,381**	**1,865**
Margins (%)	0.9%	1.2%	1.2%	1.7%	1.1%	1.4%	1.6%	1.6%	1.2%	1.4%
Reported EBIT	**91**	**196**	**216**	**341**	**217**	**339**	**400**	**410**	**844**	**1,365**
Margins (%)	0.4%	0.7%	0.7%	1.2%	0.7%	1.0%	1.2%	1.2%	0.8%	1.1%
Interest	30	44	32	42	20	20	20	20	148	80
Other Income	141	107	102	97	120	120	120	120	447	480
PBT before EO expense	**202**	**259**	**286**	**397**	**317**	**439**	**500**	**510**	**1,144**	**1,765**
Reported PBT	**202**	**259**	**286**	**397**	**317**	**439**	**500**	**510**	**1,144**	**1,765**
Tax	8	11	2	20	13	18	20	20	40	71
Rate (%)	4%	4%	1%	5%	4%	4%	4%	4%	4%	4%
Adjusted PAT	**194**	**249**	**284**	**379**	**304**	**421**	**480**	**489**	**1,105**	**1,694**
YoY Change (%)	-25%	-10%	3%	38%	57%	69%	69%	29%	2%	53%
Margins (%)	0.8%	0.9%	1.0%	1.3%	1.0%	1.3%	1.4%	1.5%	1.0%	1.3%
Reported PAT	**194**	**249**	**284**	**379**	**304**	**421**	**480**	**489**	**1,105**	**1,694**
YoY Change (%)	-25%	-10%	-8%	38%	57%	69%	69%	29%	-1%	53%
Margins (%)	0.8%	0.9%	1.0%	1.3%	1.0%	1.3%	1.4%	1.5%	1.0%	1.3%

Time Technoplast — Buy

CMP INR439 | TP: INR578 (+32%) — **EPS CHANGE (%): FY26|FY27 : 0|0**

- Revenue/EBITDA/PAT is likely to grow 9.1%/9.4%/17.3% YoY in 1QFY26, while EBITDA margin is likely to be 14.2%.
- While volume growth is expected to be healthy (double-digit), weak polymer prices will restrict value growth.
- We expect the Established Products segment's revenue to grow 6.1% YoY (73% of mix) with a 13.3% EBITDA margin.
- We expect VAP segment's revenue to grow 17.8% YoY (27% of mix) with an EBITDA margin of 18.5%.
- Increasing the share of VAP will be a key focus area.

Consolidated - Quarterly Earnings Model (INRm)

Y/E March	FY25				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**12,301**	**13,705**	**13,877**	**14,687**	**13,415**	**15,398**	**16,260**	**17,383**	**54,571**	**62,457**
YoY Change (%)	14.0	14.8	4.8	5.3	9.1	12.4	17.2	18.4	9.3	14.5
Total Expenditure	10,556	11,743	11,871	12,551	11,507	13,143	13,864	14,804	46,721	53,318
EBITDA	**1,744**	**1,962**	**2,007**	**2,137**	**1,908**	**2,256**	**2,395**	**2,579**	**7,850**	**9,139**
Margins (%)	14.2	14.3	14.5	14.5	14.2	14.6	14.7	14.8	14.4	14.6
Depreciation	409	418	430	440	445	455	465	475	1,697	1,841
Interest	242	228	225	220	210	200	190	180	915	781
Other Income	7	9	16	21	20	25	25	30	53	100
PBT before EO expense	**1,100**	**1,326**	**1,368**	**1,497**	**1,273**	**1,625**	**1,765**	**1,954**	**5,290**	**6,616**
Extra-Ord expense	0	0	0	0	0	0	0	0	0	0
PBT	**1,100**	**1,326**	**1,368**	**1,497**	**1,273**	**1,625**	**1,765**	**1,954**	**5,290**	**6,616**
Tax	295	328	344	379	325	414	450	498	1,346	1,687
Rate (%)	26.8	24.7	25.2	25.3	25.5	25.5	25.5	25.5	25.4	25.5
Minority Interest & Profit/Loss of Asso. Cos.	12	14	16	23	18	18	18	18	65	72
Reported PAT	**793**	**984**	**1,008**	**1,095**	**930**	**1,193**	**1,297**	**1,437**	**3,880**	**4,857**
Adj PAT	**793**	**984**	**1,008**	**1,095**	**930**	**1,193**	**1,297**	**1,437**	**3,880**	**4,857**
YoY Change (%)	41.5	39.7	10.0	18.6	17.3	21.3	28.7	31.2	25.0	25.2
Margins (%)	6.4	7.2	7.3	7.5	6.9	7.7	8.0	8.3	7.1	7.8

Updater Services — Buy

CMP INR293 | TP: INR370 (+26%) — **EPS CHANGE (%): FY26|27: 3.2|-4.4**

- Expect growth of 6.3%/15.5% QoQ/YoY in 1QFY26.
- IFM and BSS both segments shall report low double-digit growth for 1QFY26. Core EBITDA margins shall improve 60bp YoY in 1QFY26.
- Margin trajectory of IFM is set to improve as the company has moved beyond the contract rationalization phase.
- Commentary on BSS vertical demand trends, acquisition plans, and cross-sales initiatives between IFM and BSS to be the key monitorables.

Consolidated - Quarterly Earnings Model

Y/E March	FY25E				FY26E				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Gross Sales	**6,522**	**6,800**	**6,949**	**7,090**	**7,535**	**8,006**	**8,225**	**8,469**	**27,361**	**32,234**
YoY Change (%)	13.1	13.3	9.3	12.2	15.5	17.7	18.4	19.5	11.9	17.8
Total Expenditure	6,112	6,363	6,487	6,733	7,015	7,453	7,673	7,944	25,695	30,086
Core EBITDA	**409**	**437**	**462**	**357**	**520**	**552**	**551**	**525**	**1,665**	**2,148**
Margins (%)	6.3	6.4	6.7	5.0	6.9	6.9	6.7	6.2	6.1	6.7
ESOP cost	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fair value changes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	**409**	**437**	**462**	**357**	**520**	**552**	**551**	**525**	**1,665**	**2,148**
Margins (%)	6.3	6.4	6.7	5.0	6.9	6.9	6.7	6.2	6.1	6.7
Depreciation	115	123	121	113	151	160	164	169	471.3	644.7
Interest	34	29	20	20	19	20	21	21	103.5	80.6
Other Income, net	65	69	57	166	68	72	74	76	357	290
PBT	**326**	**354**	**378**	**390**	**418**	**444**	**440**	**411**	**1,447**	**1,713**
Tax	69	74	67	48	75	80	79	74	257.5	308.4
Rate (%)	21.3	20.8	17.7	12.3	18.0	18.0	18.0	18.0	17.8	18.0
Minority Interest & Profit/Loss of Asso. Cos.	3	-1	3	-3	0	0	0	0	2	0
Adjusted PAT	**256**	**280**	**312**	**342**	**343**	**364**	**361**	**337**	**1,190**	**1,405**
YoY Change (%)	27.2	41.8	13.5	76.1	33.8	30.1	15.8	-1.5	34.5	18.1
Margins (%)	3.9	4.1	4.5	4.8	4.6	4.6	4.4	4.0	4.3	4.4

UPL

Neutral

CMP INR671| TP: INR700(+4%) | **EPS CHANGE (%):FY26|FY27: 0|0**

- UPL is likely to witness flattish growth in 1QFY26, primarily led by a decline in LATEM, while India is expected to deliver healthy growth.
- The India business is expected to perform well in 1QFY26, driven by better volumes and pricing.
- The price trend in raw materials, debt levels, and capex plans are the key monitorables.
- The global demand-supply scenario will be a key monitorable.

Cons.: Quarterly Earning Model (INRb)

Y/E March	FY25				FY26				FY25	FY26E
	1Q	2Q	3Q	4Q	1QE	2QE	3QE	4QE		
Net Sales	**90.7**	**110.9**	**109.1**	**155.7**	**90.2**	**121.8**	**118.4**	**171.0**	**466.4**	**501.4**
YoY Change (%)	1.2	9.0	10.3	10.6	-0.5	9.8	8.6	9.8	8.2	7.5
Total Expenditure	79.2	95.2	87.5	123.4	78.5	103.0	94.2	133.3	385.2	409.0
EBITDA	**11.5**	**15.8**	**21.6**	**32.4**	**11.7**	**18.8**	**24.3**	**37.6**	**81.2**	**92.4**
Margins (%)	12.6	14.2	19.8	20.8	13.0	15.4	20.5	22.0	17.4	18.4
Depreciation	6.6	7.0	6.9	7.1	6.8	6.9	7.2	7.7	27.5	28.6
Interest	9.1	10.7	7.3	9.1	8.0	6.4	6.2	5.8	36.3	26.4
Other Income	1.0	1.1	1.7	1.1	1.0	1.1	1.2	1.3	4.9	4.5
Exch. difference on trade rec./payable	0.5	2.2	2.1	0.5	0.0	0.0	0.0	0.0	5.2	0.0
PBT before EO expense	**-3.7**	**-3.0**	**7.1**	**16.8**	**-2.1**	**6.5**	**12.1**	**25.5**	**17.1**	**42.0**
Extra-Ord expense	0.5	0.1	0.8	2.8	0.0	0.0	0.0	0.0	4.1	0.0
PBT	**-4.2**	**-3.1**	**6.3**	**14.0**	**-2.1**	**6.5**	**12.1**	**25.5**	**13.0**	**42.0**
Tax	0.7	1.4	-5.0	3.0	-0.3	0.8	1.6	3.3	0.1	5.5
Rate (%)	-17.0	-44.2	-79.0	21.2	13.0	13.0	13.0	13.0	0.7	13.0
MI & P/L of Asso. Cos.	-1.1	-0.1	3.0	2.1	0.2	0.5	3.2	2.3	4.0	6.2
Reported PAT	**-3.8**	**-4.4**	**8.3**	**9.0**	**-1.9**	**5.2**	**7.2**	**19.8**	**9.0**	**30.3**
Adj PAT	**-2.0**	**-0.6**	**9.9**	**11.9**	**-1.9**	**5.2**	**7.2**	**19.8**	**19.1**	**30.3**
YoY Change (%)	-150.8	-159.3	-267.9	225.5	-4.7	-923.0	-27.1	67.2	583.6	58.5
Margins (%)	-2.2	-0.6	9.1	7.6	-2.1	4.3	6.1	11.6	4.1	6.1

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SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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