PL Capital
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Bharti Airtel (BHARTI IN)

Q2FY27 Result Update

November 07, 2026

Strategic initiatives drive ARPU expansion.

☑ Estimate Change | ☑ Target | ■ Reco.

Change in Estimates

	Current		Previous	
	FY28E	FY29E	FY28E	FY29E
Rating	Buy		Buy	
Target Price	2,411		2,367	
Sales (INR mn)	2,798,926	3,037,809	2,712,678	2,951,278
% Chng.	*3.2*	*2.9*		
EBITDA (INR mn)	1,609,382	1,749,778	1,544,900	1,695,539
% Chng.	*4.2*	*3.2*		
EPS (INR)	77.1	90.9	75.5	90.8
% Chng.	*2.1*	*0.1*		

Quick Pointers

- India Mobile ARPU stood at Rs271, up 2.7% QoQ
- High smartphone prices slowed new smartphone shipments

BHARTI reported consol. Revenue and EBITDA of INR608.8bn and INR349.5bn inline with est. up 4.0% and 4.9% QoQ respectively, driven by strong momentum across India and Africa operations. In India Mobile, ARPU of INR271 came inline with our est (PLe: INR269), although subscriber additions of 0.7mn remained below our expectation (PLe: 4.0mn). Performance across the Home and Enterprise businesses remained steady, with EBITDA growing 1.4% and 1.3% QoQ, respectively. Homes continued to report healthy subscriber additions of 0.7mn; however, ARPU declined 2.6% QoQ to INR509. Digital business remained subdued, with EBITDA flat QoQ declining 8.8% YoY due to weakness in DTH business. Africa continued to deliver resilient performance with EBITDA margins growing to 50.3% vs 49.3% QoQ. Management remains focused on driving ARPU growth through pricing interventions and customer premiumization. In Homes, BHARTI is prioritizing FTTH expansion while scaling back FWA-led expansion. Africa continues as a long-term growth opportunity. Maintain BUY with a revised TP of INR2,411 (earlier INR2,367), based on an implied 12.2x Sep'28 EV/EBITDA for the India business, while additionally incorporating the value of investments in Airtel Africa, Indus Towers and Bharti Hexacom.

India Mobile business remained strong: Revenue increased 3.4% QoQ and 10.1% YoY to INR309.4bn, while EBITDA grew 3.8% QoQ and 11.3% YoY to INR188.8bn, supported by ARPU expansion of 2.7% QoQ / 5.9% YoY to INR271 partly benefiting from 1 additional day in the quarter. However, subscriber additions remained weak at 0.7mn compared to 3.3mn in Q1FY27, while postpaid business recorded its highest-ever quarterly net additions of 1.2mn, taking the postpaid customer base to 31.2mn, EBITDA margins increased to 61.0% vs 60.8% QoQ. Monthly churn increased to 2.9% vs 2.6% QoQ due to seasonality and the prepaid pricing intervention, resulting in an impact on customer retention. BHARTI expects sustained ARPU expansion through plan upgrades, postpaid conversions, international roaming and top-ups. Factoring in these trends, we estimate BHARTI's subscriber base at 381/389/395mn in FY27/FY28/29E, marginally lowering our FY27/FY28E estimates from 386/394mn, respectively, following lower than expected subscriber additions in Q2FY27. We raise our ARPU estimates to INR275/302/311 for FY27/28/29E, respectively, from INR272/290 for FY27/28E, factoring in the benefits of pricing interventions, continued customer premiumization and anticipated Tariff hike.

Quarter Summary

Y/e Mar	Q2'27E	Q2'27A	% Var.	Q2'26A	YoY gr. (%)
Net Sales (INR mn)	6,01,178	6,08,775	*1.3*	5,21,454	*16.7*
EBITDA (INR mn)	3,42,672	3,49,459	*2.0*	2,95,614	*18.2*
Margin (%)	*57.0*	*57.4*	*40 bps*	*56.7*	*70 bps*
PAT (INR mn)	86,452	88,875	*2.8*	67,917	*30.9*

Source: Company, PL

Key Data — BRTI.BO | BHARTI IN

BSE Code	532454
NSE Code	BHARTIARTL
52-W High / Low	INR 2,174 / INR 1,726
Face Value	5
Sensex / Nifty	81,028 / 25,030
Market Cap	INR 13,082 bn / $ 139,300 mn
Shares Outstanding	6240.5 mn
3M Avg. Daily Value	INR 15,592.25 mn

Shareholding Pattern (%)

Promoters	48.87
FIIs	27.80
Mutual Funds	12.03
Domestic Institutions	8.62
Public & Others	2.68
Promoter's Pledge (INR bn)	-

Stock Performance (%)

	1M	3M	6M	12M
Absolute	15.8	7.6	14.3	0.1
Relative	4.4	4.9	10.0	2.9

Key Financials - Consolidated

Y/e Mar	FY26	FY27E	FY28E	FY29E
Sales (INR mn)	2,109,728	2,481,137	2,798,926	3,037,809
EBITDA (INR mn)	1,196,745	1,422,495	1,609,382	1,749,778
Margin (%)	*56.7*	*57.3*	*57.5*	*57.6*
PAT (INR mn)	269,013	393,779	446,250	526,044
EV (INR mn)	14,173,537	13,706,953	13,446,930	12,935,983
Total Debt (INR mn)	1,954,117	1,901,201	1,941,297	1,984,252
C&C Eq. (INR mn)	303,768	803,013	1,251,882	1,962,915
EPS (INR)	46.5	68.1	77.1	90.9
Gr. (%)	*2.4*	*46.4*	*13.3*	*17.9*
DPS (INR)	24.0	24.0	24.0	24.0
Yield (%)	*1.1*	*1.1*	*1.1*	*1.1*
RoE (%)	*20.5*	*23.4*	*21.2*	*20.3*
RoCE (%)	*19.9*	*23.4*	*24.8*	*24.3*
EV/Sales (x)	6.7	5.5	4.8	4.3
EV/EBITDA (x)	11.8	9.6	8.4	7.4
PE (x)	45.3	31.0	27.3	23.2
P/BV (x)	8.2	6.5	5.2	4.3

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Home ARPU declined YoY: Home business reported revenue growth of 25.3% YoY / 2.1% QoQ to INR23.4bn, while EBITDA increased 22.1% YoY / 1.4% QoQ to INR11.4bn. EBITDA margins declined to 48.8% vs 49.1% QoQ. Customer additions improved to 0.7mn from 0.5mn in Q1FY27, although ARPU declined 4.2%/2.6% YoY/QoQ to INR509. The ARPU moderation primarily reflects management's correction of low-ARPU customer acquisitions. As per BHARTI, demand remains concentrated in the top 1,000 cities. Company's focus will be on accelerating FTTH expansion, while scaling back FWA-led expansion as a structural strategic shift. FWA will primarily serve as an interim solution to capture demand until fibre connectivity is deployed in a particular area

Digital Business remains a drag: Revenue grew 2.4% YoY but remained flat QoQ to INR7.7bn. EBITDA declined 8.8% YoY, while remaining flat QoQ at INR3.3bn. EBITDA margins remained steady at 43.3% vs 2.9% QoQ. Subscriber losses stood at 0.4mn in Q2FY27 compared to an addition of 5,800 in Q1FY27, primarily reflecting continued weakness in the DTH business. IPTV continued to remain strong. ARPU remained largely stagnant at INR160.

Enterprise business revenue improves QoQ: Revenue continue 3.8%/11.4% QoQ/YoY in Q2FY27 to INR58.8bn. EBITDA improved 15.1%/1.3% YoY/QoQ to Rs25.2bn, with an EBITDA margin of 43.0% vs 44% in Q1FY27 and 41.6% in Q2FY26. Secured large deal wins across core connectivity and digital portfolios, supported by a strong deal pipeline and order bookings.

Africa remains resilient: Africa continued to deliver resilient performance, with revenue growing 7.1% QoQ / 37.6% YoY to INR188.1bn, while EBITDA increased 7.9% QoQ / 53.7% YoY to INR94.5bn. Revenue growth in CC terms stood at 20.6% YoY. Voice subscriber additions stood at 10.3mn vs 5.5mn QoQ while data subscriber additions stood at 2.5mn vs 3.0mn QoQ, respectively. Voice ARPU remained flat at USD1.1 while data ARPU improved 6.9% QoQ. BHARTI aims to focus on operational efficiency, cost optimisation and cross-business synergies.

Conference call highlights

Consolidated financial performance and cash flows - Consol Capex stood at INR125bn, while FCF exceeded INR190bn. India business (ex passive infrastructure) reported Capex of INR74.3bn and FCF of ~INR130bn. Airtel invested ~ INR29bn in a strategic land parcel for 1GW Data centre. Consol net debt/EBITDA improved to 0.70x, India net debt/EBITDA (ex-passive infrastructure) declined to 0.96x.

Revenue contribution – diversified portfolio - India Mobile -51% of consolidated revenue, Africa at 30.5%, Non-mobile India at 13% and Indus Towers at 6%. Africa business CC revenue grew 6.7% QoQ.

Mobile business- Added 0.7mn revenue-earning customers and 2.9mn smartphone data customers in Q2FY27. Postpaid - net additions of 1.2mn, to total 30-31mn, 8.3% of the overall customer base. ARPU increased to INR271 vs INR264 QoQ, partly benefiting from 1 additional day in qtr. Focused on driving ARPU growth through portfolio premiumisation, plan upgrades, postpaid migration, international roaming and top-ups. Aug'26 prepaid pricing intervention, including discontinuation of the INR299 plan, has already played out. Going forward, incremental ARPU growth is expected to be driven by the other monetisation levers.

Smartphone upgrade trends - Higher entry-level smartphone prices and slower handset shipments have resulted in some softness in customer upgrades, largely at entry level. Refurbished smartphone market is partly cushioning the impact. No meaningful softness has been observed in the 4G-to-5G upgrade cycle.

Churn - Q2 churn was impacted by seasonality and the prepaid pricing intervention, resulting in a temporary impact on customer retention.

Homes business - Demand remains concentrated in the top 1,000 cities. **Accelerating FTTH expansion. Scaled back FWA-led expansion as a structural strategic shift rather than a temporary measure.** FWA will primarily serve as an interim solution to capture demand until fibre connectivity is deployed in a particular area. Convergence remains a key differentiator

Digital TV - Lost over 0.4mn customers during the quarter, primarily led by the DTH business. IPTV adoption continues to remain strong, with improving take rates supporting Airtel's broader convergence strategy.

Airtel Business (B2B) - Secured large deal wins across core connectivity and digital portfolios. Digital portfolio delivered ~ 4% QoQ revenue growth. Focus remains on strengthening the infrastructure backbone. Management sees significant growth opportunities across core connectivity and digital services

Africa business and Indus Towers - Continued focus on operational efficiency, cost optimisation and cross-business synergies. Indus Towers is targeting the elimination of diesel consumption across telecom sites through increased solarisation and deployment of battery banks. Initial results from these initiatives have been encouraging, with further opportunities for scaling up.

Nxtra Data Centres - Continued strong revenue growth, supported by capacity expansion and new contract wins. Invested ~ INR29bn in a strategic land parcel for 1GW Data centre Land parcel provides option to add additional 400–500MW of data centre capacity over time.

Airtel Cloud and AI infrastructure - Almost all critical services are now live on Airtel Cloud, with customer additions strengthening the platform. Management sees significant growth potential in the cloud business.

Capex outlook and data centre funding - Data centre investments are expected to be lumpy, with the Visakhapatnam project involving significant Capex over the next 12-18 months. Cloud-related Capex is expected to be more gradual. Core wireless CapEx has moderated following network build-out, Fiberization remains a key investment area.Incremental CapEx will increasingly be directed towards data centres and cloud.

Balance sheet, debt and taxation - Consol net debt/EBITDA improved to 0.70x, while India net debt/EBITDA (ex passive infrastructure) declined to 0.96x. Gross debt to trend down directionally through opportunistic repayments across countries, subject to operational requirements and available cash. Current tax provisions and cash tax payments can be considered representative of the ongoing tax run rate.

Exhibit 1: Consolidated Quarterly Estimates

Particulars	Q1FY27A	YoY gr.	Q2FY27	YoY gr.	Q3FY27E	YoY gr.	Q4FY27E	YoY gr.
Revenue from Operations	585.4	*18.4%*	608.8	*16.7%*	629.7	*16.7%*	657.2	*18.7%*
EBITDA	333.0	*19.6%*	349.5	*18.2%*	362.1	*17.6%*	377.9	*20.0%*
Margin (%)	*56.9*	*60.8*	*57.4*	*71.3*	*57.5*	*47.5*	*57.5*	*63.9*
Adjusted PAT	81.7	*37.3%*	88.9	*30.9%*	101.7	*53.4%*	117.6	*60.5%*

Source: Company, PL

Exhibit 2: Valuation Table

Segment	Stake	EV/E (x)	Rs Bn	Remarks
India business (implied)	100.0%	12.2	13,079	Sep'28E EV/EBITDA
Airtel Africa	79.4%		788	25% holding discount
Stake in Indus tower	51.2%		449	25% holding discount
Stake in Bharti Hexacom	70.0%		444	25% holding discount
EV			14,761	
Net Debt (inc leases) FY27E			757	
Equity value (Rs bn)			14,004	
Equity value/share			**2,411**	

Source: Company, PL

Exhibit 3: Q2FY27 Consolidated Result Overview (Rs bn)

Y/e March	Q2FY27	Q2FY26	YoY gr.	Q2FY27E	% Var.	Q1FY27	QoQ gr.	1HFY27	1HFY26	YoY gr.
Net Sales	**608.8**	**521.5**	***16.7%***	**601.2**	***1.3%***	**585.4**	***4.0%***	**1,194.2**	**1,016.1**	***17.5%***
EBITDA	**349.5**	**295.6**	***18.2%***	**342.7**	***2.0%***	**333.0**	***4.9%***	**682.5**	**574.0**	***18.9%***
Margin (%)	*57.4%*	*56.7%*		*57.0%*		*56.9%*		**1.1**	*56.5%*	
Depreciation	146.2	131.8	*10.9%*	145.2	*0.7%*	142.4	*2.7%*	**288.5**	**256.5**	*12.5%*
EBIT	**203.3**	**163.8**	***24.1%***	**197.5**	***2.9%***	**190.7**	***6.6%***	**394.0**	**317.5**	***24.1%***
Other Income	8.8	7.3	*20.5%*	8.9	*-1.9%*	9.1	*-3.3%*	**17.8**	**12.4**	*44.2%*
Interest	57.1	48.7	*17.3%*	59.2	*-3.6%*	59.6	*-4.2%*	**116.6**	**103.3**	*12.9%*
Exceptional Items	(1.8)	-	*NA*	-		(3.5)		**(5.3)**	-	*#DIV/0!*
PBT after exceptional items	**153.2**	**122.4**	*25.1%*	**147.2**	*4.1%*	**136.6**	*12.1%*	**289.8**	**226.6**	*27.9%*
Total Tax	47.2	36.7	*28.5%*	40.6	*16.3%*	37.6	*25.4%*	**84.8**	67.5	*25.5%*
Minority Interest	18.2	18.6	*-1.9%*	21.1	*-13.4%*	18.4	*-1.2%*	**36.7**	33.3	*10.0%*
Profit from Associate	1.1	0.8	*35.6%*	0.9	*28.5%*	1.1	*1.5%*	**2.2**	1.6	*33.1%*
PAT	**88.9**	**67.9**	***30.9%***	**86.5**	***2.8%***	**81.7**	***8.8%***	**170.5**	**127.4**	***33.9%***
Adj PAT	**90.1**	**67.9**	***32.7%***	**86.5**	***4.3%***	**84.3**	***6.9%***	**174.5**	127.4	***37.0%***

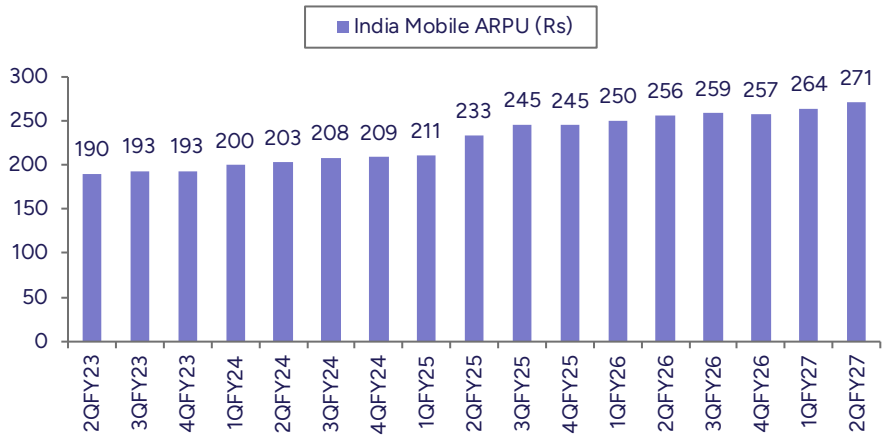
Source: Company, PL

Exhibit 4: **Quarterly Segment wise performance**

Y/e March (Rs m)	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
India operations					
Revenues	3,86,901	3,92,255	3,95,656	4,12,140	4,23,079
QoQ growth	*2.9%*	*1.4%*	*0.9%*	*4.2%*	*2.7%*
EBITDA	2,31,503	2,36,200	2,37,408	2,47,210	2,56,859
QoQ growth	*3.9%*	*2.0%*	*0.5%*	*4.1%*	*3.9%*
Margin (%)	*59.8%*	*60.2%*	*60.0%*	*60.0%*	*60.7%*
Africa operations					
Revenues (Rsmn)	1,36,795	1,50,100	1,60,335	1,75,657	1,88,165
QoQ growth	*13.2%*	*9.7%*	*6.8%*	*9.6%*	*7.1%*
EBITDA (Rs mn)	61,505	68,298	73,969	87,626	94,563
QoQ growth	*15.2%*	*11.0%*	*8.3%*	*18.5%*	*7.9%*
Margin (%)	*45.0%*	*45.5%*	*46.1%*	*49.9%*	*50.3%*
India Wireless					
Revenue	2,81,167	2,86,516	2,88,305	2,99,289	3,09,431
QoQ growth	*2.6%*	*1.9%*	*0.6%*	*3.8%*	*3.4%*
EBITDA	1,69,515	1,73,298	1,74,790	1,81,871	1,88,735
QoQ growth	*4.2%*	*2.2%*	*0.9%*	*4.1%*	*3.8%*
Margin (%)	*60.3%*	*60.5%*	*60.6%*	*60.8%*	*61.0%*
Subscribers EoP (m)	364	369	373	377	377
ARPU	256	259	257	264	271
QoQ growth	*2.3%*	*1.1%*	*-0.6%*	*2.6%*	*2.7%*
Homes					
Revenues	18,646	20,008	21,914	22,875	23,360
QoQ growth	*8.5%*	*7.3%*	*9.5%*	*4.4%*	*2.1%*
EBITDA	9,335	10,031	10,997	11,239	11,401
QoQ growth	*8.7%*	*7.5%*	*9.6%*	*2.2%*	*1.4%*
Margin (%)	*50.1%*	*50.1%*	*50.2%*	*49.1%*	*48.8%*
Enterprise Business					
Revenues	52,760	53,531	54,904	56,654	58,779
QoQ growth	*4.33%*	*1.46%*	*2.56%*	*3.19%*	*3.75%*
EBITDA	21,943	22,446	23,577	24,922	25,257
QoQ growth	*1.9%*	*2.3%*	*5.0%*	*5.7%*	*1.3%*
Margin (%)	*41.6%*	*41.9%*	*42.9%*	*44.0%*	*43.0%*
DTH					
Revenues	7,532	7,552	7,467	7,734	7,713
EBITDA	3,663	3,477	3,300	3,321	3,341
Margin (%)	*48.6%*	*46.0%*	*44.2%*	*42.9%*	*43.3%*
DTH subs (m)	15.4	15.4	16.0	16.0	15.6
DTH ARPU (Rs)	163	163	159	160	160

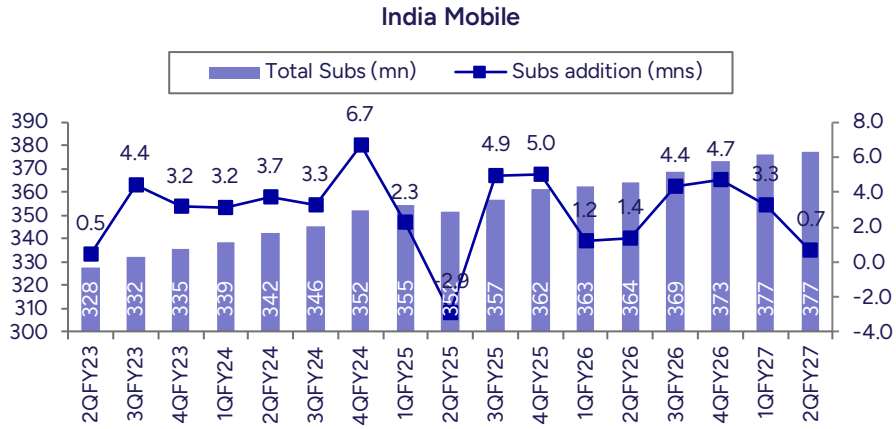
Source: Company, PL

Exhibit 5: Q1FY27 ARPU stood at Rs271, higher QoQ



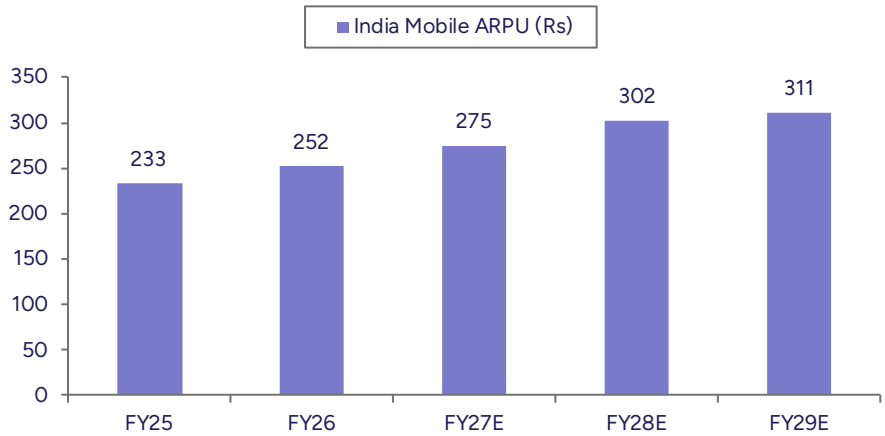
Source: Company, PL

Exhibit 6: Subs addition dipped to 0.7mn vs 3.3mn QoQ



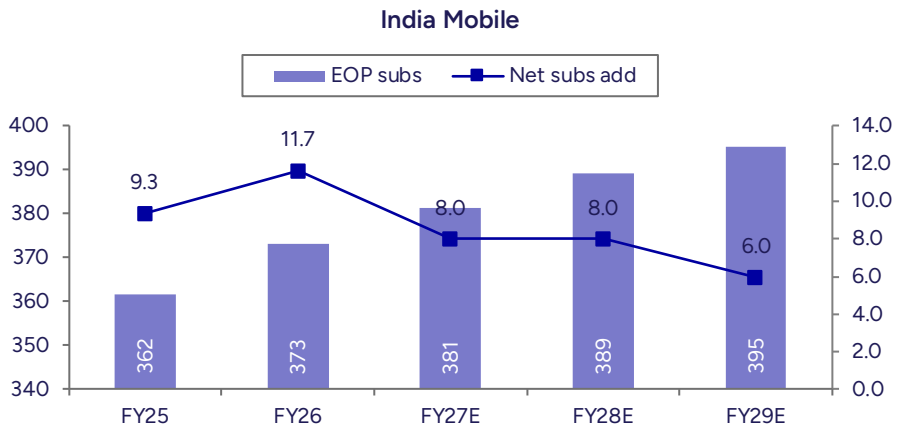
Source: Company, PL

Exhibit 7: ARPU for FY27/FY28/FY29E



Source: Company, PL

Exhibit 8: Subs estimates FY27/FY28/FY29E



Source: Company, PL

Financials

Income Statement (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Net Revenues	**2,109,728**	**2,481,137**	**2,798,926**	**3,037,809**
YoY gr. (%)	*22.0*	*17.6*	*12.8*	*8.5*
Cost of Goods Sold	-	-	-	-
Gross Profit	2,109,728	2,481,137	2,798,926	3,037,809
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
Employee Cost	75,813	89,795	97,962	106,323
Other Expenses	99,452	116,148	128,751	139,739
EBITDA	**1,196,745**	**1,422,495**	**1,609,382**	**1,749,778**
YoY gr. (%)	*28.5*	*18.9*	*13.1*	*8.7*
Margin (%)	*56.7*	*57.3*	*57.5*	*57.6*
Depreciation and Amortization	527,108	577,965	613,032	643,653
EBIT	**669,637**	**844,530**	**996,351**	**1,106,125**
Margin (%)	*31.7*	*34.0*	*35.6*	*36.4*
Net Interest	215,553	237,165	233,399	226,042
Other Income	28,173	35,890	36,546	38,568
Profit Before Tax	**482,257**	**643,255**	**799,497**	**918,651**
Margin (%)	*22.9*	*25.9*	*28.6*	*30.2*
Total Tax	113,499	167,043	209,054	240,034
Effective Tax Rate (%)	*23.5*	*26.0*	*26.1*	*26.1*
Profit After Tax	**368,758**	**476,211**	**590,443**	**678,617**
Minority Interest	71,276	85,578	148,750	157,130
Share Profit from Associate	3,645	4,556	4,556	4,556
Adjusted PAT	**269,013**	**393,779**	**446,250**	**526,044**
YoY gr. (%)	*2.4*	*46.4*	*13.3*	*17.9*
Margin (%)	*12.8*	*15.9*	*15.9*	*17.3*
Extra Ord. Income / (Exp)	(2,061)	(3,925)	-	-
Reported PAT	**266,952**	**389,854**	**446,250**	**526,044**
YoY gr. (%)	*(20.4)*	*46.0*	*14.5*	*17.9*
Margin (%)	*12.7*	*15.7*	*15.9*	*17.3*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	266,952	389,854	446,250	526,044
Equity Shares O/s (mn)	**5,785**	**5,785**	**5,785**	**5,785**
EPS (INR)	**46.5**	**68.1**	**77.1**	**90.9**

Source: Company, PL

Balance Sheet (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
Non-Current Assets				
Gross Block	**3,522,782**	**3,698,921**	**3,883,867**	**4,078,061**
Tangibles	3,522,782	3,698,921	3,883,867	4,078,061
Intangibles	-	-	-	-
Acc: Dep / Amortization	**1,952,123**	**2,007,545**	**1,898,564**	**1,989,511**
Tangibles	1,952,123	2,007,545	1,898,564	1,989,511
Intangibles	-	-	-	-
Net Fixed Assets	**1,661,657**	**1,691,376**	**1,985,303**	**2,088,550**
Tangibles	1,661,657	1,691,376	1,985,303	2,088,550
Intangibles	-	-	-	-
Capital Work In Progress	708,377	708,377	708,377	708,377
Goodwill	1,818,686	1,818,686	1,818,686	1,818,686
Non-Current Investments	94,278	111,428	132,729	159,330
Net Deferred Tax Assets	(67,789)	(74,568)	(82,025)	(90,227)
Other Non-Current Assets	336,364	336,364	336,364	336,364
Current Assets				
Investments	137,006	137,006	137,006	137,006
Inventories	4,517	4,517	4,517	4,517
Trade Receivables	79,776	95,167	99,688	108,196
Cash & Bank Balance	303,768	803,013	1,251,882	1,962,915
Other Current Assets	127,783	140,561	154,617	170,079
Total Assets	**5,521,516**	**6,120,729**	**6,930,827**	**7,825,842**
Equity				
Equity Share Capital	29,001	29,001	29,001	29,001
Other Equity	1,461,565	1,851,419	2,297,669	2,823,712
Total Networth	**1,490,566**	**1,880,420**	**2,326,670**	**2,852,713**
Non-Current Liabilities				
Long Term Borrowings	1,645,845	1,579,079	1,610,674	1,644,450
Provisions	30,396	33,436	36,779	40,457
Other Non Current Liabilities	11,290	12,419	13,661	15,027
Current Liabilities				
ST Debt / Current of LT Debt	308,272	322,122	330,622	339,803
Trade Payables	450,152	529,399	597,206	648,176
Other Current Liabilities	986,633	1,066,985	1,155,374	1,252,601
Total Equity & Liabilities	**5,521,516**	**6,120,729**	**6,930,827**	**7,825,842**

Source: Company, PL

Cash Flow (INR mn)

Y/e Mar	FY26	FY27E	FY28E	FY29E
PBT	451,727	642,475	804,054	923,208
Add. Depreciation	527,108	577,965	613,032	643,653
Add. Interest	215,553	237,165	233,399	226,042
Less Financial Other Income	28,173	35,890	36,546	38,568
Add. Other	34,175	5,336	-	-
Op. Profit before WC Changes	1,228,563	1,462,941	1,650,484	1,792,903
Net Changes-WC	(268,410)	(52,526)	146,244	132,567
Direct Tax	(113,499)	(167,043)	(209,054)	(240,034)
Net Cash from Op. Activities	**846,654**	**1,243,372**	**1,587,675**	**1,685,436**
Capital Expenditures	(729,390)	(619,870)	(922,802)	(799,678)
Interest / Dividend Income	-	-	-	-
Others	(3,727)	(4,963)	(5,459)	(6,005)
Net Cash from Invt. Activities	**(733,117)**	**(624,833)**	**(928,261)**	**(805,683)**
Issue of Share Cap. / Premium	191,405	133,515	138,851	138,851
Debt Changes	(182,304)	(118,246)	(17,394)	(19,134)
Dividend Paid	(138,851)	(138,851)	(138,851)	(138,851)
Interest Paid	(215,553)	(237,165)	(233,399)	(226,042)
Others	-	-	-	-
Net Cash from Fin. Activities	**(345,303)**	**(360,747)**	**(250,794)**	**(245,176)**
Net Change in Cash	**(231,766)**	**257,791**	**408,620**	**634,578**
Free Cash Flow	90,613	635,688	680,716	906,354

Source: Company, PL

Quarterly Financials (INR mn)

Y/e Mar	Q3FY26	Q4FY26	Q1FY27	Q2FY27
Net Revenues	**539,816**	**553,832**	**585,391**	**608,775**
YoY gr. (%)	*19.6*	*15.7*	*18.4*	*16.7*
Raw Material Expenses	-	-	-	-
Gross Profit	539,816	553,832	585,391	608,775
Margin (%)	*100.0*	*100.0*	*100.0*	*100.0*
EBITDA	**307,828**	**314,916**	**333,028**	**349,459**
YoY gr. (%)	*25.2*	*16.6*	*19.6*	*18.2*
Margin (%)	*57.0*	*56.9*	*56.9*	*57.4*
Depreciation / Depletion	134,201	136,435	142,350	146,171
EBIT	**173,627**	**178,481**	**190,678**	**203,288**
Margin (%)	*32.2*	*32.2*	*32.6*	*33.4*
Net Interest	56,232	56,056	59,564	57,073
Other Income	7,023	8,785	9,066	8,769
Profit before Tax	**121,850**	**99,603**	**136,646**	**153,182**
Margin (%)	*22.6*	*18.0*	*23.3*	*25.2*
Total Tax	37,985	7,973	37,612	47,176
Effective Tax Rate (%)	*31.2*	*8.0*	*27.5*	*30.8*
Profit After Tax	**83,865**	**91,630**	**99,034**	**106,006**
Minority Interest	18,723	19,223	18,442	18,229
Share Profit from Associate	1,163	844	1,082	1,098
Adjusted PAT	**69,113**	**72,504**	**84,325**	**90,149**
YoY gr. (%)	*25.3*	*38.8*	*41.8*	*32.7*
Margin (%)	*12.8*	*13.1*	*14.4*	*14.8*
Extra Ord. Income / (Exp)	(2,808)	747	(2,651)	(1,274)
Reported PAT	**66,305**	**73,251**	**81,674**	**88,875**
YoY gr. (%)	*(55.1)*	*(33.5)*	*37.3*	*30.9*
Margin (%)	*12.3*	*13.2*	*14.0*	*14.6*
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	**66,305**	**73,251**	**81,674**	**88,875**
Avg. Shares O/s (mn)	5,800	5,800	5,800	5,800
EPS (INR)	**11.9**	**12.5**	**14.5**	**15.5**

Source: Company, PL

Key Financial Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
Per Share (INR)				
EPS	46.5	68.1	77.1	90.9
CEPS	137.6	168.0	183.1	202.2
BVPS	257.6	325.0	402.2	493.1
FCF	15.7	109.9	117.7	156.7
DPS	24.0	24.0	24.0	24.0
Return Ratio (%)				
RoCE	19.9	23.4	24.8	24.3
ROIC	13.2	16.3	18.0	19.3
RoE	20.5	23.4	21.2	20.3
Balance Sheet				
Net Debt : Equity (x)	1.0	0.5	0.2	-
Net Working Capital (Days)	(133)	(128)	(128)	(129)
Valuation (x)				
PER	45.3	31.0	27.3	23.2
P/B	8.2	6.5	5.2	4.3
P/CEPS	15.3	12.5	11.5	10.4
EV/EBITDA	11.8	9.6	8.4	7.4
EV/Sales	6.7	5.5	4.8	4.3
Dividend Yield (%)	1.1	1.1	1.1	1.1
FCFF Yield (%)	0.7	5.2	5.6	7.4
PEG Ratio	18.8	0.7	2.1	1.3

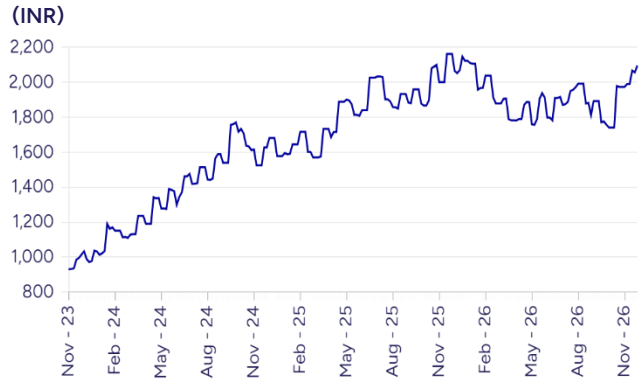
Source: Company, PL

Key Operating Metrics

Y/e Mar	FY26	FY27E	FY28E	FY29E
India Mobile Subcribers (mn)	373	381	389	395
India Mobile ARPU (Rs/mon)	252	275	302	311

Source: Company, PL

Price Chart



Recommendation History

No.	Date	Rating	TP (INR)	Share Price (INR)
1	08-Oct-26	BUY	2367	1834
2	06-Aug-26	BUY	2275	1978
3	14-May-26	BUY	2226	1884
4	07-Feb-26	Accumulate	2313	2038
5	04-Nov-25	Accumulate	2259	2113
6	06-Aug-25	Accumulate	2090	1930
7	09-Jul-25	Accumulate	2148	2030
8	14-May-25	Accumulate	1988	1834
9	09-Apr-25	Accumulate	1916	1720
10	10-Feb-25	Accumulate	1827	1677

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (INR)	Share Price (INR)
1	Aarti Industries	Accumulate	476	429
2	Acutaas Chemicals	BUY	4693	3793
3	Bharat Petroleum Corporation	Accumulate	305	290
4	Bharti Airtel	BUY	2367	1834
5	Clean Science and Technology	Accumulate	769	715
6	Deepak Nitrite	REDUCE	1419	1519
7	Fine Organic Industries	BUY	6761	5075
8	GAIL (India)	BUY	206	168
9	Gujarat Energy	HOLD	239	228
10	Gujarat Fluorochemicals	HOLD	4548	4464
11	Hindustan Petroleum Corporation	HOLD	342	338
12	Indian Oil Corporation	Accumulate	140	130
13	Indraprastha Gas	BUY	161	133
14	Jubilant Ingrevia	HOLD	649	632
15	Laxmi Organic Industries	REDUCE	177	190
16	Mahanagar Gas	Accumulate	1187	1059
17	Mangalore Refinery & Petrochemicals	HOLD	180	185
18	Navin Fluorine International	Accumulate	9554	8680
19	NOCIL	HOLD	140	137
20	Oil & Natural Gas Corporation	Accumulate	250	222
21	Oil India	Accumulate	512	454
22	P.I. Industries	HOLD	1700	1770
23	Paradeep Phosphates	Accumulate	148	134
24	PCBL Chemical	BUY	360	283
25	Petronet LNG	Accumulate	322	303
26	Reliance Industries	BUY	1490	1165
27	SRF	HOLD	2349	2331
28	Sudeep Pharma	SELL	943	1130
29	Vinati Organics	Accumulate	1081	1009

PL's Recommendation Nomenclature (Absolute Performance)

BUY	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

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