India Strategy

Ready for next leg of growth

Amnish Aggarwal amnishaggarwal@plindia.com 91-22-6632 2233

THIS PAGE IS INTENTIONALLY LEFT BLANK

India Strategy

August 22, 2025

Top Picks

Large Cap

Adani Port & SEZ

Apollo Hospitals Enterprise

Bharti Airtel

Britannia Industries

Hindustan Aeronautics

ICICI Bank

ITC

Larsen & Toubro

Lupin

Titan Company

Mid / Small Caps

Aster DM Healthcare

Crompton Greaves Consumer Electricals

DOMS Industries

Eris Lifesciences

Ingersoll-Rand (India)

KEI Industries

Samhi Hotels

Voltamp Transformers

Exhibit 1: Model Portfolio v/s Nifty

Returns	Model Portfolio	Nifty	Perf.
Since Nov'18	155.8%	133.1%	22.7%
Since Last Report	-0.1%	0.0%	-0.1%
Since Apr'24	15.0%	14.0%	1.0%

Source: PL

Amnish Aggarwal
amnishaggarwal@plindia.com | 91-22-66322233

Ready for next leg of growth

Indian markets have shown a lot of resilience with flattish performance in since July beginning despite penal tariffs imposed by USA and Rs410bn FII selling. Corporate performance has been reasonable with sales/EBIDTA and PAT being broadly in line, showing divergence of 2/0.9/-0.5% from estimates. Geopolitical situation remains fragile and US tariff impositions can impact global trade/ GDP growth as the impact of higher import duties gets fully reflected.

India US trade deal is unlikely to materialize in the near term given 1) differences around agriculture, dairy, GM crops and labor-intensive industries, 2) tilt in US foreign policy in favor of India's hostile neighbors and 3) US perception of Inda as a potential military power post success of indigenously developed Missiles and air defense systems in operation Sindoor.

PM has unveiled a vision for Atamnirbhar Bharat with focus on GST reforms, defense initiatives, Support to agriculture, youth employment and energy security which can transform the current US tariff challenge into a big opportunity. Conditions seem ideal for pickup in domestic demand as current festive season is expected to gain from benefits of tax cuts, lower inflation and normal monsoons. In addition, the demand outlook in 2H26 is likely to improve with expected rationalization of taxes in GST 2.0 and benefit of interest rate cut transmission (100bps done, more might follow).

NIFTY EEPS has seen a change of -1.4/-0.4% for FY26/27 with 13.2% CAGR over FY25-27 and EPS of Rs1254/1445. NIFTY is currently trading at 18.9x 1-year forward EPS, which is at 1% discount to 15/10-year average PE of 19.1x. We value NIFTY at 15-year average PE at 19.1x with March27 EPS of 1445 and arrive at 12-month target of 27609 (26889 earlier at 18.6xFY27 EPS).

Themes like defense, Infra, EMS, Hospitals and Power transmission remain intact but with limited re-rating potential. We believe expected uptick in consumption demand will provide outperformance in Automobiles, FMCG, discretionary consumption, Durables and Financials.

FY26/27 EPS cut 1.4/0.4%, 13.2% EPS CAGR over FY25-27

- PL Universe reported Sales, EBIDTA, PAT growth of 3.8%, 16.1%, and 18.3% YoY respectively. Ex-BFSI EBIDTA increased 14.9% while PBT increased by 24.1% YoY. Ex-O&G EBIDTA increased 15.8% while PBT increased 15.6% YoY.
- Excluding commodity sectors of Cement, metals and oil and Gas, sales, EBIDTA and PAT increased by 7.9/15/7.6% respectively.
- Hospitals, Capital Goods and Telecom posted strong double-digit sales growth, while cement and consumer posted low double digit sales growth.
- Commodity segments like Cement, Metals and Oil ana Gas reported a strong 39.8/16.7/17.3% respectively. IT, consumer, Pharma, Travel and chemicals reported low to mid-single digit EBIDTA growth. Consumer Durables and building material were only segment with decline in EBIDTA. EMS and Telcom reported strong 87% and 41% EBIDTA growth.
- There were 23 rating upgrades and 9 rating downgrades. Oil and Gas, Chemicals had 9 and 5 upgrades. Capital Goods, Building Materials, Durables and IT services had 2 upgrades each while cement had one upgrade. Capital Goods saw 6 rating downgrades while Build Material, Consumer and Logistics had 1 downgrade each.

- **Major Rating Upgrade:** Astral, Finolex Industries, Hindustan Aeronautics, Shree Cement, Vinati Organics, Polycab India, Mphasis and Reliance Industries.

- **Major Rating Downgrade:** ABB, Cummins India, Praj Industries, Thermax, Nestle India, Delhivery.

- **Major Estimates Upgrade** – HDFC Bank, Kajaria Ceramics, Apar Industries, GE Vernova T&D, Nuvoco Vistas Corporation, Gujarat Fluorochemicals, Moldtek Packaging, Kaynes Technology India, Syrma SGS Technology, Fortis Healthcare, LTI Mindtree, Hindalco Industries, Jindal Steel & Power, Steel Authority of India, NMDC, Mahanagar Gas and Oil India.

- **Estimate Downgrade** – Astral, Century Plyboards (India), ABB India, Bharat Heavy Elelectricals, Carborundum Universal, Praj Industries, Triveni Turbine, NOCIL, ITC, Westlife Foodworlds, Navneet Education, Krishna Institute of Medical Sciences, Nazara Technologies, Steel Authority of India, Mangalore Refinery and Petrochemicals, Aurobindo Pharma, Sun Pharmaceutical Industries, Imagicaaworld Entertainment, VIP Industries, Interglobe Aviation & Lemon Tree Hotels.

- NIFTY EPS has seen gradual cut of 11.2% and 6.5% for FY26/27 since August24. The EPS for FY27 (introduced in Oct24), has seen a cut of 6.5% so far. The number of stocks in NIFTY, which have seen downgrades in FY26 EPS (Hurdle rate 1% on both sides), rose from 17 in Jan-Feb24 and peaked out at 34 in Jan-Feb25 and declined to 27 as of now. For FY27 EPS downgrades have seen a sharp correction from 32 in April July to 18 in August25.

- NIFTY EEPS has seen a change of -1.4/-0.4% for FY26/27 with 13.2% CAGR over FY25-27 and EPS of Rs1254/1445. Our EPS estimates are lower than consensus by 1.1/2.8% for FY26/27. NIFTY is currently trading at 18.9x 1-year forward EPS, which is at 1% discount to 15/10-year average PE of 19.1x.

- **Base Case:** We value NIFTY at 15-year average PE at 19.1x with March27 EPS of 1445 and arrive at 12-month target of 27609 (26889 earlier at 18.6xFY27 EPS). **Bull Case:** We value NIFTY at PE of 20.1x and arrive at bull case target of 28990 (28957 earlier). **Bear Case:** Nifty can trade at a 10% discount to LPA with a target of 24848 (24821 earlier).

- **Model Portfolio:** We remain overweight on Banks, Healthcare, Consumer, Telecom, Auto and Capital goods. We remain underweight on IT services and commodities. We expect pick up in domestic consumption and increase weights on Automobiles, Consumer while we cut weights on Capital Goods, Healthcare and Banks, although they remain overweight. We are adding Adani Port to model portfolio as a structural play on Exim trade and India's growth.

- **High Conviction Picks:** We are removing ABB India, Kotak Mahindra Bank, Interglobe Aviation, Triveni Turbine, Astral and IRCTC from conviction picks. This follows near term growth challenges in ABB India and Triveni turbine. We remain positive on Interglobe Aviation and Indian Railway Catering and Tourism Corporation but are adding some names which might give relatively higher outperformance. We are adding Adani Ports & SEZ, Britannia Industries, Larsen & Toubro, DOMS Industries, Voltamp Transformers and Eris Lifesciences among our conviction picks.

Conditions ripe for revival of domestic demand

India might suffer near term export challenges in Textiles, polished gems, engineering goods etc. which could be 70% of India's merchandise trade with USA. While India will look at other markets, we expect some fiscal and monetary support to avert any crisis. GOI has unveiled strong commitment to invest behind defense, Semiconductors, Ports, Dams, nuclear power etc. However, the incremental Govt push is likely to be limited as Govt capex is more than 3x since FY21.

1Q had mixed demand trends marred by unseasonal rains

- Consumer staples have shown some uptick in demand on lower inflation, and the waning impact of price increases. Competitive intensity remains elevated as new B2C brands riding on Ecom/QC continue to gain.
- Marriage demand has been positive for jewellery, watches and 2-wheelers etc.
- Durables (AC, Fans) have been hit by early monsoons and incessant rains all through April and May25.
- Demand for cement and steel remained tepid and the outlook remains mixed with all eyes on 2H26.
- Metals have seen firm prices backed by ADD while cheaper input costs enabled higher margins.
- Banks are showing some pressure on credit growth while asset quality has deteriorated among most players. Recent rate cuts are likely to revive growth and CRR cut will support margins after a lag.

Demand is likely to sustain beyond festival season - Acceleration in consumption demand is the need of the hour to accelerate growth and sustain momentum. We believe that conditions are ripe for a pick- up in domestic demand led by -

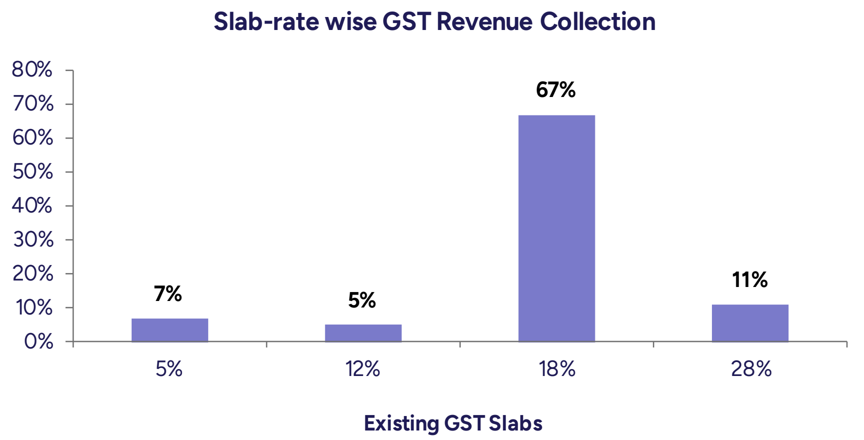
- **CPI at 1.6%** with food deflation at 1.8%, overall inflation remaining within tolerance limits in near to medium term.
- **Normal monsoons** as it will keep inflation under check and boost rural incomes and purchasing power, high probability of good Rabi harvest has gone up
- Benefits of **Rs1000bn tax cuts** initiated in FY26 will support demand from middle class across discretionary segments
- **100bps rate cuts by RBI** will reduce EMI outgo and boost demand for housing, personal loans and auto demand as benefits of monetary transmission flow to consumers in 2H26.
- **GST 2.0** is likely to remove 12% and 28% slabs and shift most goods in 12% slab to 5% and in 28% slab to 18%. Compensation cess will be subsumed with sin and luxury goods GST around 40%. We expect gains to accrue to wide section of Automobiles, Durables, Processed Foods and Staples, Stationery, Cement, Paper, Medicines etc. Lower prices will likely boost demand for many of these products meaningfully.

GST 2.0: lower prices to boost demand

The Goods and Services Tax (GST), introduced on 1 July 2017, has been India's biggest tax reform, bringing many indirect taxes under one system. Today, GST is the largest source of indirect tax revenue for both the Centre and the states. GST collections have grown steadily from ₹11770bn in FY2018–19 to a record ₹22080 bn in FY2024–25.

- **Compensation cess extended till March26:** To help states during the transition, the government had introduced a compensation cess on luxury and sin goods, which was supposed to last for five years, until June 2022. But the Covid-19 pandemic caused big revenue losses and forced the Centre to borrow on behalf of the states. As a result, while compensation payments to states ended in 2022, the cess itself was extended until March 2026 to repay borrowings taken during pandemic.
- **GOI to introduce GST 2.0 shortly:** The government is now embarking on the next phase of GST reform, called GST 2.0.
  - The key change is rate rationalization by **reducing the number of GST slabs** from four (5%, 12%, 18% and 28%) to mainly two slabs: 5% and 18%.
  - Under this plan, the 12% and 28% slabs will be removed. Most items that are now at 12% will shift down to 5%, while a few might shift to 18% also.
  - Most non luxury items which are at 28% will move to 18%. A small number of goods may be shifted higher or lower, depending on their nature (Luxury or Necessity) and policy needs.
  - The major change is likely in 12% and 28% slab which contribute 5% and 11% to GST collections. The **18% GST slab** will remain unchanged, and it contributes 67% to total revenues.
  - We don't expect GOI to make changes to include items like Petrol, Diesel, Liquor and Electricity under GST 2.0. This restructuring will make GST simpler, cut down on classification disputes, and encourage higher consumption by lowering the tax burden on many everyday goods.

Exhibit 2: Major changes likely in 12% & 28% slabs- ~16% of GST collection



Source: PL

- We expect Autos, Cement, Consumer Durables, and select Staples (mainly Foods), Paper and Stationary to gain from GST rationalization.
- Cigarettes are likely to be placed at a GST of 40% after subsuming cess and other taxes, so the overall impact is likely to be neutral.
- We note that a few items of daily consumption like Toothpaste, Toilet Soaps, Biscuits, Hair Oil etc. face a GST of 18%. The rates are subject to making a differentiation in mass and premium segments and a tax of 5% and 18% is then levied separately.
- We believe rationalization of taxes will reduce prices of select products and boost demand. We expect major gains for companies in Auto in segments like 2W, 3W, PV, Tractors and CV. Consumer goods like Stationary, Processed Foods, Cement, Lighting, Pump and Motors, Solar Pumps, Air Conditioners, mass end Footwear, domestic formulations (Medicines) and Sanitaryware.

Exhibit 3: M&M, Maruti, Hyundai, Hero Moto, TVS, Bajaj Auto, TAMO and Ashok Layland key gainers

Type	Powertrain	Engine cap.	Length	Existing GST	Existing Cess	Total tax	GST new (PLe)	Impact	Gainers / Losers
EVs (any vehicle)	EV			5%	0%	5%	5%	No Impact	
Small Cars	Petrol	≤1,200 cc	<4m	28%	1%	29%	18%	Positive	Maruti Suzuki, Hyundai
	Diesel	≤1500 cc	<4m	28%	3%	31%	18%	Positive	
Large Cars (Non-SUV)		>1500 cc	≥4m	28%	20%	48%	40%	Positive	
Large SUVs		>1500 cc	≥4m	28%	22%	50%	40%	Positive	M&M, Hyundai
Hybrid EVs- Small	Petrol/ Diesel	≤1,200/≤1500 cc	<4m	28%	0%	28%	18%	Positive	
All other Mid-Size cars		1200-1500cc		28%	15%-17%	43%-45%	40%	Positive	Maruti, Hyundai
2W		≤350cc		28%	0%	28%	18%	Positive	Hero Motocorp, Bajaj Auto, TVS Motors
		>350cc		28%	3%	31%	40%	Negative	Eicher
3W				28%	0%	28%	18%	Positive	Bajaj Auto, TVS Motors, Greaves
Tractors				12%	0%	12%	5%	Positive	M&M, Escorts Kubota
CVs/ Bus (Non-biofuels)				28%	0%	28%	18%	Positive	Tata Motors, Ashok Leyland
Bus (Biofuels)	Biofuel			18%	0%	18%	18%	No impact	

Source: PL

Exhibit 4: FMCG - Most items at 12% slab to move to 5%, big change in 18% slab items look unlikely except for reclassification

FMCG	Items	Current GST	Likely GST 2.0	Impact	Gainers / Losers
Essential Food	Vegetables, Atta, Eggs, Milk, Salt, Jaggery, Gur, Besan	0%	0%–5%	No Impact	NA
Necessities	Sugar, Tea, Paneer, Oils, Raisins, LPG, Flavoured milk, Sweets, Incense sticks	5%	5%	No Impact	
Personal Care	Hair Oils, Soaps, Deo, Skin, Toothpaste, hair care, Cosmetics	18%	18%	No Impact unless subcategories created	HUL, Marico, Dabur, Emami, Colgate
Food & Beverages	Ice-cream, Coffee, Biscuits, Pastries	18%	18%	No Impact, unless subcategories created	Nestle, HUL, Britannia, ITC, Mrs. Bector's Food
Processed Foods	Ready-to-eat, Ghee, Butter, Instant Noodles, Fruit Juice, Jams	12%	5%	Positive	Nestle, ITC, Tata Consumer, Dabur, Parag Milk
Paper and Stationary	Notebook, Exercise Book, school Stationary items, Paper and Paperboard	12%	5%	Positive	Navneet Education, Doms, ITC
	Writing pad, Notepad, Dairies	18%	18%	No Impact	

Source: PL

Exhibit 5: Lighting, Air conditioner, Pump companies to gain

Durables	Sub-Category / Item	Current GST (2025)	Likely GST 2.0 Rate	Impact	Gainers/ Losers
Lighting	LED Lights & Bulbs	12%	5%	Positive	Crompton Consumer, Havells, Orient, Bajaj Electrical
Consumer Appliances	Fans, Washing Machine, Refrigerator, Oven, Mixer	18%	18%	No Impact, unless segment classification	
	Air Conditioners, Air Coolers	28%	18%	Positive, will boost demand	Voltas, Blue star, Havells, Amber
	Television (≤ 32"), Computers, Printers, Mobiles,	18%	18%	No Impact	
	Television (> 32")	28%	18%	Positive will push demand higher	No listed player
Electrical Fittings	Switches & Fittings	18%	18%	No Impact	
Pumps & Motors	Residential Water Pump / Motor Pump	28%	18%	Positive, will push for household Piped water	Crompton Consumer
	Agricultural / Spray Pump	5%	5%	No Impact	
	Solar Pump	18%	5%	Promote renewable energy	Shakti Pump, Crompton Consumer, Oswal Pumps, KSB

Source: PL

Exhibit 6: Healthcare – Domestic pharma to benefit

Healthcare	Current GST (2025)	Likely GST 2.0 Rate	Impact	Gainers / Losers
Necessity Medicines	5%	5%	Health necessity, affordability	
Prescription Medicines	12%	5%	Positive	Key domestic pharma companies
Hospitals (Room rent)	18%	18%	No Impact	
Consumables	5%/12%	5%	Marginally positive	All hospital Plays

Source: PL

Exhibit 7: Sanitary ware and Cement players to benefit

Construction Material	Sub-Category / Item	Current GST (2025)	Likely GST 2.0 Rate	Impact	Gainers / Losers
Tiles	Ceramic / GVT / PVT / Porcelain	18%	18%	Standard slab; widely used	
	Earthen / Roofing	5%	5%	Concessional to support rural & affordable housing	
	Cement / Artificial Stone / Glazed Ceramic	28%	18%	Rationalization for affordable housing	
Sanitaryware & Fittings	Ceramic fixtures (basins, toilets, urinals)	28%	18%	Positive	CERA, HSIL, Kajaria, Astral
	Faucets (metal taps & fittings)	18% (some 28%)	18%	Some segments could gain	
Pipes, Panels & Wiring	PVC/CPVC Pipes, Plywood, MDF, Laminates, Veneers	18%	18%	No Impact	
	Wires & Cables	18%	18%	No Impact	
Core Construction Materials	Cement	28%	18%	Positive	All cement players
	Steel	18%	18%	No Impact	

Source: PL

Exhibit 8: Apparel and Footwear - Mass end to see lower duties

Retail	Items	Current GST	Likely GST 2.0	Impact	Gainers / Losers
Apparel	Apparel <₹1,000, Fabrics Apparel >₹1,000	5% 12%	5% 18%	Negative for apparel >Rs1000	AB Lifestyle, Vedant Fashions, Raymond Lifestyle, Arvind Fashions
Footwear	Casual MRP <Rs1000 MRP>Rs1000	12% 18%	5% 18%	MRP<500 could benefit	Relaxo and Campus could gain; Bata-Lower range could benefit
	Other Footwear <₹500, Other Footwear >₹500,	5% 18%	5% 18%	No change likely	No Impact
Watches	Watches	18%	18%	No Impact, unless price based segregation applied	
Jewellery	Gold, Studded Imitation Jewellery	3% 18%	3% 18%	No change	

Source: PL

Exhibit 9: Entertainment – Gaming industry might lose from GST rationalization

Entertainment	Sub-Category / Item	Current GST (2025)	Likely GST 2.0 Rate	Impact	Gainers / Losers
Multiplex Tickets	Above ₹100	18%	18%	No Impact	
	Up to ₹100	12%	5%	Positive for single screens	
Amusement Parks	Entry charges	18%	18%	No Impact	
Online Gaming	All formats	28%	40%	Negative for online gaming companies	

Source: PL

Exhibit 10: Real estate – No major changes likely

Real Estate (Housing)	Current GST (2025)	Likely GST 2.0	Impact	Gainers / Losers
Under-construction – Housing	5%	5%	No Impact	
Under-construction – Other	12%	5 or 18%	Negative	DLF, Phoenix

Source: PL

Exhibit 11: Travel – Business class travel to get costlier, Budget Hotels to gain

Travel & Tourism	Sub-Category / Item	Current GST (2025)	Likely GST 2.0 Rate	Impact	Gainers / Losers
Aviation	Economy Class	5%	5%	No Impact	
	Business Class	12%	18%	Negative for business class	Interglobe Aviation
Hotels	Rooms <₹7,500	12%	5%	Positive	Lemon Tree, Samhi, Park Hotels
	Rooms > ₹7,500	18%	18%	No Impact	
Luggage	Bags, suitcases	18%	18%	No Impact	
Ticketing Fees	Convenience fee	18%	18%	No Impact	
Logistics	Freight transport	5% (no ITC), 12% (with ITC)	Likely 5–12%	Retaining differential structure; ensures balance between MSME and corporate logistics	

Source: PL

Exhibit 12: Sin Goods unlikely see any impact of GST rationalization

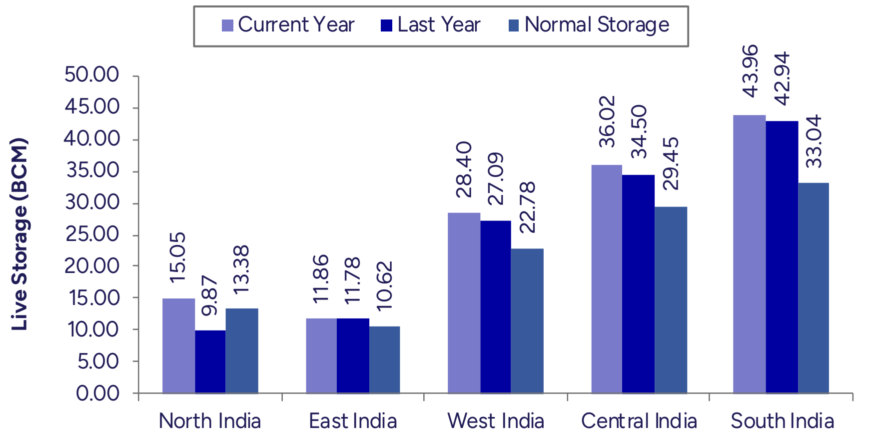
Sin Goods	Current GST (2025)	Likely GST 2.0	Impact	Gainers/ Losers
Cigarettes	28% + cess	40%	Neutral	ITC, Godfrey Philips
Alcohol	State VAT	Outside GST	Neutral	
Carbonated Drinks	28% + cess	40%	Neutral	

Source: PL

Monsoon paint a positive crop outlook

As of 14th August, India's reservoirs hold 135.2 BCM of live storage, which is 7% higher than last year and 24% above normal levels. North India shows the largest year-on-year increase at 52%, while South India is up by 2% YoY, but is 33% above normal storage. Overall, reservoir levels across all regions remain healthy, providing a favourable water supply outlook.

Exhibit 13: India's Reservoirs Track Above Normal Levels Mid-August 2025



Source: PL

Exhibit 14: Reservoir Storage 24% Above Normal as of 14th August

Region	Current Year	Last Year	Normal Storage	vs last year	vs Normal storage.
All India	**135.28**	**126.19**	**109.27**	**7%**	**24%**
North India	15.05	9.87	13.38	52%	12%
East India	11.86	11.78	10.62	1%	12%
West India	28.40	27.09	22.78	5%	25%
Central India	36.02	34.50	29.45	4%	22%
South India	43.96	42.94	33.04	2%	33%

Source: PL

- Cumulative rainfall for the country has normalized, easing from a 7% surplus on 30 July to 0% deviation by 13 August, before settling at a slight 2% surplus by 20 August, indicating that India is broadly tracking normal monsoon levels.
- East & North-East India continues to face below-normal rainfall, with the deficit only marginally improving from -25% on 23 July to -18% by 20 August. In contrast, North-West India's surplus moderated from 26% to 12%, Central India from 25% to 7%, while the South Peninsula improved steadily from a -2% deficit to a 9% surplus, highlighting persistent regional disparities.
- Despite these variations, cumulative rainfall at the all-India level remains balanced, ensuring overall monsoon adequacy to support kharif sowing, agricultural activity, and water reservoir replenishment.

Exhibit 15: Cumulative Rainfall Normal – East and North east deficient

(Base: June1,2025)	EAST & NORTH-EAST INDIA	NORTH-WEST INDIA	CENTRAL INDIA	SOUTH PENINSULA	Country as a whole
23-Jul-25	-25%	26%	20%	-2%	5%
30-Jul-25	-22%	20%	25%	-1%	7%
06-Aug-25	-18%	22%	10%	-3%	3%
13-Aug-25	-16%	15%	2%	1%	0%
20-Aug-25	-18%	12%	7%	9%	2%

Source: PL

- As of 21 August 2025, rainfall distribution further improved, with 92% of India's area receiving normal/excess rainfall. Regions with deficient rainfall have seen a reduction from 16% in July to 8% currently. No subdivisions reported large excess, large deficient, or no rainfall, reflecting a well-distributed and stable monsoon pattern.

Exhibit 16: Rainfall deficient subdivisions down from 7 to 3 in three weeks

CATEGORY	No. of Subdivisions				Subdivisional %area of country			
	31-Jul-25	07-Aug-25	17-Aug-25	21-Aug-25	31-Jul-25	07-Aug-25	17-Aug-25	21-Aug-25
Large Excess	3	2	0	0	15%	11%	0%	0%
Excess	8	6	8	7	22%	19%	30%	27%
Normal	18	23	25	26	47%	59%	62%	65%
Deficient	7	5	3	3	16%	11%	8%	8%
Large Deficient	0	0	0	0	0%	0%	0%	0%
No Rain	**0**	**0**	**0**	**0**	**0%**	**0%**	**0%**	**0%**

Source: PL

- As of 8th August 2025, total kharif sowing is at 994.5 lakh hectares, is up 4.1% from last year indicating a positive outlook with some variation across individual crops.

- Rice acreage is 12.1% higher YoY but still below normal levels, coarse cereals and sugarcane have recorded 4.5/2.9% increases, while oilseeds, jute & mesta, and cotton remain less than last year's area. Pulses area is largely unchanged.

Exhibit 17: Kharif sowing Up 4.1% YoY but remains Below Normal

Acreage Data (Lac Ha)	As on 8th August			
Crops	Normal Area	In 2025	In 2024	YoY %
Rice	403.09	364.8	325.36	12.1%
Pulses	129.62	106.68	106.52	0.2%
Coarse Cereals	180.71	178.73	170.96	4.5%
Oilseeds	194.63	175.61	182.43	-3.7%
Sugarcane	52.51	57.31	55.68	2.9%
Jute & Mesta	6.6	5.54	5.71	-3.0%
Cotton	129.5	105.87	108.43	-2.4%
Total	**1096.66**	**994.54**	**955.09**	**4.1%**

Source: PL

A good monsoon and healthy reservoirs are supporting strong Kharif sowing and laying a favourable moisture foundation for Rabi crops. These conditions are positive for a robust agricultural output and will help sustain a benign food inflation, which is positive for economy, rural demand and consumers.

RBI maintains neutral stance, no rate changes

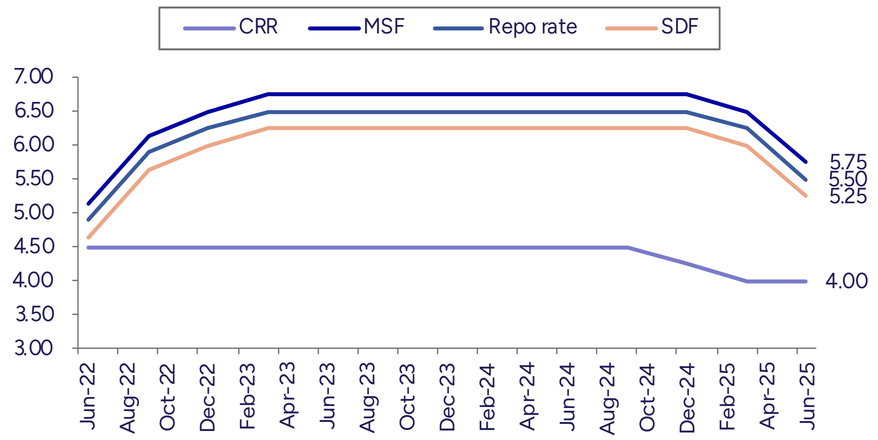
After cutting rates by 50 basis points in June 2025, the Monetary Policy Committee (MPC) kept the repo rate steady at 5.5%, Standing Deposit Facility (SDF) at 5.25% and the Marginal Standing Facility (MSF) and Bank Rate at 5.75% and continued with a neutral policy stance.

Exhibit 18: RBI keeps stable Policy Rates unchanged amid inflation moderation

Policy tools	Pre Policy (%)	Post Policy (6th Aug 2025)	Change
Repurchase agreement (Repo)	5.50	5.50	No Change
Marginal Standing Facility (MSF)	5.75	5.75	No Change
Standing Deposit Facility (SDF)	5.25	5.25	No Change
Bank Rate	5.75	5.75	No Change
Fixed Reverse Repo	3.35	3.35	No Change
Cash Reserve Ratio (CRR)	4	4	Reduction to 3.0% in four tranches of 25 bps each from Sept 2025
Statutory Liquidity Ratio (SLR)	18	18	No Change

Source: RBI, PL

Exhibit 19: Trends in Key Policy Rates



Source: RBI, PL

MPC revised inflation projection rates for FY2026 to 3.1%.

- MPC revised CPI forecast to 3.1% down from 3.7%, with Q2 at 2.1%, Q3 at 3.1%, Q4 at 4.4%, and Q1FY27 at 4.9%.CPI Inflation is expected to rise above 4% in Q4FY26 and beyond, with unfavourable base effects, weather and demand-side risks remaining. FY26

- CPI inflation eased to a 77-month low of 2.1% in June (8 year low of 1.6% in July), driven by deflation in vegetables and pulses. Fuel inflation moderated to 2.6%, while core inflation moderated to 4.1% after inching up in June to 4.4% (due to rising gold prices).

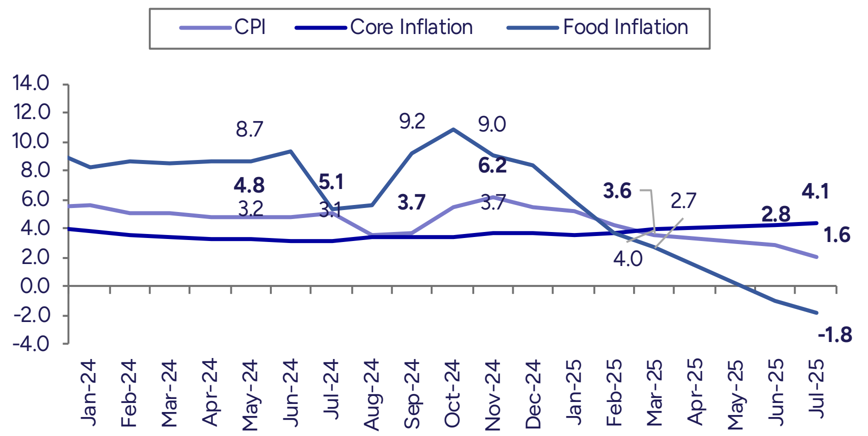
- High base effect, above normal Southwest monsoon, healthy kharif sowing, replenished reservoir levels and strong foodgrain buffer stocks have improved the inflation outlook.

Exhibit 20: RBI lowers Inflation projections, Keeps Constant GDP Growth Rates

MPC Policy Reviews	CPI Inflation (June 2025)	CPI Inflation (August 2025)	GDP Growth (June 2025)	GDP Growth (August 2025)
Q2FY26	3.4	2.1	6.7	6.7
Q3FY26	3.9	3.1	6.6	6.6
Q4FY26	4.4	4.4	6.3	6.3
FY2026	3.7	3.1	6.5	6.5
Q1FY27		**4.9**		**6.6**

Source: RBI, PL

Exhibit 21: CPI at 1.6% in July'25, Core Inflation at 4.1%



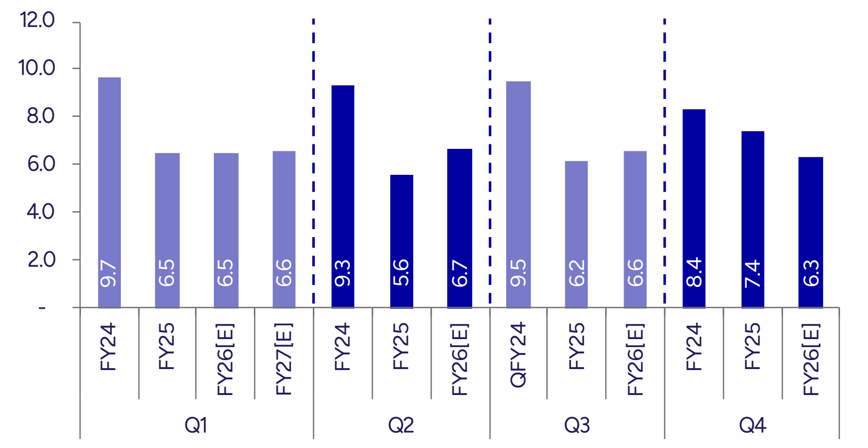
Source: MOSPI, PL

MPC retained FY2026 GDP growth forecast at 6.5%

- Domestic growth remains resilient, with Q1FY26 GDP at 6.5% supported by rural demand and government capex (52% YoY). Industrial output was slack due to contractions in mining (-8.7%) and electricity (-2.6) due to early monsoons. Quarterly GDP projections were left unchanged at 6.7% (Q2), 6.6% (Q3), and 6.3% (Q4), while Q1FY27 is projected at 6.6%.

- Above-normal monsoons, lower inflation, festive-season demand, and robust capex by government are expected to sustain momentum, but risks from weak urban discretionary spending, uncertain external demand (tariffs, trade talks), geopolitical tensions, and global market volatility remain.

Exhibit 22: 2Q/3Q26 demand key to GDP growth targets for FY26

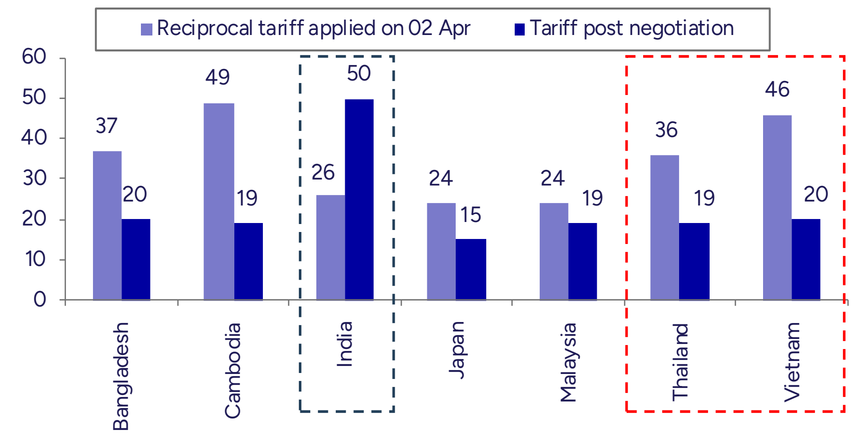


Source: RBI, PL

India faces most punitive tariffs from the USA

On August 6, 2025, the United States announced a 50% total tariff on a wide range of Indian-origin goods, combining an earlier 25% duty with an additional 25% "penalty" tariff on grounds of India's continued purchases of Russian oil. While 25% tariffs have come into play from August 1, incremental 25% will be applicable from August 27. This makes Indian tariffs higher than peers like Thailand, Vietnam, Bangladesh, Malaysia and Japan etc.

Exhibit 23: India currently attracts higher US Tariff rates than peers



Source: PL

Exhibit 24: 75% of merchandise exports to US might get impacted

Description	Value (USD billion or %)
Total Merchandise exports	437.7
Total service exports	387.5
India's total exports of Goods & Services	**825.2**
Exports of goods to US	86.7
Exports of services to US	184.2
Total exports of Goods & Services to the US	**270.9**
Good exports to US exempted from 50% tariff	21.5
Goods exports to US affected by 50% tariff	65.2
India's GDP in current USD, 2024	3912
India's exports as a percentage of GDP	21.1%
Merchandise Export as % of GDP	11.2%
Exports to US affected by 50% tariffs (% of GDP)	1.66%
Total exports affected (% of merchandise exports to US)	75%

Source: CMIE, PL

India is not a highly export-dependent economy as merchandise exports are just over 11% of GDP. However, within its export basket, the US accounts for 19.7% of India's merchandise exports and 75% of it can get impacted from tariff changes which is ~1.66% of GDP. This assumes that Pharma, mobile phone and services exports are not subjected to these tariff increases. Among products facing high tariffs, engineering goods, auto components, gens and jewellery, marine and textiles are major items

Exhibit 25: Commodity composition of India's exports to the USA

Export	USD Bn (2024-25)
All commodities	**86.69**
Engineering goods	**17.75**
Products of iron, steel, aluminum	4.65
Engineering Goods	7.62
Transport equipment (Auto parts)	2.76
Electronic goods	**15.23**
Telecom instruments	10.97
Other electronic goods	4.26
Chemical products	**15.04**
Pharma Products	10.54
Inorganic/organic/agro chemicals	2.54
Gems & jewellery	**9.95**
Agricultural & allied	**5.63**
Marine products	2.68
Other Agricultural products	2.95
Readymade garments	**5.34**
Textiles (Yarns, Cotton fabrics, Made-ups)	**5.07**
Other manufactured goods	**16.48**
Petroleum & crude	**4.09**
Leather	1.00
Ores & minerals	0.09

Source: CMIE, PL

India's export basket to the US is heavily weighted towards a few categories, many of which also hold substantial shares in India's global trade. For telecom instruments, 42% of India's exports go to the US. For gems & jewellery it's 33%, and for pharmaceuticals it's 34%, showing these sectors depend a lot on the US market. Textiles send approximately 30% of their exports to the US, while marine products exports are at 36.5% of global exports.

Exhibit 26: Textiles, Gems, Marine are 26% of exports to the USA

Category (USD BN)	Global Exports	US Exports	Share in Global Exports	Share in US Exports	New Tariff
Telecom instruments	26.2	10.97	41.9%	12.7%	Exempted
Gems & Jewellery	29.8	9.95	33.3%	11.5%	50%
Pharmaceuticals	30.5	10.54	34.5%	12.2%	0%
Machinery (Nuclear Parts)	38.9	7.62	19.6%	8.8%	50%
Steel, Aluminium, copper	22.1	4.65	21.0%	5.4%	50%
Petroleum products	63.2	4.09	6.5%	4.7%	Exempted
Readymade garments	16.0	5.34	33.3%	6.2%	50%
Yarns, Fabrics, Madeups	19.5	5.07	26.0%	5.8%	50%
Inorganic/organic/agro chemicals	16.3	2.54	15.6%	2.9%	50%
Transport equipment (Auto parts)	32.4	2.76	8.5%	3.2%	50%
Marine Products	7.41	2.68	36.2%	3.1%	50%
Leather Products	4.58	1.00	21.8%	1.2%	50%

Source: CMIE, PL

This overlap between high US share and overall sectoral prominence in India's export basket underscores the strategic importance of the US market both as a revenue driver and as a potential vulnerability in the face of tariff hikes.

Sectoral Impact

Textiles & Garments – sales to get a hit

- The US absorbs nearly 30% of Indian textile exports. This sector is highly labor-intensive, employing over 45 million workers, with production concentrated in hubs such as Tirupur, Ludhiana, Delhi-NCR, Bengaluru, and Surat. Shahi Exports, Arvind Ltd, SCM Garments, Gokaldas Exports, KPR Ltd, Pearl Global are major garment exporters. Welspun, Trident, and Indocount are major exporters of home textiles.

- The new tariff places India at a disadvantage in apparel relative to Bangladesh (20%), Vietnam (20%), and Pakistan (19%) which could impact exports. India will have capitalize on fabric buying by Bangladesh, UAE re-export hub, UK (zero-duty access) and diversifying into African and Commonwealth markets will be key in the interim.

- Textiles industry can face impact due to MSME-heavy structure and high working capital dependence, increasing the risk of subcontractor defaults, cashflow squeezes, and temporary job losses.

Marine Products – look for new makets

- Marine products at USD 2.7bn are India's largest agricultural export line to the US. The US accounts for 36% of India's marine exports globally. India leads with 40% share in U.S. imports of frozen shrimp and prawn.

- The new 50% tariff on top of existing anti-dumping (3.96%) and countervailing (5.7%) duties erases India's price advantage against rivals like Ecuador, Indonesia, and Vietnam, which face only 10–20% duties, creating a huge price differential. While Ecuador's capacity limits may slow full substitution, US buyer's diversification to other markets looks likely.

- Andhra Pradesh, West Bengal, and Odisha will be hardest hit, risking lasting market losses, margin compression, inventory build-ups, and stress for processing units and local banks.

- China(1.2bn), Japan(0.4bn), the EU offer strong seafood market potential. Japan's $12.7 bn market can benefit from India's CEPA tariff advantage, while India has just 8% share in EU shrimp imports. Proximity to the Middle East and zero-duty access in the upcoming India–Oman pact can boost competitiveness and regional market share.

Gems & Jewellery – limited direct impact likely

- The gems and jewellery sector, accounting for approximately 12% of India's exports, with exports of USD 10 billion worth in 2024. The major exports to US are that of finished and polished loose diamonds where India has a dominating share globally. The sector employs over 3.2 million people mainly among cutters and polishers.

- The higher duties can sharply erode price competitiveness, trigger inventory markdowns, and strain working capital across the value chain. There are early signs of halted shipments, order cancellations etc. in diamond-cutting hubs like Surat. The industry suffered job losses last year due to slowdown and is much nimble, however more job losses look likely.

- UAE (7.8 Bn), Hong Kong (4.6 bn) and Belgium (1.6 Bn) serve as key diamond hubs for Indian cut and polished stones, while the UAE and Switzerland act as trade and financial centres offering low or zero tariffs. Industry expects more re-routing of product through these export hubs which will help cushion the impact to a significant extent.

US tariff war can shave off 30-50bps of GDP in FY26

- **Employment Loss:** Labor-intensive sectors like textiles, footwear, gems and jewellery, fishery and MSMEs can face employment challenges, with potential job losses owing to reduced orders and production cutbacks.

- **Higher inventory, Lower production and prices:** Although exporters and GOI will try to explore new markets, there might be a transition period. This period can see cutbacks in production and excess inventory stuck in warehouses, which will block working capital. We don't rule out decline in domestic prices if as exporters try to sell that inventory in Indian market.

- **Lower inflation:** With fewer exports and inventory liquidation in domestic sales, prices will be soft while demand will improve. The drop in inflation, along with impact on employment, could push the RBI to cut interest rates to support the economy.

- **Overall GDP Impact:** The new US tariffs on about USD 60 billion of Indian exports could slow India's GDP growth by around 0.3 to 0.5 percentage points in FY26, reducing GDP growth to 6-6.2% in FY26 (current Est 6.5%).

Expect policy response to mitigate tariff impact

- **Targeted Export Subsidies & Rebates:** To expand RoDTEP (Rebate of Duties and Taxes on Exported Products) & RoSCTL (Rebate of State and Central Taxes and Levies)) schemes for sectors hit by U.S. tariffs (gems & jewellery, textiles, marine products).

- **Provide interest subvention** on pre- and post-shipment credit for MSMEs to keep financing costs low.

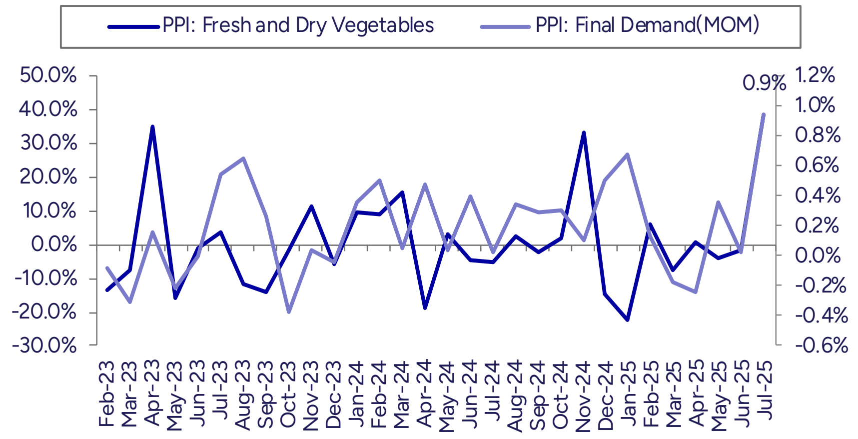
- Implement direct **fiscal stimulus** through production-linked incentives tailored to sectors most hit by tariffs, such as textiles, gems & jewellery, leather, chemicals, and marine products.

- **Diplomatic trade negotiations & market diversification:** Engage in active diplomatic talks to negotiate tariff relief or exemptions, especially for critical sectors while balancing strategic trade interests. Work with multilateral blocs such as **BRICS, ASEAN** to coordinate trade policy responses and leverage collective bargaining. India should capitalize on Free Trade Agreements (FTAs) but also strengthen domestic capabilities to use these agreements effectively.

- Measures to boost domestic production: Indian products often lose ground due to higher input costs, lower productivity, and quality/control issues. Some of steps expected are improving logistics infrastructure, reducing supply chain inefficiencies, expanding Forex risk coverage schemes for small exporters etc. Government will look at not only capitalizing FTAs but also strengthening domestic capabilities to use these agreements effectively.

Tariff impact yet to be reflected in US inflation

Exhibit 27: U.S. PPI Surge Since 2022, Led by 38.9% Spike in Vegetables



Source: US Bureau of Labor Statistics, PL

- In July 2025, the U.S. Producer Price Index (PPI) for final demand jumped 0.9% (MOM), the largest rise since June 2022, partially reflecting how tariff-driven cost pressures have started filtering through the U.S. economy. The most striking example was fresh and dry vegetables, where prices surged 38.9% over the month showing the steepest increase recently.

- This increase was largely attributed to tariffs on imported products (notably from Canada and Mexico), labor shortages and inelastic and perishable nature, which forces producers to pass tariff-driven cost quickly into prices.

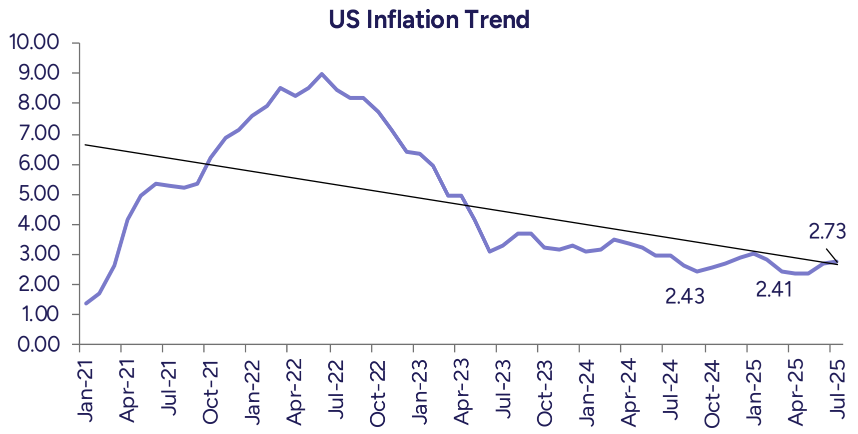
US inflation steady despite Tariff-Induced pressures

- In July 2025, U.S. annual CPI inflation rate held steady at 2.7%.

- One key reason CPI remained contained is that the categories most exposed to tariff hikes such as apparel, footwear, imported electronics, and select food items make up a relatively small portion of the CPI basket.

- We note that "Commodities less food and energy"(19.3) and parts of the "Food" (13.6) component, together account for less than a third of total weight. Even with significant price spikes in some of these goods, their limited weight prevented a large impact on the overall index.

Exhibit 28: US inflation steady despite Tariff-Induced pressures



Source: US Bureau of Labor Statistics, PL

- Tariff effects often take time to pass through from import costs to retail prices. Many retailers had existing inventories purchased before tariffs spike took effect delaying price hikes at the consumer level. As a result, the stronger inflationary signals are currently more visible in the Producer Price Index (PPI), which surged 0.9% in July.

Exhibit 29: US Consumer Price Index for All Urban Consumers (CPI-U) Basket

Category	Weight (%)
All items	100
Food	13.6
Energy	6.4
Commodities less food and energy	19.3
Apparel	2.5
New Vehicles	4.3
Shelter	35.4
Medical care services	6.8
Transportation services	6.3
Other Products	12.2

Source: US Bureau Of Labour Statistics

- Overall, tariffs have started to push up prices in some daily use items, but July's CPI stayed low because of the CPI basket composition, falling energy prices, and time lag for higher costs to reach consumers given huge inventory stocking. All eyes are now on the coming months to see if CPI rises later this year, even as expectations for possible Federal Reserve rate cuts remain.

Nifty Valuation

	Weight-age (%)	FY24	FY25	FY26E	FY27E
Banking & Fin.	**37.4**				
PER (x)		22.6	20.8	18.3	15.0
PAT Growth (%)		22.3	8.3	13.7	21.9
Technology	**10.1**				
PER (x)		25.3	23.3	22.0	19.9
PAT Growth (%)		3.8	8.7	5.6	10.9
Oil & Gas	**9.3**				
PER (x)		17.9	20.5	19.4	18.7
PAT Growth (%)		33.6	(12.5)	6.0	3.8
Consumer	**12.1**				
PER (x)		55.4	57.9	53.2	46.3
PAT Growth (%)		16.9	(4.5)	8.9	14.9
Auto	**7.7**				
PER (x)		22.7	25.3	21.4	20.3
PAT Growth (%)		154.6	(10.2)	18.0	5.6
Eng. & Power	**7.5**				
PER (x)		25.6	23.2	21.0	18.4
PAT Growth (%)		16.9	10.4	10.3	13.9
Pharma	**3.7**				
PER (x)		36.4	31.5	31.2	28.0
PAT Growth (%)		21.5	15.6	1.0	11.6
Metals	**3.7**				
PER (x)		14.7	14.6	11.3	9.6
PAT Growth (%)		8.6	0.5	28.8	18.1

	Weight-age (%)	FY24	FY25	FY26E	FY27E
Telecom	**4.6**				
PER (x)		85.9	44.1	42.4	37.1
PAT Growth (%)		61.4	95.0	4.0	14.1
Cement	**1.3**				
PER (x)		54.2	62.8	41.3	31.9
PAT Growth (%)		38.3	(13.8)	52.2	29.4
Others	**1.5**				
PER (x)		53.1	43.6	42.6	31.6
PAT Growth (%)		(4.6)	21.9	2.2	35.1
Ports & Logistics	**0.9**				
PER (x)		36.5	26.7	23.1	19.9
PAT Growth (%)		52.8	36.8	15.6	15.9
Nifty as on Aug 21	**25,084**				
EPS (Rs) - Free Float - PL		**1,018.4**	**1,127.8**	**1,253.6**	**1,445.5**
Growth (%)		***17.7***	***10.7***	***11.1***	***15.3***
PER (x)		**24.6**	**22.2**	**20.0**	**17.3**
EPS (Rs) - Free Float - Nifty Cons.		**1,018.4**	**1,127.8**	**1,267.0**	**1,487.7**
Var. (PLe v/s Cons.) (%)		-	-	***(1.1)***	***(2.8)***
Sensex as on Aug 21	**82,001**				
EPS (Rs) - Free Float - PL		**3,012.3**	**3,631.8**	**3,762.9**	**4,368.9**
Growth (%)		***9.8***	***20.6***	***3.6***	***16.1***
PER (x)		**27.2**	**22.6**	**21.8**	**18.8**
EPS (Rs) - Free Float - Sensex Cons.		**3,012.3**	**3,631.8**	**3,782.1**	**4,459.8**
Var. (PLe v/s Cons.) (%)		-	-	***(0.5)***	***(2.0)***

Source: Company Data, PL

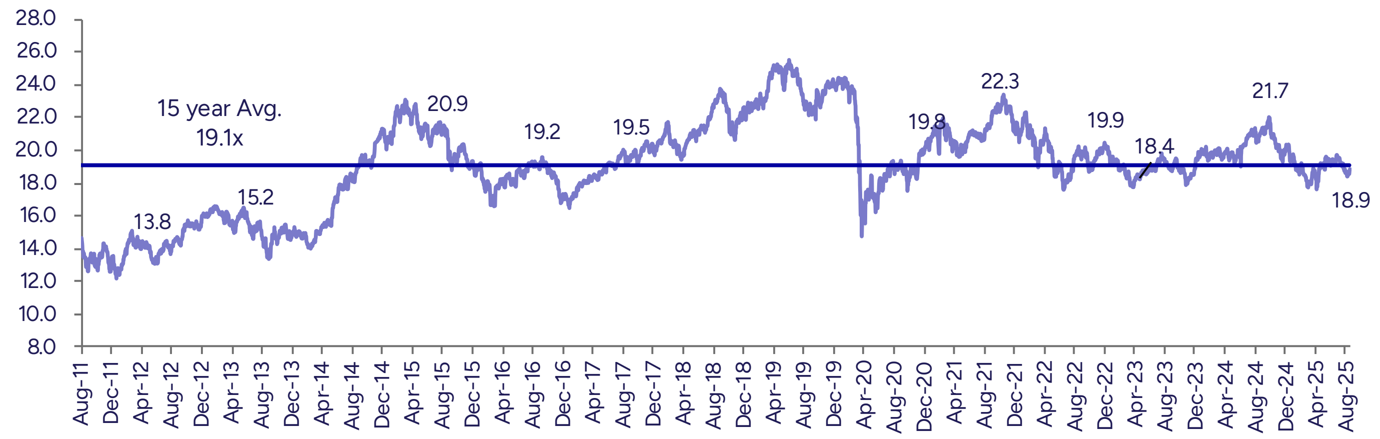
Note: Sector Weightages updated as on August 21, 2025

Exhibit 30: FY26: Cement, Metals, Auto and ports to lead EPS growth in Nifty

	NIFY Sectoral EPS - PLe (Rs)				% Gr.				% Contribution to total EPS			
	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027
Auto	91.7	86.6	101.3	106.7	*148.5%*	*-5.6%*	*17.0%*	*5.3%*	*9.0%*	*7.7%*	*8.1%*	*7.4%*
BFSI	441.8	499.0	552.3	658.5	*15.3%*	*12.9%*	*10.7%*	*19.2%*	*43.4%*	*44.2%*	*44.1%*	*45.6%*
Cement	6.6	6.0	9.1	11.7	*32.1%*	*-9.0%*	*51.3%*	*29.4%*	*0.6%*	*0.5%*	*0.7%*	*0.8%*
Consumer	61.4	62.9	68.3	79.2	*11.6%*	*2.4%*	*8.5%*	*16.0%*	*6.0%*	*5.6%*	*5.4%*	*5.5%*
Eng. & Power	72.0	84.3	94.5	109.5	*12.8%*	*17.0%*	*12.2%*	*15.9%*	*7.1%*	*7.5%*	*7.5%*	*7.6%*
Healthcare	27.7	33.9	34.1	36.8	*17.8%*	*22.0%*	*0.7%*	*8.0%*	*2.7%*	*3.0%*	*2.7%*	*2.5%*
Metals	59.6	67.5	89.1	108.4	*-4.0%*	*13.2%*	*32.1%*	*21.6%*	*5.9%*	*6.0%*	*7.1%*	*7.5%*
Oil & Gas	120.2	115.1	120.9	125.3	*19.2%*	*-4.2%*	*5.1%*	*3.7%*	*11.8%*	*10.2%*	*9.6%*	*8.7%*
Others	9.1	9.1	11.1	15.1	*-15.4%*	*-0.1%*	*22.3%*	*35.9%*	*0.9%*	*0.8%*	*0.9%*	*1.0%*
Ports & Logistics	6.5	9.3	10.7	12.5	*45.9%*	*44.3%*	*15.0%*	*15.9%*	*0.9%*	*0.8%*	*0.9%*	*1.0%*
Technology	106.7	123.3	130.0	145.2	*-3.0%*	*15.5%*	*5.4%*	*11.7%*	*0.6%*	*0.8%*	*0.9%*	*0.9%*
Telecom	15.0	31.0	32.0	36.5	*54.1%*	*105.8%*	*3.4%*	*14.1%*	*10.5%*	*10.9%*	*10.4%*	*10.0%*
Nifty	**1,018.4**	**1,127.8**	**1,253.6**	**1,445.5**	***17.7%***	***10.7%***	***11.1%***	***15.3%***				

Source: PL

Exhibit 31: Nifty trading at 1% discount to 15-year average 1-year forward PE

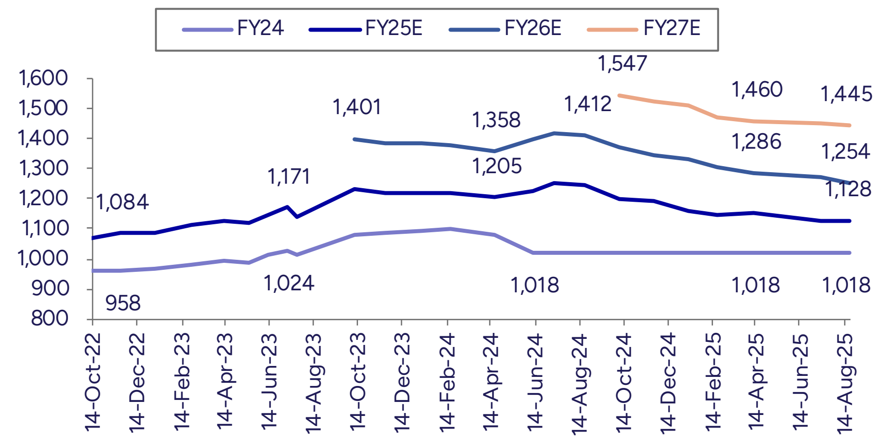


Source: PL

FY26/27 EPS has seen a cut of 1.4/0.4% while consensus EPS has seen a cut of 2.0/0.5%

PL estimates for FY26/27 are 1.1/2.8% lower than consensus.

Exhibit 32: NIFTY EPS trend – FY25-27 CAGR at 13.2%

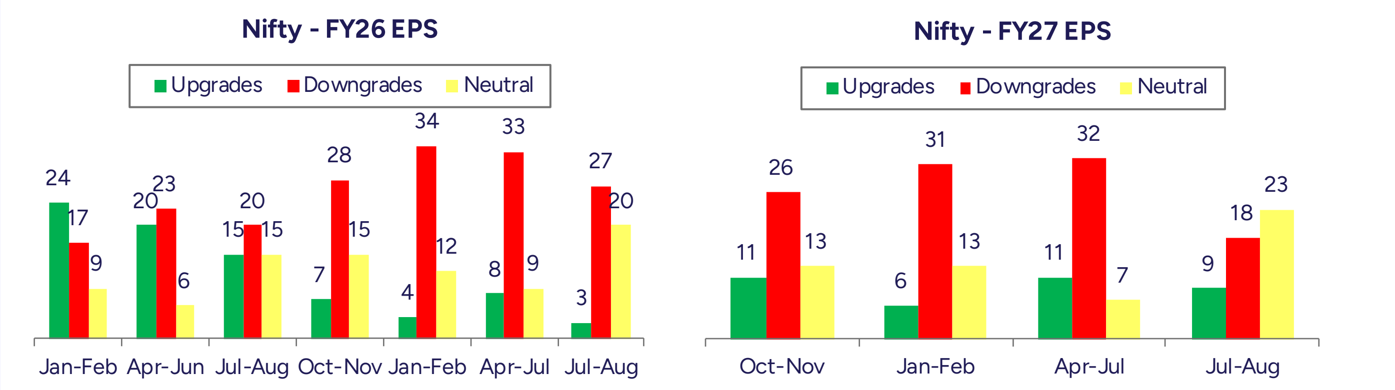


Source: PL

Nifty 50 – downgrades likely peaked out

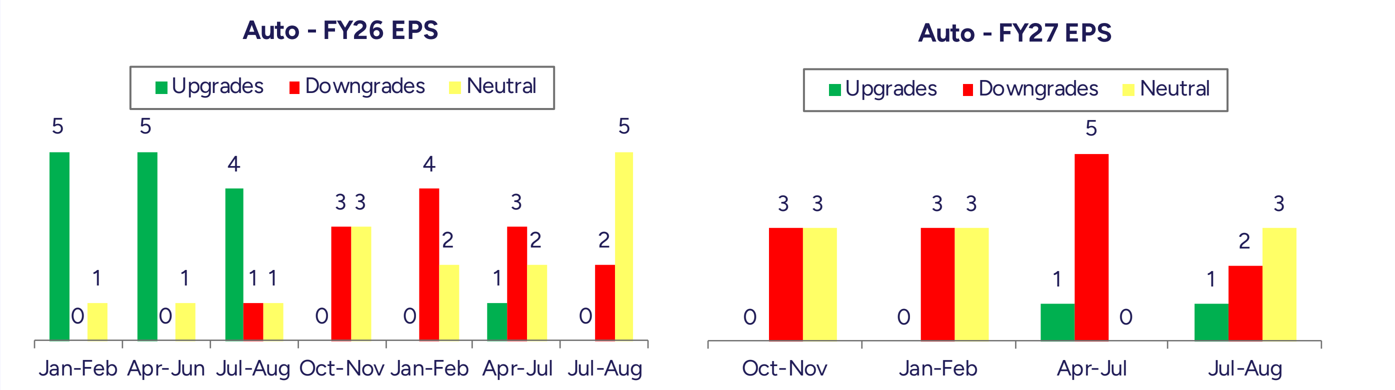
NIFTY EPS has been in a trend of gradual cut 11.2% and 6.5% for FY26/27 since August24. The EPS for FY27, which was introduced in Oct24, has seen a cut of 6.5% so far. The number of stocks in NIFTY, which have seen downgrades in FY26 EPS (Hurdle rate 1% on both sides), rose from 17 in Jan-Feb24 and peaked out at 34 in Jan-Feb25 and declined to 27 as of now. For FY27 EPS downgrades have seen a sharp correction from 32 in April July to 18 in August25.

Exhibit 33: FY26 downgrades peaked out in February, FY27 in July 2025



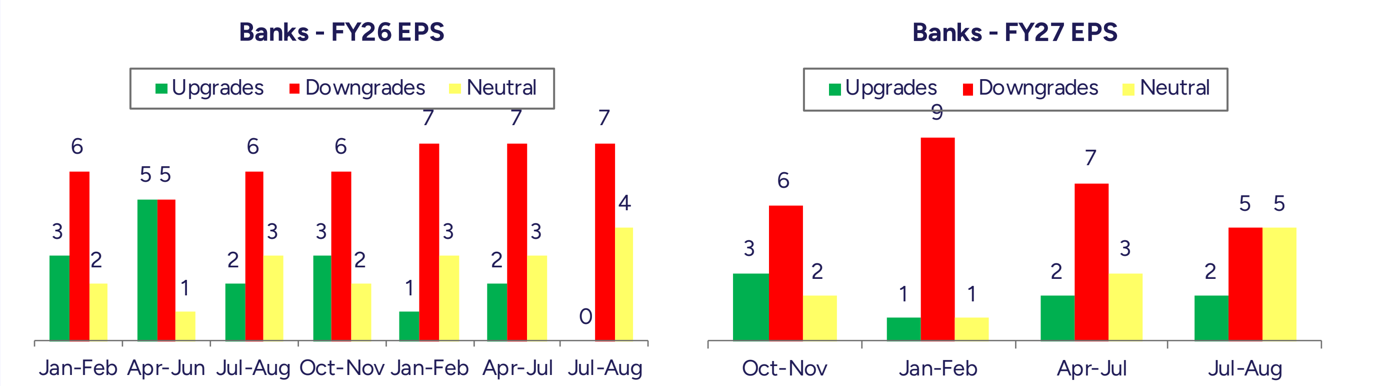
Source: Company, PL

Exhibit 34: Downgrades have come off sharply both for FY26/27, GST rate cut can improve demand and kickstart upgrade cycle



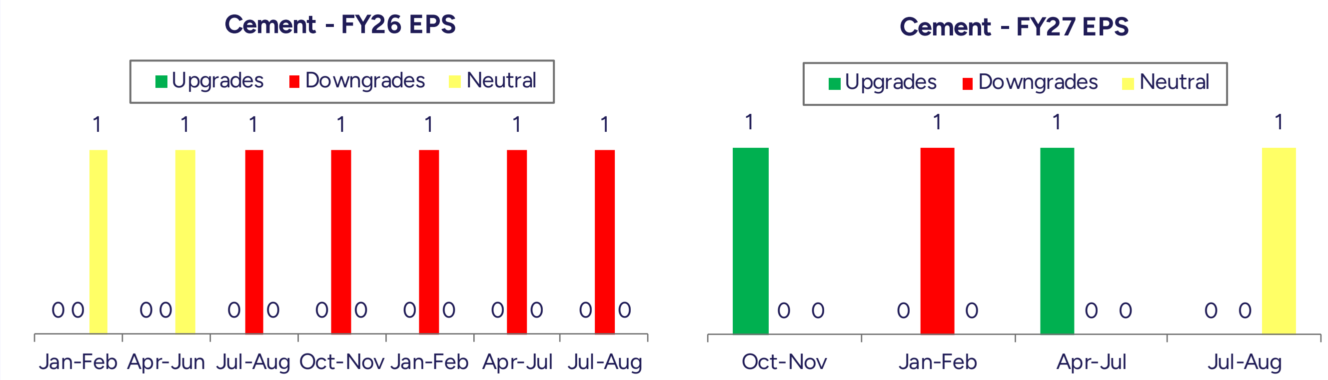
Source: Company, PL

Exhibit 35: BFSI – steady downgrade cycle continues in FY26, FY27 look better as trend shows a catch up



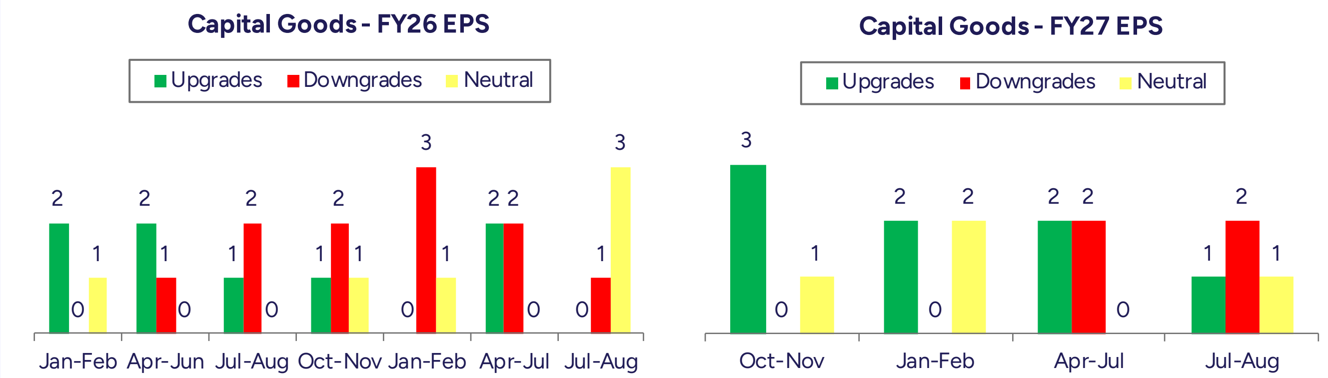
Source: Company, PL

Exhibit 36: EPS downgrade cycle continues



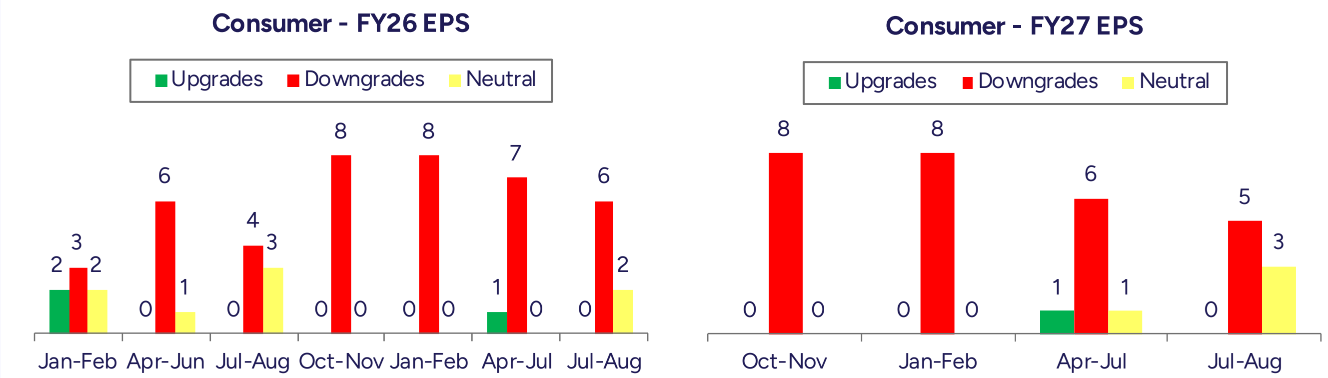
Source: Company, PL

Exhibit 37: Entering a sideways zone for FY26, FY27 does not indicate a strong upgrade cycle so far



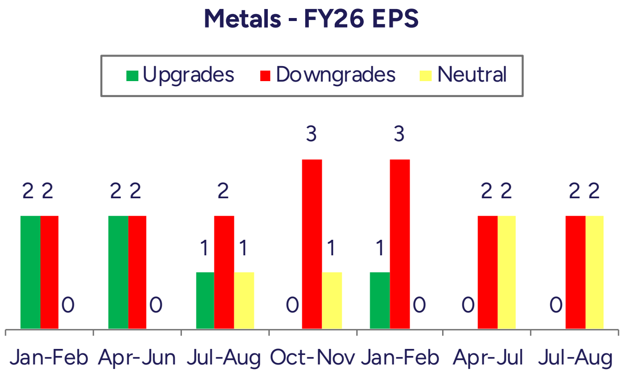
Source: Company, PL

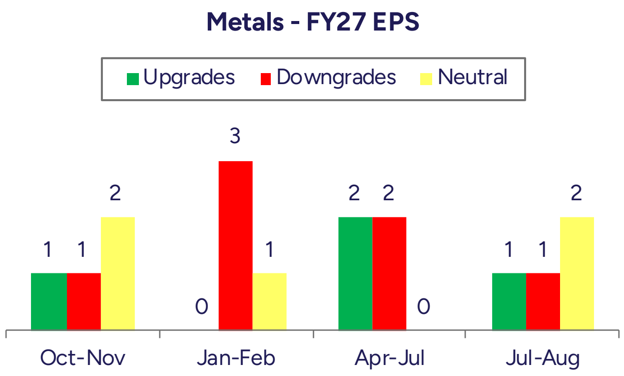
Exhibit 38: Downward cycle is losing steam; GST cuts and demand revival can start upgrade cycle from 2H26



Source: Company, PL

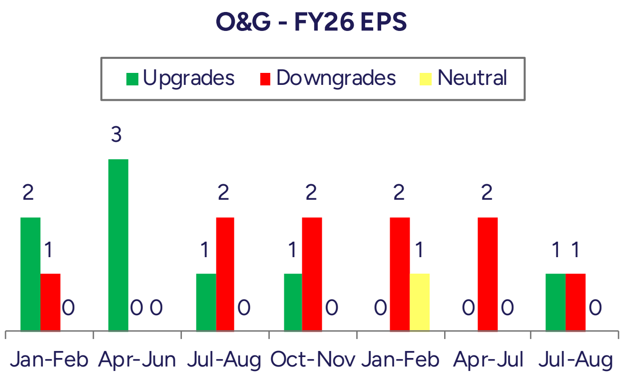
Exhibit 39: EPS cut cycle sustained despite strong growth, watch for benefits of ADD in coming quarters

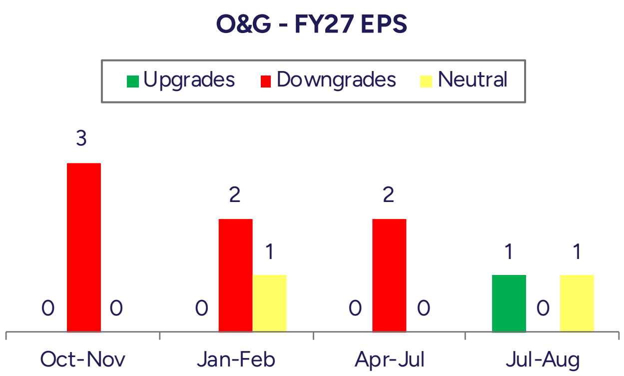




Source: Company, PL

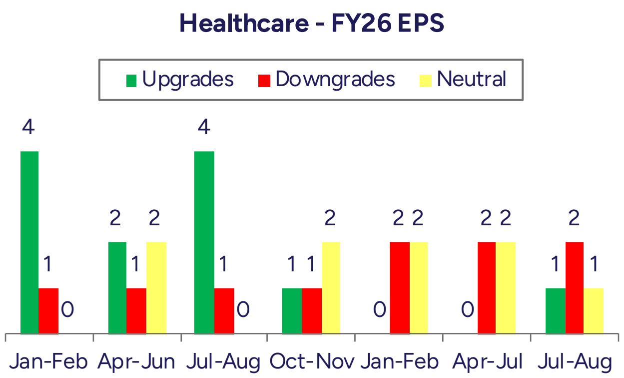
Exhibit 40: Improved marketing margins provide some relief, Long term trend uncertain

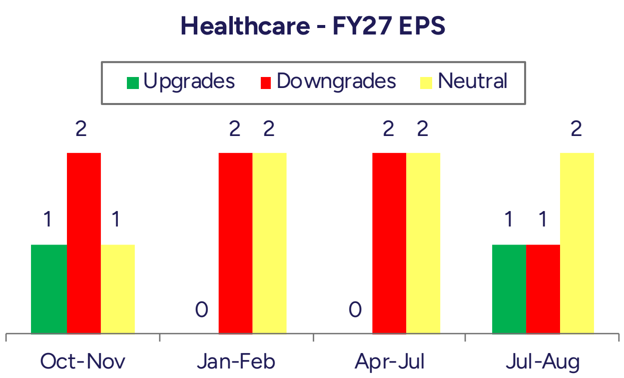




Source: Company, PL

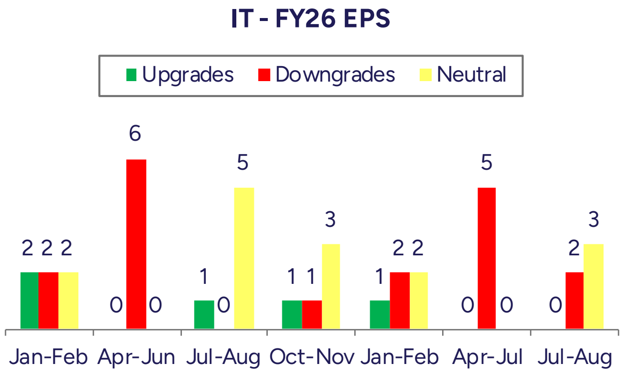
Exhibit 41: Hospital segment has EPS upgrades, pharma still under pressure with more EPS cuts in FY26

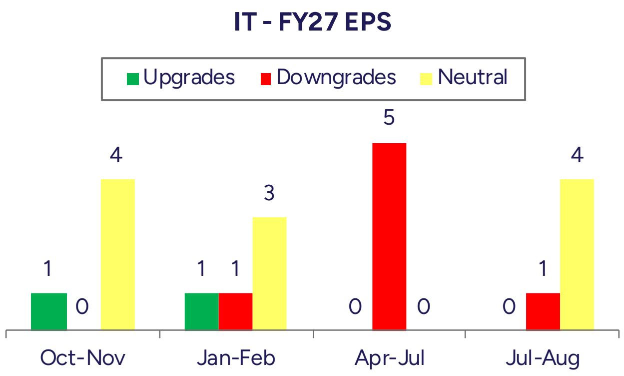




Source: Company, PL

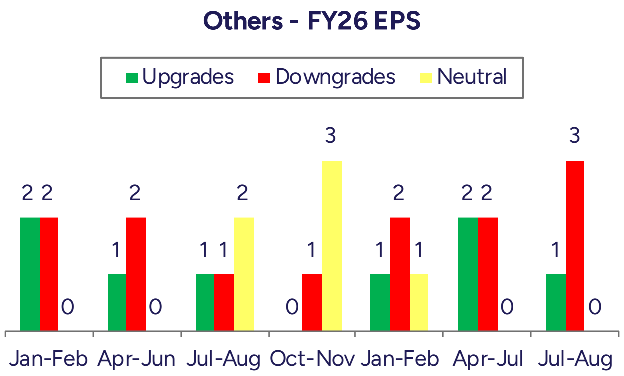
Exhibit 42: Remains in a downward cycle, however it might have peaked for FY27 as of now

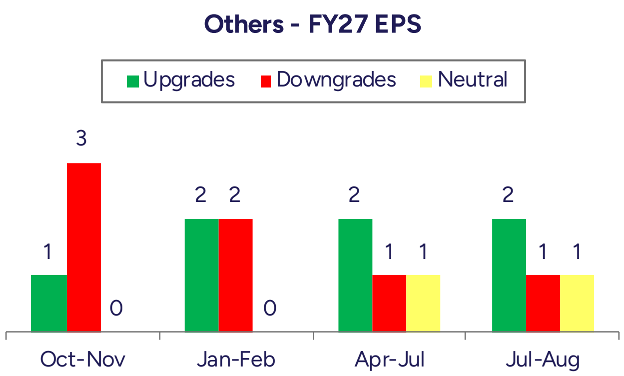




Source: Company, PL

Exhibit 43: Others - More downgrades in FY26, FY27 shows some trend change





Source: Company, PL

Exhibit 44: Model Portfolio v/s Nifty

Returns	Model Portfolio	Nifty	Perf.
Since Nov'18	155.8%	133.1%	22.7%
Since Last Report	-0.1%	0.0%	-0.1%
Since Apr'24	15.0%	14.0%	1.0%

Source: PL

Model Portfolio

Sectors	Mcap (Rs bn)	Nifty Weightage (%)	PL Weightage (%)	Weights
Automobiles		**7.7**	**8.0**	**Overweight**
Mahindra & Mahindra	4,197	2.6	3.5	
Maruti Suzuki	4,490	1.7	2.5	
Tata Motors	2,523	1.3	0.8	
Eicher Motors	1,639	0.7	1.2	
Banks		**31.1**	**31.3**	**Overweight**
Axis Bank	3,347	2.7	2.8	
HDFC Bank	15,282	13.4	12.0	
ICICI Bank	10,323	9.0	10.0	
Kotak Mahindra Bank	4,012	2.6	3.0	
State Bank Of India	7,622	2.8	3.5	
Cement and Metals		**5.1**	**4.0**	**Underweight**
UltraTech Cement	3,793	1.4	1.5	
Hindalco Industries	1,589	0.9	1.0	
Tata Steel	2,016	1.2	1.5	
Capital Goods & Engineering		**7.5**	**8.8**	**Overweight**
ABB	1,090		1.0	
Larsen & Toubro	4,969	3.8	3.5	
Siemens	1,139		1.0	
Bharat Electronics	2,735	1.2	1.5	
Hindustan Aeronautics	2,992		1.8	
Consumer		**12.1**	**13.0**	**Overweight**
Britannia Industries	1,348	2.0	2.1	
Hindustan Unilever	6,222	2.0	1.3	
Interglobe Aviation	2,358		2.5	
ITC	5,080	3.4	4.0	
Titan Company	3,211	1.3	2.0	
Pidilite Industries	1,566		1.1	
Healthcare		**3.7**	**6.4**	**Overweight**
Max Healthcare	1,215.28		1.8	
Sun Pharmaceutical Industries	3,935	1.6	1.6	
Lupin Lab	1,287		1.0	
Apollo Hospitals Enterprises	1,140	0.7	2.0	
IT		**10.1**	**8.8**	**Underweight**
Infosys	6,216	4.6	4.6	
LTI Mindtree	1,551.74		1.5	
Tata Consultancy Services	11,225	2.7	2.7	
Diversified Financials		**6.3**	**4.3**	**Underweight**
HDFC AMC	1,240		1.0	
Bajaj Finance	5,566	2.1	2.2	
Cholamandalam Investment & Fin. Co.	1,277		1.1	
Oil & Gas		**9.3**	**9.0**	**Underweight**
Reliance Industries	19,282	8.5	9.0	
Telecom		**4.6**	**5.0**	**Overweight**
Bharti Airtel	11,583	4.6	5.0	
Others		**2.4**	**1.5**	**Underweight**
Adani Ports & SEZ	2,942	0.9	**1.5**	
Cash			-	

PL Model Portfolio has outperformed NIFTY by 22.7% since Nov 2018, 1.0% since April 24 and -0.1% since last report.

- **Automobiles: overweight:** We believe expected benefits from GST 2.0 and h benefits of income tax cuts, lower interest rates and inflation boost demand in coming quarters. We are increasing weights behind Mahindra & Mahindra, Maruti Suzuki and Eicher Motors. Mahindra & Mahindra continues to gain from strong show in PV while Normal monsoons can improve FY26 tractors outlook. Maruti seems well placed to gain from revival in demand, rising share of UV, presence across power trains and expected increase in exports (16.5% CAGR to 0.75mn units by FY27).

- **Banks: Overweight:** We believe that monetary transmission will start showing impact from 2H and early signs of that are already reflected in credit growth stability. We believe that benefits of lower interest rates will start getting reflected in liability repricing from 3Q26 even as low inflation and current tariff off can provide another 25-50bps rate cut in FY26. We believe stress in MFI and MSME is near peak and gradual pick up in credit growth is expected to boost outlook for FY27. We are cutting weightage on Kotak by 50bps and shifting the same to SBI.

- **Capital Goods – Overweight:** We remain structurally positive but cut overweight from 310bps to 130bps. We believe sectoral tailwinds from PE re-rating with rising sales and margins are behind, so we cut on ABB India and Siemens India by 160\50bps. We remain positive on Defense companies and increase weight of HAL by 30bps and remain overweight on Bharat Electronics.

- **Consumer: Overweight:** We believe GST 2.0 and expected uptick in demand are positive and increase overweight to 90bps. We reduce weight on Interglobe aviation by 50bps post sharp rally. We increase overweight on ITC to 60bps as gains from duty reduction in Stationary, paperboard, processed foods will be positive. We also increase weights on Britannia Industries, Pidilite Industries and Hindustan Unilever on expected recovery in consumer demand.

- **Healthcare: Overweight:** We remain structurally positive on Hospitals, however given limited scope of further re-rating, we cut weights on Apollo Hospitals Enterprise and Max Healthcare Institute. We are equal weight on Sun pharma given tariff uncertainty in USA while Lupin remains overweight.

- **IT services: underweight:** IT services are showing initial signs of recovery in BFSI, telecom and manufacturing. However recent uncertainty around growth in US and Govt actions can impede near term growth outlook. We tinker with weights around key stocks and turn equal weight.

- **Oil and Gas: Underweight**; we remain overweight on Reliance Industries. We believe sustained growth in retail, benefits of pre-paid data packs in JIO and new energy segments will drive next leg of growth in the company.

- **Telecom:** we retain overweight on Bharti Airtel as a structural play on rising data usage in telecom. While recent tariff hikes by introducing new data packs will be positive for Bharti Airtel.

- **Cement and Metals -** We are overweight on Ultratech Cement given improved pricing and positive demand outlook. Metals have positive outlook on margins, given benefits of ADD and benign input costs, we turn overweight on Tata Steel.

- We add Adani Port & SEZ in model portfolio as a structural play on India growth story and rising global trade.

Conviction Picks Changes

High Conviction Picks: We are removing ABB India, Kotak Mahindra Bank, Interglobe Aviation, Triveni Turbine, Astral and Indian Railway Catering and Tourism Corporation from conviction picks. This follows near term growth challenges in ABB India and Triveni Turbine. We remain positive on Interglobe Aviation and Indian Railway Catering and Tourism Corporation but are adding some names which might give relatively higher outperformance. We are adding Adani Ports & SEZ, Britannia Industries, Larsen & Toubro, DOMS Industries, Voltamp Transformers and Eris Lifesciences among our conviction picks.

Adani Port & SEZ: ADSEZ is India's largest private port operator covering both the coasts with 15 ports and commanding ~28% cargo/ 45% container market share. Along with these strategically positioned ports poised to benefit from India's rising EXIM trade, it also operates 4 international ports. ADSEZ is strengthening its integrated logistics ecosystem with investments in ICDs, MMLPs, rail, trucking, and warehousing, targeting 5x growth in logistics business revenue over FY25-29E and aims to achieve ROCE of ~10% and ~35% EBITDA margins. With recent capacity additions at Vizhinjam, Colombo, Australia, Mundra and Dhamra ports, we expect ADSEZ to deliver ~15% EBITDA CAGR over FY25-28E with double digit volume growth and healthy operating cash flows (~Rs100bn/year).

Britannia Industries: BRIT remain a high conviction pick given (1) strong leadership in Biscuits & Bakery, (2) limited B2C disruption given entrenched local/regional competition and market share gains in 5/7 regions, (3) scalability and profitability gains in adjacencies, and (4) robust innovation pipeline targeting regional, channel-specific, and premium segments. We forecast 14.1% EPS CAGR over FY25–27, supported by new launches, demand recovery, and benign input costs.

Larsen & Toubro: We believe L&T is well-positioned for long-term growth, supported by strong international opportunities, particularly in the Middle East, and a robust domestic pipeline driven by public sector investments and a revival in private capex. Additionally, improving profitability in development projects and the company's expansion into emerging areas such as green energy, electrolyzers, semiconductors, and data centers further strengthen its growth prospects. We expect L&T to report revenue/EBITDA/Adj. PAT CAGR of 14.8%/20.6%/26.1% over FY25-27E.

Aster DM Healthcare: ASTERDM India's EBITDA increased sharply over last 3 years (29% CAGR over FY22-25) . We estimate 24% EBITDA CAGR over FY25-27E aided by scale-up in margins, healthy ARPOB and bed additions. ASTERDM's board has recently approved merger with Quality Care (QCIL), making it the third largest healthcare chain by revenue and bed capacity in India. The combined entity is trading at ~26x EV/EBITDA on FY27E (adj for minority stake and rental).

DOMS Industries: DOMS IN performance was as expected aided by healthy volume growth in stationary segment amid new product launches within categories like scholastic stationery, scholastic art material, paper stationery and office supplies. Hygiene business reported healthy revenues. The 44-acre Umbergaon expansion (Rs700mn capex incurred in 1QFY26) remains on track, with commercial production expected by 4QFY26E. Aided by capacity expansion in core stationery business, widening product basket, and strengthening distribution network, we expect sales/PAT CAGR of 24% over FY25-FY27E.

Eris Lifesciences: Eris has multiple growth levers such as broad-based offerings in the derma segment, tapping GLP-1 market, demand supply mismatch in insulin segment, creating large injectable franchise across India and RoW market. The benefits of operating leverage, as revenue scales up from these acquisitions is likely to play out. We expect margins to scale up from the current level of 35% in FY25. We expect Revenue/EBITDA CAGR of ~13%/16% over FY25-27E with profitability to double by FY27E.

Voltamp Transformers: We remain positive on VAMP, backed by its strong market position in industrial transformers, healthy demand momentum, capacity expansion to cater to broader markets, a debt-free balance sheet, consistent free cash flow generation, and a growing high-margin services business. We expect VAMP to clock revenue/EBITDA/Adj. PAT CAGR of 10.5%/6.4%/6.9% over FY25-27E.

High Conviction Picks

	CMP (Rs.)	TP (Rs)	Upside	Mcap (Rs bn)	Mcap (US$ m)	Revenue Gr. (%)			Earnings Gr. (%)			RoE (%)			RoCE (%)*			PER (x)			P/BV (x)*		
						2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2026E	2025	2026E	2027E	2025	2026E	2027E	2025	2026E	2027E
Large Cap																							
Adani Port & SEZ	1,362	1,777	*30.5%*	2,941.7	33,704	127.1	20.6	14.7	34.4	19.8	18.5	19.6	19.8	19.8	13.8	15.3	16.2	26.0	21.7	18.3	4.7	4.0	3.3
Apollo Hospitals Enterprise	7,927	9,300	*17.3%*	1,139.8	13,059	14.3	14.3	18.2	60.9	34.6	36.9	19.1	21.5	24.0	19.2	21.4	25.6	78.8	58.6	42.8	13.9	11.5	9.3
Bharti Airtel	1,930	2,090	*8.3%*	10,960.7	125,581	15.3	15.5	8.7	95.0	4.0	14.1	26.9	21.5	19.9	15.2	15.5	15.1	41.7	40.1	35.2	9.6	7.8	6.4
Britannia Industries	5,598	6,223	*11.2%*	1,348.4	15,450	7.0	9.9	10.4	3.1	10.9	18.0	53.1	53.2	54.2	49.7	54.7	56.9	61.2	55.2	46.8	31.0	27.9	23.3
Hindustan Aeronautics	4,474	5,500	*22.9%*	2,992.1	34,282	3.9	9.0	14.2	18.2	1.3	8.6	26.1	22.3	20.8	15.9	13.2	12.7	35.8	35.3	32.5	8.6	7.3	6.3
ICICI Bank	1,446	1,730	*19.6%*	10,319.5	118,235	9.1	8.2	14.9	13.9	6.1	11.8	18.0	16.1	15.7	2.4	2.2	2.2	21.8	20.6	18.4	3.6	3.1	2.8
ITC	406	530	*30.7%*	5,082.8	58,235	10.7	7.0	9.0	0.2	5.3	10.3	28.5	30.3	31.7	32.2	35.6	37.4	25.4	24.1	21.9	7.5	7.1	6.7
Larsen & Toubro	3,613	4,144	*14.7%*	4,968.6	56,927	15.7	15.6	14.0	13.4	26.1	25.1	16.0	17.4	18.5	10.4	11.6	12.2	33.8	26.8	21.4	5.1	4.3	3.7
Lupin	1,963	2,400	*22.3%*	896.1	10,267	14.7	11.7	6.6	71.4	29.3	1.9	20.8	22.2	18.8	20.9	22.1	20.4	27.3	21.1	20.7	5.2	4.3	3.6
Titan Company	3,616	3,901	*7.9%*	3,218.5	36,876	16.4	18.5	16.0	(5.9)	34.0	21.0	21.3	24.6	25.1	17.8	19.6	20.2	96.5	72.0	59.6	19.1	16.5	13.7
Mid / Small Caps																							
Aster DM Healthcare	606	700	*15.6%*	302.5	3,466	11.9	13.1	21.2	66.1	53.6	41.9	7.7	13.4	17.6	11.3	16.0	21.0	97.9	63.7	44.9	8.8	8.3	7.5
Crompton Greaves Consumer Electric	321	430	*33.9%*	206.6	2,367	7.5	5.7	17.4	26.2	15.3	22.9	17.4	17.8	19.1	21.9	23.7	26.2	37.2	32.2	26.2	6.1	5.4	4.6
DOMS Industries	2,505	3,087	*23.2%*	152.0	1,742	24.4	23.7	23.8	33.6	17.5	29.9	22.5	21.5	22.5	26.4	25.5	27.1	74.3	63.2	48.7	15.2	12.3	9.9
Eris Lifesciences	1,750	1,975	*12.9%*	238.0	2,727	44.0	13.0	12.3	(10.4)	50.2	38.7	12.8	17.1	20.3	13.2	16.3	20.2	68.3	45.5	32.8	8.3	7.3	6.1
Ingersoll-Rand (India)	3,761	4,335	*15.3%*	118.7	1,360	11.5	12.0	13.7	20.3	6.8	14.0	45.0	44.5	46.4	53.6	52.9	55.2	44.4	41.6	36.4	19.5	17.6	16.2
KEI Industries	3,953	4,527	*14.5%*	377.8	4,328	19.9	20.3	21.3	13.2	23.7	24.0	15.6	14.0	15.1	21.5	19.4	20.7	54.2	43.8	35.3	6.5	5.8	5.0
Samhi Hotels	213	300	*40.8%*	47.1	540	17.0	14.3	11.3	NA	102.8	38.1	8.0	11.6	11.7	9.1	10.4	11.6	54.0	26.6	19.3	4.1	2.5	2.1
Voltamp Transformers	8,230	10,285	*25.0%*	83.3	954	19.7	0.5	21.5	5.9	1.2	12.8	22.1	19.4	19.0	24.0	19.9	20.0	25.6	25.3	22.4	5.2	4.6	4.0

** For Banks P/BV = P/ABV & RoCE = RoAA*

Added: *Adani Ports & SEZ, Britannia Industries, Larsen & Toubro, Lupin, Aster DM Healthcare, DOMS Industries, Eris Lifesciences and Voltamp Transformers*

Removed: *ABB India, Interglobe Aviation, Kotak Mahindra Bank, Astral, Indian Railway Catering and Tourism Corporation and Triveni Turbine*

Exhibit 45: Current Valuations in 46% (38% earlier) Nifty50 companies are lower than 2023 levels

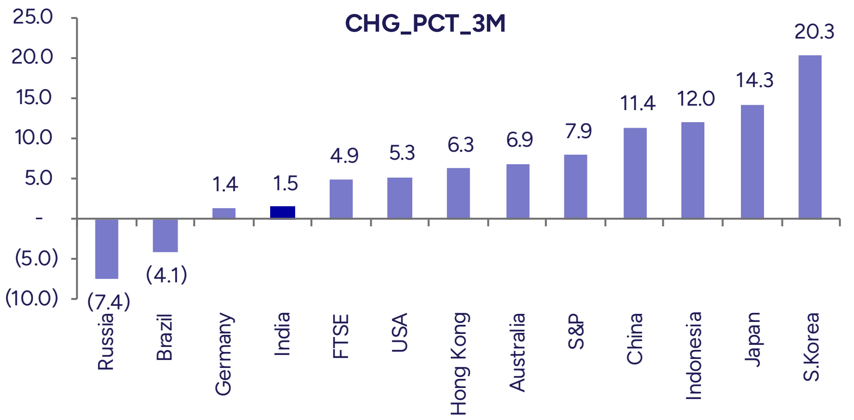
12 Month Forward Average PE	2009-11	2011-13	2013-16	2016-20	2022	2023	2024	2025	Current Valuations*
Nifty Index	**16.3**	**14.7**	**18.8**	**22.0**	**20.4**	**18.4**	**18.6**	**20.0**	**18.9**
Adani Enterprises	3.0	2.8	4.2	13.4	114.0	112.1	57.5	52.2	45.0
Adani Ports & Special Economic Zone Ltd	28.8	18.5	18.3	18.1	31.2	25.4	20.1	24.1	21.8
Apollo Hospital Enterprises	24.5	29.9	58.6	81.2	66.5	71.8	65.3	56.9	53.3
Asian Paints Ltd	21.5	30.1	39.9	51.7	82.7	61.8	66.5	66.3	54.8
Axis Bank Ltd	13.1	9.9	14.0	72.8	20.2	15.0	12.1	13.5	11.8
Bajaj Auto Ltd	9.7	15.1	17.5	17.7	17.4	15.6	21.5	32.1	25.4
Bajaj Finance Ltd	10.2	10.8	15.5	11.4	10.5	14.8	14.8	11.3	11.4
Bajaj Finserv Ltd	5.5	6.6	9.9	26.9	43.2	32.4	29.0	27.5	24.7
Bharat Electronics Ltd	15.8	12.7	14.4	17.8	16.8	19.7	22.6	37.0	43.1
Bharti Airtel Ltd	20.9	45.4	29.3	72.6	57.3	54.2	29.9	28.5	34.0
Cipla Ltd/India	23.5	19.3	34.3	29.8	28.3	24.1	20.2	23.7	24.4
Coal India Ltd	2.9	13.7	15.8	14.2	4.0	3.8	5.2	8.0	6.9
Dr Reddy's Laboratories Ltd	27.6	16.8	26.8	30.2	24.3	14.3	16.3	18.9	19.8
Eicher Motors Ltd	7.0	12.0	NA	34.7	31.9	24.8	22.5	27.1	18.1
Eternal Ltd	NA	NA	NA	NA	-63.4	70.1	204.6	304.9	202.3
Grasim Industries Ltd	6.0	8.2	19.1	20.0	14.5	17.1	27.9	35.7	27.9
HCL Technologies Ltd	13.3	9.0	14.1	12.9	21.3	18.4	21.4	26.0	22.2
HDFC Bank Ltd	20.7	18.5	18.0	21.5	19.9	17.3	17.2	17.2	18.5
HDFC Life Insurance Co. Ltd.	NA	NA	-	42.8	103.0	80.4	78.4	68.3	70.6
Hero MotoCorp Ltd	16.0	17.5	17.4	18.0	20.4	15.4	15.8	20.1	19.8
Hindalco Industries Ltd	9.9	9.0	17.2	9.9	8.6	9.4	8.2	9.5	10.3
Hindustan Unilever Ltd	24.3	25.2	37.1	50.1	60.2	58.1	57.3	54.7	56.1
ICICI Bank Ltd	19.5	13.6	15.0	30.5	17.7	16.0	15.5	17.5	19.0
IndusInd Bank Ltd	12.3	14.4	17.6	26.4	13.0	10.1	21.7	31.6	14.6
Infosys Ltd	20.5	16.0	16.5	16.4	29.9	25.2	22.6	26.2	21.1
ITC Ltd	19.4	22.9	30.5	24.2	16.1	19.0	19.2	20.0	21.2
Jio Financial Services Ltd	NA	NA	NA	NA	-	-	61.3	NA	NA
JSW Steel Ltd	16.2	25.2	25.6	10.2	15.7	26.1	33.4	32.1	19.0
Kotak Mahindra Bank Ltd	17.6	18.6	25.9	29.1	27.1	21.8	18.0	17.1	18.8
Larsen & Toubro Ltd	20.9	18.0	26.2	19.8	24.7	22.6	28.5	29.6	25.3
Mahindra & Mahindra Ltd	12.0	13.5	22.6	34.4	17.5	16.5	16.4	25.7	23.6
Maruti Suzuki India Ltd	17.2	15.9	17.5	31.9	38.1	24.5	22.7	25.1	26.7
Nestle India Ltd	32.3	40.5	63.5	55.6	78.7	65.4	69.3	70.2	66.6
NTPC Ltd	17.9	11.9	10.8	10.7	7.2	8.3	10.7	15.0	13.3
Oil & Natural Gas Corp Ltd	10.8	9.2	17.1	10.4	4.3	4.3	5.9	8.9	7.1
Power Grid Corp of India Ltd	17.6	12.5	11.5	10.5	8.1	10.0	12.8	18.3	15.9
Reliance Industries Ltd	13.5	10.5	9.4	13.4	21.9	31.4	32.9	24.8	22.0
SBI Life Insurance Co.	NA	NA	-	32.4	68.3	66.2	62.0	59.5	62.1
State Bank of India	11.9	8.9	25.1	200.4	8.9	7.8	7.5	9.4	8.4
Sun Pharmaceutical Industries Ltd	18.1	20.6	37.2	42.0	32.8	25.1	27.7	36.3	32.0
Tata Consultancy Services Ltd	16.3	16.9	20.1	20.7	32.0	27.5	27.2	29.6	21.3
Tata Consumer Products	19.9	18.1	3.7	32.6	65.2	60.5	73.0	71.9	54.0
Tata Motors Ltd	5.3	6.5	11.6	-0.8	-13.5	14.7	8.7	13.8	12.0
Tata Steel Ltd	-6.7	NA	-13.6	7.5	7.2	-1.0	-40.0	28.5	14.7
Tech Mahindra Ltd	12.9	7.2	15.6	13.4	23.0	27.7	32.6	28.6	23.4
Titan Co Ltd	21.2	29.4	38.8	56.5	67.8	64.1	84.0	75.9	62.5
Trent Ltd	NA	-117.4	81.6	36.7	140.2	52.5	55.5	117.5	85.4
UltraTech Cement Ltd	13.7	16.1	28.4	35.4	33.5	31.7	39.2	42.9	36.9
UPL Ltd	5.9	6.7	13.3	33.9	48.6	34.7	29.9	24.5	25.3
Wipro Ltd	15.6	13.2	15.1	14.8	27.7	20.3	18.4	21.3	19.3

*Source: PL   * as of August 22, 2025*

Conditions ripe for consumption demand revival

- Indian markets have shown a lot of resilience with flattish performance since July beginning despite penal tariffs imposed by USA and Rs410bn FII selling. Corporate performance has been reasonable with sales/EBIDTA and PAT showing divergence of 2/0.9/-0.5% from estimates.
- Geopolitical situation remains fragile and erratic tariff decisions can impact global trade and GDP growth in coming quarters. US inflation is resilient so far given low weightage of everyday items in the inflation basket. However, rising prices of key daily use items like coffee, Eggs, beef, baked beans etc. will start having impact on consumer wallets in coming months.
- India US trade deal is unlikely to materialize in the near term given 1) differences around agriculture, dairy, GM crops and labor-intensive industries, 2) hints of likely tilt in US foreign policy in favor of India's hostile neighbors and 3) US perception of Inda as an emerging military power post success of indigenously developed Missiles and air defense systems in operation Sindoor.
- We believe that India will suffer near term export challenges in Textiles, polished gems, engineering goods etc. which could be 70% of India's merchandise trade with USA. While India will look at other markets, we expect some fiscal and monetary support by GOI to avert any crisis.
- GOI has unveiled strong commitment to invest behind Defense, Semiconductors, Ports, Dams, Nuclear Power etc. However, the incremental Govt push is likely to be limited as Govt capex is more than 3x since FY21. Acceleration in consumption demand is the need of the hour to accelerate growth and sustain momentum given some expected pressure on US exports.
- The conditions seem ripe for revival of consumption demand given 1) normal monsoons 2) just 1.6% CPI and negative food inflation 3) cut in interest rates and CRR and 4) benefits of tax cuts in FY26 budget. We expect strong festival demand in the early festival season. We believe transmission of interest rate cuts and potential reduction in GST rates will support demand during the post festival season and provide much needed momentum for sectors like Auto, FMCG, Consumer Durables, Cement etc.

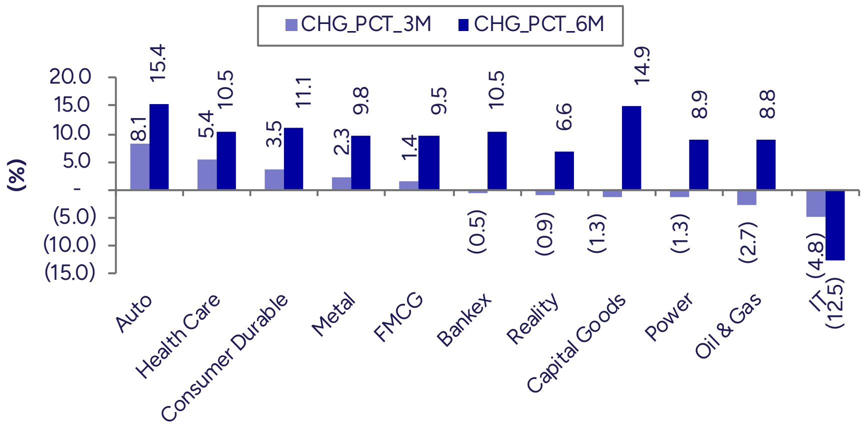
Exhibit 46: Nifty50 up just 1.5% in 3M as India underperforms major markets



Source: PL

Risk appetite remains strong as small cap and mid cap indices have outperformed NIFTY by 2.9/3.3% in 3months and 3.4/6.2% in past 6 months. On a 12-month basis, however, NIFTY still shows outperformance of 5.7/4.5% respectively.

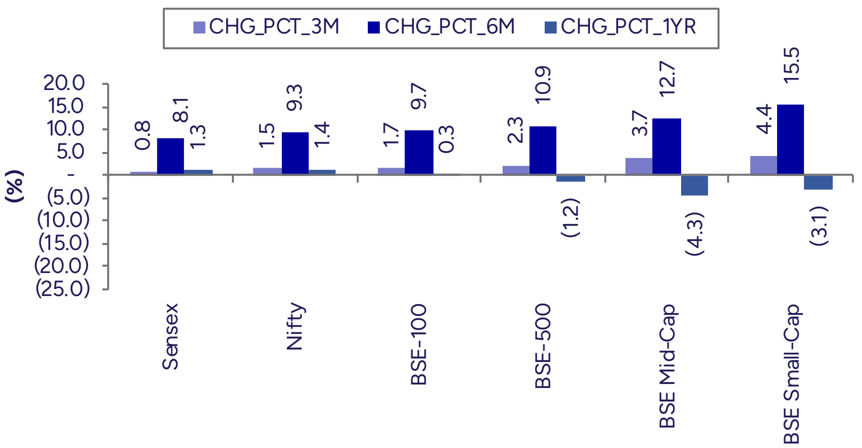
Exhibit 47: Consumption and Metal show uptrend, cyclicals under pressure



Source: PL

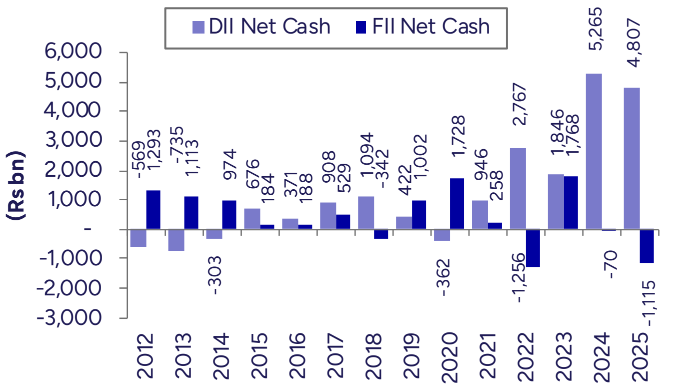
DII flows have been 1143bn in last 6 weeks showing strong momentum and help absorb FII selling of Rs410bn

Exhibit 48: Small cap/ Mid cap indices report huge outperformance



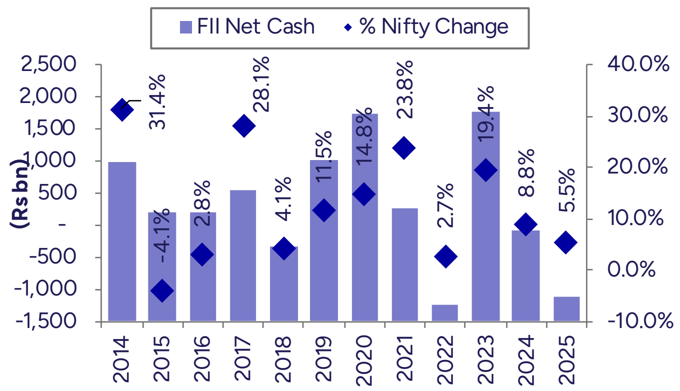
Source: PL

Exhibit 49: DII flows Rs4807bn, FII outflows at Rs1115bn YTD



Source: PL

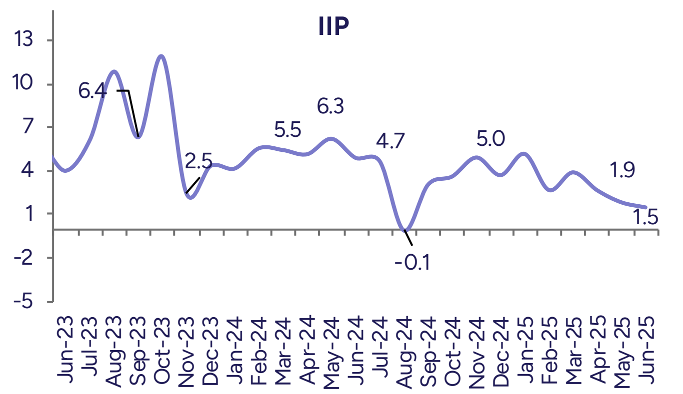
Exhibit 50: NIFTY up 5.5% YTD amidst tariff led uncertainty



Source: PL

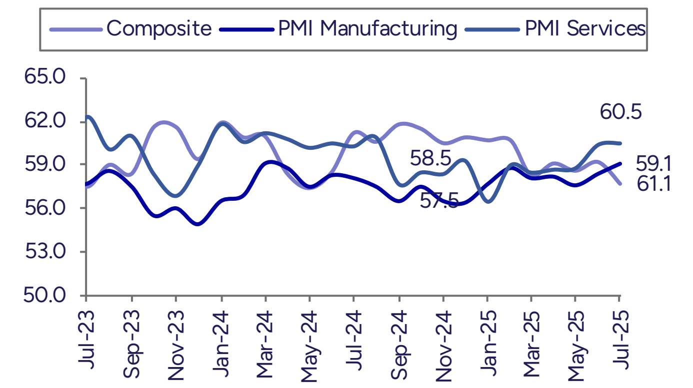
High Frequency indicators show resilience and uptick in momentum

Exhibit 51: IIP falls to 10-Month low of 1.5% YoY in June'25



Source: Ministry of commerce, PL

Exhibit 52: July'25 PMI expands to 61.1, led by services growth



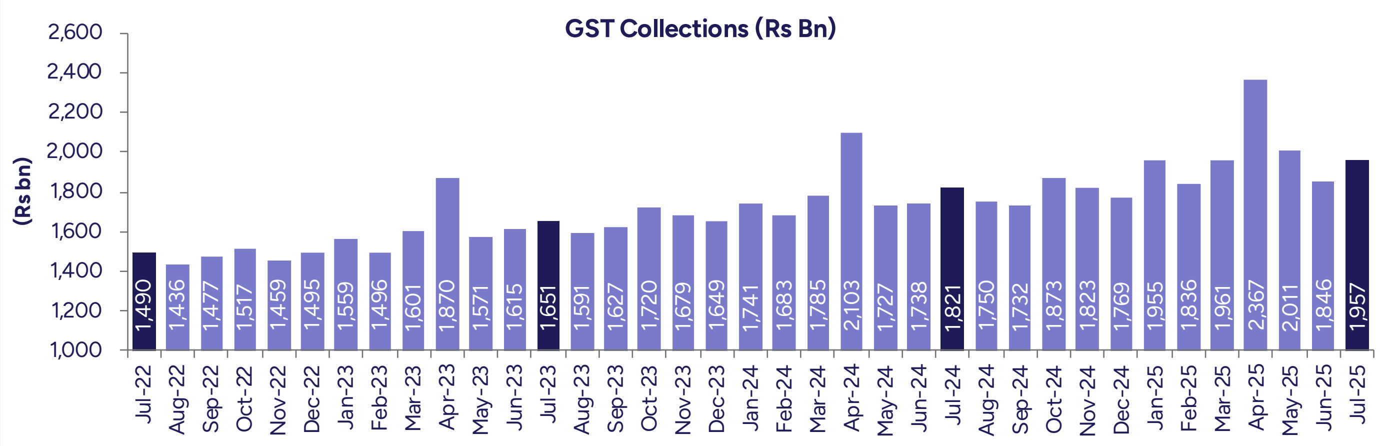
Source: Ministry of commerce, PL

Exhibit 53: June'25 IIP growth at 1.5% YoY due to drag from Consumer staples, Durables and basic goods

	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
General	**4.7**	**4.7**	**-0.1**	**3.1**	**3.7**	**5.0**	**3.7**	**5.2**	**2.7**	**3.9**	**2.7**	**1.9**	**1.5**
Mining	10.3	3.8	-4.3	0.2	0.9	1.9	2.7	4.4	1.6	1.2	-0.2	-0.1	-8.7
Manufacturing	3.2	4.4	1.1	3.9	4.4	5.5	3.7	5.8	2.8	4.0	3.1	3.2	4.2
Electricity	8.6	7.9	-3.7	0.5	2.0	4.4	6.2	2.4	3.6	7.5	1.7	-4.7	-2.6
Use-Based													
Basic goods	6.3	5.9	-2.6	1.8	2.5	2.7	3.8	5.5	2.8	3.9	-0.2	-1.4	-3.0
Intermediate goods	3.2	7.0	3.1	4.3	4.8	4.8	6.4	5.3	1.0	3.8	4.9	4.7	5.5
Capital goods	3.8	11.8	0.5	3.6	3.1	8.8	10.5	10.2	8.2	3.6	14.0	13.3	3.3
Infra/Construction Goods	8.2	5.5	2.7	3.5	4.7	8.0	8.4	7.3	6.8	9.9	4.7	6.7	7.2
Consumer Durables	8.8	8.2	5.4	6.3	5.7	14.1	8.1	7.1	3.7	6.9	6.2	-0.9	2.9
Consumer Non-durables	-1.5	-4.3	-4.5	2.2	2.6	0.4	-7.5	-0.2	-2.1	-4.0	-2.7	-1.0	0.1

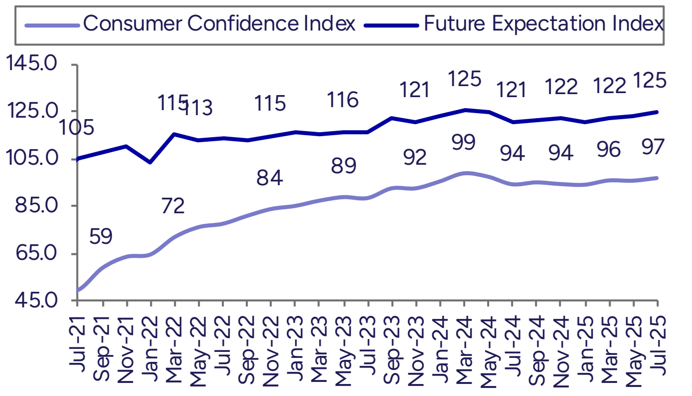
Source: MOSPI, PL

Exhibit 54: July'25 GST Collection at Rs.1.95bn, up 7.5% YoY, compensation cess down by 2.2% YoY



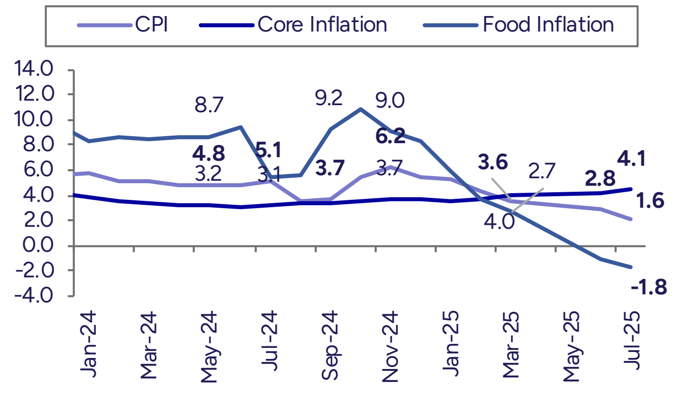
Source: GOI, PL

Exhibit 55: FEI-CCI gap at 28.2 in July'25, 1 % up since May'25



Source: CMIE, PL

Exhibit 56: CPI at 1.6% in July'25, Core Inflation at 4.1%



Source: MOSPI, PL

Exhibit 57: CPI declines to 1.6% as food price index remains in negative zone at 1.8% in July'25

Consumer Price Index (CPI)		Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May -25	Jun -25	Jul -25
	Weight	3.6	3.7	5.5	6.2	5.5	5.2	4.3	3.6	3.3	3.2	2.8	2.1	1.6
Food, Beverages	45.9	5.1	5.3	8.4	9.7	8.2	7.7	5.7	3.8	2.9	2.1	1.5	-0.2	-0.8
Pan Tobacco and Intoxicants	2.4	3.0	2.7	2.5	2.5	2.3	2.5	2.3	2.4	2.5	2.1	2.4	2.4	2.4
Clothing and Footwear	6.5	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.6	2.7	2.7	2.6	2.5
Housing	10.1	2.7	2.7	2.7	2.8	2.9	2.7	2.8	2.9	3.0	3.0	3.2	3.2	3.2
Fuel and light	6.8	-5.5	-5.3	-1.3	-1.7	-1.8	-1.3	-1.4	-1.3	1.5	2.9	2.8	2.6	2.7
Miscellaneous	28.3	3.8	3.9	4.0	4.3	4.3	4.2	4.3	4.8	5.0	5.0	5.2	5.5	5.0
Consumer Food Price Index	**39.1**	**5.4**	**5.7**	**9.2**	**10.9**	**9.0**	**8.4**	**6.0**	**3.7**	**2.7**	**1.8**	**1.0**	**-1.1**	**-1.8**

Source: MOSPI, PL

Exhibit 58: India's Trade Deficit up 10% YoY, led by a sharp YoY increase seen in Oil and Gold (7% and 14%) imports

Merchandise Trade (USD bn)	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Exports	**34.7**	**34.5**	**34.3**	**39.0**	**32.0**	**37.8**	**36.4**	**36.9**	**42.0**	**38.5**	**38.7**	**35.1**	**37.2**
YoY %	*1%*	*-10%*	*0%*	*17%*	*-5%*	*-2%*	*-3%*	*-11%*	*1%*	*9%*	*-2%*	*0%*	*7%*
Imports	**59.5**	**68.5**	**58.7**	**65.1**	**63.9**	**58.5**	**59.4**	**51.0**	**63.5**	**64.9**	**60.6**	**53.9**	**64.6**
YoY %	*11%*	*10%*	*8%*	*2%*	*16%*	*0%*	*10%*	*-16%*	*11%*	*19%*	*-2%*	*-4%*	*9%*
- Oil	14.5	12.1	14.9	18.9	15.9	13.6	13.4	11.9	19.0	20.7	14.8	13.8	15.6
YoY %	*23%*	*-26%*	*6%*	*17%*	*7%*	*-9%*	*-13%*	*-30%*	*16%*	*26%*	*-26%*	*-8%*	*7%*
- Gold	3.5	12.6	4.6	4.9	9.8	4.7	2.7	2.3	4.5	3.1	2.5	1.8	4.0
YoY %	*0%*	*154%*	*13%*	*-32%*	*186%*	*55%*	*41%*	*-62%*	*192%*	*5%*	*-13%*	*-26%*	*14%*
- Non Oil Non Gold	41.5	43.8	39.2	41.3	38.2	40.2	43.3	36.7	39.9	40.9	42.7	38.1	44.5
YoY %	*9%*	*7%*	*8%*	*2%*	*4%*	*0%*	*19%*	*-3%*	*2%*	*17%*	*10%*	*-1%*	*7%*
Trade Deficit	**(24.8)**	**(34.0)**	**(24.4)**	**(26.1)**	**(32.0)**	**(20.7)**	**(23.0)**	**(14.1)**	**(21.5)**	**(26.4)**	**(21.9)**	**(18.8)**	**(27.4)**
YoY %	***34%***	***42%***	***22%***	***-14%***	***50%***	***10%***	***39%***	***-27%***	***40%***	***37%***	***-1%***	***-10%***	***10%***

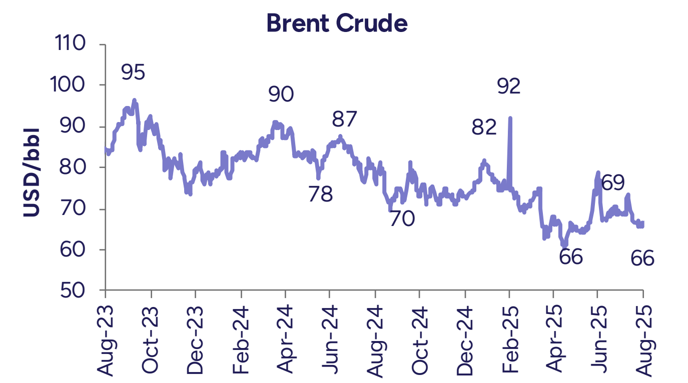
Source: Ministry of Commerce, PL

Exhibit 59: India's Service exports up 1% YoY and imports down 3% in July, Services Balance up 7% to USD 15.6 bn

Services	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Exports (Receipts)	30.6	30.3	32.6	34.4	32.1	37.0	34.7	31.6	35.6	35.3	32.4	32.8	31.0
YoY %	*17%*	*6%*	*15%*	*23%*	*14%*	*33%*	*6%*	*12%*	*19%*	*17%*	*9%*	*15%*	*1%*
Imports (Payments)	15.9	16.5	16.5	17.2	17.2	17.8	16.7	14.5	13.7	17.5	17.1	17.6	15.4
YoY %	*16%*	*9%*	*13%*	*28%*	*26%*	*34%*	*4%*	*-5%*	*-17%*	*5%*	*2%*	*16%*	*-3%*
Services balance	**14.6**	**13.9**	**16.0**	**17.2**	**14.9**	**19.2**	**18.0**	**17.1**	**21.9**	**17.8**	**15.3**	**15.3**	**15.6**
YoY %	***17%***	***2%***	***16%***	***18%***	***3%***	***31%***	***8%***	***31%***	***63%***	***32%***	***20%***	***13%***	***7%***

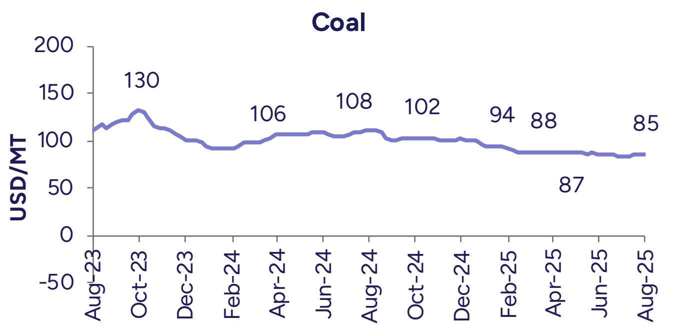
Source: Ministry of Commerce, PL

Exhibit 60: Crude at $66.5, down 1.7% since June'25



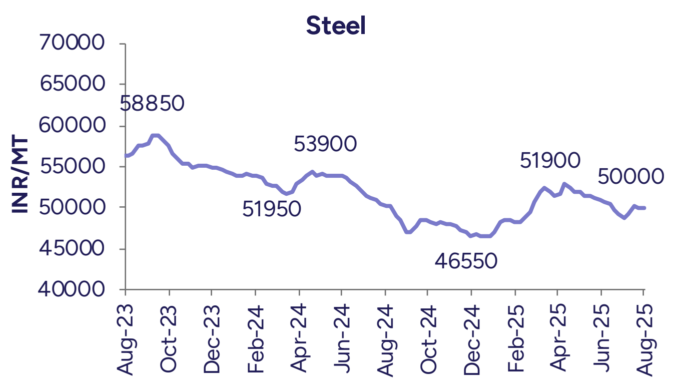
Source: PL

Exhibit 61: Coal prices flattish, down 0.6% since June'25



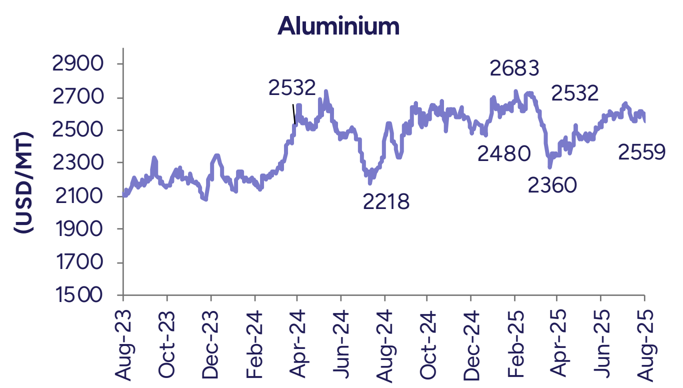
Source: Bigmint, PL

Exhibit 62: Steel prices down 3.8% since Mar'25 despite ADD



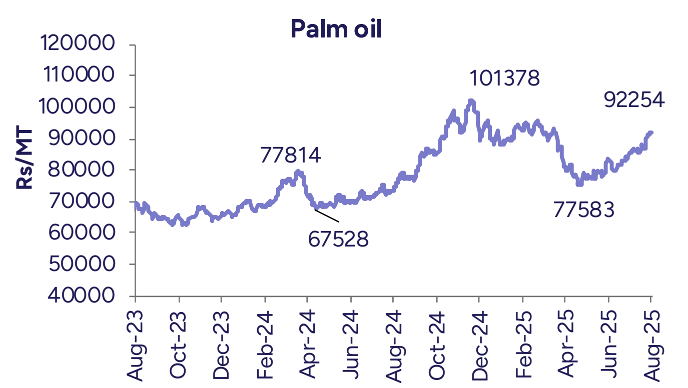
Source: Bigmint, PL

Exhibit 63: Aluminium prices down 1.5% since June'25



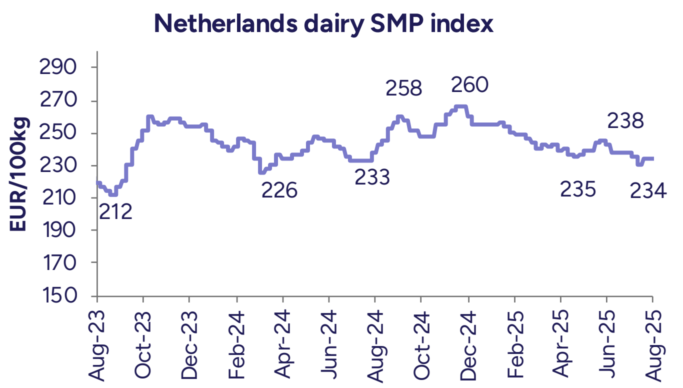
Source: PL

Exhibit 64: Palm oil prices are up 15.8% since June'25



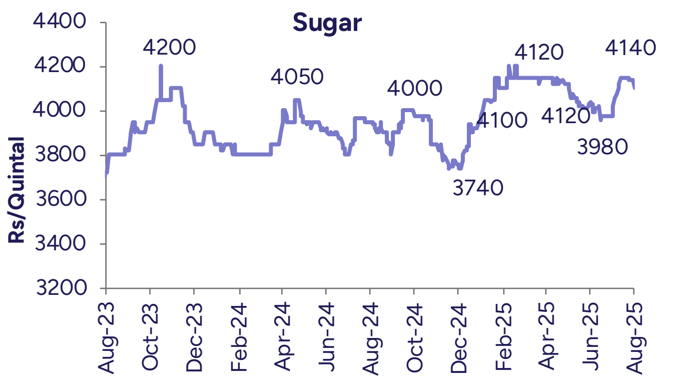
Source: PL

Exhibit 65: SMP prices down 1.7% since June'25



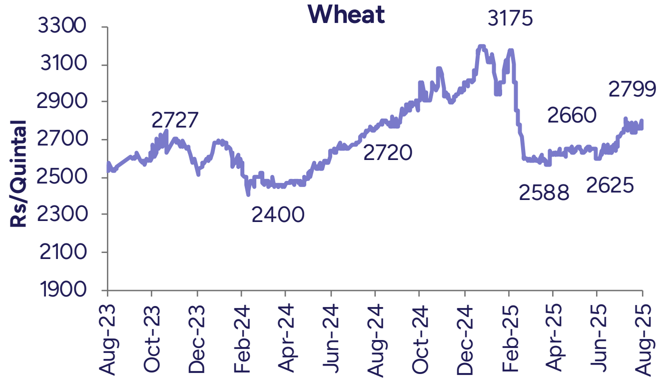
Source: PL

Exhibit 66: Sugar prices up 2.2% since June'25



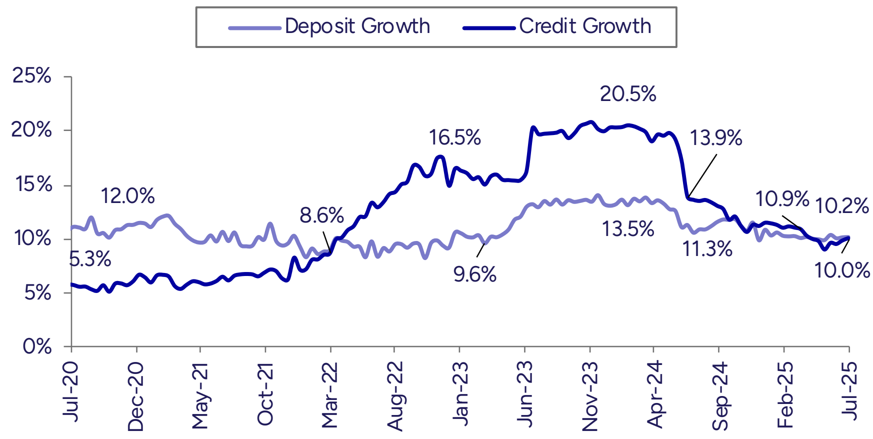
Source: PL

Exhibit 67: Wheat prices up 4.7% since June'25



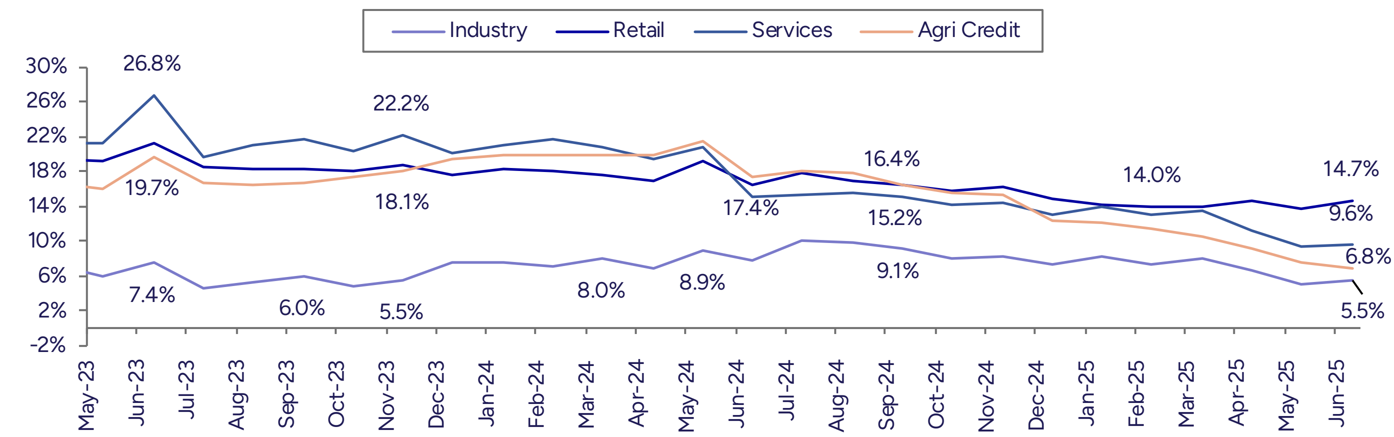
Source: PL

Exhibit 68: Both credit and deposit growth remain muted



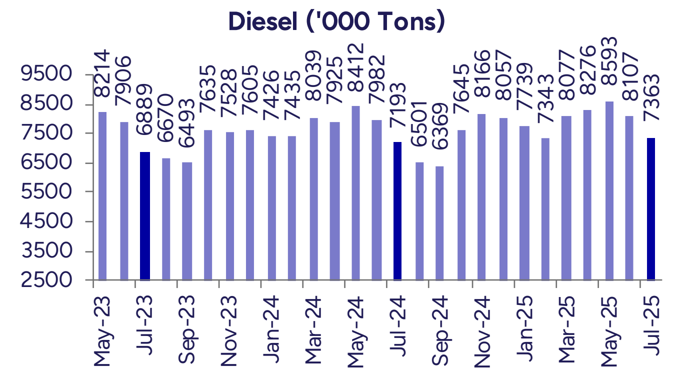
Source: RBI, PL ; Note- 14th July,2023 onwards, numbers are including HDFC

Exhibit 69: Agri and services credit growth slows down by 237 bps and 152 bps since Apr'25: retail seems at bottom



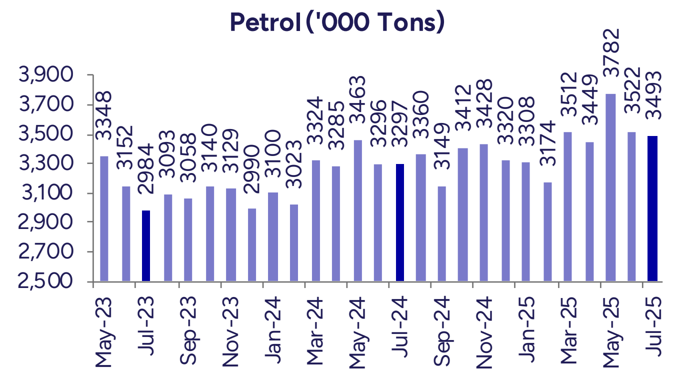
Source: RBI, PL

Exhibit 70: Diesel usage in July'25 is up 2.4% YoY at 7.4MMT



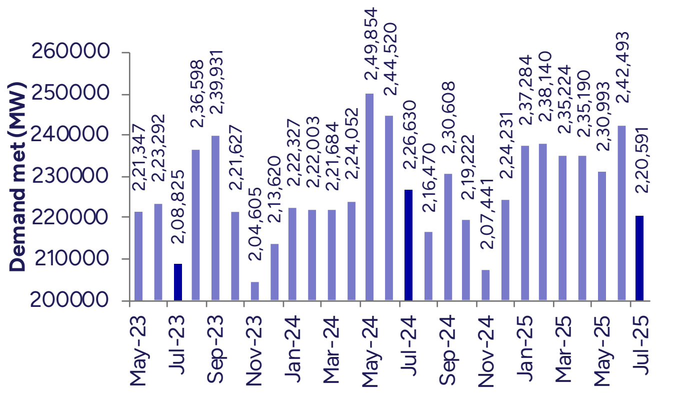
Source: PPAC, PL

Exhibit 71: July'25 consumption rises 5.9% YoY to 3.5MMT



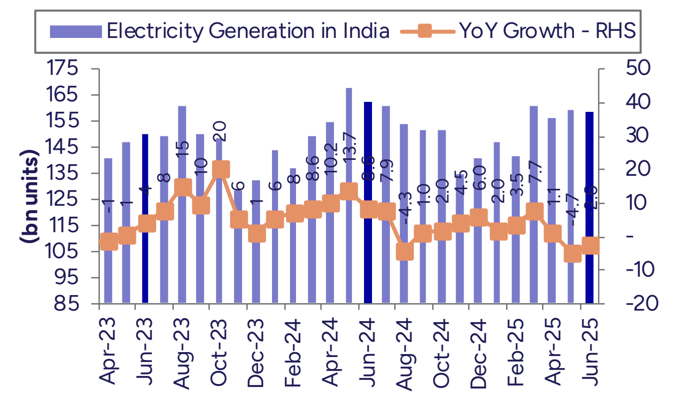
Source: PPAC, PL

Exhibit 72: July'25 Power demand down 2.7% YoY



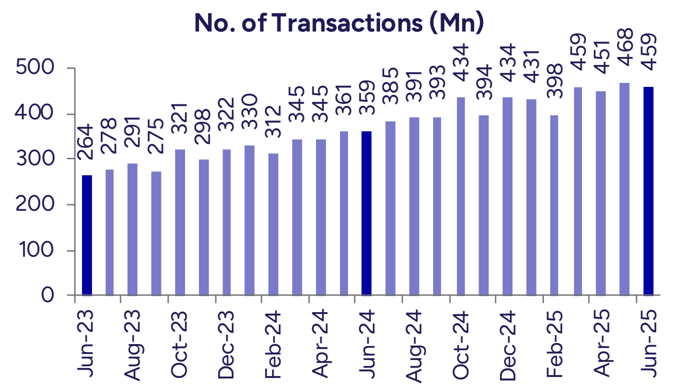
Source: CEA, PL

Exhibit 73: Energy generation down 2.6% YoY in June'25



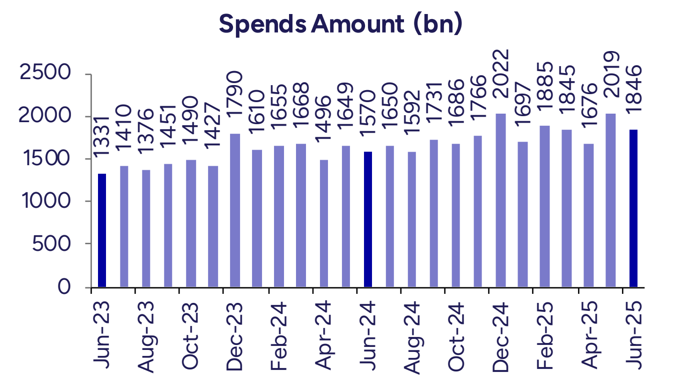
Source: CEA, PL

Exhibit 74: June'25 Credit Card transaction up 28.0% YoY



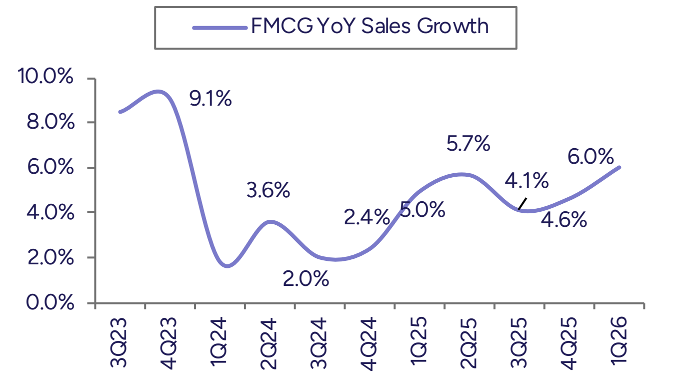
Source: RBI, PL

Exhibit 75: Credit cards - June'25 Spending up 15.2% YoY



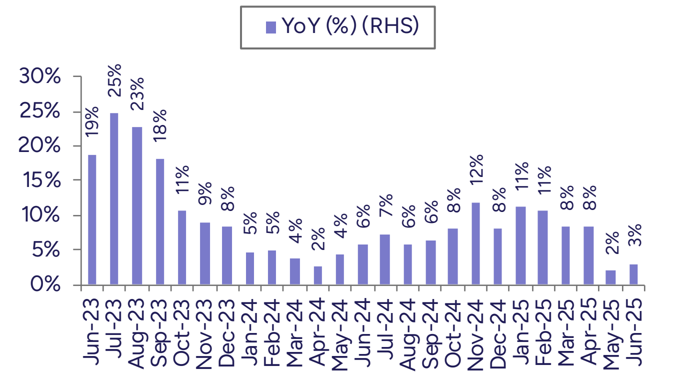
Source: RBI, PL

Exhibit 76: FMCG sales in recovery zone with 6% growth YoY



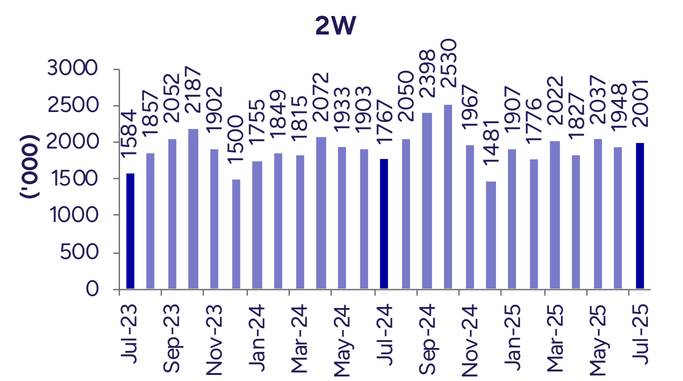
Source: Company, PL

Exhibit 77: June'25 Air traffic rises by 3.0 % YoY to 13.6 mn



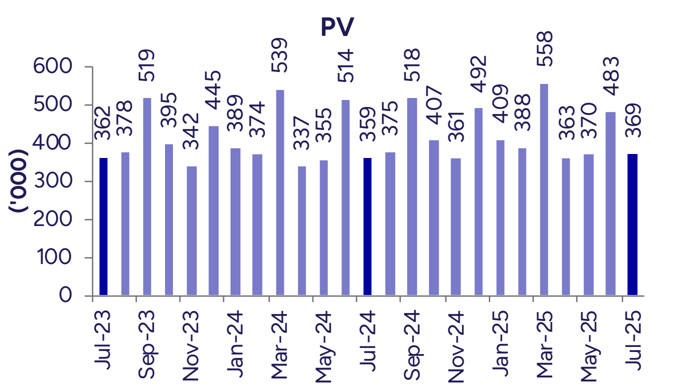
Source: DGCA, PL

Exhibit 78: July'25 2W Sales up 13.3% YoY at 2.0 mn



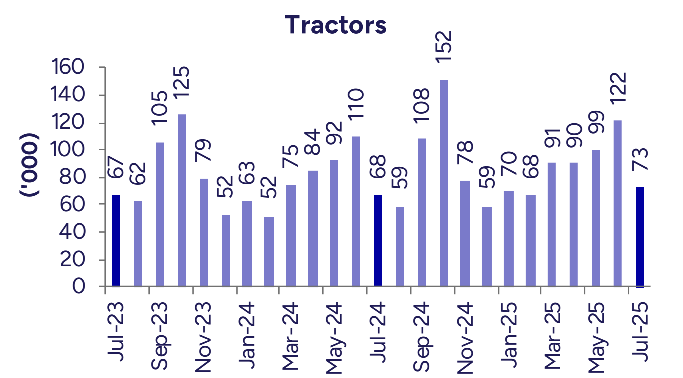
Source: SIAM, PL

Exhibit 79: PV sales are up by 2.7% YoY in July'25



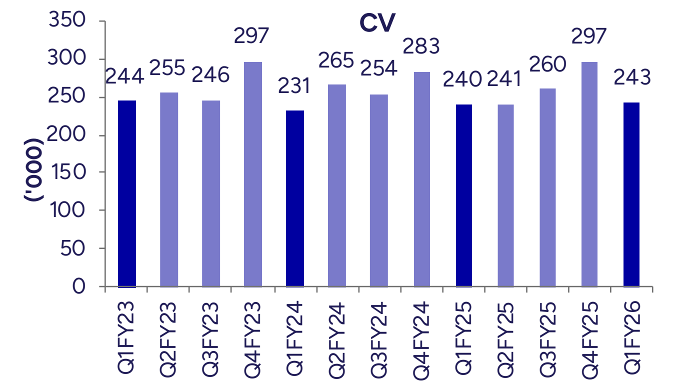
Source: SIAM, PL (*TATA motors only gives Quarterly numbers)

Exhibit 80: July'25 Tractor volumes up 7.1% at 73k



Source: SIAM, PL

Exhibit 81: 1QFY26 CV volumes up 1.1% YoY at 243k



Source: SIAM, PL

1Q26 Sales/EBIDTA/PBT largely in line

- PL Coverage universe posted higher sales/EBIDTA growth by 2.0/0.9% while PBT growth was lower by -1% than estimates. Ex-BFSI Sales and EBIDTA variation was +2.3% and -3.5% while PAT variation was -1.3%.
- There were 23 rating upgrades and 9 rating downgrades. Oil and Gas, Chemicals had 9 and 5 upgrades. Capital Goods, Building Materials, Durables and IT services had 2 upgrades each while cement had one upgrade. Capital Goods saw 6 rating downgrades while Build Material, Consumer and Logistics had 1 downgrade each.
- **Major Rating Upgrade:** Astral, Finolex Industries, Hindustan Aeronautics, Shree Cement, Vinati Organics, Polycab India, Mphasis and Reliance Industries.
- **Major Rating Downgrade:** ABB, Cummins India, Praj Industries, Thermax, Nestle India, Delhivery.
- **Major Estimates Upgrade** – HDFC Bank, Kajaria Ceramics, Apar Industries, GE Vernova T&D, Nuvoco Vistas Corporation, Gujarat Fluorochemicals, Moldtek Packaging, Kaynes Technology India, Syrma SGS Technology, Fortis Healthcare, LTI Mindtree, Hindalco Industries, Jindal Steel & Power, Steel Authority of India, NMDC, Mahanagar Gas and Oil India.
- **Estimate Downgrade** – Astral, Century Plyboards (India), ABB India, Bharat Heavy Elelectricals, Carborundum Universal, Praj Industries, Triveni Turbine, NOCIL, ITC, Westlife Foodworlds, Navneet Education, Krishna Institute of Medical Sciences, Nazara Technologies, Steel Authority of India, Mangalore Refinery and Petrochemicals, Aurobindo Pharma, Sun Pharmaceutical Industries, Imagicaaworld Entertainment, VIP Industries, Interglobe Aviation & Lemon Tree Hotels.

Exhibit 82: Oil and Gas, Travel and Building material miss estimates, Hospitals, Metals and Telecom above estimates on PBT

	Revenue (Rs mn)			EBITDA (Rs mn)			PBT (Rs mn)			PAT (Rs mn)		
	Estimate	Actual	% Var.	Estimate	Actual	% Var.	Estimate	Actual	% Var.	Estimate	Actual	% Var.
Banks	14,54,719	14,29,174	-1.8%	10,82,375	12,18,435	12.6%				6,83,603	6,94,467	1.6%
Building Materials	83,931	80,360	-4.3%	11,705	9,750	-16.7%	9,582	7,407	-22.7%	7,660	5,829	-23.9%
Capital Goods	11,49,808	11,41,129	-0.8%	1,27,399	1,23,929	-2.7%	1,18,507	1,21,970	2.9%	82,034	83,754	2.1%
Cement	4,68,484	4,74,682	1.3%	97,930	95,716	-2.3%	65,372	63,977	-2.1%	50,615	46,200	-8.7%
Chemicals	1,55,518	1,49,446	-3.9%	27,485	26,770	-2.6%	18,237	18,121	-0.6%	13,809	13,748	-0.4%
Consumer Durables	2,43,319	2,35,408	-3.3%	23,837	22,860	-4.1%	22,130	21,638	-2.2%	16,215	15,626	-3.6%
Consumer Staples	10,24,490	10,35,139	1.0%	2,04,239	2,01,237	-1.5%	1,90,635	1,87,986	-1.4%	1,43,366	1,40,520	-2.0%
Education	14,680	14,589	-0.6%	3,097	3,166	2.2%	2,625	2,731	4.1%	1,940	2,010	3.6%
EMS	22,801	22,192	-2.7%	2,357	2,546	8.0%	1,686	1,926	14.2%	1,265	1,460	15.5%
HFCs	27,839	27,061	-2.8%	23,871	23,863	0.0%				17,550	17,230	-1.8%
Hospitals	1,49,092	1,52,393	2.2%	28,651	29,838	4.1%	18,925	20,036	5.9%	14,154	14,960	5.7%
Information Technology	19,71,763	19,67,103	-0.2%	3,85,150	3,81,861	-0.9%	4,16,391	4,22,358	1.4%	3,07,101	3,08,319	0.4%
Logistics	43,779	42,053	-3.9%	2,472	2,531	2.4%	866	1,178	36.0%	780	997	27.9%
Media	40,814	39,408	-3.4%	7,707	7,453	-3.3%	2,010	2,277	13.3%	1,479	1,117	-24.5%
Metals	21,01,291	21,93,525	4.4%	3,31,593	3,41,296	2.9%	1,85,086	2,00,974	8.6%	1,31,605	1,45,293	10.4%
NBFC	2,01,748	1,98,624	-1.5%	1,58,729	1,58,090	-0.4%				87,638	84,857	-3.2%
Oil & Gas	73,22,759	76,15,641	4.0%	10,99,889	9,94,320	-9.6%	7,77,691	7,51,851	-3.3%	5,66,754	5,56,311	-1.8%
Pharmaceuticals	6,00,456	6,02,659	0.4%	1,57,543	1,60,577	1.9%	1,36,181	1,40,600	3.2%	1,04,310	99,914	-4.2%
Telecom	4,87,498	4,94,626	1.5%	2,68,124	2,78,387	3.8%	93,586	1,04,216	11.4%	70,825	59,479	-16.0%
Travel & Tourism	2,44,188	2,42,278	-0.8%	69,718	68,085	-2.3%	33,214	31,571	-4.9%	30,781	29,724	-3.4%
PL Universe	**1,78,08,978**	**1,81,57,489**	**2.0%**	**41,13,872**	**41,50,711**	**0.9%**	**20,92,726**	**21,00,817**	**0.4%**	**23,33,484**	**23,21,815**	**-0.5%**
PL Universe (ex-BFSI)	**1,61,24,672**	**1,65,02,630**	**2.3%**	**28,48,897**	**27,50,322**	**-3.5%**	**20,92,726**	**21,00,817**	**0.4%**	**15,44,693**	**15,25,260**	**-1.3%**
PL Universe (ex-O&G)	**1,04,86,219**	**1,05,41,848**	**0.5%**	**30,13,983**	**31,56,390**	**4.7%**	**13,15,034**	**13,48,966**	**2.6%**	**17,66,729**	**17,65,504**	**-0.1%**

Source: Company, PL

1Q26 EBIDTA grows 16.1%, PAT grows 18.3% YoY

- PL Universe reported Sales, EBIDTA, PAT growth of 3.8%, 16.1%, and 18.3% YoY respectively. Ex-BFSI EBIDTA increased 14.9% while PBT increased by 24.1% YoY. Ex-O&G EBIDTA increased 15.8% while PBT increased 15.6% YoY.
- Excluding commodity sectors of Cement, metals and oil and Gas, sales, EBIDTA and PAT increased by 7.9/15/7.6% respectively.
- Hospitals, Capital Goods and Telecom posted strong double-digit sales growth, while cement and consumer posted low double digit sales growth.
- Commodity segments like Cement, Metals and Oil ana Gas reported a strong 39.8/16.7/17.3% respectively. IT, consumer, Pharma, Travel and chemicals reported low to mid-single digit EBIDTA growth. Consumer Durables and building material were only segment with decline in EBIDTA. EMS and Telcom reported strong 87% and 41% EBIDTA growth.

Exhibit 83: Commodities, Capital Goods, EMS, Hospitals have strong EBIDTA ; Travel, Durables and Bld. material disappoint

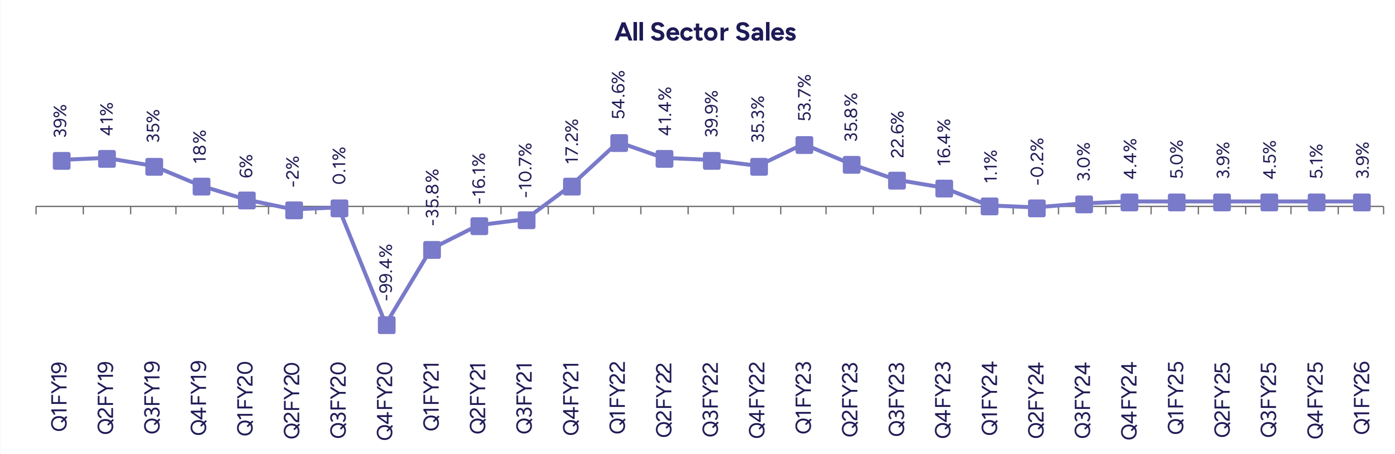
	Revenue Growth (%)		EBITDA Growth (%)		EBITDA Margin (bps)		PBT (%)		PAT (%)	
	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ	YoY	QoQ
Banks	1.7%	-0.4%	18.7%	12.3%	1,221	963			6.0%	2.1%
Building Materials	0.1%	-13.2%	-17.7%	-26.0%	-262	-211	-26.2%	-32.5%	-22.8%	-32.6%
Capital Goods	14.2%	-22.6%	12.4%	-44.8%	-17	-436	19.2%	-43.0%	19.5%	-46.0%
Cement	10.5%	-4.3%	39.8%	-4.6%	423	-6	52.0%	-10.6%	47.5%	-15.7%
Chemicals	1.4%	-7.0%	6.2%	-10.0%	82	-58	9.3%	-13.3%	10.3%	-17.3%
Consumer Durables	2.0%	-13.9%	-1.7%	-26.3%	-36	-164	-2.3%	-26.0%	-3.3%	-27.6%
Consumer	10.5%	8.4%	2.2%	8.3%	-158	-2	1.1%	8.4%	1.0%	8.0%
Education	7.8%	3.2%	0.3%	-14.5%	-162	-449	-1.9%	-14.6%	48.1%	-16.7%
EMS	4.6%	-17.2%	87.4%	-31.9%	507	-249	82.2%	-37.8%	83.7%	-38.4%
HFCs	5.9%	-2.8%	7.5%	0.5%	127	294			6.0%	-1.9%
Hospitals	16.7%	5.2%	23.5%	3.7%	108	-29	20.3%	3.8%	22.2%	5.1%
Information Technology	4.7%	-0.1%	3.9%	-1.1%	-14	-21	5.7%	0.4%	4.9%	-1.7%
Logistics	8.2%	3.4%	29.1%	13.5%	97	54	36.1%	44.2%	37.2%	17.2%
Media	4.9%	-2.7%	13.2%	13.0%	139	262	137.1%	87.8%	64.0%	13.1%
Metals	4.4%	-4.7%	16.7%	4.2%	164	133	28.0%	4.6%	42.0%	9.0%
NBFC	18.9%	4.0%	20.4%	2.9%	99	-89			18.8%	-0.1%
Oil & Gas	-0.6%	-3.8%	17.3%	0.2%	199	51	44.5%	15.6%	51.5%	21.7%
Pharmaceuticals	8.4%	2.8%	7.0%	7.1%	-34	105	7.4%	6.5%	1.1%	5.9%
Telecom	28.5%	3.3%	41.3%	3.1%	510	-13	138.0%	7.8%	73.7%	-46.7%
Travel & Tourism	6.9%	-5.2%	3.0%	-14.6%	-108	-311	-6.8%	-19.8%	-6.2%	-15.1%
PL Universe	**3.9%**	**-3.8%**	**16.1%**	**1.3%**	**240**	**115**	**24.5%**	**1.1%**	**18.3%**	**-0.6%**
PL Universe (Ex-BFSI)	**4.0%**	**-4.2%**	**14.9%**	**-3.0%**	**159**	**20**	**24.5%**	**1.1%**	**25.0%**	**-1.8%**
PL Universe (Ex-Oil & Gas)	**7.4%**	**-3.9%**	**15.8%**	**1.6%**	**215**	**162**	**15.6%**	**-5.6%**	**10.6%**	**-6.0%**

Source: Company, PL

- **Major Target Price increase** – HPCL, BPCL, IOC, Eris, SRF, JSPL, Tata Steel, NMDC, LTI Mindtree, Infosys, KIMS, Fortis, Aster, Syrma, APNT, Dabur, Britannia, Polycab, Gujarat Fluro, Greenpanel, Apar, Cummins, GE Vernova.
- **Major Target price Cuts** – Axis Bank, Union Bank, Astral Poly, Century Ply, ABB, Praj, Triveni, Carborundum, Fine Org, Cello World, Havells, Voltas, TCI Express, Chola, Shriram Finance, Sundaram Fin, ONGC, Imagica, Sun Pharma.

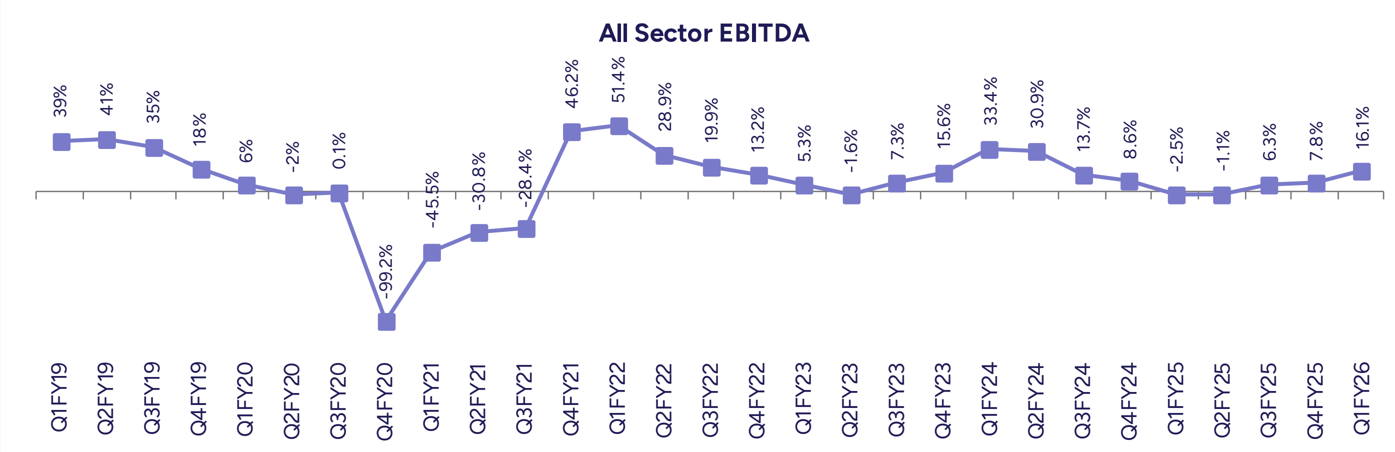
1Q shows impact of unseasonal rains and Operation Sindoor

Exhibit 84: Hospitals, CG, Telecom and consumer report double digit sales growth



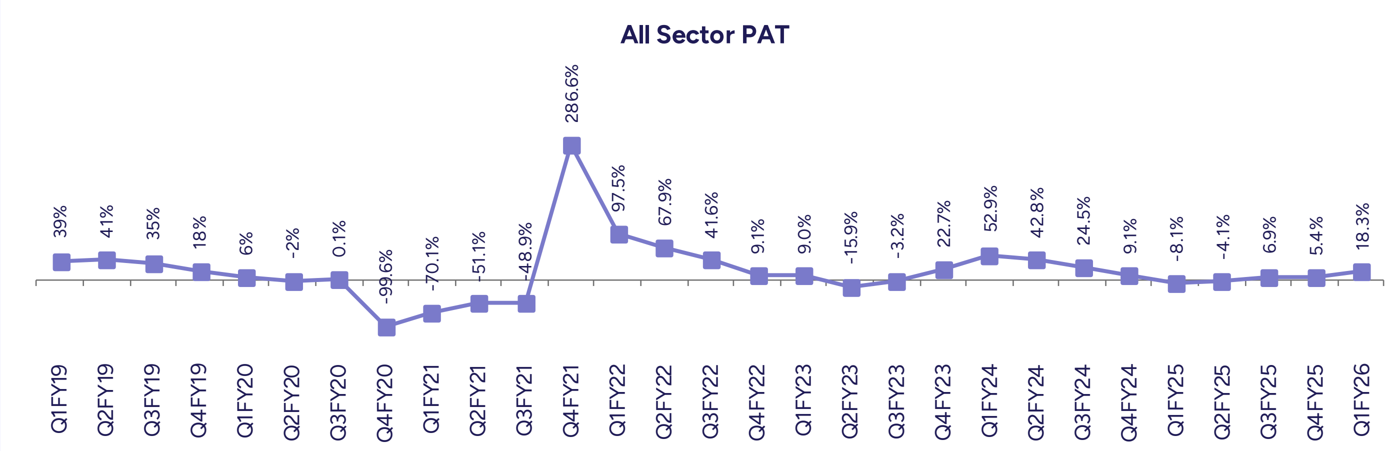
Source: Company, PL

Exhibit 85: Commodities, Financials Hospitals, EMS, Telecom drive EBIDTA



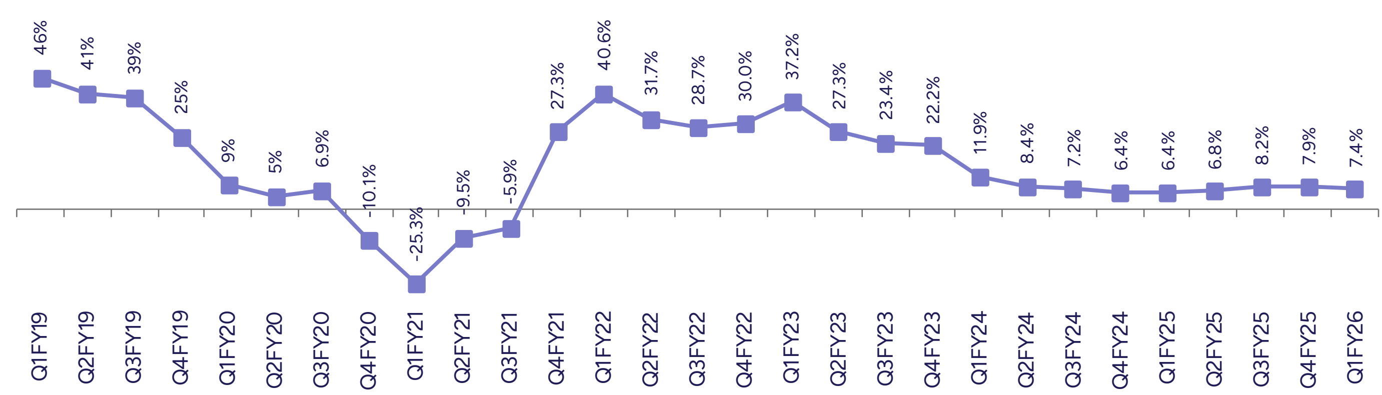
Source: Company, PL

Exhibit 86: Banks, Consumer, IT services, Pharma drag PAT growth



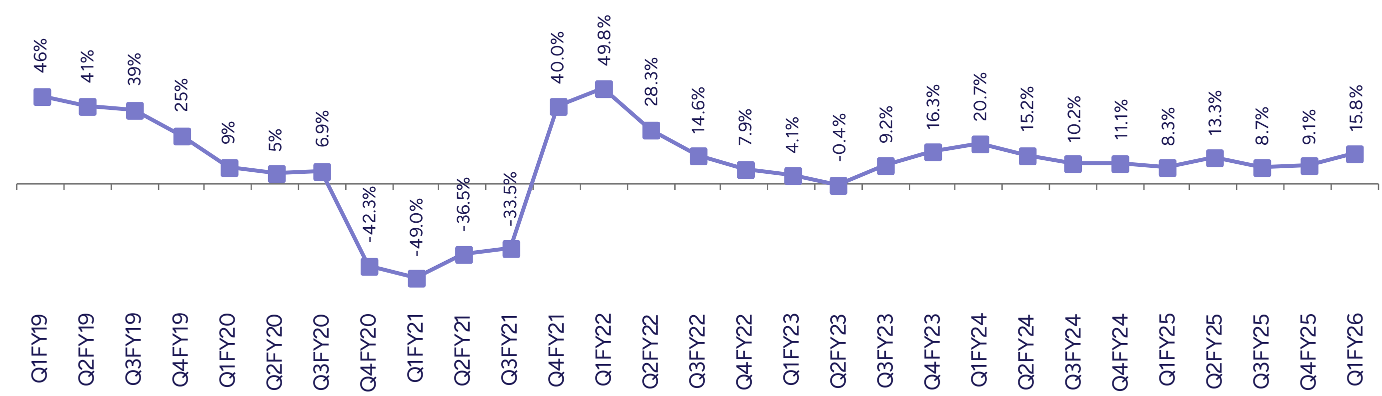
Source: Company, PL

Exhibit 87: Building Material, chemicals, durables and Metals drag sales growth



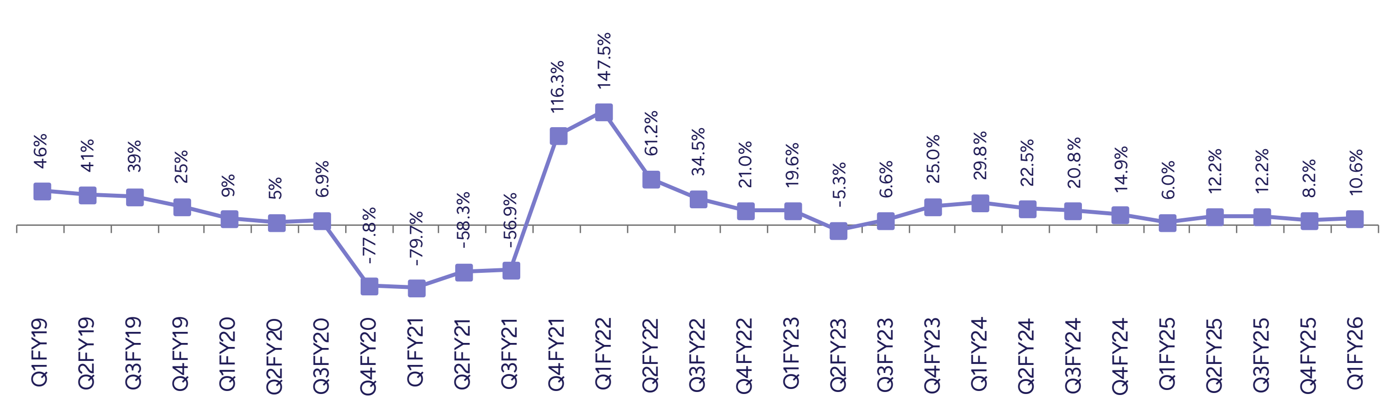
Source: Company, PL

Exhibit 88: Building Materials, durables, IT services, travel and Consumer Staples drag EBIDTA growth



Source: Company, PL

Exhibit 89: Cement, Metal, Telecom, EMS and Hospitals drive growth; Banks, Consumer, Durables, IT services drag growth



Source: Company, PL

Exhibit 90: 1QFY26 Result Snapshot

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Banks															
Axis Bank	1,35,598	1,34,482	0.8	1,38,105	-1.8	1,15,152	1,01,062	13.9	1,07,524	7.1	58,061	60,346	-3.8	71,175	-18.4
Bank of Baroda	1,10,495	1,16,001	-4.7	1,10,197	0.3	82,365	71,613	15.0	81,321	1.3	45,414	44,582	1.9	50,477	-10.0
City Union Bank	6,253	5,452	14.7	6,003	4.2	4,509	3,735	20.7	4,410	2.3	3,059	2,645	15.7	2,880	6.2
DCB Bank	5,804	4,966	16.9	5,580	4.0	3,269	2,054	59.2	3,054	7.0	1,573	1,314	19.7	1,771	-11.2
Federal Bank	23,368	22,920	2.0	23,774	-1.7	15,563	15,009	3.7	14,654	6.2	8,618	10,095	-14.6	10,302	-16.4
HDFC Bank	3,14,380	2,98,371	5.4	3,13,658	0.2	3,57,340	2,38,846	49.6	2,58,367	38.3	1,81,552	1,61,748	12.2	1,69,161	7.3
ICICI Bank	2,12,435	1,95,529	8.6	2,10,789	0.8	1,83,548	1,60,248	14.5	1,75,503	4.6	1,23,772	1,10,591	11.9	1,25,156	-1.1
IndusInd bank	46,398	54,076	-14.2	30,483	52.2	26,522	39,267	-32.5	-4,725	NA	6,843	21,522	-68.2	-22,360	NA
Kotak Mahindra Bank	72,593	68,424	6.1	72,836	-0.3	55,637	52,541	5.9	54,722	1.7	32,817	35,161	-6.7	35,517	-7.6
State Bank of India	4,10,725	4,11,255	-0.1	4,27,746	-4.0	3,05,445	2,64,486	15.5	3,12,860	-2.4	1,91,604	1,70,352	12.5	1,86,426	2.8
Union Bank of India	91,126	94,121	-3.2	95,140	-4.2	69,087	77,853	-11.3	77,001	-10.3	41,155	36,789	11.9	49,849	-17.4
Total	**14,29,174**	**14,05,596**	**1.7**	**14,34,312**	**-0.4**	**12,18,435**	**10,26,714**	**18.7**	**10,84,691**	**12.3**	**6,94,467**	**6,55,143**	**6.0**	**6,80,355**	**2.1**
Building Materials															
Astral Ltd.	13,612	13,836	-1.6	16,814	-19.0	1,849	2,144	-13.8	3,019	-38.8	792	1,195	-33.7	1,781	-55.5
Century Plyboard (I)	11,694	10,054	16.3	11,983	-2.4	1,282	1,112	15.3	1,346	-4.8	529	341	55.2	466	13.5
Cera Sanitaryware	4,222	4,007	5.4	5,805	-27.3	551	581	-5.1	1,081	-49.1	471	475	-0.9	863	-45.5
Finolex Industries	10,432	11,405	-8.5	11,718	-11.0	936	2,067	-54.7	1,713	-45.4	982	1,671	-41.3	1,646	-40.4
Greenpanel Industries	3,282	3,650	-10.1	3,745	-12.4	76	360	-79.0	480	-84.2	-71	157	NA	294	NA
Kajaria Ceramics	11,027	10,958	0.6	12,219	-9.7	1,869	1,710	9.3	1,384	35.0	1,103	976	13.1	663	66.4
Supreme Industries	26,092	26,364	-1.0	30,271	-13.8	3,189	3,873	-17.7	4,163	-23.4	2,023	2,734	-26.0	2,939	-31.2
Total	**80,360**	**80,273**	**0.1**	**92,555**	**-13.2**	**9,750**	**11,847**	**-17.7**	**13,185**	**-26.0**	**5,829**	**7,549**	**-22.8**	**8,652**	**-32.6**

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Capital Goods															
ABB	31,754	28,309	12.2	31,596	0.5	4,141	5,425	-23.7	5,823	-28.9	3,521	4,426	-20.5	4,741	-25.7
Apar Inds Ltd	51,042	40,105	27.3	52,098	-2.0	4,523	3,766	20.1	4,582	-1.3	2,629	2,025	29.8	2,500	5.2
BEML	6,340	6,341	-0.0	16,525	-61.6	-493	-501	NA	4,225	NA	-641	-705	NA	2,876	NA
Bharat Electronics	44,168	41,988	5.2	91,197	-51.6	12,399	9,367	32.4	27,890	-55.5	9,691	7,761	24.9	21,048	-54.0
BHEL	54,869	54,849	0.0	89,934	-39.0	-5,371	-1,694	NA	8,317	NA	-4,549	-2,125	NA	5,040	NA
Carborandum Universal	12,190	11,975	1.8	12,171	0.2	1,213	1,936	-37.4	1,463	-17.1	619	1,130	-45.2	291	112.4
Elgi Equipments	8,667	8,011	8.2	9,929	-12.7	1,211	1,139	6.3	1,499	-19.2	856	728	17.5	1,020	-16.1
Engineers India	8,704	6,238	39.5	10,102	-13.8	721	510	41.3	2,184	-67.0	654	916	-28.6	2,129	-69.3
GE Vernova T&D India	13,301	9,583	38.8	11,525	15.4	3,876	1,822	112.7	2,671	45.1	2,912	1,345	116.4	2,015	44.5
Grindwell Norton	7,035	7,056	-0.3	7,095	-0.9	1,299	1,331	-2.4	1,273	2.0	945	932	1.4	925	2.1
Harsha Engineering	3,653	3,432	6.4	3,730	-2.1	554	552	0.5	352	57.7	379	361	5.2	253	50.0
Hindustan Aeronautics	48,190	43,475	10.8	1,36,999	-64.8	12,824	9,907	29.4	52,949	-75.8	13,838	10,898	27.0	39,767	-65.2
Ingersoll-Rand (India)	3,153	3,141	0.4	3,223	-2.2	742	792	-6.2	835	-11.0	590	619	-4.7	677	-12.8
KEC International	50,229	45,119	11.3	68,721	-26.9	3,501	2,704	29.5	5,388	-35.0	1,486	636	133.7	2,682	-44.6
Cummins India	29,068	23,042	26.2	24,569	18.3	6,235	4,673	33.4	5,197	20.0	5,555	4,198	32.3	5,214	6.5
Kalpataru Power Transmission	50,397	37,219	35.4	62,042	-18.8	4,284	3,135	36.7	5,232	-18.1	2,008	1,166	72.1	2,657	-24.4
Kirloskar Pneumatic Company	2,817	2,753	2.3	5,916	-52.4	333	393	-15.2	1,097	-69.6	253	269	-5.9	839	-69.9
Larsen & Toubro	6,36,789	5,51,198	15.5	7,43,923	-14.4	63,177	56,153	12.5	82,025	-23.0	36,172	27,857	29.8	51,339	-29.5
Praj Industries	6,402	6,991	-8.4	8,597	-25.5	356	868	-59.0	754	-52.7	53	560	-90.5	398	-86.6
Siemens	43,468	37,626	15.5	42,590	2.1	5,250	4,853	8.2	5,301	-1.0	4,215	4,342	-2.9	4,705	-10.4
Thermax	20,944	21,844	-4.1	30,849	-32.1	1,693	1,412	19.9	2,997	-43.5	1,128	1,158	-2.6	2,057	-45.2
Triveni Turbine	3,713	4,633	-19.9	5,380	-31.0	736	956	-23.0	1,204	-38.9	645	800	-19.4	939	-31.3
Voltamp Transformers	4,236	4,282	-1.1	6,248	-32.2	726	758	-4.2	1,164	-37.6	795	794	0.1	968	-17.8
Total	**11,41,129**	**9,99,209**	**14.2**	**14,74,959**	**-22.6**	**1,23,929**	**1,10,256**	**12.4**	**2,24,422**	**-44.8**	**83,754**	**70,093**	**19.5**	**1,55,080**	**-46.0**

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Cement															
ACC	60,872	51,991	17.1	61,146	-0.4	7,780	6,791	14.6	8,302	-6.3	3,755	3,614	3.9	6,502	-42.3
Ambuja Cement	1,02,891	83,921	22.6	99,806	3.1	19,611	12,798	53.2	18,676	5.0	8,855	7,896	12.1	10,128	-12.6
Dalmia Bharat	36,360	36,210	0.4	40,910	-11.1	8,830	6,690	32.0	7,930	11.3	3,808	2,255	68.9	4,350	-12.5
Nuvoco Vistas Corporation	28,727	26,365	9.0	30,423	-5.6	5,186	3,434	51.0	5,516	-6.0	1,279	29	4,341.7	1,463	-12.5
Shree Cement	49,480	48,347	2.3	52,402	-5.6	12,291	9,164	34.1	13,813	-11.0	6,185	3,177	94.7	5,560	11.2
Ultratech Cement	1,96,353	1,82,814	7.4	2,11,347	-7.1	42,018	29,589	42.0	46,097	-8.8	22,318	14,342	55.6	26,821	-16.8
Total	**4,74,682**	**4,29,648**	**10.5**	**4,96,032**	**-4.3**	**95,716**	**68,465**	**39.8**	**1,00,333**	**-4.6**	**46,200**	**31,312**	**47.5**	**54,824**	**-15.7**
Chemicals															
Aarti Industries	16,750	18,550	-9.7	19,490	-14.1	1,950	3,060	-36.3	2,690	-27.5	270	1,380	-80.4	1,020	-73.5
Clean Science and Technology	2,429	2,240	8.4	2,637	-7.9	999	947	5.5	1,048	-4.7	701	659	6.3	741	-5.4
Deepak Nlitrite	18,899	21,668	-12.8	21,797	-13.3	1,896	3,092	-38.7	3,165	-40.1	1,128	2,025	-44.3	2,327	-51.5
Fine Organic Industries	5,884	5,497	7.0	6,068	-3.0	1,236	1,397	-11.5	1,196	3.4	1,108	1,137	-2.5	970	14.3
Gujarat Fluorochemicals	12,810	11,760	8.9	12,250	4.6	3,440	2,620	31.3	3,060	12.4	1,840	1,080	70.4	1,910	-3.7
Jubilant Ingrevia	10,380	10,243	1.3	10,513	-1.3	1,421	1,095	29.8	1,467	-3.1	751	487	54.1	740	1.5
Laxmi Organic Industries	6,929	7,182	-3.5	7,097	-2.4	308	712	-56.8	590	-47.9	214	344	-37.8	218	-1.7
Navin Fluorine International	7,254	5,237	38.5	7,009	3.5	2,068	1,004	106.1	1,787	15.7	1,172	512	128.8	950	23.3
NOCIL	3,362	3,722	-9.7	3,397	-1.0	306	411	-25.5	342	-10.6	173	270	-36.1	208	-17.0
PCBL Chemicals	21,141	21,436	-1.4	20,875	1.3	3,191	3,583	-10.9	2,977	7.2	941	1,179	-20.2	1,002	-6.1
SRF	38,186	34,641	10.2	43,133	-11.5	8,298	6,034	37.5	9,574	-13.3	4,323	2,531	70.8	5,261	-17.8
Vinati Organics	5,423	5,247	3.3	6,485	-16.4	1,658	1,251	32.6	1,836	-9.7	1,128	859	31.2	1,276	-11.6
Total	**1,49,446**	**1,47,423**	**1.4**	**1,60,750**	**-7.0**	**26,770**	**25,205**	**6.2**	**29,731**	**-10.0**	**13,748**	**12,464**	**10.3**	**16,622**	**-17.3**

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Consumer Durables															
Bajaj Electicals	10,646	11,549	-7.8	12,655	-15.9	333	754	-55.8	930	-64.2	16	281	-94.2	590	-97.2
Cellow World	5,290	5,007	5.7	5,888	-10.2	1,091	1,293	-15.6	1,352	-19.4	730	832	-12.3	882	-17.2
Crompton Greaves Consumer Electricals	19,983	21,377	-6.5	20,606	-3.0	1,917	2,324	-17.5	2,644	-27.5	1,223	1,517	-19.4	1,695	-27.8
Havells India	54,554	58,062	-6.0	65,436	-16.6	5,157	5,722	-9.9	7,571	-31.9	3,475	4,075	-14.7	5,170	-32.8
KEI Inds	25,903	20,605	25.7	29,148	-11.1	2,580	2,148	20.1	3,013	-14.4	1,957	1,505	30.1	2,266	-13.6
Polycab India	59,060	46,980	25.7	69,858	-15.5	8,576	5,834	47.0	10,254	-16.4	5,921	3,960	49.5	7,267	-18.5
R R Kabel	20,586	18,081	13.9	22,178	-7.2	1,421	949	49.6	1,944	-26.9	898	644	39.4	1,291	-30.5
Voltas	39,386	49,210	-20.0	47,676	-17.4	1,785	4,238	-57.9	3,328	-46.4	1,405	3,342	-58.0	2,410	-41.7
Total	**2,35,408**	**2,30,871**	**2.0**	**2,73,445**	**-13.9**	**22,860**	**23,262**	**-1.7**	**31,036**	**-26.3**	**15,626**	**16,156**	**-3.3**	**21,571**	**-27.6**
Consumer Staples															
Asian Paints	89,386	89,697	-0.3	83,589	6.9	16,250	16,938	-4.1	14,362	13.1	11,000	11,713	-6.1	8,774	25.4
Britannia Industries	46,222	42,503	8.8	44,322	4.3	7,571	7,537	0.4	8,052	-6.0	5,250	5,302	-1.0	5,638	-6.9
Colgate Palmolive	14,341	14,967	-4.2	14,625	-1.9	4,526	5,083	-11.0	4,980	-9.1	3,206	3,607	-11.1	3,550	-9.7
Dabur India	34,046	33,491	1.7	28,301	20.3	6,678	6,550	2.0	4,269	56.4	5,083	4,944	2.8	3,127	62.5
Avenue Supermarts	1,63,597	1,40,691	16.3	1,48,719	10.0	12,990	12,213	6.4	9,551	36.0	7,728	7,737	-0.1	5,508	40.3
Emami	9,041	9,061	-0.2	9,631	-6.1	2,142	2,165	-1.1	2,194	-2.4	1,642	1,527	7.6	1,622	1.3
Hindustan Unilever	1,59,310	1,53,390	3.9	1,52,140	4.7	35,580	36,060	-1.3	34,660	2.7	24,900	25,720	-3.2	24,970	-0.3
ITC	1,97,499	1,70,001	16.2	1,72,482	14.5	62,613	62,955	-0.5	59,864	4.6	49,124	49,205	-0.2	48,747	0.8
Jubilant FoodWorks	13,313	14,396	-7.5	15,872	-16.1	2,543	2,782	-8.6	3,056	-16.8	376	515	-27.0	495	-23.9
Kansai Nerolac Paints	20,874	20,504	1.8	17,404	19.9	3,120	3,344	-6.7	1,778	75.4	2,309	2,411	-4.3	1,235	86.9
Metro Brands Asia	6,282	5,761	9.1	6,428	-2.3	1,939	1,804	7.5	1,972	-1.7	985	917	7.4	947	4.0
Marico	32,590	26,430	23.3	27,300	19.4	6,550	6,260	4.6	4,580	43.0	5,130	4,740	8.2	3,450	48.7
Mold Tech Packaging	2,406	1,967	22.3	2,026	18.7	468	357	31.0	383	22.2	216	165	30.5	163	32.6
Nestle India	50,962	48,140	5.9	55,039	-7.4	11,003	11,143	-1.3	13,890	-20.8	6,592	7,466	-11.7	8,854	-25.5
Pidilite Industries	37,531	33,954	10.5	31,411	19.5	9,410	8,127	15.8	6,326	48.8	6,781	5,713	18.7	4,524	49.9
Restaurant Brands Asia	5,524	4,905	12.6	4,898	12.8	682	625	9.1	749	-9.0	-115	-269	NA	-254	NA
Titan Company	1,45,640	1,20,530	20.8	1,34,770	8.1	16,320	12,110	34.8	14,380	13.5	10,300	7,700	33.8	8,700	18.4
Westlife Development	6,576	6,163	6.7	6,031	9.0	853	786	8.5	770	10.8	12	33	-62.3	15	-19.4
Total	**10,35,139**	**9,36,550**	**10.5**	**9,54,988**	**8.4**	**2,01,237**	**1,96,839**	**2.2**	**1,85,816**	**8.3**	**1,40,520**	**1,39,144**	**1.0**	**1,30,065**	**8.0**

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Education															
DOMS Industries	5,623	4,450	26.4	5,087	10.5	987	864	14.3	883	11.9	573	518	10.5	484	18.3
Navneet Education	7,940	7,980	-0.5	4,340	82.9	2,270	2,210	2.7	790	187.3	1,570	860	82.6	510	207.8
S Chand & Co	1,026	1,107	-7.3	4,714	-78.2	-91	84	NA	2,032	NA	-133	-21	NA	1,419	NA
Total	**14,589**	**13,537**	**7.8**	**14,141**	**3.2**	**3,166**	**3,158**	**0.3**	**3,704**	**-14.5**	**2,010**	**1,357**	**48.1**	**2,413**	**-16.7**
EMS															
Avalon Technologies	3,233	1,995	62.1	3,428	-5.7	299	44	583.4	414	-27.7	142	-23	NA	243	-41.5
Cyient DLM	2,784	2,579	8.0	4,281	-35.0	251	200	25.3	574	-56.4	75	106	-29.6	310	-76.0
Kaynes Technology India	6,735	5,040	33.6	9,845	-31.6	1,130	669	69.0	1,679	-32.7	746	508	46.8	1,162	-35.8
Syrma SGS Technology	9,440	11,599	-18.6	9,244	2.1	866	446	94.3	1,075	-19.4	497	203	144.5	654	-24.0
Total	**22,192**	**21,212**	**4.6**	**26,797**	**-17.2**	**2,546**	**1,359**	**87.4**	**3,741**	**-31.9**	**1,460**	**795**	**83.7**	**2,369**	**-38.4**
Financial Services															
Bajaj Finance	1,02,270	83,653	22.3	98,072	4.3	84,878	69,500	22.1	79,763	6.4	47,653	39,120	21.8	45,456	4.8
Cholamandalam Investment and Finance Company	31,838	25,738	23.7	30,557	4.2	24,117	18,499	30.4	23,315	3.4	11,359	9,422	20.6	12,667	-10.3
Shriram Finance	57,725	52,339	10.3	55,655	3.7	41,924	38,541	8.8	43,353	-3.3	21,557	19,806	8.8	21,394	0.8
Sundaram Finance	6,792	5,298	28.2	6,685	1.6	7,171	4,755	50.8	7,258	-1.2	4,287	3,077	39.4	5,459	-21.5
Total	**1,98,624**	**1,67,028**	**18.9**	**1,90,969**	**4.0**	**1,58,090**	**1,31,296**	**20.4**	**1,53,689**	**2.9**	**84,857**	**71,425**	**18.8**	**84,975**	**-0.1**
Healthcare															
Apollo Hospitals Enterprise	58,421	50,856	14.9	55,922	4.5	8,519	6,751	26.2	7,697	10.7	4,328	3,052	41.8	3,896	11.1
Aster DM Healthcare	10,779	10,019	7.6	10,003	7.8	2,081	1,659	25.4	1,854	12.3	807	734	10.0	784	2.8
Fortis Healthcare	21,667	18,588	16.6	20,072	7.9	4,907	3,424	43.3	4,355	12.7	2,603	1,659	56.9	1,839	41.5
HealthCare Global Enterprises	6,132	5,256	16.7	5,852	4.8	1,078	909	18.6	1,057	2.0	47	121	-60.7	74	-35.5
Jupiter Life Line Hospitals	3,476	2,886	20.5	3,267	6.4	781	653	19.6	783	-0.2	438	446	-1.7	449	-2.3
Krishna Institute of Medical Sciences	8,716	6,884	26.6	7,969	9.4	1,926	1,794	7.4	1,980	-2.7	786	866	-9.2	910	-13.6
Max Healthcare Institute	24,600	19,350	27.1	23,260	5.8	6,140	4,990	23.0	6,320	-2.8	3,450	2,950	16.9	3,760	-8.2
Narayana Hrudayalaya	15,073	13,410	12.4	14,754	2.2	3,370	3,039	10.9	3,577	-5.8	1,965	2,016	-2.5	1,963	0.1
Rainbow Children's Medicare	3,529	3,302	6.9	3,701	-4.6	1,036	937	10.6	1,147	-9.7	535	395	35.3	563	-5.0
Total	**1,52,393**	**1,30,550**	**16.7**	**1,44,801**	**5.2**	**29,838**	**24,156**	**23.5**	**28,770**	**3.7**	**14,960**	**12,238**	**22.2**	**14,238**	**5.1**

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Housing Finance															
Aavas Financiers	2,776	2,446	13.5	2,705	2.6	1,904	1,695	12.3	2,009	-5.2	1,392	1,261	10.4	1,537	-9.4
Can Fin Homes	3,628	3,214	12.9	3,485	4.1	3,039	2,796	8.7	2,946	3.2	2,239	1,996	12.1	2,339	-4.3
LIC Housing Finance	20,658	19,891	3.9	21,664	-4.6	18,920	17,715	6.8	18,790	0.7	13,599	13,002	4.6	13,680	-0.6
Total	**27,061**	**25,551**	**5.9**	**27,855**	**-2.8**	**23,863**	**22,206**	**7.5**	**23,744**	**0.5**	**17,230**	**16,260**	**6.0**	**17,556**	**-1.9**
Information Technology															
Cyient	17.1	16.8	2.2	19.1	-10.3	1.6	2.0	-18.3	2.4	-30.7	1.5	1.4	7.2	1.7	-9.8
HCL Technologies	303.5	280.6	8.2	302.5	0.3	49.4	48.0	3.0	54.4	-9.2	38.4	42.6	-9.7	43.1	-10.8
Infosys	422.8	393.2	7.5	409.3	3.3	88.0	82.9	6.2	85.8	2.7	69.3	63.8	8.6	70.4	-1.6
KPIT Technologies	15.4	13.6	12.8	15.3	0.7	2.6	2.4	10.8	2.7	-1.5	1.7	2.0	-15.8	2.4	-29.7
LTIMindtree	98.4	91.4	7.6	97.7	0.7	14.1	13.7	2.6	13.5	4.5	12.5	11.4	10.4	11.3	11.1
L&T Technology Services	28.7	24.6	16.4	29.8	-3.9	3.8	3.8	-0.6	3.9	-3.2	3.2	3.1	0.7	3.1	1.5
Mphasis	37.3	34.2	9.1	37.1	0.6	5.7	5.1	11.2	5.7	0.6	4.4	4.0	9.2	4.5	-1.1
Persistent Systems	33.3	27.4	21.8	32.4	2.8	5.2	3.8	34.8	5.1	2.5	4.2	3.1	38.7	4.0	7.4
Tata Consultancy Services	634.4	626.1	1.3	644.8	-1.6	155.1	154.4	0.5	156.0	-0.6	127.6	120.4	6.0	122.2	4.4
Tata Technologies	12.4	12.7	-1.9	12.9	-3.2	1.7	2.0	-16.2	2.0	-16.5	1.7	1.6	5.1	1.9	-9.8
Tech Mahindra	133.5	130.1	2.7	133.8	-0.2	14.8	11.0	34.0	14.1	5.1	11.4	8.5	34.0	11.7	-2.2
Tata Elxsi	8.9	9.3	-3.7	9.1	-1.8	1.6	2.3	-27.9	1.8	-11.2	1.4	1.8	-21.6	1.7	-16.3
Wipro	221.3	219.6	0.8	225.0	-1.6	38.2	36.1	5.9	39.1	-2.3	30.8	30.0	2.7	35.7	-13.6
Total	**1,967**	**1,880**	**4.7**	**1,969**	**-0.1**	**382**	**367**	**3.9**	**386**	**-1.1**	**308**	**294**	**4.9**	**314**	**-1.7**
Logistics															
Delhivery	22,940	21,723	5.6	21,916	4.7	1,488	971	53.3	1,191	25.0	910	596	52.7	726	25.5
Mahindra Logistics	16,246	14,200	14.4	15,695	3.5	763	663	15.0	777	-1.9	-108	-93	NA	-68	NA
TCI Express	2,868	2,930	-2.1	3,073	-6.7	281	327	-14.3	263	6.8	195	223	-12.7	194	0.6
Total	**42,053**	**38,853**	**8.2**	**40,684**	**3.4**	**2,531**	**1,961**	**29.1**	**2,230**	**13.5**	**997**	**727**	**37.2**	**851**	**17.2**

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Media															
Imagicaaworld Entertaintment	1,481	1,840	-19.5	944	56.9	726	1,101	-34.1	405	79.4	453	688	-34.2	151	199.3
Nazara Technologies	4,988	2,501	99.4	5,202	-4.1	474	249	90.4	510	-7.0	-125	227	NA	323	NA
PVR Inox	14,691	11,907	23.4	12,498	17.5	3,973	2,515	58.0	2,831	40.3	-539	-1,787	NA	-1,248	NA
Zee Entertainment	18,248	21,305	-14.3	21,841	-16.5	2,280	2,717	-16.1	2,852	-20.1	1,328	1,554	-14.5	1,761	-24.6
Total	**39,408**	**37,553**	**4.9**	**40,485**	**-2.7**	**7,453**	**6,582**	**13.2**	**6,598**	**13.0**	**1,117**	**681**	**64.0**	**988**	**13.1**
Metals & Mining															
Hindalco Industries	642	570	12.7	649	-1.0	79	75	5.4	88	-10.5	40	37	7.2	53	-24.1
Jindal Stainless	102	94	8.2	102	0.1	13	12	8.1	11	23.5	7	6	10.2	6	20.8
Jindal Steel & Power	123	136	-9.7	132	-6.7	30	28	6.2	23	32.4	15	13	11.5	-3	NA
JSW Steel	431	429	0.5	448	-3.7	79	55	43.7	64	24.2	24	8	188.7	16	56.8
National Aluminium Co.	38	29	33.3	53	-27.7	15	9	59.7	28	-45.8	11	6	77.0	21	-48.8
NMDC	67	54	24.5	70	-3.8	25	23	5.9	21	20.8	20	20	0.2	15	32.6
Steel Authority of India	257	240	7.3	287	-10.3	26	22	16.7	29	-9.3	7	0	6,318.4	12	-41.8
Tata Steel	532	548	-2.9	562	-5.4	74	67	11.0	66	13.2	22	11	98.6	15	43.6
Total	**2,194**	**2,100**	**4.4**	**2,303**	**-4.7**	**341**	**292**	**16.7**	**328**	**4.2**	**145**	**102**	**42.0**	**133**	**9.0**
Travel & Tourism															
Chalet Hotels	8,946	3,610	147.8	5,220	71.4	3,573	1,402	154.8	2,414	48.0	2,032	607	234.8	1,238	64.0
InterGlobe Aviation	2,04,963	1,95,707	4.7	2,21,519	-7.5	57,190	57,833	-1.1	69,535	-17.8	23,236	27,288	-14.8	29,309	-20.7
Indian Railway Catering and Tourism Corporation	11,597	11,176	3.8	12,685	-8.6	3,973	3,749	6.0	3,855	3.1	3,307	3,055	8.2	3,125	5.8
Lemon Tree Hotels	3,158	2,680	17.8	3,785	-16.6	1,405	1,151	22.1	2,041	-31.2	383	198	93.5	846	-54.7
Samhi Hotels	2,722	2,475	10.0	3,188	-14.6	905	824	9.9	1,233	-26.6	152	42	259.0	420	-63.8
Safari Industries (India)	5,278	4,500	17.3	4,211	25.4	793	659	20.4	609	30.3	505	444	13.7	376	34.3
V.I.P. Industries	5,614	6,389	-12.1	4,942	13.6	247	493	-50.0	65	279.2	110	40	171.5	-316	NA
Total	**2,42,278**	**2,26,537**	**6.9**	**2,55,550**	**-5.2**	**68,085**	**66,111**	**3.0**	**79,752**	**-14.6**	**29,724**	**31,675**	**-6.2**	**34,999**	**-15.1**

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Oil & Gas															
Bharat Petroleum Corporation	1,125.1	1,131.0	-0.5	1,111.8	1.2	96.6	56.5	71.0	77.6	24.4	61.2	30.1	103.1	32.1	90.5
GAIL (India)	347.9	336.9	3.3	357.1	-2.6	33.3	45.3	-26.4	32.2	3.6	18.9	27.2	-30.8	20.5	-7.9
Gujarat Gas	38.7	44.5	-13.0	41.0	-5.6	5.2	5.4	-2.9	4.5	15.7	3.3	3.3	-0.2	2.9	14.6
Gujarat State Petronet	2.4	3.4	-27.7	2.0	20.3	2.0	3.0	-32.8	1.2	62.3	1.4	2.1	-32.8	0.7	101.4
Hindustan Petroleum Corporation	1,014.0	1,067.5	-5.0	1,006.5	0.7	76.0	21.1	260.7	58.0	31.0	43.7	3.6	1,128.5	33.5	30.3
Indraprastha Gas	39.1	35.2	11.3	39.5	-0.8	5.1	5.8	-11.5	4.9	3.4	3.6	4.0	-11.5	3.5	1.6
Indian Oil Corporation	1,929.7	1,932.4	-0.1	1,949.7	-1.0	126.1	86.3	46.0	135.7	-7.1	56.9	26.4	115.2	72.6	-21.7
Mahanagar Gas	19.8	15.9	24.3	18.6	6.0	4.8	4.2	15.9	3.8	28.0	3.2	2.8	13.9	2.5	28.1
Manglore Refinery Petrochemicals	173.6	232.5	-25.3	246.0	-29.4	1.8	6.1	-70.3	11.3	-84.1	-2.7	0.7	NA	3.6	NA
Oil India	50.1	58.4	-14.2	55.2	-9.2	16.1	24.7	-34.9	19.8	-19.0	8.1	14.7	-44.5	15.9	-48.9
Oil & Natural Gas Corporation	320.0	352.7	-9.3	349.8	-8.5	186.6	186.2	0.2	190.1	-1.8	80.2	89.4	-10.2	64.5	24.4
Petronet LNG	118.8	134.2	-11.4	123.2	-3.5	11.6	15.6	-25.8	15.1	-23.3	8.5	11.4	-25.5	10.7	-20.5
Reliance Industries	2,436.3	2,317.8	5.1	2,613.9	-6.8	429.1	387.7	10.7	438.3	-2.1	269.9	151.4	78.3	194.1	39.1
Total	**7,615.6**	**7,662.2**	**-0.6**	**7,914.2**	**-3.8**	**994.3**	**847.7**	**17.3**	**992.7**	**0.2**	**556.3**	**367.2**	**51.5**	**457.2**	**21.7**
Pharma															
Aurobindo Pharma	78,681	75,670	4.0	83,821	-6.1	16,034	16,196	-1.0	17,919	-10.5	8,252	9,182	-10.1	9,035	-8.7
Cipla	69,575	66,939	3.9	67,297	3.4	17,781	17,158	3.6	15,376	15.6	12,976	11,776	10.2	12,218	6.2
Divis Lab	24,100	21,180	13.8	25,850	-6.8	7,290	6,230	17.0	8,860	-17.7	5,450	4,300	26.7	6,620	-17.7
Dr. Reddy's Laboratories	85,452	76,727	11.4	85,060	0.5	21,501	21,270	1.1	20,505	4.9	14,096	13,920	1.3	15,873	-11.2
Eris Lifesciences	7,730	7,197	7.4	7,053	9.6	2,767	2,500	10.7	2,524	9.6	1,171	832	40.8	938	24.9
Indoco Remedies	4,378	4,315	1.5	3,902	12.2	175	478	-63.5	-8	NA	-370	10	NA	-423	NA
IPCA Labs	23,089	20,926	10.3	22,467	2.8	4,246	3,875	9.6	4,098	3.6	2,332	1,922	21.3	2,729	-14.5
JB Chem & Pharma	10,939	10,044	8.9	9,495	15.2	3,009	2,804	7.3	2,265	32.9	2,024	1,768	14.4	1,457	38.9
Lupin	62,683	56,003	11.9	56,671	10.6	16,414	12,864	27.6	12,921	27.0	12,190	8,013	52.1	7,725	57.8
Sun Pharmaceutical Industries	1,38,514	1,26,528	9.5	1,29,588	6.9	40,726	36,581	11.3	34,249	18.9	22,786	28,356	-19.6	21,499	6.0
Torrent Pharma	31,780	28,590	11.2	29,590	7.4	10,320	9,040	14.2	9,640	7.1	5,480	4,570	19.9	4,980	10.0
Zydus Lifesciences	65,737	62,075	5.9	65,279	0.7	20,314	21,092	-3.7	21,649	-6.2	13,526	14,199	-4.7	11,709	15.5
Total	**6,02,659**	**5,56,195**	**8.4**	**5,86,074**	**2.8**	**1,60,577**	**1,50,086**	**7.0**	**1,49,997**	**7.1**	**99,914**	**98,849**	**1.1**	**94,360**	**5.9**

(Rs mn)	Revenue					EBITDA					PAT				
	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)	Q1FY26	Q1FY25	YoY gr. (%)	Q4FY25	QoQ gr. (%)
Telecom															
Bharti Airtel	4,94,626	3,85,064	28.5	4,78,762	3.3	2,78,387	1,97,076	41.3	2,70,088	3.1	59,479	34,249	73.7	1,11,619	-46.7
Total	**4,94,626**	**3,85,064**	**28.5**	**4,78,762**	**3.3**	**2,78,387**	**1,97,076**	**41.3**	**2,70,088**	**3.1**	**59,479**	**34,249**	**73.7**	**1,11,619**	**-46.7**
Total (Rs bn)	**18,157**	**17,474**	**3.9**	**18,879**	**-3.8**	**4,151**	**3,574**	**16.1**	**4,098**	**1.3**	**2,322**	**1,963**	**18.3**	**2,336**	**-0.6**

Source: Company, PL

Exhibit 91: Change in Estimates - Pre-Quarterly to Current

Sector / Company Name	Rating Pre-Quarterly	Current Rating	Rating Change	Price (Rs)	Target Pre Qtr.	Target (Rs)	Change %	Upside (%)	M/Cap (Rs bn)	Shares O/s (m)	EPS (Rs) - Pre Quarterly FY26E	EPS (Rs) - Pre Quarterly FY27E	EPS (Rs) - Current FY26E	EPS (Rs) - Current FY27E	% Change FY26E	% Change FY27E
Banks																
Axis Bank	BUY	BUY	Maintained	1,079	1,500	1375	-8.3	27.4	3,341.8	3,097	87.7	102.7	85.3	99.8	-2.7%	-2.9%
Bank of Baroda	BUY	BUY	Maintained	243	275	270	-1.8	10.9	1,260.0	5,178	30.3	35.8	31.4	33.7	3.5%	-6.1%
City Union Bank	BUY	BUY	Maintained	216	210	245	16.7	13.3	160.3	741	16.2	19.5	16.2	19.2	-0.2%	-1.3%
DCB Bank	BUY	BUY	Maintained	122	155	155	0.0	27.0	38.4	314	19.4	25.2	19.4	25.2	0.0%	0.0%
Federal Bank	BUY	BUY	Maintained	199	220	220	0.0	10.3	489.8	2,456	15.7	18.7	15.6	19.5	-0.6%	4.4%
HDFC Bank	BUY	BUY	Maintained	1,991	2,125	2150	1.2	8.0	15,237.1	7,652	91.7	107.1	94.6	108.7	3.2%	1.5%
ICICI Bank	BUY	BUY	Maintained	1,446	1,700	1730	1.8	19.6	10,299.9	7,123	68.9	79.4	70.3	78.6	2.1%	-0.9%
IndusInd Bank	HOLD	HOLD	Maintained	767	780	780	0.0	1.6	597.9	779	67.6	84.6	41.2	59.3	-38.9%	-29.9%
Kotak Mahindra Bank	BUY	BUY	Maintained	2,018	2,400	2350	-2.1	16.5	4,011.8	1,988	71.6	84.1	69.6	83.2	-2.9%	-1.1%
State Bank of India	BUY	BUY	Maintained	826	960	960	0.0	16.3	7,369.1	8,925	76.7	83.9	71.4	82.9	-6.9%	-1.2%
Union Bank of India	BUY	BUY	Maintained	137	160	150	-6.3	9.9	1,042.2	7,634	22.1	25.2	19.6	21.8	-11.1%	-13.3%
Housing Finance																
AAVAS Financiers	Accumulate	Accumulate	Maintained	1,637	2,072	1925	-7.1	17.6	194.4	119	82.5	101.4	81.4	97.5	-1.4%	-3.8%
Can Fin Homes	BUY	BUY	Maintained	782	860	875	1.7	11.9	104.1	133	65.1	71.1	67.3	71.2	3.4%	0.2%
LIC Housing Finance	BUY	BUY	Maintained	578	725	725	0.0	25.5	477.1	826	94.5	99.0	93.7	97.2	-0.8%	-1.8%
Building Materials																
Astral Ltd.	Accumulate	BUY	Upgrade	1,421	1,630	1503	-7.7	5.8	382.4	269	23.6	29.9	21.3	27.6	-10.0%	-7.8%
Century Plyboard (I)	HOLD	HOLD	Maintained	741	775	702	-9.3	(5.2)	164.8	223	16.9	21.9	15.5	19.8	-8.5%	-9.3%
Cera Sanitaryware	Accumulate	Accumulate	Maintained	6,478	7,389	7178	-2.8	10.8	83.5	13	203.0	243.1	199.2	236.2	-1.9%	-2.8%
Finolex Industries	HOLD	Accumulate	Upgrade	208	222	228	2.4	9.5	128.7	618	8.7	10.1	8.8	10.3	1.7%	2.7%
Greenpanel Industries	BUY	BUY	Maintained	266	310	374	20.7	40.8	32.6	123	8.5	17.1	7.7	17.0	-8.8%	-0.6%
Kajaria Ceramics	Accumulate	HOLD	Downgrade	1,277	1,171	1192	1.8	(6.6)	203.3	159	24.8	29.3	29.3	33.1	18.0%	13.1%
Supreme Industries	HOLD	HOLD	Maintained	4,576	4,346	4346	0.0	(5.0)	581.4	127	90.1	108.6	90.1	108.6	0.0%	0.0%

Sector / Company Name	Rating Pre-Quarterly	Current Rating	Rating Change	Price (Rs)	Target Pre Qtr.	Target (Rs)	Change %	Upside (%)	M/Cap (Rs bn)	Shares O/s (m)	EPS (Rs) - Pre Quarterly		EPS (Rs) - Current		% Change	
											FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Capital Goods																
ABB India	BUY	Accumulate	Downgrade	5,142	6,851	5600	-18.3	8.9	1,089.5	212	95.0	108.8	79.5	93.3	-16.3%	-14.2%
Apar Industries	Accumulate	HOLD	Downgrade	8,226	7,825	9540	21.9	16.0	330.4	40	244.4	294.5	271.3	302.4	11.0%	2.7%
BEML	HOLD	HOLD	Maintained	4,029	4,142	4142	0.0	2.8	167.8	42	102.6	142.8	102.6	142.8	0.0%	0.0%
Bharat Electronics	HOLD	HOLD	Maintained	374	374	374	0.0	0.0	2,735.3	7,310	8.0	9.4	8.0	9.4	0.0%	0.0%
BHEL	HOLD	HOLD	Maintained	218	237	215	-9.5	(1.8)	760.8	3,482	5.6	10.8	3.9	9.8	-30.8%	-9.5%
Carborundum Universal	HOLD	HOLD	Maintained	946	1,028	835	-18.8	(11.7)	179.9	190	19.8	24.2	16.6	22.9	-16.3%	-5.4%
Elgi Equipments	Accumulate	Accumulate	Maintained	505	559	559	0.0	10.7	160.2	317	12.9	15.1	13.0	15.1	0.0%	0.0%
Grindwell Norton	HOLD	HOLD	Maintained	1,535	1,739	1739	0.0	13.3	169.9	111	37.4	43.5	37.4	43.5	0.0%	0.0%
Cummins India	BUY	HOLD	Downgrade	3,886	3,647	3895	6.8	0.2	1,077.3	277	75.9	86.8	78.4	90.6	3.3%	4.3%
Engineers India	Accumulate	BUY	Upgrade	195	250	245	-2.2	25.4	109.7	562	10.7	12.7	10.2	12.6	-4.4%	-1.4%
GE Vernova T&D India	Accumulate	Accumulate	Maintained	2,734	2,005	2706	35.0	(1.0)	700.0	256	30.7	40.1	34.3	45.1	11.8%	12.5%
Harsha Engineers International	Accumulate	HOLD	Downgrade	415	398	402	0.8	(3.3)	37.8	91	15.9	19.0	16.0	19.1	0.8%	0.8%
Hindustan Aeronautics	Accumulate	BUY	Upgrade	4,474	5,500	5500	0.0	22.9	2,992.1	669	126.7	137.5	126.7	137.5	0.0%	0.0%
Ingersoll-Rand (India)	BUY	BUY	Maintained	3,761	4,522	4335	-4.1	15.3	118.7	32	93.0	107.7	90.5	103.2	-2.7%	-4.1%
KEC International	Accumulate	Accumulate	Maintained	818	911	911	0.0	11.4	217.7	266	37.1	50.6	37.1	50.6	0.0%	0.0%
Kalpataru Projects International	Accumulate	Accumulate	Maintained	1,295	1,268	1366	7.7	5.5	221.2	171	52.0	70.6	53.6	71.3	3.2%	1.0%
Kirloskar Pneumatic Company	BUY	BUY	Maintained	1,280	1,636	1636	0.0	27.8	83.0	65	38.8	46.7	38.8	46.7	0.0%	0.0%
Larsen & Toubro	BUY	BUY	Maintained	3,613	4,037	4144	2.6	14.7	4,968.6	1,375	135.7	169.6	134.9	168.8	-0.6%	-0.5%
Praj Industries	BUY	HOLD	Downgrade	413	545	393	-28.0	(4.9)	75.9	184	12.8	17.0	7.9	13.5	-37.8%	-20.6%
Siemens	Accumulate	Accumulate	Maintained	3,197	3,497	3431	-1.9	7.3	1,138.2	356	53.3	60.9	51.2	60.2	-3.9%	-1.2%
Thermax	Accumulate	HOLD	Downgrade	3,237	3,629	3633	0.1	12.2	385.7	119	66.2	74.5	65.8	74.5	-0.7%	0.1%
Triveni Turbine	BUY	BUY	Maintained	535	772	650	-15.8	21.5	170.2	318	14.8	19.3	13.3	16.3	-10.6%	-15.8%
Voltamp Transformers	BUY	BUY	Maintained	8,230	10,285	10285	0.0	25.0	83.3	10	325.7	367.3	325.7	367.3	0.0%	0.0%
Cement																
ACC	BUY	BUY	Maintained	1,850	2,602	2543	-2.3	37.4	347.8	188	117.3	124.9	107.3	121.3	-8.6%	-2.9%
Ambuja Cement	BUY	BUY	Maintained	589	689	685	-0.7	16.3	1,450.2	2,463	14.6	18.6	14.2	18.4	-2.8%	-1.3%
Dalmia Bharat	Accumulate	Accumulate	Maintained	2,346	2,303	2395	4.0	2.1	439.9	188	81.2	92.6	86.8	98.8	6.9%	6.7%
Nuvoco Vistas Corporation	Accumulate	Accumulate	Maintained	466	381	422	10.8	(9.5)	166.5	357	6.8	9.7	12.2	13.1	79.1%	34.1%
Shree Cement	Reduce	HOLD	Upgrade	30,600	29,516	30001	1.6	(2.0)	1,104.0	36	511.3	642.4	613.6	661.1	20.0%	2.9%
Ultratech Cement	Accumulate	Accumulate	Maintained	12,870	13,668	13634	-0.2	5.9	3,792.5	295	349.6	444.0	334.3	443.2	-4.4%	-0.2%

Sector / Company Name	Rating Pre-Quarterly	Current Rating	Rating Change	Price (Rs)	Target Pre Quarterly	Target (Rs)	*Change %*	*Upside (%)*	M/Cap (Rs bn)	EPS (Rs) - Pre Quarterly			EPS (Rs) - Current			% Change		
										FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Cement																		
ACC	BUY	BUY	Maintained	1,851	3,251	2878	-11.5	55.5	348.0	97.4	119.1	131.0	87.8	102.5	113.1	-9.9%	-13.9%	-13.6%
Ambuja Cement	BUY	BUY	Maintained	470	707	628	-11.2	33.5	1,033.8	11.2	21.2	22.6	10.5	18.5	19.0	-6.4%	-12.8%	-16.0%
Dalmia Bharat	Accumulate	Accumulate	Maintained	1,745	2,017	1988	-1.5	13.9	327.2	38.8	65.9	75.2	36.4	61.7	75.1	-6.2%	-6.5%	-0.1%
Nuvoco Vistas Corporation	Hold	Hold	Maintained	316	372	339	-8.8	7.3	112.9	1.8	9.8	14.6	-0.4	8.6	14.7	NA	-12.4%	0.8%
Shree Cement	Hold	Hold	Maintained	28,292	24,838	26190	5.4	(7.4)	1,020.8	460.5	623.0	664.8	276.4	544.3	622.0	-40.0%	-12.6%	-6.4%
Ultratech Cement	Accumulate	Accumulate	Maintained	11,043	12,145	12350	1.7	11.8	3,187.9	241.8	370.2	457.8	236.7	365.6	439.2	-2.1%	-1.2%	-4.1%
Chemicals																		
Aarti Industries	Reduce	Reduce	Maintained	406	381	411	7.7	1.1	147.1	9.3	12.1	17.2	8.4	13.1	17.9	-9.6%	7.9%	3.8%
Clean Science and Technolo	HOLD	HOLD	Maintained	1,280	1,471	1329	-9.6	3.8	136.0	23.5	30.2	33.7	24.3	31.1	35.0	3.3%	3.0%	3.8%
Deepak Nitrite	Reduce	HOLD	Upgrade	1,948	2,295	1960	-14.6	0.6	265.8	52.9	66.9	71.7	46.9	60.7	70.0	-11.5%	-9.2%	-2.4%
Fine Organic Industries	BUY	BUY	Maintained	3,700	5,765	5199	-9.8	40.5	113.4	150.1	168.0	181.4	138.9	159.0	170.5	-7.4%	-5.4%	-6.0%
Gujarat Fluorochemicals	Reduce	Reduce	Maintained	3,725	3,724	3190	-14.3	(14.4)	409.2	48.1	52.4	62.2	46.4	55.2	63.8	-3.5%	5.2%	2.6%
Jubilant Ingrevia	Reduce	HOLD	Upgrade	669	731	680	-7.0	1.6	105.7	15.4	17.5	18.1	15.7	17.7	18.4	1.9%	1.1%	1.5%
Laxmi Organic Industries	Reduce	HOLD	Upgrade	187	213	237	11.3	26.4	51.7	4.8	6.6	7.5	4.6	6.1	7.1	-3.6%	-6.9%	-5.7%
Navin Fluorine International	Accumulate	Accumulate	Maintained	3,911	3,672	4373	19.1	11.8	193.8	54.0	65.8	79.7	56.9	71.0	86.6	5.4%	7.9%	8.7%
NOCIL	Reduce	Reduce	Maintained	189	226	209	-7.6	10.3	31.5	5.9	7.3	8.3	5.9	6.8	7.7	-0.3%	-6.2%	-6.7%
SRF	Reduce	HOLD	Upgrade	2,759	2,018	2698	33.7	(2.2)	817.9	29.7	40.5	51.9	34.3	42.3	53.8	15.5%	4.3%	3.8%
Vinati Organics	Accumulate	Accumulate	Maintained	1,535	1,925	1934	0.5	26.0	159.1	36.1	41.8	45.7	38.5	43.2	47.2	6.7%	3.4%	3.2%
Consumer Durables																		
Bajaj Electricals	Reduce	Reduce	Maintained	647	676	647	-4.3	0.1	74.5	10.5	16.7	19.3	9.8	16.0	18.5	-6.8%	-4.3%	-4.3%
Crompton Greaves Consum	BUY	BUY	Maintained	331	536	504	-6.0	52.3	212.8	9.1	11.4	13.3	8.5	10.5	12.6	-6.5%	-7.6%	-5.3%
Havells India	Accumulate	BUY	Upgrade	1,523	2,036	1890	-7.2	24.1	954.4	24.9	31.7	37.6	22.2	28.4	35.2	-10.6%	-10.2%	-6.3%
KEI Industries	BUY	BUY	Maintained	3,742	5,265	5041	-4.3	34.7	337.7	80.1	93.6	117.0	71.9	88.9	112.0	-10.2%	-5.0%	-4.3%
Polycab India	BUY	BUY	Maintained	5,841	8,741	8233	-5.8	40.9	877.7	127.0	158.5	182.7	128.1	158.4	183.1	0.8%	0.0%	0.2%
R R Kabel	BUY	BUY	Maintained	1,109	2,151	1812	-15.8	63.4	125.1	29.5	51.1	61.5	24.8	46.0	58.4	-15.8%	-9.9%	-4.9%
Voltas	Accumulate	BUY	Upgrade	1,277	1,980	1593	-19.6	24.7	422.4	26.2	34.5	42.1	25.7	33.4	40.3	-2.1%	-3.1%	-4.3%

Sector / Company Name	Rating Pre-Quarterly	Current Rating	Rating Change	Price (Rs)	Target Pre Qtr.	Target (Rs)	Change %	Upside (%)	M/Cap (Rs bn)	Shares O/s (m)	EPS (Rs) - Pre Quarterly FY26E	EPS (Rs) - Pre Quarterly FY27E	EPS (Rs) - Current FY26E	EPS (Rs) - Current FY27E	% Change FY26E	% Change FY27E
Chemicals																
Aarti Industries	Reduce	HOLD	Upgrade	382	420	420	0.0	9.9	138.2	362	12.3	16.8	12.3	16.8	0.0%	0.0%
Clean Science and Technology	HOLD	HOLD	Maintained	1,149	1,425	1425	0.0	24.0	122.1	106	31.6	35.6	31.6	35.6	0.0%	0.0%
Deepak Nitrite	Reduce	HOLD	Upgrade	1,811	1,799	1883	4.7	4.0	247.0	136	51.1	60.0	50.5	58.9	-1.2%	-1.8%
Fine Organic Industries	BUY	BUY	Maintained	4,834	6,120	5610	-8.3	16.0	148.2	31	155.9	170.0	155.9	170.0	0.0%	0.0%
Gujarat Fluorochemicals	Reduce	HOLD	Upgrade	3,389	3,283	3580	9.0	5.6	372.3	110	64.6	68.4	65.8	74.6	1.8%	9.0%
Jubilant Ingrevia	HOLD	HOLD	Maintained	713	792	743	-6.3	4.2	112.7	158	19.8	20.2	19.8	20.2	0.0%	0.0%
Laxmi Organic Industries	Reduce	Reduce	Maintained	214	172	179	4.0	(16.5)	59.3	277	5.4	6.2	5.4	6.0	-0.3%	-2.8%
Navin Fluorine International	Accumulate	Accumulate	Maintained	4,990	5,556	5559	0.0	11.4	247.5	50	84.1	108.8	84.7	108.9	0.7%	0.0%
NOCIL	Reduce	HOLD	Upgrade	185	187	182	-2.7	(1.6)	30.9	167	6.9	7.8	6.3	7.0	-9.0%	-10.2%
SRF	HOLD	HOLD	Maintained	2,913	3,167	3071	-3.0	5.4	866.4	297	54.5	64.5	54.7	64.8	0.3%	0.4%
Vinati Organics	Accumulate	BUY	Upgrade	1,690	2,091	2091	0.0	23.7	175.3	104	46.7	52.3	46.4	52.3	-0.7%	0.0%
Consumer Durables																
Bajaj Electricals	HOLD	Accumulate	Upgrade	594	641	656	2.4	10.4	68.5	115	15.9	18.6	13.1	18.5	-17.5%	-0.6%
Cello World	BUY	BUY	Maintained	542	746	678	-9.0	25.2	119.7	221	18.4	22.6	16.7	20.7	-9.3%	-8.7%
Crompton Greaves Con. Elec.	BUY	BUY	Maintained	321	423	430	1.5	33.9	206.6	644	10.2	12.3	10.0	12.2	-2.3%	-0.2%
Havells India	Accumulate	Accumulate	Maintained	1,554	1,718	1645	-4.3	5.9	974.0	627	28.1	34.0	26.3	31.9	-6.4%	-6.0%
KEI Industries	BUY	BUY	Maintained	3,953	4,455	4527	1.6	14.5	377.8	96	90.0	110.1	90.2	111.8	0.2%	1.6%
Polycab India	Accumulate	BUY	Upgrade	7,093	7,510	8091	7.7	14.1	1,066.9	150	157.9	187.2	170.2	201.7	7.8%	7.8%
R R Kabel	Accumulate	Accumulate	Maintained	1,210	1,485	1516	2.1	25.3	136.8	113	38.0	47.9	38.6	48.9	1.7%	2.1%
Voltas	HOLD	HOLD	Maintained	1,363	1,350	1268	-6.1	(7.0)	450.8	331	28.7	35.6	23.4	33.4	-18.5%	-6.2%
Consumer Staples																
Asian Paints	Reduce	Reduce	Maintained	2,567	2,140	2248	5.0	(12.4)	2,461.9	959	44.7	47.6	43.7	48.3	-2.1%	1.5%
Avenue Supermarts	HOLD	HOLD	Maintained	4,694	4,063	3994	-1.7	(14.9)	3,054.5	651	45.9	53.9	45.7	52.3	-0.4%	-2.9%
Britannia Industries	BUY	BUY	Maintained	5,598	5,941	6223	4.7	11.2	1,348.4	241	103.1	118.8	101.4	119.6	-1.7%	0.7%
Restaurant Brands Asia	Accumulate	Accumulate	Maintained	80	89	87	-1.7	8.9	46.7	582	-0.5	-0.2	-1.1	-0.9	116.2%	395.7%
Colgate Palmolive	HOLD	HOLD	Maintained	2,351	2,528	2453	-3.0	4.4	639.3	272	55.3	60.2	51.3	55.7	-7.1%	-7.4%
Dabur India	HOLD	HOLD	Maintained	516	501	524	4.6	1.6	914.0	1,772	10.8	11.9	10.8	11.9	0.0%	0.0%
Emami	Accumulate	Accumulate	Maintained	619	697	683	-1.9	10.3	270.3	437	20.7	23.2	20.5	22.6	-1.0%	-2.6%
Hindustan Unilever	Accumulate	Accumulate	Maintained	2,648	2,601	2686	3.3	1.4	6,222.8	2,350	45.0	49.3	44.5	47.1	-1.0%	-4.5%
ITC	BUY	BUY	Maintained	406	538	530	-1.5	30.7	5,075.2	12,514	17.5	19.9	16.8	18.6	-4.0%	-7.0%
Jubilant FoodWorks	HOLD	HOLD	Maintained	627	689	688	-0.2	9.6	414.0	660	5.5	7.3	4.6	7.5	-16.7%	2.6%
Kansai Nerolac Paints	Accumulate	Accumulate	Maintained	238	284	277	-2.5	16.4	192.5	808	9.5	10.2	9.3	9.9	-1.4%	-2.5%
Marico	Accumulate	Accumulate	Maintained	740	718	743	3.6	0.5	954.1	1,290	13.4	15.3	13.3	15.4	-0.1%	1.0%
Metro Brands	HOLD	HOLD	Maintained	1,161	1,195	1135	-5.0	(2.2)	316.0	272	14.7	16.9	14.4	16.1	-1.9%	-4.5%
Mold-tek Packaging	Accumulate	Accumulate	Maintained	810	723	805	11.4	(0.6)	26.9	33	22.1	28.9	23.4	31.0	6.1%	7.1%
Nestle India	Accumulate	HOLD	Downgrade	1,179	2,550	1196	-53.1	1.4	1,137.1	964	16.9	19.1	16.2	18.0	-4.0%	-6.1%
Pidilite Industries	BUY	BUY	Maintained	3,079	3,428	3427	0.0	11.3	1,566.0	509	49.0	52.8	47.5	51.7	-3.0%	-2.2%
Titan Company	BUY	BUY	Maintained	3,616	3,756	3901	3.8	7.9	3,218.5	890	51.9	62.8	50.2	60.7	-3.3%	-3.3%
Westlife Foodworld	HOLD	HOLD	Maintained	710	769	745	-3.2	4.9	110.7	156	3.7	5.7	1.6	3.7	-55.4%	-34.8%

Sector / Company Name	Rating Pre-Quarterly	Current Rating	Rating Change	Price (Rs)	Target Pre Qtr.	Target (Rs)	Change %	Upside (%)	M/Cap (Rs bn)	Shares O/s (m)	EPS (Rs) - Pre Quarterly FY26E	EPS (Rs) - Pre Quarterly FY27E	EPS (Rs) - Current FY26E	EPS (Rs) - Current FY27E	% Change FY26E	% Change FY27E
Education																
DOMS Industries	BUY	BUY	Maintained	2,505	3,087	3087	0.0	23.2	152.0	61	39.6	51.4	39.6	51.4	0.0%	0.0%
Navneet Education	HOLD	HOLD	Maintained	156	145	136	-6.6	(12.7)	34.4	221	9.3	10.6	8.6	9.8	-7.1%	-8.2%
S Chand and Company	BUY	BUY	Maintained	199	286	286	0.0	43.9	7.0	35	23.5	26.0	23.5	26.0	0.0%	0.0%
Electronic Manufacturing Services																
Avalon Technologies	Accumulate	Accumulate	Maintained	846	927	943	1.8	11.5	56.0	66	13.9	20.4	14.0	20.8	0.8%	1.8%
Cyient DLM	Accumulate	Accumulate	Maintained	442	546	540	-1.0	22.1	35.1	79	12.0	18.2	11.7	17.7	-2.5%	-2.5%
Kaynes Technology India	HOLD	HOLD	Maintained	6,146	6,068	6367	4.9	3.6	393.8	64	63.6	100.4	67.5	105.5	6.1%	5.1%
Syrma SGS Technology	HOLD	HOLD	Maintained	745	625	705	12.9	(5.3)	132.6	178	11.9	15.4	13.0	17.4	9.5%	12.9%
HealthCare																
Apollo Hospitals Enterprise	BUY	BUY	Maintained	7,927	8,350	9300	11.4	17.3	1,139.8	144	136.0	186.4	135.3	185.3	-0.5%	-0.6%
Aster DM Healthcare	BUY	BUY	Maintained	606	620	700	12.9	15.6	302.5	500	9.9	13.5	9.5	13.5	-3.7%	-0.2%
Fortis Healthcare	BUY	BUY	Maintained	948	785	1000	27.4	5.5	715.4	755	13.0	16.9	13.8	17.9	6.3%	6.0%
HealthCare Global Enterprises	BUY	BUY	Maintained	676	620	620	0.0	(8.3)	94.3	139	7.3	13.6	7.3	13.6	0.0%	0.0%
Jupiter Life Line Hospitals	BUY	BUY	Maintained	1,395	1,720	1720	0.0	23.3	91.5	66	34.5	39.3	32.7	38.4	-5.2%	-2.2%
Krishna Institute of Medical Sciences	BUY	BUY	Maintained	746	725	815	12.4	9.2	298.6	400	10.6	14.7	9.7	14.3	-8.9%	-2.3%
Max Healthcare Institute	BUY	BUY	Maintained	1,250	1,300	1355	4.2	8.4	1,215.3	972	20.4	26.8	20.4	26.8	0.0%	0.0%
Narayana Hrudayalaya	BUY	BUY	Maintained	1,848	1,950	2000	2.6	8.2	377.6	204	47.7	58.4	45.2	57.9	-5.2%	-0.9%
Rainbow Children's Medicare	BUY	BUY	Maintained	1,586	1,725	1725	0.0	8.8	161.0	102	29.4	37.8	29.0	37.7	-1.3%	-0.2%
Information Technology																
Cyient	Reduce	Reduce	Maintained	1,234	1,150	1150	0.0	(6.8)	137.0	0	54.2	67.1	54.2	67.1	0.0%	0.0%
HCL Technologies	HOLD	HOLD	Maintained	1,494	1,550	1550	0.0	3.8	4,049.9	3	64.5	73.7	64.5	73.7	0.0%	0.0%
Infosys	Accumulate	Accumulate	Maintained	1,496	1,680	1750	4.2	16.9	6,196.6	4	67.7	74.8	68.7	76.0	1.5%	1.7%
KPIT Technologies	Accumulate	Accumulate	Maintained	1,214	1,390	1390	0.0	14.5	329.4	0	31.8	39.8	31.0	39.8	-2.4%	-0.2%
LTIMindtree	HOLD	HOLD	Maintained	5,242	5,060	5340	5.5	1.9	1,551.6	0	168.7	195.1	172.4	198.3	2.2%	1.7%
L&T Technology Services	HOLD	HOLD	Maintained	4,290	4,300	4250	-1.2	(0.9)	456.7	0	127.5	148.2	126.7	146.5	-0.6%	-1.2%
Mphasis	HOLD	Accumulate	Upgrade	2,854	2,900	2920	0.7	2.3	542.1	0	98.7	110.6	99.0	112.7	0.3%	1.9%
Persistent Systems	HOLD	HOLD	Maintained	5,348	5,890	5890	0.0	10.1	829.8	0	109.6	136.9	109.8	136.9	0.2%	0.0%
Tata Consultancy Services	BUY	BUY	Maintained	3,103	3,980	3920	-1.5	26.3	11,225.5	4	141.1	156.5	143.2	156.7	1.5%	0.1%
Tata Technologies	SELL	SELL	Maintained	687	570	570	0.0	(17.0)	278.5	0	17.3	20.2	17.3	20.2	0.0%	0.0%
Tech Mahindra	Reduce	Reduce	Maintained	1,521	1,490	1470	-1.3	(3.4)	1,347.9	1	58.1	74.6	55.9	73.5	-3.8%	-1.5%
Tata Elxsi	SELL	SELL	Maintained	5,659	4,830	4750	-1.7	(16.1)	352.5	0	117.7	146.3	113.5	143.9	-3.6%	-1.6%
Wipro	Reduce	HOLD	Upgrade	250	250	260	4.0	4.0	2,613.7	10	12.7	13.3	12.8	13.5	0.8%	1.0%

Sector / Company Name	Rating Pre-Quarterly	Current Rating	Rating Change	Price (Rs)	Target Pre Qtr.	Target (Rs)	Change %	Upside (%)	M/Cap (Rs bn)	Shares O/s (m)	EPS (Rs) - Pre Quarterly FY26E	EPS (Rs) - Pre Quarterly FY27E	EPS (Rs) - Current FY26E	EPS (Rs) - Current FY27E	% Change FY26E	% Change FY27E
Logistics																
Delhivery	BUY	Accumulate	Downgrade	472	444	466	5.1	(1.2)	351.9	746	4.6	8.4	4.8	8.5	4.6%	1.5%
Mahindra Logistics	HOLD	HOLD	Maintained	325	312	383	22.7	17.7	23.5	72	6.3	14.2	8.0	15.3	26.6%	8.0%
TCI Express	HOLD	HOLD	Maintained	691	778	707	-9.1	2.3	26.5	38	30.3	35.3	26.0	32.1	-14.1%	-9.1%
Media																
Nazara Technologies	HOLD	HOLD	Maintained	1,205	1,241	1345	8.4	11.6	105.6	88	14.8	20.2	10.0	17.1	-32.5%	-15.2%
PVR Inox	HOLD	HOLD	Maintained	1,123	1,045	1052	0.6	(6.3)	109.9	98	43.9	30.0	9.7	37.2	-78.0%	24.1%
Zee Entertainment Enterprises	BUY	BUY	Maintained	117	179	177	-1.2	50.9	112.5	961	10.8	11.9	9.9	12.6	-8.2%	5.8%
Metals & Mining																
Hindalco Industries	Accumulate	Accumulate	Maintained	707	738	762	3.3	7.8	1,570.2	2	65.8	74.2	72.8	79.4	10.7%	7.0%
Jindal Stainless	HOLD	HOLD	Maintained	774	678	678	0.0	(12.4)	637.8	1	38.4	48.5	38.4	48.5	0.0%	0.0%
Jindal Steel	Accumulate	Accumulate	Maintained	1,011	1,008	1060	5.2	4.8	1,023.4	1	47.5	89.2	50.8	92.6	7.0%	3.7%
JSW Steel	HOLD	HOLD	Maintained	1,072	1,068	1068	0.0	(0.3)	2,621.0	2	54.6	69.5	54.6	69.7	0.0%	0.2%
National Aluminium Co.	BUY	BUY	Maintained	191	218	228	4.8	19.1	351.7	2	18.8	23.3	19.7	24.2	4.7%	3.6%
NMDC	Accumulate	Accumulate	Maintained	71	73	80	9.1	12.1	627.4	9	7.6	9.4	8.5	10.2	11.4%	8.5%
Steel Authority of India	HOLD	HOLD	Maintained	123	136	133	-1.8	8.3	509.1	4	8.6	13.1	9.8	12.9	13.8%	-2.0%
Tata Steel	Accumulate	Accumulate	Maintained	162	171	177	3.2	9.5	2,014.7	12	10.3	16.2	9.8	16.0	-5.1%	-1.2%
NBFC																
Bajaj Finance	HOLD	HOLD	Maintained	896	900	900	0.1	0.5	5,560.3	6,209	35.0	45.4	35.3	44.9	0.9%	-1.1%
Cholamandalam Inv. & Fin. Co.	HOLD	HOLD	Maintained	1,518	1,575	1500	-4.8	(1.2)	1,276.5	841	69.3	86.3	66.3	83.8	-4.3%	-3.0%
Shriram Finance	HOLD	HOLD	Maintained	620	685	650	-5.1	4.8	1,165.0	1,880	51.7	62.0	52.8	63.2	2.2%	1.9%
Sundaram Finance	HOLD	HOLD	Maintained	5,216	5,000	4800	-4.0	(8.0)	579.5	111	161.1	182.9	161.3	182.0	0.1%	-0.5%
Oil & Gas																
Bharat Petroleum Corporation	Reduce	HOLD	Upgrade	320	311	333	6.9	4.0	1,388.1	4	29.3	29.4	28.3	29.3	-3.4%	-0.1%
Gujarat Gas	Sell	HOLD	Upgrade	435	404	432	6.8	(0.7)	299.5	1	18.8	18.4	17.4	18.0	-7.7%	-2.1%
GAIL (India)	HOLD	HOLD	Maintained	178	184	180	-2.0	1.2	1,168.9	7	13.6	14.8	13.2	14.5	-2.7%	-2.2%
Gujarat State Petronet	HOLD	Accumulate	Upgrade	305	348	348	0.0	14.0	171.9	1	14.8	16.1	14.8	16.1	0.0%	0.0%
Hindustan Petroleum Corporation	SELL	Accumulate	Upgrade	393	360	422	17.2	7.4	836.7	2	54.0	62.4	49.4	63.0	-8.4%	1.1%
Indian Oil Corporation	Reduce	Accumulate	Upgrade	141	138	152	10.2	7.3	1,947.8	14	13.2	17.4	10.7	17.5	-18.4%	0.7%
Indraprastha Gas	Reduce	Reduce	Maintained	207	186	186	0.0	(10.1)	289.4	1	10.4	10.8	10.4	10.8	0.0%	0.0%
Mahanagar Gas	HOLD	Accumulate	Upgrade	1,330	1,425	1559	9.4	17.2	131.4	0	114.7	129.5	121.1	129.9	5.6%	0.3%
Mangalore Refinery & Petrochemicals	HOLD	Accumulate	Upgrade	127	146	152	4.2	20.1	221.9	2	15.5	15.0	10.5	13.7	-32.4%	-8.8%
Oil & Natural Gas Corporation	Accumulate	Accumulate	Maintained	238	284	273	-3.9	14.6	2,997.7	13	34.9	35.7	32.8	34.2	-6.1%	-4.2%
Oil India	BUY	BUY	Maintained	411	566	581	2.6	41.5	668.2	2	45.9	54.8	47.6	56.4	3.6%	3.0%
Petronet LNG	Reduce	HOLD	Upgrade	278	315	311	-1.2	11.9	417.3	2	28.9	31.5	29.0	31.1	0.3%	-1.2%
Reliance Industries	HOLD	Accumulate	Upgrade	1,425	1,479	1555	5.2	9.2	19,280.4	14	55.0	55.2	54.0	55.8	-1.9%	1.1%

Sector / Company Name	Rating Pre-Quarterly	Current Rating	Rating Change	Price (Rs)	Target Pre Qtr.	Target (Rs)	Change %	Upside (%)	M/Cap (Rs bn)	Shares O/s (m)	EPS (Rs) - Pre Quarterly FY26E	EPS (Rs) - Pre Quarterly FY27E	EPS (Rs) - Current FY26E	EPS (Rs) - Current FY27E	% Change FY26E	% Change FY27E
Pharma																
Aurobindo Pharma	BUY	BUY	Maintained	1,041	1,440	1300	-9.7	24.9	604.6	581	70.3	80.6	63.1	76.2	-10.2%	-5.5%
Zydus Lifesciences	Accumulate	Accumulate	Maintained	986	970	970	0.0	(1.6)	991.7	1,006	45.0	40.0	44.4	39.9	-1.2%	-0.1%
Cipla	BUY	BUY	Maintained	1,593	1,730	1730	0.0	8.6	1,285.9	807	63.1	65.5	61.6	65.3	-2.4%	-0.3%
Dr. Reddy's Laboratories	Reduce	Reduce	Maintained	1,277	1,225	1270	3.7	(0.5)	1,064.7	834	68.6	51.9	68.5	52.9	-0.1%	1.9%
Divi's Laboratories	Accumulate	Accumulate	Maintained	6,028	6,800	6550	-3.7	8.7	1,597.4	265	102.7	124.2	99.6	118.7	-3.0%	-4.4%
Eris Lifesciences	BUY	BUY	Maintained	1,750	1,740	1975	13.5	12.9	238.0	136	38.5	53.4	38.5	53.4	0.0%	0.0%
Indoco Remedies	HOLD	HOLD	Maintained	278	325	325	0.0	16.7	25.7	92	-1.6	9.6	-5.7	5.7	257.4%	-40.6%
Ipca Laboratories	Accumulate	Accumulate	Maintained	1,359	1,525	1525	0.0	12.2	344.8	254	42.0	50.6	42.1	50.5	0.3%	-0.1%
J.B. Chemicals & Pharmaceuticals	BUY	BUY	Maintained	1,721	2,030	2030	0.0	17.9	267.1	155	52.4	63.0	52.4	63.0	0.0%	0.0%
Lupin	BUY	BUY	Maintained	1,963	2,400	2400	0.0	22.3	896.1	457	88.8	93.5	92.9	94.7	4.7%	1.3%
Sun Pharmaceutical Industries	BUY	BUY	Maintained	1,640	2,000	1875	-6.3	14.3	3,935.3	2,399	51.2	62.1	47.5	58.0	-7.3%	-6.6%
Torrent Pharmaceuticals	Accumulate	Accumulate	Maintained	3,647	3,850	4000	3.9	9.7	1,232.8	338	75.3	91.9	74.1	91.9	-1.5%	-0.1%
Real Estate																
Sunteck Realty	BUY	BUY	Maintained	393	650	650	0.0	65.3	57.6	146	23.7	39.2	23.2	37.6	-2.0%	-4.1%
Travel & Tourism																
Chalet Hotels	BUY	BUY	Maintained	1,024	1,130	1071	-5.2	4.6	223.6	218	22.3	26.2	21.1	24.5	-5.3%	-6.1%
Imagicaaworld Entertainment	BUY	BUY	Maintained	58	93	77	-17.9	32.5	32.8	566	1.7	2.0	0.7	1.6	-59.4%	-17.1%
InterGlobe Aviation	BUY	BUY	Maintained	6,099	6,691	6517	-2.6	6.9	2,356.7	386	238.7	251.1	230.0	241.2	-3.6%	-4.0%
IRCTC	BUY	BUY	Maintained	726	864	850	-1.7	17.1	580.6	800	17.7	19.6	18.0	19.3	1.5%	-1.7%
Lemon Tree Hotels	BUY	BUY	Maintained	166	175	170	-2.6	2.3	131.7	792	3.4	4.3	3.2	4.2	-5.2%	-3.3%
Samhi Hotels	BUY	BUY	Maintained	213	308	300	-2.6	40.8	47.1	221	8.1	11.3	8.0	11.0	-1.7%	-2.7%
Safari Industries (India)	BUY	BUY	Maintained	2,015	2,386	2434	2.0	20.8	98.5	49	43.4	53.0	40.9	51.8	-5.8%	-2.3%
V.I.P. Industries	Under Review	HOLD	NA	428	Review	455	NA	6.4	60.8	142	5.3	13.2	1.6	11.4	-70.0%	-13.9%
Telecom																
Bharti Airtel	Accumulate	Accumulate	Maintained	1,930	2,148	2090	-2.7	8.3	10,960.7	5,679	52.7	61.0	48.1	54.9	-8.8%	-10.1%

Source: Company, PL

1Q Sectoral Snapshot

AMCs

- Coverage AMCs saw a good quarter; core PAT at Rs9.8bn was 1.7% above PLe due to higher revenue. QAAuM growth was broadly in-line, while blended yields were a beat.
- QAAuM growth for coverage AMCs was 7.9% QoQ with NAM/HDFCAMC growing by +10%/+7% QoQ compared to 7.0% QoQ for industry.
- Equity+bal QAAuM for industry grew by 7.2% QoQ to Rs39trn. HDFCAMC, NAM, and UTIAM grew by 7.7%/9.1%/4.6% QoQ.
- Revenue yield was a beat at 43.3bps (PLe 42.4bps) mainly led by HDFCAMC due to i) benefit of commission rationalization ii) favorable AuM mix iii) more flows in higher yielding older AUM.
- Opex was 3% higher than PLe due to higher staff cost & other opex. Core income was more at Rs12.9bn (PLe Rs12.6bn).
- Other income was ahead at Rs5.5bn (PLe Rs3.6bn) led by MTM gains.
- Tax rate for coverage AMCs was largely in-line at 23.9% (PLe 23.7%).
- While we remain structurally positive on the AMC space, we turn slightly cautious due to valuations. HDFCAMC/NAM continue to maintain market share in net flows due to better performance in 3yr/5yr buckets.

Exhibit 92: Q1FY26 Result Snapshot

(Rs mn)	Revenue			Opex			Core PAT			AAuM		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
HDFCAMC IN	9,678	*39.2%*	*5.3%*	7,534	*30.0%*	*5.9%*	5,714	*50.0%*	*23.4%*	82,85,098	*23.4%*	*7.0%*
NAM IN	6,066	*20.1%*	*7.1%*	3,779	*22.7%*	*6.5%*	2,854	*22.4%*	*1.9%*	61,27,268	*26.6%*	*10.0%*
UTIAM IN	3,793	*12.6%*	*5.3%*	1,567	*8.5%*	*5.9%*	1,220	*5.2%*	*24.5%*	36,28,398	*16.4%*	*6.3%*

Source: Company, PL **Hyperlink on Bloomberg Code*

Banks

Conviction Picks:

ICICI Bank

HDFC Bank

- Coverage banks saw a weak quarter; core PAT (ex-IIB) at Rs537.8bn was 6.7% lower, while core PPoP was a miss by 1.8% at Rs910bn. PSU banks saw superior asset quality due to lower slippages and provisions.
- Loan growth was 0.6% QoQ and 10.2% YoY compared to 9.3% for the system. PSU banks saw weaker loan growth at 11.5% YoY (PLe 12.0%) due to UNBK; Growth by private banks was largely in-line at 8.7% YoY (PLe 8.6%) as miss on ICICIB was offset by higher loan growth in case of AXSB & KMB.
- System deposits grew by 10.1% YoY and deposit accretion for covered banks was slightly lower at 0.6% QoQ and 11.5% YoY (PLe 11.7%). CASA ratio fell QoQ to 36.6% from 37.3%. LDR for Q1FY26 increased by 8bps QoQ to 83.3%.
- NIM for coverage banks fell by 5bps QoQ to 3.26% (6bps lower to PLe) largely led by PSUs (SBI, UNBK & BOB) and FB. Drivers for NIM decline QoQ were (1) slower repricing of deposits following rate cuts (2) mix shifting in favor of TD from CASA. ICICB, HDFCB, CUBK and DCB were outliers on NIM.
- Fees were 4% lower at Rs379bn offset by lesser opex at Rs881.4bn (3.6% beat). SBI, HDFCB and CUB were positive outliers on core PPoP. Other income was a 6.6% beat at Rs595.4bn due to higher treasury.
- Asset quality worsened QoQ; GNPA rose by 3bps QoQ to 1.89% due to higher slippages at 1.36% (PLe 1.29%). Provisions were a drag at 68bps (PLe 56bps) that increased by 12bps QoQ mainly led by (1) AXSB due to its asset quality-related technical impact and (2) KMB due to unsecured stress.

Exhibit 93: Q1FY26 Result Snapshot

(Rs mn)	NII			Operating Profit			Adj. PAT		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
AXSB IN	1,35,598	0.8%	-1.8%	1,15,152	13.9%	7.1%	58,061	-3.8%	-18.4%
BOB IN	1,10,495	-4.7%	0.3%	82,365	15.0%	1.3%	45,414	1.9%	-10.0%
CUBK IN	6,253	14.7%	4.2%	4,509	20.7%	2.3%	3,059	15.7%	6.2%
DCBB IN	5,804	16.9%	4.0%	3,269	59.2%	7.0%	1,573	19.7%	-11.2%
FB IN	23,368	2.0%	-1.7%	15,563	3.7%	6.2%	8,618	-14.6%	-16.4%
HDFCB IN	3,14,380	5.4%	0.2%	3,57,340	49.6%	38.3%	1,81,552	12.2%	7.3%
ICICIBC IN	2,12,435	8.6%	0.8%	1,83,548	14.5%	4.6%	1,23,772	11.9%	-1.1%
IIB IN	46,398	-14.2%	52.2%	26,522	-32.5%	-661.3%	6,843	-68.2%	-130.6%
KMB IN	72,593	6.1%	-0.3%	55,637	5.9%	1.7%	32,817	-6.7%	-7.6%
SBIN IN	4,10,725	-0.1%	-4.0%	3,05,445	15.5%	-2.4%	1,91,604	12.5%	2.8%
UNBK IN	91,126	-3.2%	-4.2%	69,087	-11.3%	-10.3%	41,155	11.9%	-17.4%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 94: Conviction Picks Commentary

Name	Commentary
ICICI Bank	While we are factoring a loan CAGR of 14.5% over FY25-27E, the bank could deliver higher growth if retail credit growth picks up also led by PL/CC. It is well poised to deliver core RoA of 2.1% for FY27E.
HDFC Bank	As LDR has declined to 95% from 103.5% a year ago, focus is back on shoring up loan growth/CASA. For FY26/27E, we are factoring loan growth of 11%/12% YoY with an LDR of 92%/90%. We expect NIM to bottom out in Q2FY26E, post which it should improve.

Source: PL

Conviction Picks:

Astral

Greenpanel Industries

Building Materials

- **Revenue remained flat YoY, EBITDA margin contracted by 260bps YoY:** In Q1FY26, aggregate revenue remained flat YoY (PLe: +4.3%), whereas EBITDA/PAT declined by 17.7%/46.4% YoY in our coverage universe (PLe: -0.9%/+2.2%), Tiles and Sanitaryware segment reported single digit growth, Plastic pipes companies faced challenges due to volatility in PVC resin prices and early monsoon which leads to single digit volume growth of 3.6% YoY (PLe: 5.2%). CPBI plywood /MDF volume grew by 9.5%/19.0%, Greenpanel MDF volume declined by 14.3% YoY, and Kajaria tiles volume remained flat YoY (PLe: 6.7%). EBITDA margin of our coverage universe contracted by ~260bps to 12.1% on account of volatility in PVC resin prices in the plastic pipe segment which leads to inventory loss and lower margin in MDF with lower utilisation.

- **Plastic pipe reported poor volume:** Our plastic pipe universe sales volume grew 3.6% YoY (PLe: 5.2% YoY) mainly on account of low demand, early monsoon and delay in ADD on PVC resin resulted continued de-stocking in the channels. Plastic pipe companies' revenue declined by 2.8% YoY led by weak volume growth, However the pipe companies have guided double digit volume growth FY26 supported by the likely implementation of ADD by Q2/Q3FY26, which is expected to drive channel restocking. EBITDA margins contracted by ~380bps YoY to 11.9% YoY (PLe: 14.5%) because of inventory loss and volatility in PVC resin prices. Astral has acquired an 80% stake in Nexelon Chem Pvt Ltd and will invest up to Rs 1.2 bn to set up a 40,000 MT CPVC resin plant, aimed at securing key raw materials, reducing costs, and improving margins. Supreme Ind. outperformed the sector with healthy volume growth of 6.1% YoY.

- **Tiles & bathware – soft performance:** Cera Sanitaryware (CRS) revenue increase by 5.4% YoY due subdued demand. EBITDA/PAT declined by 5.1%/0.9%, due to higher employee cost. CRS has entered the deep value segment through its Polipluz brand, targeting Rs90bn unorganized market in Tier 4 cities and rural areas. For FY26, Polipluz is expected to deliver revenue of Rs250–300mn with EBITDA margin of 24–25%. Kajaria (KJC) reported flat volume growth of 0.7% due to continued slowdown in demand. KJC expects decent growth in Bathware and Adhesives segment in FY26 and gradual pick up in domestic volumes as exports is expected to reach to FY24 levels.

- **Woodpanel – margin pressure continues:** CPBI outperformed the segment with better performance in plywood (revenue/volume up +14.5%/9.5% YoY) and MDF (revenue/volume up +23.7%/19.0% YoY). EBITDA margin contracted by ~10bps to 11.0%YoY (PLe: 11.9%). Greenpanel delivered weak performance (revenue/PAT down 10.1%/145.1% YoY), due to lower capacity utilization at the new MDF plant, lower ratio of VAP and higher discounts offered, However GREENP maintained its MDF volume guidance of reaching 550kCBM in FY26 driven by 10–12% growth from existing plants and 72kCBM contribution from the new AP facility and expansion in margins due to reduction in timber prices.

Exhibit 95: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
ASTRA IN	13,612	-1.6%	-19.0%	1,849	-13.8%	-38.8%	1,098	-32.7%	-53.5%	792	-33.7%	-55.5%
CPBI IN	11,694	16.3%	-2.4%	1,282	15.3%	-4.8%	711	0.2%	-12.9%	529	55.2%	13.5%
CRS IN	4,222	5.4%	-27.3%	551	-5.1%	-49.1%	622	-2.4%	-43.9%	471	-0.9%	-45.5%
FNXP IN	10,432	-8.5%	-11.0%	936	-54.7%	-45.4%	1,262	-44.9%	-37.8%	982	-41.3%	-40.4%
GREENP IN	3,282	-10.1%	-12.4%	76	-79.0%	-84.2%	-199	-192.9%	-166.8%	-71	-145.1%	-124.1%
KJC IN	11,027	0.6%	-9.7%	1,869	9.3%	35.0%	1,513	11.3%	49.2%	1,103	13.1%	66.4%
SI IN	26,092	-1.0%	-13.8%	3,189	-17.7%	-23.4%	2,400	-24.9%	-28.2%	2,023	-26.0%	-31.2%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 96: Conviction Picks Commentary

Name	Commentary
Astral	Astral has guided a double-digit volume growth in the piping segment with the 16-18% EBITDA margin in FY26. This double-digit growth guidance is achievable, due to multiple drivers: ADD on PVC resin, geographical capacity expansion and a recovering construction sector also company has acquired an 80% stake in Nexelon Chem Pvt Ltd and will invest up to Rs 1.2 bn to set up a 40,000 MT CPVC resin plant, aimed at securing key raw materials, reducing costs, and improving margins.
Greenpanel Industries	GREENP maintained its MDF volume guidance of reaching 550kCBM in FY26 (currently 439kCBM), driven by 10–12% growth from existing plants and 72kCBM contribution from the new AP facility. In FY26 company is expecting correction in the timber cost which will expand the gross margins.

Source: PL

Conviction Picks:

Hindustan Aeronautics

Kirloskar Pneumatic

Voltamp Transformers

Capital Goods

- **Product companies** reported a cumulative revenue growth of 14.8% YoY against a low base of Q1FY25 which was impacted by general elections. The industrial machinery companies saw execution challenges leading to lumpy sales and order finalization delays amid geopolitical and tariff related uncertainties. The revenue growth was primarily driven by robust growth across power T&D electrical equipment manufacturers. The EBITDA margins largely declined YoY due to lower gross margins and higher operating expenses. The order intake was driven by sectors such as Power T&D, Data centers, O&G, Steel, Cement, Waste-to-heat etc.

- **Project companies (ex. Defence)** reported healthy cumulative revenue growth of 15.3% YoY against a low base. The revenue growth was driven by strong execution across key segments such as T&D, B&F and O&G despite continued labor constraints. L&T's revenue growth was 15.5% YoY driven by better execution in export business. EBITDA margins for the project companies largely declined owing to unfavorable revenue mix.

- **Industrial consumable companies** reported marginal improvement in the revenue (+1.8% YoY) aided by resilient domestic demand however the Chinese dumping, geopolitical and tariff related uncertainties significantly affected the export business. The margins of the consumable companies declined YoY in Q1 primarily due to an unfavorable product mix.

- **Defence companies:** HAL reported +10.8% YoY growth in Q1FY26 while Bharat Electronics reported +5.2% YoY growth. BEML's revenue growth was flat YoY during the quarter. The EBITDA margins of the defence companies largely increased due to better execution and higher gross margin. Defence companies continued to benefit from the government's push on the indigenization resulting in a strong tendering pipeline including orders for 97 additional LCA MkA1 for HAL and QRSAM order for BEL.

Exhibit 97: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
ABB IN	31,754	*12.2%*	*0.5%*	4,141	*-23.7%*	*-28.9%*	4,741	*-20.2%*	*-25.5%*	3,521	*-20.5%*	*-25.7%*
APR IN	51,042	*27.3%*	*-2.0%*	4,523	*20.1%*	*-1.3%*	3,525	*30.4%*	*3.7%*	2,629	*29.8%*	*5.2%*
BHE IN	44,168	*5.2%*	*-51.6%*	12,399	*32.4%*	*-55.5%*	12,892	*24.3%*	*-54.7%*	9,691	*24.9%*	*-54.0%*
BEML IN	6,340	*0.0%*	*-61.6%*	-493	*-1.7%*	*-111.7%*	-703	*-6.8%*	*-117.8%*	-641	*-9.0%*	*-122.3%*
BHEL IN	54,869	*0.0%*	*-39.0%*	-5,371	*217.2%*	*-164.6%*	-6,074	*116.9%*	*-186.3%*	-4,549	*114.0%*	*-190.2%*
CU IN	12,190	*1.8%*	*0.2%*	1,213	*-37.4%*	*-17.1%*	776	*-46.8%*	*-16.9%*	619	*-45.2%*	*112.4%*
ELEQ IN	8,667	*8.2%*	*-12.7%*	1,211	*6.3%*	*-19.2%*	1,147	*14.8%*	*-17.6%*	856	*17.5%*	*-16.1%*
ENGR IN	8,704	*39.5%*	*-13.8%*	721	*41.3%*	*-67.0%*	973	*22.7%*	*-60.1%*	654	*-28.6%*	*-69.3%*
GVTD IN	13,301	*38.8%*	*15.4%*	3,876	*112.7%*	*45.1%*	3,900	*116.8%*	*43.9%*	2,912	*116.4%*	*44.5%*
GWN IN	7,035	*-0.3%*	*-0.9%*	1,299	*-2.4%*	*2.0%*	1,256	*0.5%*	*2.4%*	945	*1.4%*	*2.1%*
HARSHA IN	3,653	*6.4%*	*-2.1%*	554	*0.5%*	*57.7%*	531	*5.5%*	*52.2%*	379	*5.2%*	*50.0%*
HNAL IN	48,190	*10.8%*	*-64.8%*	12,824	*29.4%*	*-75.8%*	18,440	*32.8%*	*-64.5%*	13,838	*27.0%*	*-65.2%*
INGR IN	3,153	*0.4%*	*-2.2%*	742	*-6.2%*	*-11.0%*	796	*-4.5%*	*-11.8%*	590	*-4.7%*	*-12.8%*
KECI IN	50,229	*11.3%*	*-26.9%*	3,501	*29.5%*	*-35.0%*	1,585	*80.0%*	*-53.7%*	1,486	*133.7%*	*-44.6%*
KKC IN	29,068	*26.2%*	*18.3%*	6,235	*33.4%*	*20.0%*	7,258	*31.7%*	*6.6%*	5,555	*32.3%*	*6.5%*
KPIL IN	50,397	*35.4%*	*-18.8%*	4,284	*36.7%*	*-18.1%*	2,742	*67.1%*	*-24.7%*	2,008	*72.1%*	*-24.4%*
KKPC IN	2,817	*2.3%*	*-52.4%*	333	*-15.2%*	*-69.6%*	340	*-5.4%*	*-68.5%*	253	*-5.9%*	*-69.9%*
LT IN	6,36,789	*15.5%*	*-14.4%*	63,177	*12.5%*	*-23.0%*	58,595	*25.3%*	*-22.3%*	36,172	*29.8%*	*-29.5%*

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
PRJ IN	6,402	*-8.4%*	*-25.5%*	356	*-59.0%*	*-52.7%*	96	*-87.8%*	*-83.5%*	53	*-90.5%*	*-86.6%*
SIEM IN	43,468	*15.5%*	*2.1%*	5,250	*8.2%*	*-1.0%*	5,676	*0.4%*	*-7.1%*	4,215	*-2.9%*	*-10.4%*
TMX IN	20,944	*-4.1%*	*-32.1%*	1,693	*19.9%*	*-43.5%*	1,558	*-3.6%*	*-48.0%*	1,128	*-2.6%*	*-45.2%*
TRIV IN	3,713	*-19.9%*	*-31.0%*	736	*-23.0%*	*-38.9%*	873	*-19.0%*	*-33.9%*	645	*-19.4%*	*-31.3%*
VAMP IN	4,236	*-1.1%*	*-32.2%*	726	*-4.2%*	*-37.6%*	1,046	*3.3%*	*-19.1%*	795	*0.1%*	*-17.8%*

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 98: Conviction Picks Commentary

Name	Commentary
Hindustan Aeronautics	We believe HAL's execution on the deliveries of Tejas Mk1A aircrafts will be a key monitorable in the coming quarters, however its long-term play on the growing strength & modernization of India's air defense given 1) it is the primary supplier of India's military aircraft, 2) long-term sustainable demand opportunity owing to government's push on indigenous procurement of defense aircraft, 3) a robust order book with a 2-year pipeline of Rs1.0trn+, 4) leap in HAL's technological capabilities due to development of advanced platforms (Tejas, AMCA, GE-414 & IMRH engines, etc.), and 5) improvement in profitability via scale & operating leverage.
Kirloskar Pneumatic	We believe KKPC is well placed for healthy long-term growth driven by 1) products launches in air compression (Tezcatlipoca, ARiA) to capture centrifugal and low-end screw compressor markets that are import-dominated, 2) market leadership in up/mid/downstream oil & gas and CNG mother stations, where the investment pipelines are robust, 3) new products – Calana and Jarilo – to address opportunities in CNG daughter stations and CBG plants respectively, 4) launch of Khione and acquisition of S&C India to enhance penetration in commercial and industrial refrigeration, 5) focus on building in house IP and backward integration capabilities, and 6) strong cash flows and balance sheet.
Voltamp Transformers	We remain positive on VAMP considering its 1) strong market position in industrial transformers, 2) capacity expansion, 3) healthy demand momentum, 4) debt-free balance sheet, 5) consistent free cash flow generation, and 6) growing high-margin services business.

Source: PL

Exhibit 99: Strong domestic demand led to cumulative order inflow growth of 31.1% YoY to Rs1.5trn

Order Inflow (Rs mn)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	*YoY gr.*	*QoQ gr.*
ABB India	34,350	33,420	26,950	37,510	30,360	*-11.6%*	*-19.1%*
Apar Industries	17,940	22,340	30,770	21,140	31,350	*74.7%*	*48.3%*
BEML	6,130	4,440	45,470	10,350	4,350	*-29.0%*	*-58.0%*
Bharat Electronics	48,761	23,153	21,483	93,753	76,258	*56.4%*	*-18.7%*
BHEL	94,880	3,15,990	68,600	4,45,880	1,34,450	*41.7%*	*-69.8%*
Engineers India	23,791	27,577	18,784	11,989	14,292	*-39.9%*	*19.2%*
GE Vernova T&D	10,290	46,824	20,758	29,911	16,199	*57.4%*	*-45.8%*
KEC International	76,640	58,180	85,180	26,890	55,170	*-28.0%*	*105.2%*
Kalpataru Projects	31,820	86,830	83,160	52,940	98,990	*211.1%*	*87.0%*
Kirloskar Pneumatic	4,210	6,120	4,670	3,600	3,650	*-13.3%*	*1.4%*
L&T	7,09,360	8,00,450	11,60,360	8,96,130	9,44,530	*33.2%*	*5.4%*
Praj Industries	8,880	9,210	10,530	10,320	7,950	*-10.5%*	*-23.0%*
Siemens	50,265	24,809	42,580	53,050	56,800	*13.0%*	*7.1%*
Thermax	25,690	33,530	22,960	21,190	27,480	*7.0%*	*29.7%*
Triveni Turbine	6,363	5,719	5,264	6,280	5,355	*-15.8%*	*-14.7%*
Voltamp	6,390	3,697	6,483	3,301	7,476	*17.0%*	*126.5%*
Total	**11,55,761**	**15,02,289**	**16,54,001**	**17,24,234**	**15,14,661**	***31.1%***	***-12.2%***

Source: Company, PL

Conviction Picks:

Ambuja Cement

Ultratech Cement

Cement

- Earnings across our coverage universe were mixed, supported by strong realizations and cost efficiencies. On a YoY basis, EBITDA/t improved sharply by ~Rs281, as average NSR rose 5% led by price hikes in South and East. Volumes for our coverage universe grew 5% YoY, aided by government infra capex, improved demand, and integration of newly acquired assets.
- Demand momentum remained healthy till May'25 despite price hikes, though monsoon-led slowdown in June capped volume growth. Pricing remained stable across regions, with South and East witnessing the sharpest realizations recovery. Management commentaries suggest prices are holding firm in July as well, implying sustainability of Q1 gains.
- Average realization increased by 5% QoQ, led by sustained price hikes in the East and South. DALBHARA and NUVOCO benefited the most due to higher exposure to Southern & Eastern markets with NSR growing by 9% and 6% QoQ respectively.
- Power & Fuel costs continued to ease for most players, driven by decline in imported coal, flat pet coke, higher AFR, and increasing share of green energy.
- Freight costs for coverage companies were flat YoY, led by decline in lead distances and flat diesel prices. ACEM and UTCEM reported benefits from improved direct dispatches and increasing plant networks, while SRCM and NUVOCO got the benefits of railway sidings.
- Universe average EBITDA/t increased 34% YoY to Rs1,111 (+Rs281 QoQ) mainly led by strong pricing and lower base. EBITDA for the coverage universe grew 40% YoY QoQ to Rs96bn (tad lower than PLe Rs98bn).
- Green energy share continues to climb – SRCM already at 65.7%, DALBHARA targeting 45-50% by FY26 end, ACEM at 28% moving towards 60% by FY28E, and UTCEM targeting to achieve ~86% by FY28E. Rising RE mix remains a structural margin lever.
- Capex momentum remains strong, with UTCEM adding 5.5mtpa in Q1FY26 and targeting ~14.1mtpa in FY26, while ACEM is executing Rs100bn capex. DALBHARA announced 3.6mtpa clinker + 6mtpa GU at Kadapa and 3mtpa bulk terminal in Tamil Nadu. SRCM continues with 3mtpa each at Rajasthan and Karnataka.
- Sector outlook remains constructive: With pricing holding steady even during the monsoon, industry leaders expect demand to improve. Govt. infra spending and rural recovery should support volumes through H2FY26 post monsoon. Cost curve could be a bit higher due to recent uptick in pet coke prices which could be somewhat negated by higher realization levels.
- Positive stance on leaders (UTCEM, ACEM) maintained, given their scale, proactive expansions, and cost optimization focus. NUVOCO's eastern and DALBHARA's eastern and southern exposure remain key growth levers. SRCM is expected to lose some market share due to competition challenges and value over volume strategy. **Top picks:** ACEM, UTCEM.

Exhibit 100: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
ACC IN	60,872	17.1%	-0.4%	7,780	14.6%	-6.3%	5,613	15.7%	-24.7%	3,755	3.9%	-42.3%
ACEM IN	1,02,891	22.6%	3.1%	19,611	53.2%	5.0%	12,885	17.2%	-21.4%	8,855	12.1%	-12.6%
DALBHARA IN	36,360	0.4%	-11.1%	8,830	32.0%	11.3%	5,020	63.5%	7.5%	3,808	68.9%	-12.5%
NUVOCO IN	28,727	9.0%	-5.6%	5,186	51.0%	-6.0%	2,016	NA	-9.9%	1,279	NA	-12.5%
SRCM IN	49,480	2.3%	-5.6%	12,291	34.1%	-11.0%	8,331	137.5%	12.2%	6,185	94.7%	11.2%
UTCEM IN	1,96,353	7.4%	-7.1%	42,018	42.0%	-8.8%	30,112	53.6%	-9.7%	22,318	55.6%	-16.8%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 101: Conviction Picks Commentary

Name	Commentary
Ambuja Cement	ACEM has grown its capacity by 15%+ CAGR to 104mtpa through organic and inorganic expansions. Ongoing projects will add incremental 14mtpa in FY26 and 22mtpa by FY28E, to reach 140mtpa, with a focus on maximizing throughput for above-industry volume growth. ACEM targets cost savings of ~Rs500/t by FY28E through initiatives like 1) increasing green power mix, 2) utilizing captive coal mines, 3) securing long-term raw material supplies, and 4) enhancing logistics with more railway wagons and an expanded plant network.
Ultratech Cement	UTCEM has shown its superior execution capabilities post Adani entry and increased its cement capacity by 15% CAGR to 189mtpa over FY23 till now aided by India & Kesoram capacities and planned brownfield expansions. Post ongoing organic expansion, UTCEM's capacity would cross ~210mtpa by FY27E and it would announce next phase of expansion. Cost efficiencies are expected to improve for UTCEM over the next few years led by increase in green power mix, AFR %, blending ratio, and higher volumes driving operating leverage (targeting Rs300/t savings).

Source: PL

Chemicals

Conviction Picks:

Fine Organic Industries

PCBL Chemical

Vinati Organics

- **Margins strengthen annually, dip sequentially**: Chemical companies under our coverage delivered a mixed performance during Q1FY26, with most witnessing sequential declines but showing modest improvement on a YoY basis. The overhang of low-cost inventory has largely subsided across the sector. Realizations remained stable to lower on a QoQ basis, except in refrigerants where prices rose sharply. However, overall price levels remain significantly below historical highs, and pricing pressure is expected to persist amid continued low-cost dumping from China. On the cost side, a decline in input prices supported margin improvement for select companies. For the quarter, the coverage universe reported aggregate revenue of Rs149bn, reflecting a 1% YoY increase but a 7% QoQ decline. Aggregate EBITDA stood at Rs27bn, up 7% YoY but down 9% QoQ, translating into an EBITDAM of 18% an improvement of 140bps YoY, but a 50bps sequential contraction, largely driven by stronger refrigerant realizations. At the company level, NOCIL reported the weakest profitability with an EBITDAM of 4.4%, while Clean Science delivered the highest margin at 41.1%.

- **YoY volume growth visible:** Management across most companies indicated that despite ongoing pricing pressures, they have seen an improvement in volumes and expect growth momentum to continue in FY26. However, a few companies like NOCIL and Deepak Nitrate witnessed decline in YoY volumes. Agrochemical-focused companies remain uncertain about demand revival and anticipate poor sector performance at least until H2FY25.

- **Favorable refrigerant price environment to boost earnings:** Key refrigerants such as R-22 and R-32 have witnessed more than 50-60% price increase compared to FY25, with prices expected to remain elevated in the near term. Companies with significant exposure to refrigerants, including SRF, Navin Fluorine, and Gujarat Fluorochemicals, are well-positioned to benefit from this price surge. The sustained high pricing is likely to drive higher margins and improve earnings for these companies' refrigerants segment.

- **Competition from China to continue:** Companies like NOCIL, Laxmi Organics, SRF, Aarti Industries, Deepak Nitrate and Jubilant Ingrevia continue to face threat from Chinese competition, impacting both prices & volumes.

- **CAPEX Updates:** Jubilant Ingrevia's capex is progressing as planned for the USD300mn multi-year CDMO agreement, and the company has also initiated engineering work for a new MPP plant at Gajraula. Deepak Nitrite has multiple projects underway, with its WNA plant and new R&D center expected to be commercialized within this quarter. Fine Organic has received environmental clearance for the planned Rs7.5bn capex at SEZ land, with construction expected to begin once the remaining approvals are in place. Vinati Organics has completed Phase 1 of the ATBS expansion, while the next phase is scheduled for April'26. Clean Science's Rs1.5bn investment in Performance Chemical 1 is progressing, with water trials expected this month; additionally, construction of a second performance chemical plant focused on water treatment remains on track and is scheduled to be operational by Jan'26. Navin Fluorine's AHF project is on track for commissioning in Q2FY26, while Phase 1 of cGMP4 is expected to commission in Q3FY26. Gujarat

Fluorochemicals has guided a cumulative capex of Rs60bn in its battery chemicals segment by FY28. Laxmi Organics' previously announced capex of Rs914mn for a 70ktpa n-butyl acetate plant and Rs905mn for a 70ktpa ethyl acetate expansion are on track for commissioning in Q4FY26. SRF, meanwhile, has announced Rs11bn capex for setting up next-generation refrigerants capacity and Rs4.9bn capex for a new BOPP line in India.

Exhibit 102: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
ARTO IN	16,750	*-9.7%*	*-14.1%*	1,950	*-36.3%*	*-27.5%*	250	*-82.9%*	*-73.7%*	270	*-80.4%*	*-73.5%*
CLEAN IN	2,429	*8.4%*	*-7.9%*	999	*5.5%*	*-4.7%*	945	*6.6%*	*-5.1%*	701	*6.3%*	*-5.4%*
DN IN	18,899	*-12.8%*	*-13.3%*	1,896	*-38.7%*	*-40.1%*	1,547	*-43.7%*	*-44.5%*	1,128	*-44.3%*	*-51.5%*
FINEORG IN	5,884	*7.0%*	*-3.0%*	1,236	*-11.5%*	*3.4%*	1,511	*-0.5%*	*16.4%*	1,108	*-2.5%*	*14.3%*
FLUOROCH IN	12,810	*8.9%*	*4.6%*	3,440	*31.3%*	*12.4%*	2,470	*65.8%*	*13.8%*	1,840	*70.4%*	*-3.7%*
JUBLINGR IN	10,380	*1.3%*	*-1.3%*	1,421	*29.8%*	*-3.1%*	998	*51.4%*	*-1.9%*	751	*54.1%*	*1.5%*
LXCHEM IN	6,929	*-3.5%*	*-2.4%*	308	*-56.8%*	*-47.9%*	142	*-73.7%*	*7.2%*	214	*-37.8%*	*-1.7%*
NFIL IN	7,254	*38.5%*	*3.5%*	2,068	*106.1%*	*15.7%*	1,551	*127.1%*	*22.1%*	1,172	*128.8%*	*23.3%*
NOCIL IN	3,362	*-9.7%*	*-1.0%*	306	*-25.5%*	*-10.6%*	231	*-37.1%*	*-10.9%*	173	*-36.1%*	*-17.0%*
PCBL IN	21,141	*-1.4%*	*1.3%*	3,191	*-10.9%*	*7.2%*	1,202	*-26.5%*	*-4.7%*	941	*-20.2%*	*-6.1%*
SRF IN	38,186	*10.2%*	*-11.5%*	8,298	*37.5%*	*-13.3%*	5,758	*67.4%*	*-18.6%*	4,323	*70.8%*	*-17.8%*
VO IN	5,423	*3.3%*	*-16.4%*	1,658	*32.6%*	*-9.7%*	1,515	*32.5%*	*-10.6%*	1,128	*31.2%*	*-11.6%*

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 103: Conviction Picks Commentary

Name	Commentary
Fine Organic Industries	Fine Organics holds a significant competitive advantage with its unique product portfolio, the global demand for the company's product portfolio remains robust. The company is undertaking Rs7.5bn green field capex at SEZ land allotted to the company at Jawaharlal Nehru Port Authority. This facility will manufacture products like the company's current portfolio and is expected to start commercial production by FY27. Additionally, the company has set up new subsidiaries in the USA to set up a manufacturing facility in the USA and UAE to enhance supply chain efficiency respectively. We believe the new SEZ facility, and the planned US manufacturing plant will be key growth drivers. The SEZ plant is projected to deliver peak revenue potential of Rs26bn, based on an asset turnover of 3.5x, and is expected to contribute meaningfully to topline growth from FY28.
PCBL Chemical	PCBL has emerged as India's largest and world's 7th largest carbon black (CB) manufacturer. The company is expanding its carbon black capacity to 1mmtpa+ by FY28/29. We expect carbon black volumes to grow at 9-10% in FY26, with overall CB current capacity utilization at 75%. It is set to strengthen both the old age economy of CB as well as new age applications like nano silicon and acetylene black. FY25 was challenging for Aquapharm business due to sharp correction in key RM yellow phosphorous prices, which have stabilized now, we expect performance improvement in FY26.
Vinati Organics	The management has guided ~15% revenue growth in FY26, led by an expected 20% increase in volumes, with EBITDA margins projected at ~27%. ATBS, the company's flagship high-margin product, has continued to deliver robust growth and remains oversold. Phase I of the ATBS capacity expansion has been completed, while Phase II is scheduled to come online in April'26. Antioxidants (AOs) segment, demand remains healthy though pricing pressure persists due to competition from China and Singapore. MEHQ and guaiacol, launched in Mar'24, are expected to make a meaningful revenue contribution in FY26, with a peak potential of Rs4bn.

Source: PL

Conviction Picks:

ITC

Britannia Industries

Titan Company

Consumer

- Consumption across FMCG, QSR and retail mirrored 4Q25 performance with mild pick-up in demand. 1Q26 witnessed short summer & untimely rains which impacted summer portfolio whereas Project Sindoor slowed down recovery in North India in QSR. However recent relief in income tax coupled, rate cuts along with declining food inflation could boost consumer sentiment in the near term. Rural demand continues to grow strong whereas urban demand has been mildly improving. Aggregate sales grew 10.5% YoY whereas EBIDTA and PBT grew by 2.2% & 1.1% YoY.

- FMCG universe sales were led by realization gains on account of previously taken price hikes and mild pick-up in volumes. While margins have been more or else stable, we expect recovery moving ahead given impact of low inflation & previously taken price hikes. Rural demand has been stable whereas Urban demand could benefit from upcoming festive season, easing inflation, falling interest rates and other supportive measures such as income tax relief and expected GST rate cuts before festive season.

- **Paint** Overall demand in 1Q remain subdued amidst early monsoon and Impact of operation Sindoor in North India. However, some green shoots are being observed in Urban centers. Early Diwali is expected to drive the overall volume growth in 2Q, however extreme rains across country possess key risk. APNT reported volume growth of 3.9% while Kansai reported ~3.2% volume growth. Demand in auto segment was muted, however Kansai did better than market led by various initiatives in distribution and innovations. Competitive intensity, especially in decorative segments, continues to remain at elevated levels as Birla Opus remains aggressive to gain market share

- **QSR** sector is showing signs of revival amidst stabilizing consumption patterns. SSG/LFL is expected to gradually improve in the coming quarters, driven by increasing footfalls and easing geopolitical tensions. Jubilant FoodWorks (JUBI) remains the best play among QSR players, supported by a healthy LFL growth of 11.6% in Q1, the strongest performance among all players.

- **Retail** Q1FY26 saw increase in wedding-related footfalls, however early EID impacted sales in 1Q. We believe tax rate cuts and current announcements on GST cuts could positively trigger demand by improving product mix for retail companies amid a likely increase in disposable income

- **Jewellery** companies saw robust value growth in Q1, driven by mark-to-market (MTM) gains as gold prices remained elevated. However, volumes remained tepid, with consumers opting for lightweight jewellery amidst rising gold prices. We believe that if gold prices continue to rise, it could dampen consumer sentiment during the upcoming festive and wedding season.

Exhibit 104: Q1FY26 Result Snapshot

(Rs mn)	Vol. Gr. (%)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
APNT IN	3.9	89,386	-0.3%	6.9%	16,250	-4.1%	13.1%	14,724	-6.0%	24.6%	11,000	-6.1%	25.4%
BRIT IN	2.0	46,222	8.8%	4.3%	7,571	0.4%	-6.0%	7,059	-0.1%	-6.7%	5,250	-1.0%	-6.9%
CLGT IN	-2.8	14,341	-4.2%	-1.9%	4,526	-11.0%	-9.1%	4,320	-10.9%	-9.6%	3,206	-11.1%	-9.7%
DABUR IN	-1.0	34,046	1.7%	20.3%	6,678	2.0%	56.4%	6,630	3.2%	61.0%	5,083	2.8%	62.5%
DMART IN		1,63,597	16.3%	10.0%	12,990	6.4%	36.0%	10,575	0.3%	46.8%	7,728	-0.1%	40.3%
HMN IN	-3.0	9,041	-0.2%	-6.1%	2,142	-1.1%	-2.4%	1,889	4.7%	-2.8%	1,642	7.6%	1.3%
HUVR IN	3.0	1,59,310	3.9%	4.7%	35,580	-1.3%	2.7%	33,710	-3.1%	-0.2%	24,900	-3.2%	-0.3%
ITC IN	6.5	1,97,499	16.2%	14.5%	62,613	-0.5%	4.6%	65,451	-0.1%	2.0%	49,124	-0.2%	0.8%
JUBI IN	11.6	13,313	-7.5%	-16.1%	2,543	-8.6%	-16.8%	508	-25.6%	-24.9%	376	-27.0%	-23.9%
METROBRA IN		6,282	9.1%	-2.3%	1,939	7.5%	-1.7%	1,300	5.7%	3.3%	985	7.4%	4.0%
KNPL IN	3.2	20,874	1.8%	19.9%	3,120	-6.7%	75.4%	3,101	-4.1%	89.3%	2,309	-4.3%	86.9%
MRCO IN	9.0	32,590	23.3%	19.4%	6,550	4.6%	43.0%	6,560	8.4%	48.8%	5,130	8.2%	48.7%
MTEP IN	15.0	2,406	22.3%	18.7%	468	31.0%	22.2%	292	31.6%	31.3%	216	30.5%	32.6%
NEST IN		50,962	5.9%	-7.4%	11,003	-1.3%	-20.8%	9,005	-10.8%	-25.2%	6,592	-11.7%	-25.5%
PIDI IN	9.8	37,531	10.5%	19.5%	9,410	15.8%	48.8%	9,162	18.9%	52.2%	6,781	18.7%	49.9%
RBA IN	2.6	5,524	12.6%	12.8%	682	9.1%	-9.0%	-115	-57.4%	-54.9%	-115	-57.4%	-54.9%
TTAN IN		1,45,640	20.8%	8.1%	16,320	34.8%	13.5%	13,800	35.2%	14.3%	10,300	33.8%	18.4%
WESTLIFE IN	0.5	6,576	6.7%	9.0%	853	8.5%	10.8%	17	-63.3%	24.2%	12	-62.3%	-19.4%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 105: Conviction Picks Commentary

Name	Commentary
ITC	ITC's margins remain under pressure but are poised for recovery from 3QFY26, aided by: (1) 10–15% softening in leaf tobacco prices in the current season, (2) potential decline in wood costs and expectations of anti-dumping duty in paperboard, (3) synergies from Century Paper integration, and (4) improving demand and margins in FMCG (~50bps sequential uptick in 1QFY26). The FMCG business continues to display resilience, with the Digital-First and Organic portfolio reaching Rs.10bn ARR, and ITC is expected to pursue acquisitions more aggressively to accelerate growth. We forecast an 8.9% PAT CAGR over FY25–27 (ex-Century Paper, post Hotels demerger). At 22.4x FY27 EPS and a 3.7% dividend yield, we see ITC offering a favorable risk-reward profile, with a SOTP-based target price of Rs.530
Britannia Industries	BRIT continues to remain a high conviction pick given (1) strong leadership in Biscuits & Bakery, (2) limited B2C disruption given entrenched local/regional competition and market share gains in 5/7 regions, (3) scalability and profitability gains in adjacencies, and (4) robust innovation pipeline targeting regional, channel-specific, and premium segments. We forecast 14.1% EPS CAGR over FY25–27, supported by new launches, demand recovery, and benign input costs. We value the stock at 50x Jun'27 EPS and raise our target price to Rs.6,223
Titan Company	TTAN's long term outlook remains positive given 1) sustained focus on improving product mix to enable maintain current margin levels and strong new buyer growth 2) change in focus on light weight jewellery (9k and 14k) to cater to sub Rs50,000 consumer which is likely to drive value growth and 3) Watch business to continue see strong momentum in medium to long term led by unique designs and innovations. We estimate 27.5% PAT CAGR over FY25-27 and assign an SOTP based target price of Rs3901.

Source: PL

Conviction Picks:

KEI Industries

Crompton Greaves Consumer Electricals

Consumer Durables

- **Revenue in line with estimates:** Aggregate sales / in our coverage universe grew 1.9% while EBITDA / Adj PAT decline by 1.9% /3.1% YoY (PLe: -3.3%/-4.1%/-3.4% YoY), led by healthy growth in revenue, largely from the C&W which was offset with decline in UCP segment, C&W grew by 27.8% and UCP segment declined by 27.8% YoY. FMEG segment decline by 6.0% YoY. Bajaj Electricals and Voltas were the major underperformers in our coverage universe, reporting PAT decline of 73% and 58% YoY, respectively. Polycab outperformed with PAT growth of 49.5% supported by strong volume growth. C&W companies reported YoY PAT growth, while all other companies under our coverage saw a decline.

- **Strong volume growth in C&W:** Havells/Polycab/KEI/RR Kabel reported 27.1% /31.2% /30.8%/16.2% YoY growth in the W&C segment with EBIT margin change of +130bps/+190bps/Flat/+40bps. W&C segment reported healthy volume growth supported by strong demand in domestic markets with exports gradually picking up in key geographies. To drive incremental cable demand, companies are undertaking capacity expansion plans, thereby supporting sustained growth in the C&W segment.

- **FMEG segment reported a decline due to subdued demand for seasonal products:** Havells/Crompton/RR Kabel/Bajaj reported revenue decline of 8.9%/7.2%/2.1%/7.8% YoY while Polycab's FEMG grew by 17.5% . Overall coverage segment reported 6.0% YoY decline, due to: 1) Weak performance in seasonal product categories, 2) Weak demand from fans and air coolers due to unseasonal rains and 3) High brand investment and elevated operating costs which impacted margins.

- **Weak quarter for RAC companies :** Voltas reported a 24.6% decline in its UCP segment, and its market share has declined in the RAC segment (YTD market share 17.8%). Havells' Lloyd reported decline of 34.1% YoY in Q1FY26. Both companies under over coverage have reported an accumulation in inventory, leading to a slowdown in further production.

Exhibit 106: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	YY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
BJE IN	10,646	-7.8%	-15.9%	333	-55.8%	-64.2%	89	-76.7%	-82.1%	16	-94.2%	-97.2%
CELLO IN	5,290	5.7%	-10.2%	1,091	-15.6%	-19.4%	1,075	-10.8%	-17.2%	730	-12.3%	-17.2%
CROMPTON IN	19,983	-6.5%	-3.0%	1,917	-17.5%	-27.5%	1,661	-18.4%	-28.0%	1,223	-19.4%	-27.8%
HAVL IN	54,554	-6.0%	-16.6%	5,157	-9.9%	-31.9%	4,698	-14.4%	-33.0%	3,475	-14.7%	-32.8%
KEII IN	25,903	25.7%	-11.1%	2,580	20.1%	-14.4%	2,632	29.7%	-13.8%	1,957	30.1%	-13.6%
POLYCAB IN	59,060	25.7%	-15.5%	8,576	47.0%	-16.4%	8,006	50.1%	-16.7%	5,921	49.5%	-18.5%
RRKABEL IN	20,586	13.9%	-7.2%	1,421	49.6%	-26.9%	1,190	39.0%	-30.7%	898	39.4%	-30.5%
VOLT IN	39,386	-20.0%	-17.4%	1,785	-57.9%	-46.4%	2,286	-52.5%	-39.1%	1,405	-58.0%	-41.7%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 107: Conviction Picks Commentary

Name	Commentary
KEI Industries	KEI reported 28-30% volume growth in Q1FY26. Domestic institutional W&C sales grew by 26.6% YoY, whereas institutional exports surged by 122.0% YoY. KEII has guided revenue growth of 18%/20%+ for FY26/FY27 driven by strong demand in domestic & export markets, and EBITDA margin of 11% in FY26 supported by commencement of commercial production at Sanand plant. We estimate revenue/EBITDA/PAT CAGR of 20.8%/25.0%/23.9% for FY25-27E
Crompton Greaves Consumer Electricals	Crompton announced a greenfield CapEx of Rs3.5 bn, with the first phase focused on fans to strengthen in-house manufacturing while management has guided for double-digit growth in Butterfly for FY26. CROMPTON has amended its MoA to broaden its business activities, facilitating ECD expansion and entry into solar products. We estimate revenue/EBITDA/ PAT CAGR of 11.4%/14.1%/19.0% over FY25-27E

Source: PL

Education

- Within our education universe, DOMS IN reported a healthy performance led by launch of new SKUSs and strong growth under the hygiene business. NELI IN's performance was also decent but S Chand IN reported weak numbers in 1QFY26 on account of decline in content licensing revenue.

- **DOMS:** DOMS IN reported a robust topline growth of 26.4% to Rs5,623mn and EBITDA margin of 17.6% aided by healthy volume growth in stationary segment. Even hygiene business reported healthy revenues of Rs360mn with an EBITDA margin of 6.8%. The new development plan on 44-acres land parcel at Umbergaon is on track and commercial production is expected to begin by 4QFY26E. Aided by capacity expansion in core stationery business, widening product basket (SKU count is up by ~300 in last 1 year), and strengthening distribution network (retail touch points are up by ~20K in last 1 year) we expect sales/PAT CAGR of 24% over FY25-FY27E. Retain BUY on the stock with a TP of Rs3,087 (60x FY27E EPS).

- **SCHAND:** SCHAND IN reported weak operating performance with EBITDA loss of Rs91mn amid fall in high margin content licensing revenue to Rs30mn in 1QFY26 (Rs115mn in 1QFY25). Given the uncertain nature of AI dataset deals, revenue recovery is expected in 2QFY26E. Management reiterated that revenues are likely to surpass Rs8,000mn with EBITDA margin of ~18-20% in FY26E led by 1) 6-7% increase in volumes as NCERT is expected to release new syllabus books for grades 4,5,7&8 and 2) single digit price hike across product portfolio. Backed by these factors, we expect sales/PAT CAGR of 11%/21% over FY25E-FY27E. Retain 'BUY' with a TP of Rs286 valuing the stock at 11x FY27E.

- **NELI:** NELI IN's operational performance was decent with an EBITDA margin of 28.6% but revenue was tad lower than our expectations due to delay in publication of grade-1 books in Maharashtra along with continued weakness in domestic stationary segment (realization/volume was lower by 9%/5% respectively). We expect revenue/EBITDA CAGR of 7%/8% over FY25-FY27E given rising competition in domestic stationary business and gradual migration of students from state board to CBSE oriented schools. Maintain HOLD with a SoTP based TP of Rs136.

Exhibit 108: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
DOMS IN	5,623	*26.4%*	*10.5%*	987	*14.3%*	*NA*	793	*8.4%*	*NA*	573	*NA*	*NA*
NELI IN	7,940	*-0.5%*	*82.9%*	2,270	*2.7%*	*NA*	2,120	*2.4%*	*NA*	1,570	*82.6%*	*NA*
SCHAND IN	1,026	*-7.3%*	*-78.2%*	-91	*NA*	*NA*	-182	*NA*	*NA*	-133	*NA*	*NA*

Source: Company, PL **Hyperlink on Bloomberg Code*

Electronic Manufacturing Services

- **EMS companies grew by 4.6% YoY; Margins Expand:** EMS companies in our coverage universe revenue grew by 4.6% YoY (Ple: 7.5%), with a margin expansion of 510bps to 11.5% (Ple: 10.3%). The coverage order book grew by 28.2% YoY to Rs 168bn. Avalon/KAYNES/Syrma/Cyientdl order book grew by 22.5%/46.9%/22.2%/flat to Rs 18/74/55/21bn in Q1FY26.

- **Avalon's Strong Growth Continues, Cyient DLM lost a big client:** Avalon has outperformed in the EMS segment driven by higher growth in the Mobility/industrials segment, and margin expansion of ~700bps YoY to 9.2%, led by segment mix. AVALON's revenue grew by 62.1% YoY, mainly driven from Mobility/Industrial segments (grew by ~92%/85% YoY). AVALON has increased its revenue growth guidance from 18-20% to 23-25% for FY26 while maintaining gross margin guidance at 33–35%, However Cyient DLM had reported single digit growth due to completion of contract from domestic client (BEL), with the order book remained flat YoY to Rs 21bn. CYIENTDL is confident to report 10%+ EBITDA margin in FY26 with improvement in revenue through gradual pickup in orderbook also company remains positive on maintaining book to bill ratio to >1x in FY26.

- **KAYNES strong order book & Syrma focused on high margin:** KAYNES reported a revenue growth of 33.6% YoY driven by a 43.3% YoY increase in the industry segment (which contributed 59% rev). The EBITDA margin stood at 16.8%, (Expanded by ~350bps). KAYNES has maintained its guidance to reach Rs 45bn, however upward revised its margin guidance from 15.6% to ~17% by FY26. In Q1FY26 company is having an order book of Rs 74bn mainly driven from aerospace, industrial and automotive. The OSAT facility development is on track, with estimated revenue starting in Q4FY26, while PCB manufacturing is expected to begin as planned, contributing to revenue from FY27 onwards. Syrma revenue declined by 18.6% YoY due to major decline in consumer/IT & Railway segment ~48%/39% YoY. The company plans to focus more on high margin products aiming to reduce the consumer segment's contribution to 30% in FY26, However its margin expanded by ~530bps YoY to 9.2%, attributed to a favourable segment mix (with consumer contribution reducing to 34% revenue) and improved operating efficiency. Company order book stood at Rs 54-55bn in Q1FY26, majorly driven from industrial and auto segment. SYRMA has guided revenue growth of 30% with EBITDA margin of 8.5-9.0% for FY26, revenue will be mainly driven by auto/industrial segment and also company has formed a JV with Shinhyup Electronics Co. Ltd. to set up a multi/double-layer PCB manufacturing plant.

Exhibit 109: Q1FY25 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
AVALON IN	3,233	*62.1%*	*-5.7%*	299	*583.4%*	*-27.7%*	193	*NA*	*-40.7%*	142	*-716.1%*	*-41.5%*
CYIENTDL IN	2,784	*8.0%*	*-35.0%*	251	*25.3%*	*-56.4%*	101	*-28.7%*	*-75.8%*	75	*-29.6%*	*-76.0%*
KAYNES IN	6,735	*33.6%*	*-31.6%*	1,130	*69.0%*	*-32.7%*	961	*49.9%*	*-32.3%*	746	*46.8%*	*-35.8%*
SYRMA IN	9,440	*-18.6%*	*2.1%*	866	*94.3%*	*-19.4%*	671	*127.7%*	*-28.1%*	497	*144.5%*	*-24.0%*

Source: Company, PL **Hyperlink on Bloomberg Code*

Conviction Picks:

Cholamandalam Investment and Finance Company

Financial Services

- Vehicle financiers saw lower capacity utilization in Q1 on account of excess rain/ seasonality (CIFC/ SHFL); however, commentary expects an improvement in H2 with a strong festive season /rural consumption.
- Within CV, tractor and 2W disbursements saw a decent pick-up in the quarter (MMFS/ SHFL) and we expect the trend to continue aided by a positive monsoon/ recent rate-cuts.
- BAF indicated higher stress in the MSME segment, and it has curtailed disbursements, resulting in lower AUM growth for the business.
- Covered NBFCs observed a reduction in incremental cost of borrowing in Q1 (CIFC/ SHFL) and expect it to come down further in subsequent quarters. We expect an improvement of 10-20 bps in CoF across the board, translating into a positive movement in margin in FY26.
- Opex costs remain elevated as companies are undertaking expansion in new verticals/ technology.
- Asset quality trends deteriorated in the quarter with CV financiers indicating cash-flow pressures created by state govts and delays by large contractors (SUF, SHFL).
- CIFC indicated higher stress in the auto (Small CV and tractor segment) and CSEL portfolio (fintech-partners). However, it expects credit costs to stabilize in Q2 and improve over the year as the partnership book has started to run-down and company has curtailed disbursements in segments with higher stress.
- Given signs of over-leveraging and elevated stress in 2W/3W and MSME lending, BAF has taken significant credit actions in both these businesses by curtailing disbursements and restructuring accounts (of ~Rs 2 bn). While credit cost stood elevated in the quarter (2%), company is seeing an improvement in early-bucket delinquencies (ex-MSME) and expects a moderation in FY26.

Exhibit 110: Q1FY26 Result Snapshot

(Rs mn)	NII			Operating Profit			PAT		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
BAF IN	1,02,270	*22.3%*	*4.3%*	84,878	*22.1%*	*6.4%*	47,653	*21.8%*	*4.8%*
CIFC IN	31,838	*23.7%*	*4.2%*	24,117	*30.4%*	*3.4%*	11,359	*20.6%*	*-10.3%*
SHFL IN	57,725	*10.3%*	*3.7%*	41,924	*8.8%*	*-3.3%*	21,557	*8.8%*	*0.8%*
SUF IN	6,792	*28.2%*	*1.6%*	7,171	*50.8%*	*-1.2%*	4,287	*39.4%*	*-21.5%*

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 111: Conviction Picks Commentary

Name	Commentary
Cholamandalam Investment and Finance Company	Q1 disbursements remained flat YoY due to lower capacity utilization and excess rain in the quarter. However, company expects a pick-up in H2 led by a positive festive season. Factoring in the same, we build an AUM growth of 22%/ 21% in FY26/ FY27E.

Source: PL

Information Technology

Conviction Picks:

Tata Consultancy Services

Infosys

- Q1FY26's performance was relatively weak in a seasonally strong quarter, primarily due to tariff-related uncertainty. IT Services reported a median revenue decline of 0.8% QoQ in CC. However, USD depreciation against EUR and GBP helped mitigate some macro headwinds, resulting in a median revenue growth of 1.3% QoQ in USD terms. ER&D companies were the most impacted, driven by weakness in Manufacturing—particularly the automotive segment—which reported a median revenue decline of 4.1% QoQ CC
- BFSI sustained growth momentum, while Manufacturing and Retail/CPG remained under pressure from tariff-related uncertainty.
- Tier-2 companies outperformed Tier-1 companies with former reporting median revenue growth of 1% QoQ CC compared to 1.1% QoQ CC decline for the latter. ER&D companies within our coverage reported sharp revenue decline of 4.1% QoQ CC
- Operating Margin was weak across the sector despite postponement of wage hike due to missing operating leverage. Tier-1 companies and ER&D companies reported median EBIT margin decline of 110 bps QoQ while ER&D companies reported median EBIT margin decline of 80bps. Tier-2 IT companies maintained flat margins at 15.3% during the quarter.
- Deal wins were steady during the quarter despite not much improvement in macro environment. During the quarter IT Services companies reported deal wins of USD 23.7 bn compared to USD 25.1 bn in Q4FY25 with LTM BTB of 1.04.
- Hiring remained muted across the sector, with IT Services (ex-TCS) reporting a net headcount decline of 592. TCS, however, added 5.1k employees during the quarter. ER&D companies saw a net headcount decline of 1.5k. Median attrition continued to inch up, rising 60 bps QoQ to 13.9% in Q1.

Exhibit 112: Q1FY26 Result Snapshot

(Rs bn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
CYL IN	17.1	2.2%	-10.3%	1.6	-18.3%	-30.7%	2.2	11.0%	-15.8%	1.5	7.2%	-9.8%
HCLT IN	303.5	8.2%	0.3%	49.4	3.0%	-9.2%	51.9	-9.1%	-9.5%	38.4	-9.7%	-10.8%
INFO IN	422.8	7.5%	3.3%	88.0	6.2%	2.7%	97.4	8.0%	0.8%	69.3	8.6%	-1.6%
KPITTECH IN	15.4	12.8%	0.7%	2.6	10.8%	-1.5%	2.4	-1.5%	-13.6%	1.7	-15.8%	-29.7%
LTIM IN	98.4	7.6%	0.7%	14.1	2.6%	4.5%	17.3	13.1%	12.9%	12.5	10.4%	11.1%
LTTS IN	28.7	16.4%	-3.9%	3.8	-0.6%	-3.2%	4.3	0.0%	1.2%	3.2	0.7%	1.5%
MPHL IN	37.3	9.1%	0.6%	5.7	11.2%	0.6%	6.1	13.5%	3.2%	4.4	9.2%	-1.1%
PSYS IN	33.3	21.8%	2.8%	5.2	34.8%	2.5%	5.6	38.7%	9.9%	4.2	38.7%	7.4%
TCS IN	634.4	1.3%	-1.6%	155.1	0.5%	-0.6%	169.8	4.6%	3.5%	127.6	6.0%	4.4%
TATATECH IN	12.4	-1.9%	-3.2%	1.7	-16.2%	-16.5%	2.3	3.7%	-10.5%	1.7	5.1%	-9.8%
TECHM IN	133.5	2.7%	-0.2%	14.8	34.0%	5.1%	16.2	37.3%	10.5%	11.4	34.0%	-2.2%
TELX IN	8.9	-3.7%	-1.8%	1.6	-27.9%	-11.2%	2.0	-22.2%	-11.3%	1.4	-21.6%	-16.3%
WPRO IN	221.3	0.8%	-1.6%	38.2	5.9%	-2.3%	45.0	12.0%	-5.0%	30.8	2.7%	-13.6%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 113: Conviction Picks Commentary

Name	Commentary
Tata Consultancy Services	Despite weak Q1 results we expect recovery in the medium term as macro environment improves. We expect USD revenue & earnings CAGR of 3.1% & 8.1% over FY25-27E as deal wins remain steady. Dividend yield is estimated at 3.8% and 4.2% for FY26E and FY27E, based on the CMP.
Infosys	Strong Q1 performance reduces the ask rate for achieving the revenue guidance band, with the company expecting a robust H1. Healthy AI-led demand and expectations of a gradual recovery in discretionary spending position it well amid uncertain times. We project USD revenue and earnings to deliver a CAGR of 4.9% and 8.6%, respectively, over FY25–27E. We believe the company remains well-placed to outperform among Tier-1 peers.

Source: PL

Conviction Picks:

Apollo Hospitals Enterprise

Aster DM Healthcare

Jupiter Life Line Hospitals

Hospitals

- The hospitals sector delivered another healthy quarter with 24% YoY EBITDA growth supported by ARPOB strength and healthy surgical volumes. Overall, expansion strategies remain intact across our coverage universe. With strong operating cash flows, hospitals under coverage are well positioned to fund growth capex and pursue inorganic opportunities. We remain structurally positive on the hospitals sector over the medium term, supported by secular growth drivers, improving mix, and capacity ramp-up.

- Our coverage universe delivered another quarter of a healthy EBITDA growth of 24% YoY. QoQ growth at 4% was in line with seasonal moderation. Excluding 24x7 losses at APHS, EBITDA growth stood at 21% YoY (2% QoQ). Margins were steady during the quarter, despite higher staff and operating costs from new bed additions.

- Revenue growth for our coverage universe was strong at 17% YoY, driven by sustained momentum in ARPOB and healthy surgical volumes. Occupancy remained resilient QoQ, despite ongoing bed additions, except at RAINBOW and APHS, which were adversely impacted by seasonal factors and lower inflows from Bangladesh. On a YoY basis, occupancy at KIMS and ASTERDM was meaningfully affected, reflecting integration of newly acquired clusters and leadership transitions, respectively.

- ARPOB growth remained strong across the coverage, with NARH, ASTERDM, RAINBOW, JLHL, KIMS, APHS and FORH posting 10–17% YoY increase, aided by improved case mix, higher surgical share and favorable payor mix. In contrast, MAXHEALTH and HCG reported a modest ~1% YoY uptick in ARPOB.

- Most of the companies have guided for 5-7% ARPOB growth annually across the board, led by better payor and complex case mix. Occupancy recovery and operational efficiencies from recent capacity additions are expected to drive margin expansion going ahead. Base business margins continue to remain healthy, but overall consol margins will remain under pressure as new bed capacities will be added.

- International patient inflows from Bangladesh and the Middle East remained soft, although MAXHEALT and APHS witnessed a recovery in inflows from Iraq and African markets. Management commentary suggests a rebound in international patient contribution going ahead, aided by easing regional headwinds with near-term softness partly offset by stronger domestic and other international markets. Overall IP & OP volumes witnessed YoY growth of ~6% and 15%, respectively.

- Capex and expansion plans across the coverage universe remained broadly on track, with only select brownfield and greenfield projects witnessing regulatory or monsoon-related delays. Management commentary reiterated strong medium-term capacity addition pipelines, with increasing emphasis on greenfield developments and inorganic growth opportunities.

Exhibit 114: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
APHS IN	58,421	14.9%	4.5%	8,519	26.2%	10.7%	5,691	36.0%	12.7%	4,328	41.8%	11.1%
ASTERDM IN	10,779	7.6%	7.8%	2,081	25.4%	12.3%	1,473	17.8%	22.3%	807	10.0%	2.8%
FORH IN	21,667	16.6%	7.9%	4,907	43.3%	12.7%	3,350	46.2%	17.4%	2,603	56.9%	41.5%
HCG IN	6,132	16.7%	4.8%	1,078	18.6%	2.0%	112	-40.8%	-18.0%	47	-60.7%	-35.5%
JLHL IN	3,476	20.5%	6.4%	781	19.6%	-0.2%	615	2.3%	-0.9%	438	-1.7%	-2.3%
KIMS IN	8,716	26.6%	9.4%	1,926	7.4%	-2.7%	1,137	-10.5%	-7.7%	786	-9.2%	-13.6%
MAXHEALT IN	24,600	27.1%	5.8%	6,140	23.0%	-2.8%	4,630	15.5%	-3.9%	3,450	16.9%	-8.2%
NARH IN	15,073	12.4%	2.2%	3,370	10.9%	-5.8%	2,313	-0.2%	-11.5%	1,965	-2.5%	0.1%
RAINBOW IN	3,529	6.9%	-4.6%	1,036	10.6%	-9.7%	714	33.8%	-7.3%	535	35.3%	-5.0%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 115: Conviction Picks Commentary

Name	Commentary
Apollo Hospitals Enterprise	Strong beat across segments. Guided 25% OPM for existing hospital units & Rs1.5bn losses from new units over 2 years. Apollo HealthCo to be demerged and listed by Q4FY27; Keimed merger to be completed before listing. Reiterated combined entity target of Rs250bn revenue with 7% EBITDA margin by FY27. Reiterated EBITDA break-even in 24x7 and GMV to reach Rs32bn by FY26 end. Diagnostics margins impacted by one-off costs (pertains to a lab in Chennai). Adjusted diagnostics margins at ~10.3%
Aster DM Healthcare	EBITDA beat was led by improved performance of Kerala cluster. ARPOB growth guidance at 7-8% YoY over the next 2-3 years. A 500-bed greenfield unit has been added at Yeshwanthpur in Q1. Whitefield (159 beds), Kasargod (264 beds) and Ongole (75 beds) are guided to be operational in the next 2-3 months. MVT business in Oman and Maldives saw a recovery and are expected to see significant improvement in Q2. Overall, ASTERDM + QCIL 3,800-bed expansion plan over the next 3 years. ATSERDM and QCIL merger to be completed by Q4FY26.
Jupiter Life Line Hospitals	In-line quarter aided by higher ARPOB. ARPOB grew by 13% YoY aided by better case and payor mix. On track for bed expansion to 2,500. Higher depreciation and interest charges were driven by capitalization of newly added beds in Q4 and debt taken for bed expansion plan, respectively. Expect continued organic growth led by Indore and Pune. Thane remains stable. EBITDA margin to sustain; however, PAT margin to compress due to increased depreciation and finance cost from prior capex

Source: PL

HFCs

- Coverage HFCs saw a weak quarter; AuM growth was marginally lower. PAT was a miss due to lower NII/higher provisions partially offset by lower opex.
- AuM growth was a slight miss at 7.9% YoY (PLe 8.2%). Disbursals were 6.3% lower at Rs162.8bn (PLe Rs173.7bn) due to i) slower pass through of rate cuts compared to banks and lower demand & ii) transition to a realization-based model for disbursal recognition for AAVAS. Disbursals for CANF were-in-line. Overall repayments were-in-line at Rs135.5bn.
- NIMs were a miss due to repo rate cut impact in case of LICHF and AAVAS. CANF reported better NIMs due to lower funding cost.
- Other income was a beat at Rs2.1bn due to LICHF. Opex was lower at Rs5.3bn (PLe Rs5.6bn) due to lower staff cost & other opex for LICHF. PPoP at Rs23.9bn was-in-line.
- Provisions were a drag at Rs2.3bn due to blip in asset quality for LICHF; Overall PAT at Rs17.2bn was 2% below PLe.
- Stage-3 saw a blip at 2.35% (PLe 2.25%) led by LICHF & AAVAS; LICHF, AAVAS, CANF saw an increase in stage-3 by 12bps, 7bps, 3bps QoQ.

Exhibit 116: Q1FY26 Result Snapshot

(Rs mn)	NII			Operating Profit			PAT		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
AAVAS IN	2,776	13.5%	2.6%	1,904	12.3%	-5.2%	1,392	10.4%	-9.4%
CANF IN	3,628	12.9%	4.1%	3,039	8.7%	3.2%	2,239	12.1%	-4.3%
LICHF IN	20,658	3.9%	-4.6%	18,920	6.8%	0.7%	13,599	4.6%	-0.6%

Source: Company, PL *Hyperlink on Bloomberg Code

Logistics

Logistics companies under our coverage reported mixed performance in 1QFY26. DELHIVER IN delivered double-digit B2C volume growth after 5 quarters while volumes for TCIEXP IN were down for 7th quarter in a row. Meanwhile, MAHLOG IN showed early signs of recovery, however, profitability in B2B express segment remained under strain.

- **Delhivery**: DELHIVER IN's B2C shipment volume growth was back in double-digits after 5 quarters while PAT was aided by higher other income of Rs1,299mn due to MTM gains. Retention volumes at E-com express are trending higher at ~55-65% versus earlier expectation of ~30%; limiting near-term earnings pressure arising from acquisition-related integration costs of Rs3,000mn. We expect sales CAGR of 13% over the next 2 years with EBITDA margin of 7.2%/9.2% in FY26E/FY27E and arrive at DELHIVER IN's per share value of Rs405 (40x FY27E EBITDA; no change in target multiple). E-com express is valued separately at Rs61 per, arriving at a blended TP of Rs466. Downgrade to ACCUMULATE.

- **TCI Express**: TCIEXP IN reported weak results as revenues declined 2.1% YoY to Rs2,868mn with an EBITDA margin of 9.8% as volumes declined for 7th quarter in a row to 233,000 MT (auto was the key segment facing challenges this time). Given stiff competition, volume and realization CAGR of 4%/1% is expected over FY25-FY27E. Nonetheless, EBITDA margin is expected to improve 290 bps over the next 2 years amid improvement in utilization levels to 84% by FY27E. We expect sales/PAT CAGR of 5%/20% (driven by low base) over FY25-FY27E and retain HOLD with a TP of Rs707 (22x FY27E EPS; no change in target multiple).

- **Mahindra Logistics**: MAHLOG IN's volumes in the B2B express business were up by 10% on a sequential basis while yields remained under pressure due to inferior customer mix. Nonetheless, early signs of recovery are visible as revenue growth was in double-digit with EBITDA losses narrowing to Rs118mn. However, given the competitive landscape we expect MAHLOG IN to seed EBITDA losses of Rs311mn/Rs64mn in FY26E/FY27E in the B2B express business. Retain HOLD on the stock with a TP of Rs383 (25x FY27E EPS).

Exhibit 117: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
DELHIVER IN	22,940	5.6%	4.7%	1,488	53.3%	25.0%	972	63.9%	77.4%	910	52.7%	25.5%
MAHLOG IN	16,246	14.4%	3.5%	763	15.0%	-1.9%	-58	NA	NA	-108	NA	NA
TCIEXP IN	2,868	-2.1%	-6.7%	281	-14.3%	6.8%	263	-11.4%	1.1%	195	-12.7%	0.6%

Source: Company, PL **Hyperlink on Bloomberg Code*

Conviction Picks:

Zee Entertainment Enterprises

Media & Entertainment

- **Media:** Within our media universe, PVRINOX IN reported better than expected performance aided by good content flow, rise in SPH to an all-time high of Rs148 and tight cost control. On the other hand, Z IN's performance was marred by weak subscription revenue growth and absence of big budget releases.

- **Entertainment:** In our entertainment universe, NAZARA IN posted in-line performance with PAT being aided by a one-time gain of ~Rs660mn. Plans to cede control in Nodwin reflects renewed focus on profitability over scale. On the amusement parks side, IMAGICAA IN reported subdued operational performance, due to early onset of monsoon leading to a 22.4% YoY decline in footfalls to 0.95mn. Nonetheless, with recent inauguration of a water park in Indore, expected ground breaking at Sabarmati Park in 2HCY25E and plans to create a pan-India park network provides comfort from a long-term standpoint

- **ZEEL**: Z IN reported weak set of numbers as top-line declined 14.3% YoY to Rs18,248mn with an EBITDA margin of 12.5%. 1QFY26's performance was marred by weak subscription revenue growth amid ongoing negotiations with MSOs and absence of big-budget releases. Despite a sub-par quarter, we expect 6.6% revenue CAGR over next 2 years with EBITDA margin of 16.9%/19.2% in FY26E/FY27E given 1) viewership share is showing signs of improvement having surpassed 18% mark in July-25, 2) benefits of ZEE Anmol's re-entry into FTA market is likely to materialize soon, and 3) ZEE5 is expected to achieve EBITDA break-even in FY27E. Backed by sharp earnings recovery and attractive valuations, we maintain BUY with a TP of Rs177 (14x FY27E EPS; earlier 15x).

- **PVR INOX:** PVRINOX IN reported better than expected performance with pre-IND AS EBITDA of Rs950mn mainly led by 10.4% YoY rise in SPH to Rs148 and tight cost control (fixed cost for comparable cinemas was up 2.8% YoY to Rs7,671mn). Given ongoing challenges surrounding footfall growth, PVRINOX IN has been taking innovative steps like blockbuster Tuesdays (discounted weekday pricing of Rs99) and alternative programming initiatives (re-releases, IPL matches, concerts etc) to drive occupancy. Given these initiatives coupled with strong content pipeline, we expect footfall CAGR of 6% over the next 2 years with pre-IND AS EBITDA margin of 12.1%/15.4% in FY26E/FY27E. Retain 'HOLD' on the stock with a TP of Rs1,052 (11x Sep-26 EBITDA).

- **Nazara Technologies**: NAZARA IN reported an in-line performance with revenues of Rs4,988mn and EBITDA margin of 9.5%, while PAT was aided by revaluation gain of ~Rs660mn in an investee company, STAN. NAZARA IN's plans to cede control in Nodwin by not participating in the fund raise reflects renewed focus on profitability over scale. Even the latest acquisition of Curve Games (EBITDA margin of 38.0% in 1QFY26) and FuseBox (EBITDA margin of 14.3% in 1QFY26) reflects a pivot towards expanding within the high margin core gaming segment. We incorporate acquisition of SMAASH into our estimates and expect sales CAGR of 9% over next 2 years with an EBITDA margin of 14.5%/16.4% in FY26E/FY27E. Retain HOLD with a SoTP based TP of Rs1,345 (This TP is as of our last published note on NAZARA IN and does not take into account the potential write-off from PokerBaazi).

- **Imagicaaworld Entertainment**: IMAGICAA IN reported weak set of results as revenues declined 19.5% YoY to Rs1,481mn with EBITDA margin of 49.0% driven by early monsoon in the western region and postponement of school vacations. Given 1Q is a seasonally strong quarter for water parks, we believe recovery in ensuing quarters will be difficult and thus FY26E might turn-out to be a challenging year for IMAGICAA IN. Nonetheless, with recent inauguration of a water park in Indore, expected groundbreaking at Sabarmati Park in 2HCY25E and plans to create a pan-India park network provides comfort from a long-term standpoint. We expect sales/EBITDA CAGR of 7%/12% over FY25-FY27E and retain BUY with a SoTP based TP of Rs77 valuing both the park/hotel business at EV/EBITDA multiple of 21x.

Exhibit 118: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
IMAGICAA IN	1,481	-19.5%	56.9%	726	-34.1%	79.4%	460	-49.5%	193.6%	453	-34.2%	199.3%
NAZARA IN	4,988	99.4%	-4.1%	474	90.4%	-7.0%	549	58.1%	390.3%	-125	NA	NA
PVRINOX IN	14,691	23.4%	17.5%	3,973	58.0%	40.3%	-702	NA	NA	-539	NA	NA
Z IN	18,248	-14.3%	-16.5%	2,280	-16.1%	-20.1%	1,971	-5.4%	-24.7%	1,328	-14.5%	-24.6%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 119: Conviction Picks Commentary

Name	Commentary
Zee Entertainment Enterprises	While Z IN reported a weak performance in 1QFY26 we expect 6.6% revenue CAGR over next 2 years with EBITDA margin of 16.9%/19.2% in FY26E/FY27E given 1) viewership share is showing signs of improvement having surpassed 18% mark in July-25, 2) benefit of ZEE Anmol's re-entry into FTA market is likely to materialize soon, and 3) digital business is expected to achieve EBITDA break-even in FY27E. Backed by sharp earnings recovery and attractive valuations (13.4x/10.5x our FY26E/FY27E EPS) we maintain BUY with a TP of Rs177 (14x FY27E EPS; earlier 15x).

Source: PL

Metals & Mining

Conviction Picks:

Hindalco Industries

Jindal Steel & Power

Tata Steel

- Metals coverage universe reported ~5% YoY revenue growth, driven by higher steel pricing in India. Domestic steel demand was strong with ~7.5% YoY volume growth, our coverage universe volumes grew at 6.8% YoY. Our steel universe NSR rose ~6% QoQ, supported by strong pricing in both flats and longs. Flat steel average prices improved 7% QoQ to Rs51.7k/t , while long steel average prices improved by ~4% QoQ to Rs53.3k/t.

- Flat steel prices inched up in anticipation of safeguard duty and strong infra demand. Benchmark HRC rose to Rs52.8k/t and later started easing post May. Monsoon-led demand weakness has pressured prices as weak construction demand eroded long product prices too. We expect Q2 earnings to be a weak and demand to improve once monsoon recedes.

- For steel companies, average coking coal prices declined by ~USD10-15/t QoQ. As per companies, consumption cost is expected to decline by USD5-8/t in Q2FY26, aiding margins.

- As direct exports to US from steel companies is negligible, actions from China can affect global steel pricing. Over last few months, China is taking measures to curtail excess production and improving its economy, which is expected to keep steel pricing higher. We expect Indian companies to be beneficial of Chinese measures as they would take price hikes once demand improves post monsoon. DGTR has recommended continuation of safeguard duty for 3 years (along with ADD on Vietnam steel) which would aid restricting any indirect flows from China.

- In May'25, NMDC raised iron ore prices by Rs440/t, driving a 7.4% QoQ increase in Q1 NSR, while volumes rose 14% YoY to 11.5mt, aided by strong domestic steel demand. Prices were later cut by ~9-11% in Jun and Jul'25. However again raised by 7% in Aug'25. Slower ramp up of ore volumes and rising ore imports by domestic steel players remain a key risk for NMDC.

- Jindal Stainless reported 3.7% YoY in EBITDA/t due to weak exports markets and continued pricing pressure from imports. Volumes grew ~8% YoY aided by strong 9.5% domestic volume growth. JDSL has maintained FY26 guidance for cons EBITDA/t in the range of Rs19k-21k with a volume growth of 9-10%.

- HNDL India delivered strong results while Novelis was imapcted due to tariffs. NACL reported weak numbers due to lower alumina and metal prices. The alumina situation appears to be easing, having remained flat QTD to c. USD448/t, while strong aluminum prices up ~4% QTD.

- EBITDA for our metals coverage universe increased 18% YoY to Rs345bn, whereas PAT increased by 5% YoY at Rs149bn. On QoQ basis, EBITDA margins grew by 150bps QoQ to 15.7% aided by higher steel pricing and lower coking coal prices.

- With DGTR's recommendation of extension of safeguard duty for 3 years, steel prices are expected to remain steady. Primary steel producers raised prices in Aug'25, and as demand imrpoves, we expect further price hikes post Sep'25. We maintain a positive stance on Hindalco, Tata and JSP.

Exhibit 120: Q1FY26 Result Snapshot

(Rs bn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
HNDL IN	642.3	*12.7%*	*-1.0%*	79.1	*5.4%*	*-10.5%*	56.7	*9.6%*	*-13.3%*	40.0	*7.2%*	*-24.1%*
JDSL IN	102.1	*8.2%*	*0.1%*	13.1	*8.1%*	*23.5%*	9.8	*10.7%*	*28.7%*	7.1	*10.2%*	*20.8%*
JSP IN	122.9	*-9.7%*	*-6.7%*	30.1	*6.2%*	*32.4%*	20.2	*9.1%*	*54.0%*	14.9	*11.5%*	*-540.2%*
JSTL IN	431.5	*0.5%*	*-3.7%*	79.2	*43.7%*	*24.2%*	35.2	*152.5%*	*74.3%*	24.4	*188.7%*	*56.8%*
NACL IN	38.1	*33.3%*	*-27.7%*	14.9	*59.7%*	*-45.8%*	14.3	*74.9%*	*-48.2%*	10.6	*77.0%*	*-48.8%*
NMDC IN	67.4	*24.5%*	*-3.8%*	24.8	*5.9%*	*20.8%*	26.4	*1.3%*	*13.0%*	19.7	*0.2%*	*32.6%*
SAIL IN	257.5	*7.3%*	*-10.3%*	25.9	*16.7%*	*-9.3%*	7.2	*119.7%*	*-26.0%*	6.9	*NA*	*-41.8%*
TATA IN	531.8	*-2.9%*	*-5.4%*	74.3	*11.0%*	*13.2%*	31.2	*18.1%*	*24.2%*	21.6	*98.6%*	*43.6%*

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 121: Conviction Picks Commentary

Name	Commentary
Hindalco Industries	Indian operations are expected to benefit from higher LME and upcoming coal supplies from captive mines, which would reduce its coal cost by ~30% from current levels. We expect Novelis performance to improve (with mere ~1% volume assumption and USD440/480 EBITDA/t for FY26/27E) as scrap pricing is easing and local premiums remain strong which would negate tariff impact. Beverage can segment (58-60%) volume remains strong, while any improvement in global economies will aid. It's long-term mitigation efforts to reduce the impact of lower scrap spread will aid Novelis EBITDA/t.
Jindal Steel & Power	The 6.3mtpa expansion at Angul is on track and expect volume ramp-up by Q3FY26, which should drive double-digit volume growth over FY26-28E. JSP has enough levers to drive margin expansion over the next 2 years, including 2 more captive coal mines, upcoming slurry pipeline, and HSM ramp-up, which will improve the product mix by reducing the proportion of semis. It is best placed to play the domestic infrastructure story with limited debt on balance sheet. As it has higher longs products exposure, strong infra demand would keep its NSR healthy vs peers.
Tata Steel	Over FY25-27E, TATA is expected to focus on a) ramping up of KPO-II, b) NINL expansion by Q3, c) completion of 0.75mtpa Ludhiana EAF and 0.5mtpa combi mill in Jamshedpur, and d) TSUK breakeven. Mgmt. has reiterated its cost transformation journey across locations targeting cost savings of Rs115bn for FY26. We expect EBITDA CAGR of 33% over FY25-27E on the back of KPO volume ramp-up, expected domestic pricing recovery and TSE turnaround.

Source: PL

Oil & Gas

Conviction Picks:

Oil India

Mahanagar Gas

In Q1FY26, aggregate sales stood at Rs7,615bn a decline of 3.8% QoQ primarily led by decline in oil prices. Aggregate EBITDA stood at Rs994.3bn, flat QoQ. This was led by better performance of HPCL and BPCL, somewhat countered by 2% QoQ decline in RIL's EBITDA.

- **RIL's EBITDA down 2% QOQ:** Consolidated EBITDA stood at Rs429bn, +10.7% YoY, -2.1% QoQ. Standalone EBITDA at Rs131.7bn was 8% down QoQ despite improvement in benchmark GRM and petrochem spreads, primarily due to partial shutdown and possible inventory losses. Retail EBITDA grew 11% YoY, -7% QoQ to Rs60.4bn. Jio ARPU increased from Rs206.2 in Q4FY25 to Rs208.8 on the back of earlier tariff hike, with a subscriber addition of 9.9mn to 498.1mn.

- **Upstream marred by one-offs & delays:** Oil India reported decline of 3% QoQ in oil sales while gas sales rose 5% QoQ. The company wrote-off its investments of Rs3bn in Bangladesh. Due to the higher other expenditure, standalone EBITDA declined 19% QoQ to Rs16.1bn. ONGC witnessed a mixed sales profile of standalone oil (-3% QoQ) and gas (flat QoQ). ONGC's standalone EBITDA of Rs186.6bn (-2% QoQ) was in-line with our estimate. Ramp up of gas production from KG-DWN-98/2 appears to be delayed to Jan-Feb'26 with lower-than-earlier stated peak.

- **OMCs better QoQ but for inventory losses:** Due to the ongoing geo-political uncertainties, the OMCs had built up more than usual inventories, resulting in higher-than-anticipated inventory losses and poorer-than-anticipated reported GRMs. While BPCL and HPCL reported 24% and 31% QoQ improvement in standalone EBITDA, IOCL reported 7% decline due to high inventory loss of USD4.8/bbl.

- **CGDs reported improvement in margins:** GUJGA reported improvement in EBITDA/scm from Rs5.4 to Rs6.4 QoQ. IGL reported improvement in adj EBITDA/scm from Rs4.6 to Rs6.2. MAHGL reported improvement in adj EBITDA/scm from Rs8.3 to Rs9.7 QoQ. Volume growth was a disappointment for GUJGA primarily due to poor performance at Morbi. The company has indicated that it would also venture into selling propane. This is expected to better their performance going forward.

- **GAIL disappointed with benign transmission vol:** Transmission volume remained flat QoQ at 121mmscmd while Petrochem EBIT loss widened to Rs2.5bn during the quarter. Petronet LNG witnessed QoQ improvement in volume from 205TBtu to 220TBtu. However, concern remains on sustained volume growth amidst competitive intensity. GUJS reported improvement in transmission volume from 25.8mmscmd to 30mmscmd.

Exhibit 122: Q1FY26 Result Snapshot

(Rs bn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.	Q1FY26	YoY gr.	QoQ gr.
BPCL IN	1,125.1	-0.5%	1.2%	96.6	71.0%	24.4%	81.6	102.3%	35.1%	61.2	103.1%	90.5%
GAIL IN	347.9	3.3%	-2.6%	33.3	-26.4%	3.6%	25.3	-30.4%	-6.2%	18.9	-30.8%	-7.9%
GUJGA IN	38.7	-13.0%	-5.6%	5.2	-2.9%	15.7%	4.4	-0.8%	13.4%	3.3	-0.2%	14.6%
GUJS IN	2.4	-27.7%	20.3%	2.0	-32.8%	62.3%	1.9	-32.7%	84.2%	1.4	-32.8%	101.4%
HPCL IN	1,014.0	-5.0%	0.7%	76.0	260.7%	31.0%	58.3	1136.4%	35.3%	43.7	1128.5%	30.3%
IGL IN	39.1	11.3%	-0.8%	5.1	-11.5%	3.4%	4.8	-11.7%	2.0%	3.6	-11.5%	1.6%
IOCL IN	1,929.7	-0.1%	-1.0%	126.1	46.0%	-7.1%	74.0	114.5%	-15.7%	56.9	115.2%	-21.7%
MAHGL IN	19.8	24.3%	6.0%	4.8	15.9%	28.0%	4.4	14.1%	28.8%	3.2	13.9%	28.1%
MRPL IN	173.6	-25.3%	-29.4%	1.8	-70.3%	-84.1%	-4.0	-500.4%	-168.9%	-2.7	-514.8%	-174.9%
OINL IN	50.1	-14.2%	-9.2%	16.1	-34.9%	-19.0%	11.0	-44.4%	-45.7%	8.1	-44.5%	-48.9%
ONGC IN	320.0	-9.3%	-8.5%	186.6	0.2%	-1.8%	107.4	-10.1%	22.5%	80.2	-10.2%	24.4%
PLNG IN	118.8	-11.4%	-3.5%	11.6	-25.8%	-23.3%	11.4	-25.3%	-21.4%	8.5	-25.5%	-20.5%
RELIANCE IN	2,436.3	5.1%	-6.8%	429.1	10.7%	-2.1%	371.5	59.9%	27.6%	269.9	78.3%	39.1%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 123: Conviction Picks Commentary

Name	Commentary
Oil India	Expect volume to rise to 3.8mmt of oil and 3.9bcm in FY27E, respectively from 3.4mmt and 3.3bcm in FY25. Valuing the stock at 9x adj EPS and adding the value of investments, we arrive at a target price of Rs581. Reiterate Buy.
Mahanagar Gas	Strong vol growth of ~10% expected to continue for 2-3 years led by both CNG as well as industrial segment

Source: PL

Conviction Picks:

Sun Pharmaceutical Industries

Lupin

Eris Lifesciences

Pharma

- The pharma universe sustained 8.4% YoY growth, supported by steady domestic formulation performance (+4% YoY). While US revenues remain subdued, traction in niche and specialty launches is expected to partially cushion the impact of continued gRevlimid erosion, positioning the sector for gradual recovery ahead
- Domestic formulations growth was supported by both chronic and acute segments. Chronic therapies sustained steady momentum, while acute therapies, led by anti-infectives, saw an early pickup. Growth was further aided by salesforce expansion and improved MR productivity, which should continue to support momentum ahead
- The US business remained muted, down both YoY and QoQ in constant currency terms. Certain niche launches complemented by ANDA approvals, aided growth. Price erosion in the base business remained limited to mid-single digits. LPC delivered healthy performance QoQ. However DRRD and ARBP witnessed QoQ decline due to lower gRevlimid sales. SUNP, ZYDUSLIF and CIPLA experienced stability in QoQ performance.
- API business growth continues to be driven by volume, while pricing was largely stable QoQ.
- On operational front, EBITDA margins largely remained flat YoY at 26.6% for our coverage universe. Factors played out: 1) Continued traction from niche launches offsetting gRevlimid price erosion 2) Benign raw materials prices 3) Steady domestic business 4) Currency tailwinds. However, PAT growth stood at 7% YoY, aided by higher other income.
- US business is likely to remain steady in the coming quarters with increased traction from niche products such as gSpiriva, gMirabegron, gAbraxane etc. Domestic formulations business is poised to sustain steady growth at 8-10% in the coming quarters.
- R&D expenses are expected to remain stable as companies optimize spending, prioritizing complex molecules and specialty products over traditional generics, which should support long-term revenue growth.

Exhibit 124: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
ARBP IN	78,681	4.0%	-6.1%	16,034	-1.0%	-10.5%	12,053	-9.1%	-10.3%	8,252	-10.1%	-8.7%
CIPLA IN	69,575	3.9%	3.4%	17,781	3.6%	15.6%	17,699	9.8%	17.7%	12,976	10.2%	6.2%
DIVI IN	24,100	13.8%	-6.8%	7,290	17.0%	-17.7%	7,330	21.4%	-15.2%	5,450	26.7%	-17.7%
DRRD IN	85,452	11.4%	0.5%	21,501	1.1%	4.9%	19,045	1.5%	-8.3%	14,096	1.3%	-11.2%
ERIS IN	7,730	7.4%	9.6%	2,767	10.7%	9.6%	1,602	39.0%	24.4%	1,171	40.8%	24.9%
INDR IN	4,378	1.5%	12.2%	175	-63.5%	NA	-367	-627.1%	-19.3%	-370	NA	NA
IPCA IN	23,089	10.3%	2.8%	4,246	9.6%	3.6%	3,305	13.8%	-0.8%	2,332	21.3%	-14.5%
JBCP IN	10,939	8.9%	15.2%	3,009	7.3%	32.9%	2,716	13.2%	40.7%	2,024	14.4%	38.9%
LPC IN	62,683	11.9%	10.6%	16,414	27.6%	27.0%	14,155	42.5%	58.0%	12,190	52.1%	57.8%
SUNP IN	1,38,514	9.5%	6.9%	40,726	11.3%	18.9%	37,617	8.3%	13.1%	22,786	-19.6%	6.0%
TRP IN	31,780	11.2%	7.4%	10,320	14.2%	7.1%	7,380	12.5%	7.1%	5,480	19.9%	10.0%
ZYDUSLIF IN	65,737	5.9%	0.7%	20,314	-3.7%	-6.2%	18,064	-4.9%	-4.5%	13,526	-4.7%	15.5%

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 125: Conviction Picks Commentary

Name	Commentary
Sun Pharma Industries	Growth trajectory to be sustained on the back of specialty portfolio with 6 products under clinical trials with competitive profile. Strong growth visibility continues in ROW and domestic business.
Lupin	Performance is largely aided by higher US and India sales. Margins continued to improve with better product mix and cost optimization measures. Continued niche launches in the US, clearance from USFDA for facilities, domestic formulations regaining momentum and cost optimization measures to help sustain performance
Eris Lifesciences	Multiple growth levers such as broad-based offerings in the derma segment, opportunities in the cardio metabolic market with patent expirations, and benefits of operating leverage, as revenue from acquisitions scales up

Source: PL

Telecom

Both Bharti and Jio reported QoQ improvement in their ARPUs from Rs245 to Rs250 and from Rs206.2 to Rs208.2 respectively. Net subscriber additions stood at 9.9mn for Jio and 1.2mn for Bharti.

- **Bharti reported consol EBITDA** of Rs278bn (+41.3% YoY, +3.1% QoQ; PLe: Rs258bn, BBGe: Rs279.8bn). Adj PAT came in at Rs59.5bn (+73.3% YoY; -46.7% QoQ, PLe: Rs61bn, BBGe: Rs56.6bn).
- For Bharti, India mobile revenue stood at Rs274bn, +21.6% YoY and +2.9%QoQ with a stable EBITDA margin of 59.4%. ARPU improved marginally to Rs250 from Rs245 in previous quarter with a net subscriber addition of 1.2mn in Q1. Home services (fixed line + broadband) rev witnessed growth of 25.7% YoY and 7.6% QoQ. Digital services rev witnessed degrowth of 1.8% YoY and 0.2% QoQ. Airtel segment rev degrew 7.7% YoY and 4.9% QoQ. Africa rev grew 22.4% YoY and 7.4% QoQ
- **Jio reported EBITDA** of Rs166.9bn during the quarter against Rs139.2bn in Q1FY25 and Rs166.1bn in Q4FY25. PAT stood at Rs67.1bn against Rs54.4bn in Q1FY25 and Rs78.1bn in Q4FY25.

Exhibit 126: Q1FY26 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*	Q1FY26	*YoY gr.*	*QoQ gr.*
BHARTI IN	4,94,626	*28.5%*	*3.3%*	2,78,387	*41.3%*	*3.1%*	1,04,216	*138.0%*	*7.8%*	59,479	*73.7%*	*-46.7%*

Source: Company, PL **Hyperlink on Bloomberg Code*

Conviction Picks:

Samhi Hotels

Travel & Tourism

- **Luggage**: VIP IN reported weak results with topline declining 12.1% YoY to Rs5,614mn driven by an 8% drop in volumes and muted growth in the e-commerce channel. In our view, FY26E is expected to be a year marked by cost reset and reorganization for VIP IN amid change of guard at top-level. Normalization is likely from FY27E with steady state GM/EBITDA margin of 51.5%/15.4% respectively. We assign HOLD with a TP of Rs455 (40x FY27E EPS).

- SII IN reported better than expected results with revenue/EBITDA beat of 3.8%/8.3% respectively. We expect irrational pricing environment to end soon amid change of guard at top-level within peer set. This is expected to bode well for SII IN as price support to e-com channel partners would come down and tangible benefits of margin expansion resulting from improving utilization at Jaipur would be visible. Sales CAGR of 17.3% with an EBITDA margin expansion of 300bps is projected over FY25-FY27E. Retain BUY with a TP of Rs2,434 (47x FY27E EPS)

- **Hotels:**. Excluding residential business, CHALET IN's operating performance was better than expected with EBITDA margin of 41.6%, aided by 9.5% growth in RevPAR and strong traction in leasing income. Near-term growth in the hospitality business will be driven by continued RevPAR momentum and inventory additions of 30/390 rooms at Khandala/Delhi. Annuity business has also started gaining traction (77% occupancy in 1QFY26) with an exit rental run-rate of Rs250mn in June-25 providing stability to cash flows. We expect sales/EBITDA CAGR of 17%/21% over FY25-FY27E and retain BUY with a TP of Rs1,071, valuing the hotel business at EV/EBITDA multiple of 24x (no change in target multiple), annuity portfolio at a cap rate of 8.5% and the residential project at NAV of Rs17 per share.

- LEMONTRE IN's operational performance was marginally better than expected with EBITDA margin of 44.5% led by 19.4% growth in RevPAR to Rs4,523. Revenue/EBITDA CAGR of 11%/14% is expected over FY25-FY27E led by gradual stabilization of Aurika, MIAL (occupancy of 76.6% in 1QFY26 with higher negotiated business) and RevPAR improvement supported by ongoing renovations. Retain BUY with a TP of Rs170 (24x FY27E EBITDA; no change in target multiple).

- SAMHI IN reported a miss at operating level with EBITDA margin of 33.2% as revenue growth in May-25 dropped to mid-single digit due to geo-political events. Top-line CAGR of 13% is expected over the next 2 years led by addition of 245 keys with an EBITDA margin of 37.5%/38.8% in FY26E/FY27E. After the fund infusion by GIC and sale of Caspia, Delhi net debt has declined to Rs13.7bn, which should reduce interest costs from Rs2,223mn in FY25 to Rs1,486mn in FY27E, resulting in a PAT CAGR of 67% over the next 2 years. Retain BUY with a TP of Rs300 (15.5x FY27E EBITDA; no change in target multiple).

- **Aviation**: In a quarter marred by geo-political tensions, INDIGO IN's yield declined 4.9% YoY to Rs4.98 while load factor was down 220 bps to 84.6% resulting in a 2.5% top-line miss. FX adjusted EBITDAR margin of 28.6% was broadly as anticipated aided by 21.9% YoY fall in fuel CASK to Rs1.38 amid fall in ATF prices and reduction in less fuel-efficient damp lease aircrafts. Lower aircraft and engine rentals from easing AoG-related issue is likely to help keep CASK (ex-fuel & ex-forex) flat in FY26E. As for yields, while performance in 1QFY26 was an aberration, the overall pricing environment is expected to remain stable over the next 2 years. Sales/EBITDA CAGR of 12.2%/17.7% is expected over FY25-FY27E. Retain BUY with TP of Rs6,517 (12x Sep-26E EBITDAR; no change in target multiple).

- **IRCTC**: IRCTC IN reported weak set of numbers with EBITDA miss of 7%, led by weak performance in Catering and Rail Neer. Catering revenue declined 2.2% YoY to Rs5,468mn as 1) base quarter had Rs320mn of business from election special trains and 2) lower license fee income from static units as several stations were under upgradation. Rail Neer revenue fell 0.9% YoY to Rs1,105mn as Bilaspur plant was non-operational, and the bottling business linked to election special trains was absent this quarter. Revenue/PAT CAGR of 8%/10% is expected over FY25-FY27E. Retain BUY with a TP of Rs850 (44x FY27E EPS; no change in target multiple)

Exhibit 127: Q3FY25 Result Snapshot

(Rs mn)	Sales			EBITDA			PBT			Adj. Pat		
	Q3FY25	*YoY gr.*	*QoQ gr.*	Q3FY25	*YoY gr.*	*QoQ gr.*	Q3FY25	*YoY gr.*	*QoQ gr.*	Q3FY25	*YoY gr.*	*QoQ gr.*
CHALET IN	8,946	*147.8%*	*71.4%*	3,573	*154.8%*	*48.0%*	2,686	*245.6%*	*69.1%*	2,032	*234.8%*	*64.0%*
INDIGO IN	2,04,963	*4.7%*	*-7.5%*	57,190	*-1.1%*	*-17.8%*	23,107	*-17.6%*	*-27.1%*	23,236	*-14.8%*	*-20.7%*
IRCTC IN	11,597	*3.8%*	*-8.6%*	3,973	*6.0%*	*3.1%*	4,421	*7.9%*	*3.6%*	3,307	*8.2%*	*5.8%*
LEMONTRE IN	3,158	*17.8%*	*-16.6%*	1,405	*22.1%*	*-31.2%*	633	*117.5%*	*-48.5%*	383	*93.5%*	*-54.7%*
SII IN	5,278	*17.3%*	*25.4%*	793	*20.4%*	*30.3%*	654	*13.8%*	*32.4%*	505	*13.7%*	*34.3%*
SAMHI IN	2,722	*10.0%*	*-14.6%*	905	*9.9%*	*NA*	259	*366.6%*	*-42.6%*	152	*259.0%*	*-63.8%*
VIP IN	5,614	*-12.1%*	*13.6%*	247	*-50.0%*	*NA*	-190	*-611.6%*	*-48.5%*	110	*171.5%*	*-134.7%*

Source: Company, PL **Hyperlink on Bloomberg Code*

Exhibit 128: Conviction Picks Commentary

Name	Commentary
Samhi Hotels	We expect top-line CAGR of 13% over the next 2 years led by addition of 245 keys with an EBITDA margin of 37.5%/38.8% in FY26E/FY27E. After the fund infusion by GIC and sale of Caspia, Delhi net debt has declined to Rs13.7bn and consequently we expect the interest cost to fall from Rs2,223mn in FY25 to Rs1,486mn in FY27E resulting in a PAT CAGR of 67% over the next 2 years. SAMHI trades at attractive valuation of 13.6x/11.2x our FY26E/FY27E EBITDA estimates (after adjusting for the minority interest factor in JV platform formed with GIC). We expect re-rating to follow amid improvement in BS health and strong PAT growth. Retain BUY on the stock with a TP of Rs300 (15.5x FY27E EBITDA; no change in target multiple).

Source: PL

PL's Recommendation Nomenclature

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

ANALYST CERTIFICATION

(Indian Clients)

We/I Mr. Amnish Aggarwal- MBA, CFA Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

(US Clients)

The research analysts, with respect to each issuer and its securities covered by them in this research report, certify that: All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and No part of his or her or their compensation was, is or will be directly related to the specific recommendation or views expressed in this research report.

DISCLAIMER

Indian Clients

Prabhudas Lilladher Pvt. Ltd, Mumbai, India (hereinafter referred to as "PL") is engaged in the business of Stock Broking, Portfolio Manager, Depository Participant and distribution for third party financial products. PL is a subsidiary of Prabhudas Lilladher Advisory Services Pvt Ltd. which has its various subsidiaries engaged in business of commodity broking, investment banking, financial services (margin funding) and distribution of third party financial/other products, details in respect of which are available at www.plindia.com.

This document has been prepared by the Research Division of PL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without prior permission of PL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security.

The information contained in this report has been obtained from sources that are considered to be reliable. However, PL has not independently verified the accuracy or completeness of the same. Neither PL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein.

Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor.

Either PL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication.

PL may from time to time solicit or perform investment banking or other services for any company mentioned in this document.

PL is a registered with SEBI under the SEBI (Research Analysts) Regulation, 2014 and having registration number INH000000271.

PL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities.

PL or its research analysts or its associates or his relatives do not have any financial interest in the subject company.

PL or its research analysts or its associates or his relatives do not have actual/beneficial ownership of one per cent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report.

PL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report.

PL or its associates might have received compensation from the subject company in the past twelve months.

PL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months.

PL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months.

PL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months

PL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report.

PL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. PL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. PL or its Research Analysts do not have any material conflict of interest at the time of publication of this report.

It is confirmed that Mr. Amnish Aggarwal- MBA, CFA Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

The research analysts for this report has not served as an officer, director or employee of the subject company PL or its research analysts have not engaged in market making activity for the subject company

Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest.

PL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

US Clients

This research report is a product of Prabhudas Lilladher Pvt. Ltd., which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Prabhudas Lilladher Pvt. Ltd. only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, Prabhudas Lilladher Pvt. Ltd. has entered into an agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo").

Transactions in securities discussed in this research report should be effected through Marco Polo or another U.S. registered broker dealer.

Prabhudas Lilladher Pvt. Ltd.

3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai-400 018, India | Tel: (91 22) 6632 2222 Fax: (91 22) 6632 2209

www.plindia.com

Model Portfolio Disclaimer

Launch Date: November 2018

Period of Updation: The model portfolio is updated after a gap of usually 6-7 weeks in line with India Strategy Reports release. However, it can be updated earlier or later depending on specific events like Budget, Elections or any seen or unforeseen event which could have an impact on various stocks, sectors and economy. These events can be economic and non- economic in nature and include all such events which we feel can impact the markets.

Rationale of stocks in model portfolio: Given in write up every time we update the model portfolio. The model portfolio will be overweight, Equalweight and underweight in comparison to benchmark adopted. However, PL Model portfolio can have stocks which are not a part of those benchmarks. In such cases we reserve the right to have weight in non-benchmark stocks as per our conviction. In normal cases the overweight rating will normally have stocks where we are having Buy, Accumulate rating as per PL reports, but in cases it can have overweight even with Hold rating. Equal weight rating will mirror hold in the PL reports. Underweight ratings normally mirror Reduce and sell rating in the PL reports, however at times model portfolio can be underweight even with Hold/ Accumulate rating. However, as we can have stocks outside benchmarks and for the purpose of re-balancing the portfolio, there are likely to be variations in the allocations based on the criteria and our conviction. The model portfolio can avoid having benchmark constituents if they are not under active coverage of PL Research. Model portfolio can avoid having any stock in the model portfolio if it is in benchmark and we have assigned a rating to the stock. The model portfolio also will have a provision to hold cash to the maximum extent of 20% of its value.

Underlying the universe of stocks: PL Model portfolio will be a Multicap portfolio. It will mostly have large/Mid cap stocks and can have small caps also from time to time. However, it will not have micro-cap stocks in the portfolio.

Basis of security selection: PL Model portfolio will select stocks based on fundamental analysis which includes business, financials and ratios. However, if the outlook remains good for long term, the portfolio can have stocks with high PE multiples or the companies which are yet to start making profits or even commencing commercial operations or start operating production units. PL Model portfolio can adopt any investing principle excluding technical, derivatives, commodities and Quant principles.

Investment objective of model portfolio: PL Model portfolio aims for positive absolute returns in the portfolio and the basket of stocks selected. It will aim at providing returns superior to the large cap indices like Nifty 50 and Nifty100.

Investment horizon of model portfolio: Investment horizon of the model portfolio is perpetual, although we shall monitor the performance of the model portfolio each time on revision and from inception and periodic intervals which we shall disclose in the model portfolio writeup.

Risk disclosures: Risk of loss in trading/investment can be substantial and even more than the amount / margin given by you. Investment in securities market are subject to market risks, you are requested to read all the related documents carefully before investing. You should carefully consider whether trading/investment is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances. Prabhudas Lilladher Private Limited and any of its employees, directors, associates, group entities, or affiliates shall not be liable for losses, if any, incurred by you. You are further cautioned that trading/investments in financial markets are subject to market risks and are advised to seek independent third party trading/investment advice outside _ Prabhudas Lilladher Private Limited /group/associates/affiliates/director's/ employees before and during your trading/investment. There is no guarantee/assurance as to returns or profits or capital protection or appreciation. Prabhudas Lilladher Private Limited and any of its employees, directors, associates, and/or employees, directors, associates of Prabhudas Lilladher Private Limited 's group entities or affiliates is not inducing you for trading/investing in the financial market(s). Trading/Investment decision is your sole responsibility. You must also read the Risk Disclosure Document and Do's and Don'ts before investing.

Benchmark: PL Model portfolio will be benchmarked against Indices like Nifty 50, NIFTY100. The portfolio will not be a sectoral or theme portfolio. The portfolio will have allocations based on various sectors and segments.