India Strategy

BSE Sensex: 81,451 **Nifty-50: 24,751**

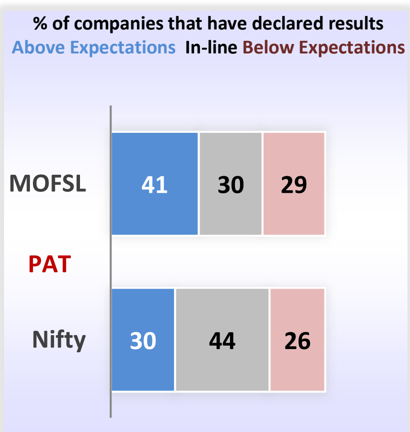
Refer to our Mar'25 Quarter Preview

Earnings review – 4QFY25: Beyond the benchmark – a surprise surge!

Earnings above expectations | Nifty exits FY25 with 1% EPS growth

- **Corporate earnings – a broad-based beat, 13 sectors exceed expectations:** The 4QFY25 corporate earnings concluded on a strong note, showcasing widespread outperformance across aggregates. Metals, OMCs, PSU Banks, Automobiles, Healthcare, Technology, and Capital Goods fueled this healthy performance. Conversely, Oil & Gas (ex-OMCs) and Private Banks dragged overall profitability.
- **Metals, OMCs propel earnings growth:** The aggregate earnings of the MOFSL Universe companies grew 10% YoY (vs. our est. of 2% YoY) in 4QFY25. The better-than-expected earnings growth was powered by Metals (profit surged 45% YoY on a low 4QFY24 base). OMC's profit jumped 14% YoY vs. our est. of a 59% decline, complemented by PSU Banks (+9% YoY), Automobiles (+8% YoY), Technology (+7% YoY), Healthcare (+17% YoY), Capital Goods (+14% YoY), Consumer Durables (+37% YoY), and Telecom (profit of INR5b vs. loss of INR25b YoY). In contrast, aggregate earnings growth was hit by Oil & Gas (ex OMCs), which posted a profit decline of 12% YoY. Further, earnings were dragged down by Private Banks (-6% YoY), Cement (-3% YoY), and Consumer (-1%).
- **Excluding Financials,** the earnings for MOFSL Universe grew 12% YoY (est. +1% YoY); whereas, barring global commodities (i.e., Metals and O&G), the MOFSL Universe reported a 10% YoY earnings growth (est. +5% YoY).
- **A fourth successive quarter of single-digit growth for the Nifty-50:** The Nifty delivered a 3% YoY PAT growth (vs. our est. of +2%). **Nifty reported a single-digit profit growth for the fourth successive quarter since the pandemic (Jun'20).** Five Nifty companies – Bharti Airtel, Hindalco, ICICI Bank, Tata Motors, and HDFC Bank – contributed 137% of the incremental YoY accretion in earnings. Conversely, IndusInd Bank, ONGC, SBI, Kotak Mahindra Bank, and Grasim contributed adversely to the earnings.
- **Large-caps and mid-caps deliver a beat, while small-caps report a miss:** Within our MOFSL coverage universe, large-caps (86 companies) posted an earnings growth of 10% YoY. Mid-caps (89 companies) stood out and delivered 19% earnings growth (est. of 10%), led by Financials (PSU Banks and NBFCs), Metals, Healthcare, and Retail. In contrast, small-caps (122 companies) experienced a broad-based miss adversely impacted by the Financials sector. The small-cap earnings dipped 16% YoY (est. of: -11%), with 39% of the coverage universe missing our estimates. On the other hand, within the large-cap and mid-cap universe, 21%/25% of the companies missed our estimates.
- **The beat-miss dynamics:** The beat-miss ratio for the MOFSL Universe was favorable, with 41% of the companies exceeding our estimates, while 29% reported a miss at the PAT level. For the MOFSL Universe, the earnings upgrade-to-downgrade ratio has improved to 0.6x in 4QFY25 (from 0.3x in 3QFY25 for FY26E), with the earnings of 63 companies having been upgraded by >3%, while the earnings of 110 companies have been downgraded by >3%. Further, the EBITDA margin of the MOFSL Universe (ex-Financials) expanded 60 bp YoY to 17.6%, primarily aided by the Metals, Healthcare, Telecom, and Infrastructure sectors but hurt by the Cement, Real Estate, Consumer, and Automobiles sectors.

Expectations vs. delivery: 4QFY25



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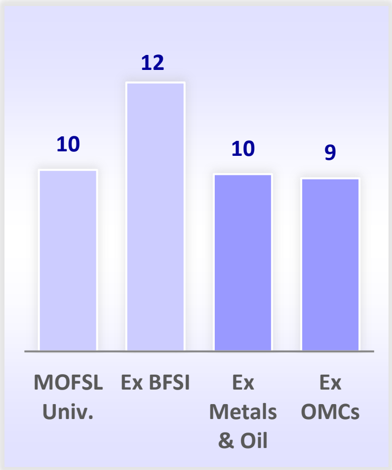
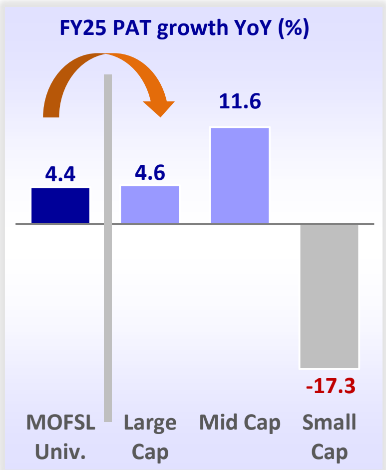
PAT growth YoY in 4QFY25 (%)



- **Report card:** Of the 25 sectors under our coverage, 13/9/3 sectors reported profits above/in line/below our estimates. Of the 297 companies under coverage, 122 exceeded our profit estimates, while 87 posted a miss, and 88 were in line.
- **The FY25 snapshot:** The MOFSL Universe delivered a 4.4% YoY earnings growth in FY25. Excluding Metals, and O&G, it reported an 11.1% YoY earnings growth. **We categorized the coverage stocks, based on market capitalization, into large-cap, mid-cap, and small-cap segments**. Notably, our large-cap universe saw a 4.6% YoY earnings growth in FY25, while mid-cap delivered an 11.6% YoY growth, and small-cap posted a decline of 17.3% YoY in FY25.
- **FY26E earnings highlights:** The MOFSL Universe is likely to deliver sales/EBITDA/PAT growth of 4%/12%/14% YoY in FY26. The Financials, Metals, and Oil & Gas sectors are projected to be the key growth engines, with 11%, 25%, and 13% YoY earnings growth, respectively. However, we foresee downside risks to our earnings estimates for FY26E/27E.
- **MOFSL Universe experienced a cut of 2.2%/1.1% for FY26E/FY27:** Our MOFSL Universe witnessed a cut of 2.2% for FY26, led by Oil & Gas, Metals, Technology, PSU Banks, NBFCs, and Automobiles. Further, our mid-cap and small-cap universes experienced a bigger cut at 3.8% each in FY26E. The large-cap universe witnessed a cut of 1.8%.
- **Nifty exits FY25 with 1% EPS growth:** Nifty EPS for FY25 ended at INR1,013 (+1% YoY) over a high base of FY24 (+24% YoY) as the earnings normalized and tracked the revenue trend. The past two financial years experienced an interesting interplay of revenue and earnings growth, driven by global macros.
- **Nifty EPS cut by 1.9%/1.1% for FY26E/FY27E:** The Nifty EPS estimate for FY26 was cut by 1.9% to INR1,135, largely owing to SBI, ONGC, IndusInd Bank, Tata Motors, and TCS. FY27E EPS was also reduced by 1.1% to INR1,314 (from INR1,328) due to downgrades in SBI, ONGC, IndusInd Bank, TCS, and Reliance Industries.
- **The top earnings upgrades in FY26E:** Bharat Electronics (7.1%), Bharti Airtel (6.6%), Hindalco (5.8%), Adani Ports (4.6%), and M&M (4.4%).
- **The top earnings downgrades in FY26E:** Eternal (-53.9%), IndusInd Bank (-45.6%), ONGC (-13.4%), Tata Motors (-11.6%), and JSW Steel (-8.5%).
- **Key sectoral highlights –** 1) **Banks:** The banking sector witnessed a mixed quarter, with business momentum gaining a mild pace amid a busy 4Q. However, the margin outcome was divergent for the private and public banks. Most of the large private banks had seen a sequential improvement in NIMs amid lower-day adjustments in 4Q, while public banks continue to see a moderation in NIMs, although calibrated at low single digits. 2) **Autos:** For our coverage universe, total revenue grew ~6% YoY and was in line with our estimates. While Auto OEMs posted a 5% YoY growth, the auto ancillary universe posted a higher growth of 8% YoY. For FY26E, the industry body expects PVs to grow in the low single digits (2-4%), CVs to grow in mid-single digits, and 2Ws to grow at ~6%. 3) **Consumer**: Our coverage universe reported a 6.2% YoY revenue growth (vs. est. 6.3%). Excluding ITC, our consumer sector grew 6.6% YoY (est. 7.3%). The demand remained subdued during the quarter. Volume growth across most companies was limited to low-to-mid-single digits. 4) **Oil & Gas:** Revenue came in 7% above our estimate (flat YoY). Excluding OMCs, revenue was 8% above our estimate (up 7% YoY). EBITDA was 16% above estimates (flat YoY), with OMCs, GAIL, and IGL beating our estimates. Excluding OMCs, EBITDA was in line with estimates (flat YoY). Adjusted PAT was 27% above est. (down 5% YoY). Adjusted PAT, excluding OMCs, was in line (down

PAT growth YoY in FY25 (%)



Sector Review Compendium

Highlights / Surprise / Guidance… (Page 22 onwards)

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

12% YoY). 5) **Technology:** The IT services companies within the MOFSL Universe posted a 0.7% QoQ decline in median revenue in 4QFY25 (vs. growth of 1.8%/2.0%/1.2% in 3QFY25/2QFY25/1QFY25). The backdrop remains challenging, as macro uncertainty continues to weigh on IT demand, marking a softer exit to FY25. FY26 setups diverge across tier-1 companies: TCS/Wipro guide for weak 1Q; INFO strikes a cautiously optimistic tone with the upper end of INFO's guidance (3% YoY organic cc growth) assuming a 'stable to marginally improving environment'. HCLT leads with the most constructive guidance of 2-5% YoY in CC. 6) **Metals**: Ferrous companies reported robust growth as imports softened. The Ferrous companies within our coverage clocked a sales volume growth of 9% YoY and 12% QoQ. This growth was primarily led by the resumption of construction activity and softening imports, coupled with a low base effect.

- **Our view:** The 4QFY25 earnings fared better than expectations; however, forward earnings revisions continue to exhibit weakness, with downgrades surpassing upgrades. The Nifty-50 registered a modest 1% EPS growth in FY25 (following a 20%+ CAGR during FY20-24). The market has rebounded notably over the last two months, completely reversing its YTD decline. Currently, the Nifty is trading 4.7% higher in CY25YTD. With this rally, the Nifty trades at 21.8x FY26E earnings, near its LPA of 20.7x. While near-term challenges such as global macros, trade wars, and earnings will keep the market volatile and jittery, we believe that the medium-to-long-term growth narrative for India remains intact. Our model portfolio stance remains unchanged, with a distinct bias towards large-caps and domestic plays, given the current volatile backdrop. We are OW on BFSI, Consumer Discretionary, Industrials, Healthcare, IT, and Telecom, while we are UW on Oil & Gas, Cement, Automobiles, Real Estate, and Metals.

Exhibit 1: Our preferred ideas

Company	MCap (USDb)	CMP (INR)	EPS (INR) FY25	EPS (INR) FY26E	EPS (INR) FY27E	EPS CAGR (%) FY25-27	PE (x) FY25	PE (x) FY26E	PE (x) FY27E	PB (x) FY25	PB (x) FY26E	PB (x) FY27E	ROE (%) FY25	ROE (%) FY26E	ROE (%) FY27E
Preferred large cap stocks															
Reliance Inds.	224.7	1,421	51.5	59.5	66.5	13.7	27.6	23.9	21.4	4.6	2.1	1.9	8.5	9.2	9.4
Bharti Airtel	132.1	1,857	30.3	47.6	62.9	44.1	61.3	39.0	29.5	9.1	7.9	6.0	18.0	22.5	25.3
ICICI Bank	119.3	1,446	66.8	72.9	85.5	13.2	21.7	19.8	16.9	3.5	3.2	2.7	18.0	17.1	17.5
Larsen & Toubro	59.0	3,676	105.9	127.3	156.7	21.6	34.7	28.9	23.5	5.2	4.6	4.1	15.8	16.9	18.4
Kotak Mahindra Bank	48.2	2,076	110.4	108.9	129.1	8.2	18.8	19.1	16.1	2.7	2.4	2.1	12.8	12.6	13.3
Sun Pharma	47.1	1,678	47.1	56.8	64.5	17.0	35.6	29.5	26.0	5.6	4.9	4.2	16.6	17.6	17.4
Mahindra & Mahindra	43.3	2,978	98.7	121.5	137.8	18.1	30.2	24.5	21.6	5.8	4.9	4.2	20.8	21.7	20.8
Titan Company	37.0	3,554	42.3	53.5	63.3	22.3	84.1	66.4	56.2	27.2	21.1	16.7	35.8	35.9	33.3
Trent	23.4	5,642	43.2	55.5	68.3	25.8	130.7	101.7	82.6	34.3	25.2	19.0	32.2	30.6	28.1
Tech Mahindra	18.0	1,574	47.9	60.9	77.0	26.7	32.8	25.9	20.4	5.1	5.0	4.8	15.7	19.5	23.8
Preferred midcap/smallcap stocks															
Indian Hotels	12.8	770	11.8	14.7	17.5	21.6	65.1	52.5	44.1	9.8	8.3	7.1	16.3	17.1	17.3
HDFC AMC	11.9	4,784	115.2	131.3	149.0	13.7	41.5	36.4	32.1	12.6	11.6	10.6	32.4	33.1	34.5
BSE	12.7	2,674	32.4	48.2	57.1	32.7	82.4	55.5	46.8	24.5	18.3	14.1	29.8	33.0	30.1
Suzlon Energy	11.4	71	1.1	1.7	2.4	48.3	66.3	42.1	30.1	16.0	11.6	8.4	29.4	31.9	32.2
Dixon Tech.	10.3	14,691	117.2	168.7	241.6	43.6	125.4	87.1	60.8	29.4	22.3	16.4	30.0	29.1	31.1
SRF	9.9	2,859	46.1	70.9	98.7	46.4	62.1	40.3	29.0	6.7	6.0	5.1	11.4	15.7	19.0
JSW Infra	7.0	291	7.0	7.5	9.4	16.2	41.7	38.6	30.8	6.2	5.6	4.8	16.3	15.4	16.7
Coforge	6.7	8,551	126.2	231.6	290.5	51.7	67.8	36.9	29.4	8.8	8.0	7.1	13.9	18.0	20.6
Page Industries	6.0	46,399	652.9	749.1	877.2	15.9	71.1	61.9	52.9	36.8	30.3	25.1	51.8	48.9	47.5
Kaynes Tech	4.5	5,977	45.8	83.5	132.4	70.0	130.5	71.6	45.2	13.5	11.3	9.1	11.0	17.2	22.3
L T Foods	1.8	440	17.4	22.5	28.0	26.8	25.2	19.6	15.7	4.0	3.4	2.9	16.8	18.8	20.0

Note: LP = Loss to profit; Large Cap, Mid Cap and Small Cap Stocks listed above are as per SEBI Categorization

Aggregate performance better than estimated, anchored by Metals

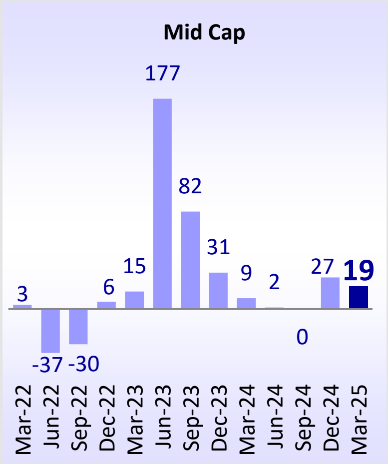
- The MOFSL Universe's sales/EBITDA/PBT/PAT grew 6%/9%/11%/10% YoY (vs. our est. of +4%/+4%/+4%/+2%). Excluding Metals and O&G, the MOFSL Universe companies recorded sales/EBITDA/PBT/PAT growth of 8%/9%/11%/10% YoY (vs. est. of +9%/7%/7%/5%) in 4QFY25.
- The better-than-expected earnings growth was powered by Metals (profit surged 45% YoY on a low 4QFY24 base). OMC's profit jumped 14% YoY vs. our est. of a 59% decline, complemented by PSU Banks (+9% YoY), Automobiles (+8% YoY), Technology (+7% YoY), Healthcare (+17% YoY), Capital Goods (+14% YoY), Consumer Durables (+37% YoY), and Telecom (profit of INR5b vs. loss of INR25b YoY). In contrast, aggregate earnings growth was hit by Oil & Gas (ex OMCs), which posted a profit decline of 12% YoY. Further, earnings were dragged down by Private Banks (-6% YoY), Cement (-3% YoY), and Consumer (-1%).
- The EBITDA margin of the MOFSL Universe (ex-Financials) expanded 60bp YoY to 17.6%, primarily aided by the Metals, Healthcare, Telecom, and Infrastructure sectors but hurt by the Cement, Real Estate, Consumer, and Automobiles sectors.

Exhibit 2: Sector-wise 4QFY25 performance of the MOFSL Universe companies (INRb)

Sector (no of companies)	Sales			EBITDA			PBT			PAT		
	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)
Automobiles (26)	3,363	6	-0.4	460	2	0.8	369	11	5.6	281	8	6.3
Capital Goods (12)	1,148	9.9	-5.2	148	13.5	3.8	141	15.3	7.0	100	14.2	7.6
Cement (11)	691	11	2.1	117	6	7.1	71	-7	11.0	50	-3	12.7
Chemicals (12)	173	10.4	2.7	31	13.9	4.0	23	12.7	3.1	17	18.1	4.6
Consumer (20)	882	6	-0.1	203	2	0.8	191	2	0.2	142	-1	-1.3
Consumer Durables (5)	234	21.3	3.7	26	34.1	10.2	25	34.4	13.2	18	36.9	13.4
EMS (7)	171	71	3.3	13	75	11.2	12	118	37.6	7	60	-5.3
Financials (61)	4,692	3.5	-0.6	1,844	5.2	2.7	1,655	8.9	3.4	1,289	6.1	4.3
Banks-Private (12)	925	6	0.9	676	-5	-1.2	541	5	-2.9	410	-6	-2.9
Banks-PSU (6)	899	1.2	-1.6	672	9.3	6.1	547	5.1	1.3	412	8.7	4.0
Insurance (7)	2,331	1	-1.8	77	1	4.6	247	42	28.1	212	35	21.1
NBFC - Lending (22)	468	17.7	3.7	383	19.4	3.9	284	1.4	2.6	224	4.1	4.7
NBFC - Non Lending (14)	69	20	3.0	36	25	3.1	37	14	5.6	30	14	7.9
Healthcare (25)	913	12.4	1.6	217	17.6	0.6	177	12.9	3.2	137	16.7	5.5
Infrastructure (3)	49	-8	-3.6	14	2	5.5	8	-10	15.6	6	5	8.8
Logistics (8)	173	13.7	-2.0	66	18.7	-7.0	46	21.3	-9.4	41	27.6	-1.9
Media (3)	43	0	2.6	7	-3	-0.8	7	19	18.9	5	21	20.5
Metals (10)	3,081	5.5	3.4	601	20.4	6.0	425	33.9	10.0	305	44.7	16.0
Oil & Gas (14)	8,017	2	7.1	996	3	16.3	654	-4	22.2	473	-5	27.1
Ex OMCs (11)	3,860	7.4	8.0	724	1.4	3.2	462	-8.9	0.0	321	-11.8	1.1
Real Estate (13)	179	5	-11.9	48	-1	-7.9	47	4	-1.1	40	4	24.3
Retail (20)	572	16.7	1.3	60	15.8	2.9	33	20.3	6.8	24	17.1	2.5
Staffing (4)	107	-4	-13.7	3	-11	-31.4	2	42	-20.1	2	61	-24.5
Technology (12)	1,979	6.7	-1.2	442	5.3	-1.1	416	6.3	-0.1	311	6.7	0.9
Telecom (5)	749	19	0.7	383	29	-0.2	58	835	-7.2	5	LP	-29.5
Utilities (7)	796	6.4	0.9	262	6.2	0.2	158	9.5	9.4	114	6.8	-2.7
Others (19)	724	20	-1.0	143	43	19.7	73	76	29.7	58	64	34.1
MOFSL Universe (297)	**28,738**	**5.9**	**1.8**	**6,082**	**8.9**	**4.4**	**4,591**	**10.7**	**6.6**	**3,425**	**9.6**	**8.0**
MOFSL Ex Financials (236)	**24,046**	**6.4**	**2.3**	**4,239**	**10.6**	**5.2**	**2,936**	**11.8**	**8.5**	**2,136**	**11.9**	**10.4**
MOFSL Ex Metals & Oil (273)	**17,641**	**8.0**	**-0.7**	**4,486**	**8.8**	**1.9**	**3,513**	**11.5**	**3.7**	**2,647**	**9.5**	**4.4**
MOFSL Ex OMCs (294)	**24,581**	**7.6**	**1.1**	**5,811**	**8.9**	**2.5**	**4,400**	**10.7**	**3.9**	**3,273**	**9.4**	**5.0**
Nifty (50)	**14,694**	**7.0**	**1.3**	**3,771**	**6.6**	**1.0**	**2,841**	**8.5**	**0.3**	**2,046**	**3.2**	**0.7**
Sensex (30)	**11,089**	**7.7**	**1.3**	**3,017**	**5.3**	**0.4**	**2,265**	**7.6**	**0.2**	**1,633**	**2.4**	**0.3**

LP: Loss to profit; PL: Profit to loss

MOFSL Mid-cap universe PAT growth YoY (%)



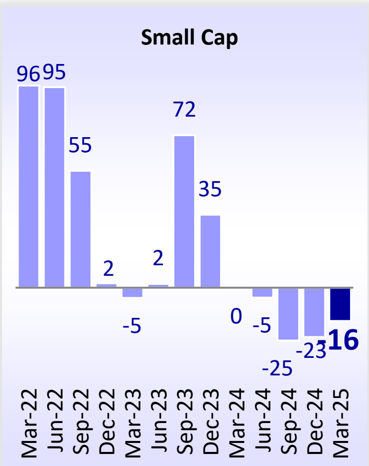
Mid-caps exhibit unexpected resilience

- The MOFSL Mid-cap Universe's 4QFY25 sales/EBITDA/PBT/PAT growth stood at +6%/+12%/+15%/+19% YoY (vs. our est. of +2%/+7%/+6%/+10%). Excluding Metals and O&G, the MOFSL Universe companies recorded sales/EBITDA/ PBT/PAT growth of 12%/10%/9%/15% YoY (v/s est. of +11%/9%/7%/14%).
- Across the cap-curve, the MOFSL Mid-cap universe posted the best results with 19% YoY growth in PAT (~10% ahead of our estimate) vs. 10% for the MOFSL Large-cap universe and a disappointing 16% YoY dip for the Small-cap universe. Barring the volatile commodities sectors, i.e., Oil & Gas/Metals, PAT growth for the MOFSL Mid-cap universe was an impressive 15% YoY, in line with our estimate.
- The quality of results was notable, with widespread distribution of strong growth across several Mid-cap sectors – in several cases better than the large-cap counterparts. Mid-cap Metals (+84% YoY) was the leader in growth terms, accounting for ~37% of the overall YoY incremental PAT of the MOFSL Mid Cap universe. Similarly, Mid-cap PSU Banks posted a strong PAT growth of 39% YoY, driving 50% of overall growth. The EMS sector was again among the growth leaders (PAT up 70% YoY), continuing with its impressive growth streak of the past several quarters, even as the growth was lower than the MOFSL est. of 94% YoY.
- Other sectors that posted strong growth included Capital Goods (+30%), Consumer Durables (72%), and NBFCs – both lending (23%) & non-lending (36%). Comparatively, the mid-cap technology sector was subdued, posting a 12% YoY growth (est. 19%), but better than the large-cap peers – which is in line with our long-standing thesis that mid-cap IT is poised to grow structurally above the large-cap IT names.
- Some domestic-oriented Mid-cap sectors posted muted growth or missed earnings. These included Real Estate (PAT dipped 36% YoY), which was much weaker than large-cap peers and our muted expectations. Mid-cap private banks were hit by multiple headwinds in the form of low growth and asset quality woes, amplified by large derivatives losses at IndusInd Bank. Consequently, the sector saw an aggregate net loss during the quarter. In addition, the domestic consumption Mid-cap sectors, i.e., Autos and Consumers were also muted during the quarter, reporting 6% YoY and 4% YoY PAT growth respectively, albeit Autos were ahead of our beaten-down estimate.
- While overall earnings have been ahead of estimates (a welcome departure from the past 3 quarters' outcome of broad earnings misses), the Mid-cap segment has been an unexpected standout surprise – underlining its critical role in throwing up growth leaders for future – thus broadening the market's investable set of companies.

Exhibit 3: Sector-wise 4QFY25 performance of the MOFSL Mid-cap Universe companies (INR b)

Sector (no of companies)	Sales			EBITDA			PBT			PAT		
	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)
Automobiles (9)	362	6	1.2	58	3	7.4	48	2	9.0	36	6	10.8
Capital Goods (2)	50	11.4	-5.3	6	25.5	5.0	6	39.0	13.3	4	30.4	1.8
Cement (4)	189	6	4.0	38	12	7.2	24	12	19.7	18	12	27.4
Chemicals (3)	83	11.3	5.5	18	22.0	17.4	15	28.6	24.7	11	10.1	24.2
Consumer (5)	86	9	-1.5	16	3	-1.8	15	8	-2.2	11	4	-2.7
Consumer Durables (2)	77	17.8	1.9	6	45.7	4.1	7	54.7	9.0	5	71.5	8.5
EMS (2)	113	113	2.0	6	120	8.5	7	212	59.7	3	70	-12.1
Financials (17)	670	4.8	0.2	343	2.4	-1.2	243	-5.2	-3.0	188	0.4	-3.2
Banks-Private (4)	124	-7	-4.7	41	-46	-28.9	-7	PL	-139.8	-5	PL	-131.9
Banks-PSU (3)	253	1.3	-0.3	210	15.2	4.2	168	27.2	8.4	129	39.0	11.4
Insurance (2)	171	13	4.4	6	9	33.3	7	-4	-14.3	5	17	-26.4
NBFC - Lending (4)	91	11.9	-0.7	67	12.0	1.2	54	20.9	4.8	41	22.7	1.8
NBFC - Non Lending (4)	30	34	4.8	19	58	7.7	21	38	9.1	17	36	13.9
Healthcare (11)	402	12.9	2.7	83	17.5	2.3	59	1.0	-0.7	44	17.9	2.0
Infrastructure (1)	21	4	11.2	10	12	9.4	3	-27	26.5	2	14	7.5
Logistics (2)	36	4.4	-7.5	11	0.4	-13.1	9	2.3	-14.2	7	10.8	-4.4
Metals (4)	548	10.0	4.3	108	45.1	13.3	83	75.8	22.0	59	83.9	18.5
Oil & Gas (5)	1,354	-5	12.6	102	8	33.3	86	10	49.2	67	5	53.8
Ex OMCs (4)	259	-5.1	-1.6	44	-2.4	9.0	43	-4.7	17.1	33	-6.2	19.5
Real Estate (4)	58	-6	-23.0	18	-23	-23.5	17	-26	-21.9	11	-36	-29.8
Retail (4)	120	22.0	1.2	14	42.6	11.2	5	2,550.8	57.6	3	LP	35.3
Technology (4)	133	22.9	-1.8	23	15.8	-2.8	19	14.3	-7.7	14	12.1	-5.8
Telecom (3)	193	6	0.6	69	11	0.8	-63	Loss	-3.8	-63	Loss	-5.6
Utilities (1)	38	72.6	5.9	7	94.0	38.0	6	96.9	35.9	6	108.0	44.2
Others (6)	320	13	-0.6	68	43	4.2	39	133	1.7	28	130	-2.6
MOFSL Mid-cap Univ. (89)	**4,853**	**6.4**	**3.9**	**1,004**	**12.5**	**4.7**	**625**	**14.7**	**8.5**	**455**	**19.1**	**8.7**
Ex Financials (72)	**4,183**	**6.7**	**4.5**	**661**	**18.5**	**8.1**	**383**	**32.3**	**17.3**	**268**	**37.1**	**18.9**
Ex Metals & Oil (80)	**2,951**	**11.6**	**0.3**	**794**	**9.7**	**0.9**	**456**	**8.7**	**1.3**	**329**	**15.1**	**1.2**
Ex OMCs (88)	**3,758**	**10.0**	**0.7**	**947**	**12.1**	**2.5**	**582**	**13.7**	**4.9**	**422**	**19.2**	**4.6**

MOFSL Small-cap universe PAT growth YoY (%)



Small-caps suffer the most

- In a quarter marked by notable positive surprises across Large and Mid-cap names, the Small-cap segment has been a laggard, recording not only weaker-than-expected numbers but also a notable aggregate PAT decline of 16% YoY.
- The MOFSL Small-cap Universe sales/EBITDA/PBT/PAT were +5%/-6%/-22%/-16% YoY (vs. our est. of +5%/-2%/-17%/-11%). Excluding Metals and O&G, the MOFSL Universe companies recorded sales/EBITDA/PBT/PAT growth of 6%/-1%/-18%/-11% YoY (v/s est. of +8%/+5%/-10%/-5%) in 4QFY25.
- The weak Small-cap earnings outcome was influenced materially by the Financials sector, wherein most sub-segments posted not just lower-than-expected numbers but also negative YoY PAT growth – underlining the challenges for smaller BFSI players during the quarter. Small-cap NBFC-lending sub-sector suffered the most, posting a 68% YoY dip in PAT. This was owing to weak revenue growth and even weaker asset quality – particularly at the MFIs. The aggregate outcome was weaker than our already glum expectations of -50% PAT YoY. The dip in Small-cap NBFC-lending PAT accounted for over 92% of the overall Small-cap YoY PAT decline- underscoring the intensity of weakness.
- Small-cap private banks also registered a material YoY PAT decline of 21% YoY, broadly replicating the Mid-cap peers in terms of weak growth and weaker asset quality results. Additionally, the Insurance segment also underperformed materially. Star Health registered a sharp bottom in a series of weak earnings for

the past several quarters, reporting losses at the operating level and a token PAT (down 100% YoY).

- Retail – another sector with large Small-cap representation in MOFSL coverage (13 companies) – logged weak sales growth (5% YoY), EBITDA decline (-9% YoY), and an amplified PAT dip (-34% YoY) as several restaurant names posted net losses. This was in stark contrast to Large-cap and Mid-cap retail peers, which posted strong growth across metrics. Small-cap Oil & Gas also posted weak profits (-51% YoY) which diverged from Large-cap and Mid-cap peers.
- Small-cap Autos' earnings were also weak at -23% YoY (in line with our estimate) as reasonably strong revenue growth of 9% YoY was overshadowed by operating margin pressures. In addition, the following Small-cap sectors also posted soft 4QFY25, adding to the overall weak outturn: Cement (+3% YoY), Consumer (+7% YoY), and Technology (-1% YoY).
- On the flip side, the outperforming Small-cap sectors posted very high growth, highlighting the inherently volatile and barbell nature of the segment. The notable growth leaders in the Small-cap segment included Capital Goods (+49% YoY PAT, 10% ahead of our estimate), outperforming both large- and mid-cap peers owing to margin expansion and lower depreciation charges. Chemicals, which finally saw a turnaround in fortunes after several quarters of PAT decline, posted a healthy 36% YoY PAT growth. Consumer Durables (+ 64% YoY PAT growth), EMS (+52%), and Staffing (+61%YoY) also registered strong growth. Small-cap Real Estate companies were strong at 37%YoY, in line with Large-cap peers but better than Mid-cap peers which posted an earnings dip in 4QFY25.

Exhibit 4: Sector-wise 4QFY25 performance of the MOFSL Small-cap Universe companies (INR b)

Sector (no of companies)	Sales			EBITDA			PBT			PAT		
	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)	Mar-25	Chg. % YoY	Var. over Exp. (%)
Automobiles (7)	197	9	0.4	25	-11	1.3	14	-22	0.7	11	-23	3.8
Capital Goods (5)	153	15.2	2.2	15	31.8	1.7	11	47.2	5.8	8	48.9	10.3
Cement (4)	83	-1	3.9	12	-5	21.8	5	-19	56.9	4	3	63.2
Chemicals (9)	90	9.6	0.3	14	4.8	-9.6	8	-7.6	-21.1	6	35.5	-18.2
Consumer (4)	42	6	-3.1	7	4	-0.9	6	9	2.9	5	7	2.8
Consumer Durables (1)	22	26.4	7.2	2	68.6	28.3	2	62.9	31.6	1	64.0	33.5
EMS (5)	58	24	5.9	7	47	14.0	5	55	15.7	4	52	1.5
Financials (28)	207	2.6	-1.0	87	-12.4	-9.7	38	-47.6	-23.6	30	-46.5	-20.8
Banks-Private (4)	57	-1	-0.9	30	-9	-3.5	7	-33	-30.7	6	-21	-14.7
Insurance (1)	38	12	-0.5	-3	Loss	31.2	0	PL	-100.5	0	-100	-99.6
NBFC - Lending (13)	72	-3.5	-2.7	43	-15.4	-14.6	14	-66.4	-33.9	10	-67.9	-35.3
NBFC - Non Lending (10)	40	12	1.6	17	1	-1.7	17	-5	1.4	13	-6	1.1
Healthcare (8)	110	10.4	3.1	25	16.5	6.5	15	17.6	2.3	11	15.3	2.2
Infrastructure (2)	28	-16	-12.5	4	-17	-2.8	5	8	9.3	4	1	9.6
Logistics (5)	53	7.0	-3.3	5	16.4	-1.5	3	23.0	-1.8	3	15.1	-6.4
Media (3)	43	0	2.6	7	-3	-0.8	7	19	18.9	5	21	20.5
Oil & Gas (4)	281	-2	9.9	19	-43	13.1	13	-52	21.0	9	-51	14.2
Real Estate (7)	47	2.8	-27.6	8	14.6	-44.8	7	41.3	-40.5	7	37.4	-35.1
Retail (13)	113	5	-1.1	14	-9	-3.1	4	-37	-7.6	3	-34	-1.1
Staffing (4)	107	-4.1	-13.7	3	-11.4	-31.4	2	41.8	-20.1	2	60.5	-24.5
Technology (2)	33	6	-4.1	5	-4	-1.8	5	0	6.2	4	-1	7.5
Utilities (2)	6	51	2.2	6	83	5.8	3	-59	18.2	2	LP	40.5
Others (9)	73	7.4	-1.3	11	10.0	-9.1	9	20.4	-2.8	7	27.8	4.8
MOFSL Small-cap Univ. (122)	**1,747**	**4.8**	**-0.3**	**276**	**-6.1**	**-4.5**	**164**	**-22.1**	**-6.5**	**125**	**-15.8**	**-4.9**
Ex Financials (94)	**1,540**	**5.1**	**-0.2**	**189**	**-2.8**	**-1.8**	**126**	**-8.9**	**0.3**	**96**	**2.3**	**1.4**
Ex Metals & Oil (118)	**1,466**	**6.2**	**-2.1**	**257**	**-1.2**	**-5.6**	**150**	**-17.6**	**-8.3**	**116**	**-10.7**	**-6.2**

LP: Loss to profit; PL: Profit to loss

Exhibit 5: PAT increased 10% YoY for the MOFSL Universe

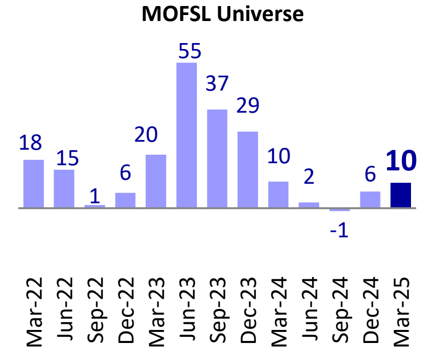


Exhibit 6: PAT was up 12% YoY for the MOFSL Universe, excluding Financials

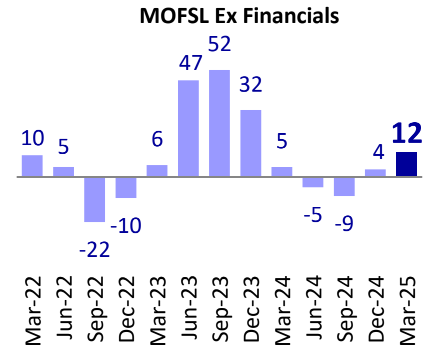


Exhibit 7: PAT rose 10% YoY for the MOFSL Universe, sans Metals & O&G

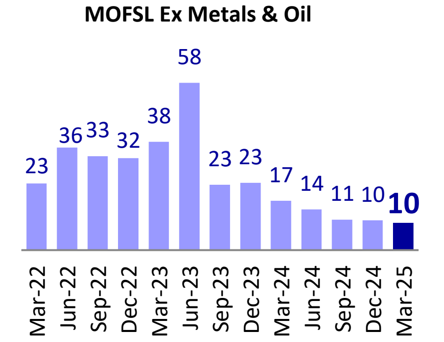


Exhibit 8: PAT growth for the Nifty Universe stood at 3% YoY

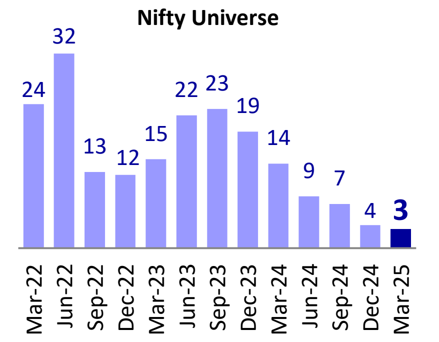


Exhibit 9: PAT for the Nifty Universe, sans Financials, was up 7% YoY

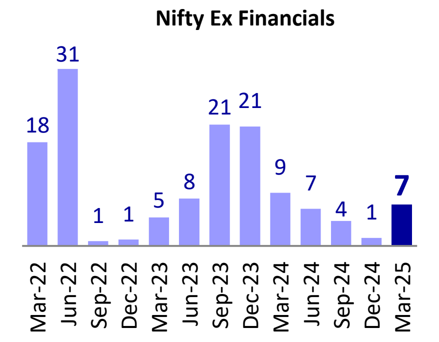
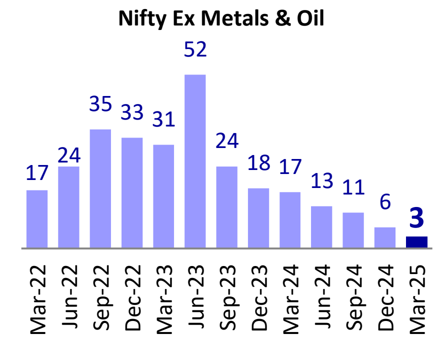


Exhibit 10: PAT grew 3% YoY for the Nifty Universe, sans Metals & O&G



Earnings upgrade-to-downgrade ratio unfavorable for FY26E

- For the MOFSL Universe, the earnings upgrade-to-downgrade ratio has improved to 0.6x in 4QFY25 (from 0.3x in 3QFY25 for FY26E), with the earnings of 63 companies having been upgraded by >3%, while the earnings of 110 companies have been downgraded by >3%.
- The beat-miss ratio for the MOFSL Universe was favorable, with 41% of the companies exceeding our estimates, while 29% reported a miss at the PAT level.
- Of the 25 sectors under our coverage, 13/9/3 sectors reported profits above/in line/below our estimates.

Exhibit 11: The upgrade-to-downgrade ratio trend for the MOFSL Universe – recovered following a worst 3QFY25

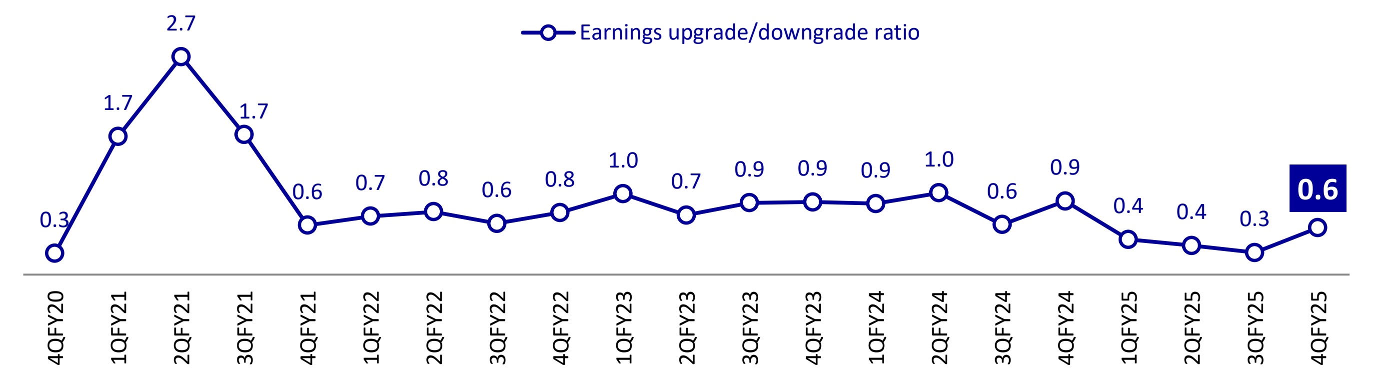


Exhibit 12: Surprise/miss ratio for the MOFSL Universe at 1.4x in 4QFY25

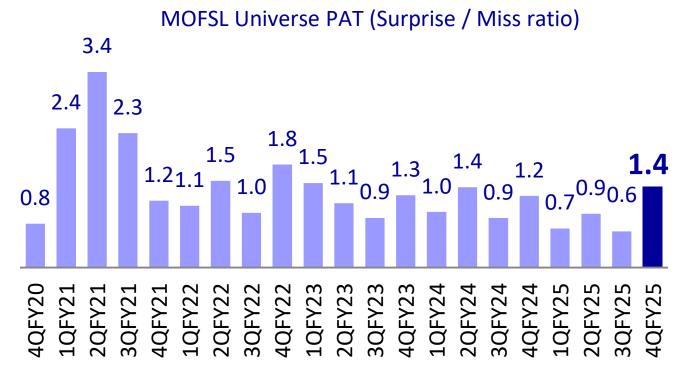


Exhibit 13: Sectoral surprise/miss ratio at 4.3x in 4QFY25 for the MOFSL Universe

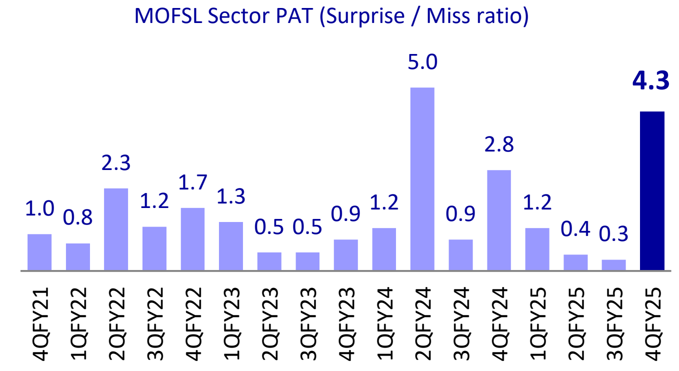


Exhibit 14: Two and three-year profit CAGR for the MOFSL Universe

	EBIDTA (INR b)			CAGR (%)		PBT (INR b)			CAGR (%)		PAT (INR b)			CAGR (%)	
Sector	**4QFY22**	**4QFY23**	**4QFY25**	**2-year**	**3-year**	**4QFY22**	**4QFY23**	**4QFY25**	**2-year**	**3-year**	**4QFY22**	**4QFY23**	**4QFY25**	**2-year**	**3-year**
Automobiles	235	329	460	18	25	118	214	369	31	46	86	186	281	23	48
Capital Goods	100	110	148	16	14	91	98	141	20	16	63	69	100	20	17
Cement	88	83	117	19	10	63	55	71	13	4	43	38	50	15	5
Chemicals	33	37	31	-8	-2	28	30	23	-13	-7	22	25	17	-17	-8
Consumer	160	189	203	4	8	152	179	191	3	8	116	134	142	3	7
Cons Durables	14	17	26	26	22	13	16	25	26	23	10	11	18	28	24
EMS	4	6	13	42	44	3	5	12	58	56	2	4	7	35	42
Financials	1,179	1,494	1,844	11	16	856	1,232	1,655	16	25	634	1,016	1,289	13	27
Banks-Private	456	565	676	9	14	380	489	541	5	13	289	369	410	5	12
Banks-PSU	451	567	672	9	14	200	395	547	18	40	152	300	412	17	39
Insurance	29	82	77	-3	39	78	95	247	61	47	40	154	212	17	75
NBFC-Lending	225	260	383	21	19	180	230	284	11	16	140	175	224	13	17
NBFC-Non Lend	18	21	36	31	27	19	22	37	30	26	14	17	30	32	29
Healthcare	128	143	217	23	19	109	106	177	29	18	79	81	137	30	20
Infrastructure	13	13	14	6	4	8	7	8	9	-1	6	5	6	13	1
Logistics	39	47	66	19	19	26	31	46	23	21	22	29	41	17	23
Media	11	6	7	4	-14	9	4	7	28	-11	7	3	5	32	-10
Metals	745	509	601	9	-7	570	341	425	12	-9	414	242	305	12	-10
Oil & Gas	828	939	996	3	6	596	680	654	-2	3	448	534	473	-6	2
Real Estate	29	36	48	17	19	23	31	47	23	26	25	32	40	12	17
Retail	37	41	60	21	17	23	22	33	22	13	18	17	24	20	10
Staffing	3	4	3	-5	-3	2	2	2	20	4	2	2	2	12	2
Technology	367	413	442	3	6	341	382	416	4	7	263	287	311	4	6
Telecom	263	281	383	17	13	26	11	58	125	30	-24	-19	5	LP	LP
Utilities	214	242	262	4	7	113	135	158	8	12	117	102	114	6	-1
Others	53	97	143	21	39	14	49	73	21	74	7	41	58	19	102
MOFSL Univ.	**4,546**	**5,034**	**6,082**	**10**	**10**	**3,184**	**3,631**	**4,591**	**12**	**13**	**2,359**	**2,838**	**3,425**	**10**	**13**

Exhibit 15: Sales for the MOFSL Universe up 6% YoY (est. 4%)

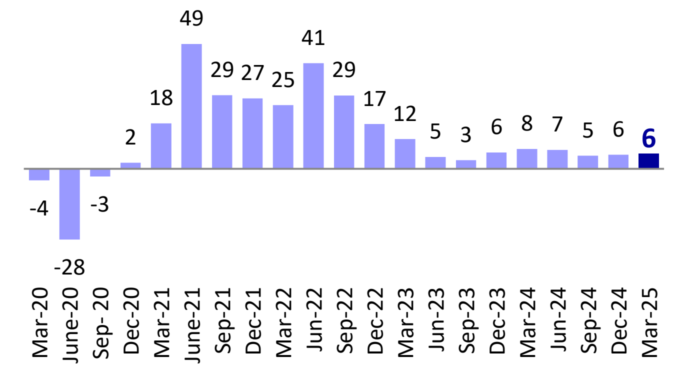


Exhibit 16: EBITDA for the MOFSL Universe up 9% YoY (est. 4%)

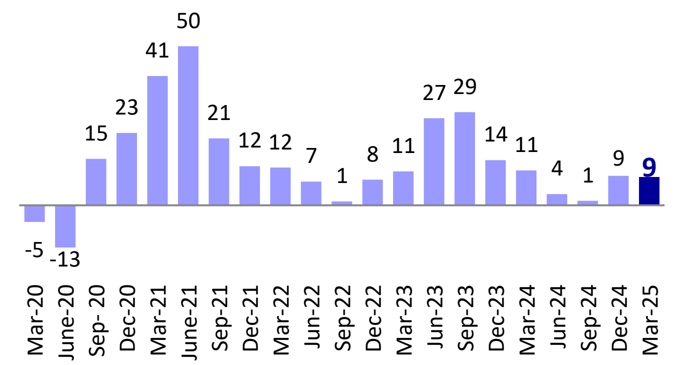


Exhibit 17: PAT for the MOFSL Universe up 10% YoY (est. 2%)

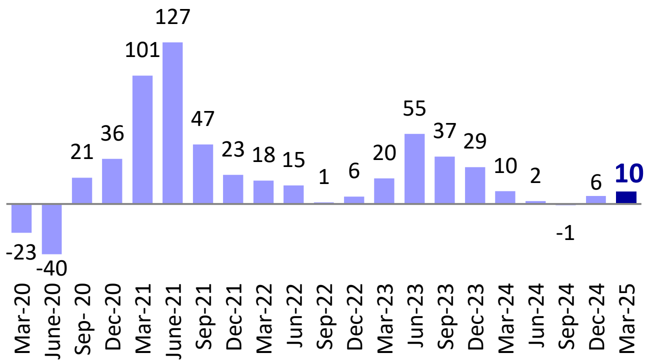


Exhibit 18: EBITDA margin, excluding Financials, expanded slightly by 60bp YoY to 17.6%

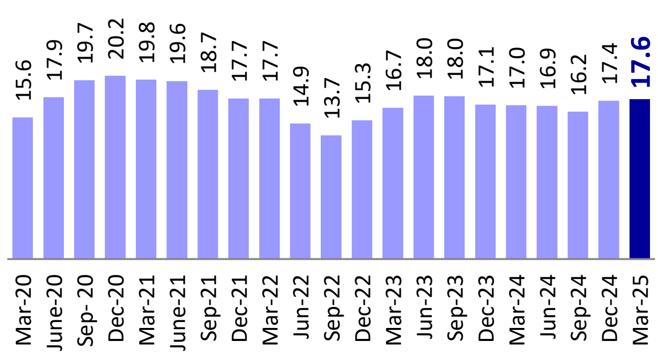


Exhibit 19: MOFSL Universe (ex-Nifty) posted a profit growth of 21% YoY

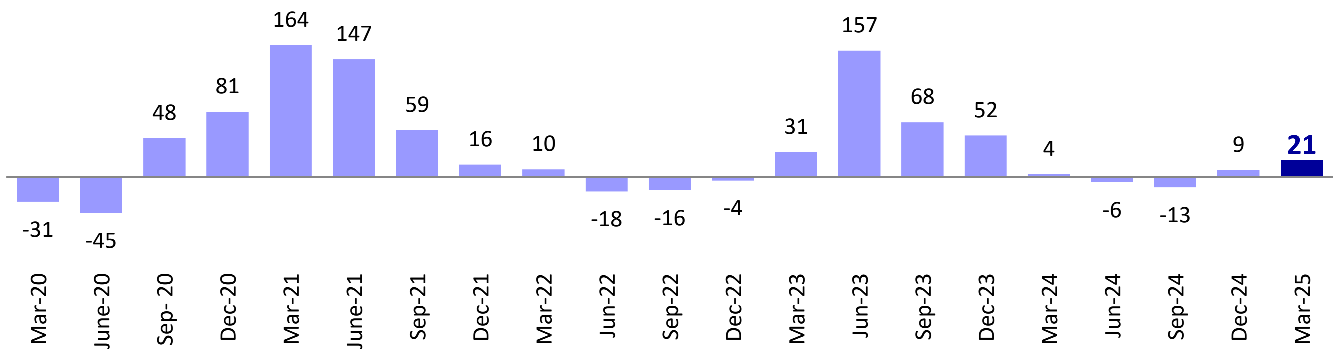


Exhibit 20: Sales growth for the MOFSL Universe, excluding Nifty companies, stood at 5% YoY

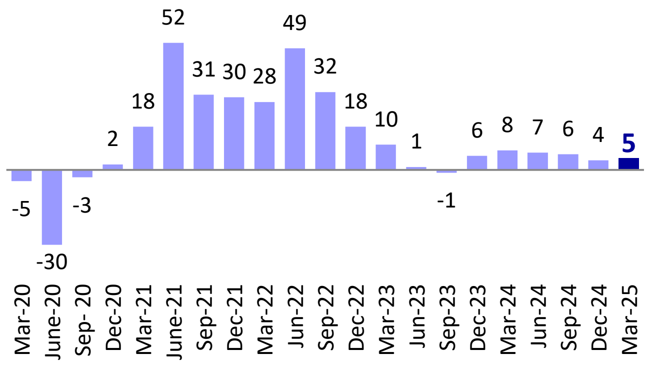
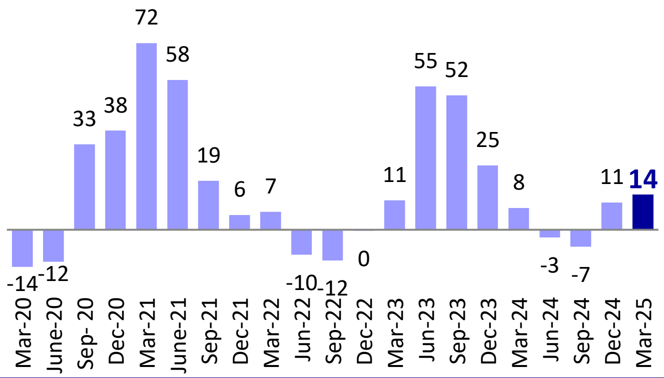


Exhibit 21: EBITDA was up 14% YoY for the MOFSL Universe, excluding Nifty companies



Margin contracts owing to a high base

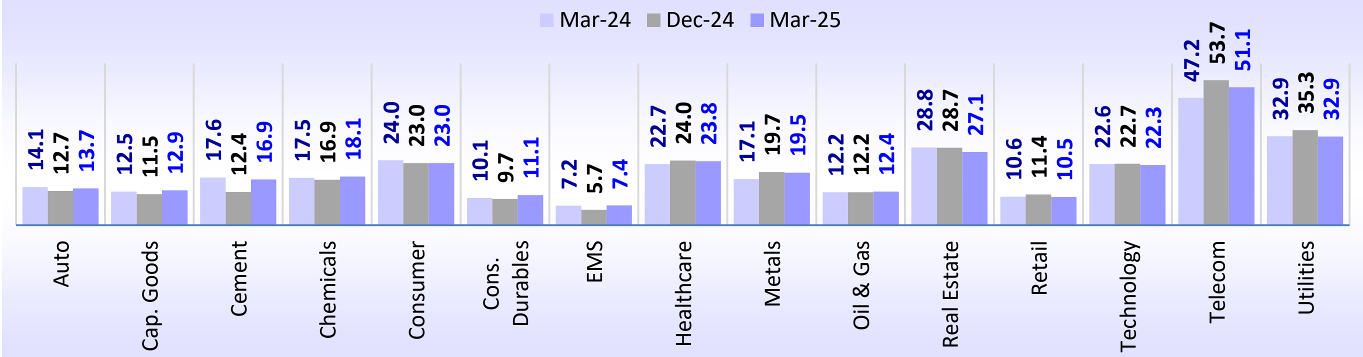
- Sales for the MOFSL Universe companies grew 6% YoY (in line). Excluding Metals and O&G, sales growth was in line at 8% YoY (in line).
- Sectoral sales growth: EMS (71%), Consumer Durables (21%), NBFC Non-Lending (20%), Telecom (19%), and Retail (17%).
- The EBITDA margin of the MOFSL Universe (ex-Financials) expanded marginally by 60bp YoY to 17.6%.
- Gross margins for almost half of the sectors contracted. In 4QFY25, 7 of the 15 major sectors under MOFSL Coverage posted a contraction in gross margin YoY.

Exhibit 22: Gross margin contracted in several sectors due to a high base

	4QFY22	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	Change in GM bps YoY
Infrastructure	36.0	40.7	71.4	39.1	36.6	36.7	40.2	51.7	33.0	39.5	42.2	42.0	43.0	997
Others	41.2	43.7	39.0	43.9	41.8	47.6	42.1	43.5	43.5	46.6	42.0	47.9	47.2	366
Oil & Gas	21.8	16.8	17.0	18.4	22.5	25.3	25.0	22.2	22.7	20.9	22.4	22.8	24.4	174
Healthcare	62.8	62.4	64.0	64.0	63.7	65.1	65.6	66.0	67.2	68.2	68.2	67.6	68.7	147
Real Estate	40.7	44.0	52.2	48.7	43.0	47.9	51.5	53.3	48.8	51.6	48.6	50.3	49.9	116
Logistics	18.5	51.5	49.9	48.4	50.8	52.7	51.7	52.0	52.2	51.8	52.7	52.4	53.2	98
Utilities	1.2	27.3	27.4	33.2	31.4	47.9	47.0	49.0	50.0	47.0	50.4	49.6	50.8	84
Consumer Durables	14.8	18.8	18.5	19.5	18.4	25.4	27.2	26.6	25.3	25.1	25.7	26.6	25.6	30
Cement	59.7	59.7	56.3	56.1	55.0	62.6	57.4	60.4	57.7	57.8	63.9	56.6	57.7	-2
Technology	34.5	33.1	33.6	34.4	34.5	33.9	34.0	34.4	34.3	35.1	33.7	34.1	34.0	-34
Automobiles	29.3	31.6	32.0	33.3	34.0	34.4	34.0	35.2	35.9	36.2	35.0	35.6	35.2	-70
Retail	32.3	32.6	32.2	31.2	31.0	30.1	29.7	30.3	30.2	30.0	29.2	28.8	29.5	-76
Metals	54.1	56.2	47.9	51.1	54.1	52.8	49.9	55.5	53.8	52.7	51.5	53.4	52.7	-114
Consumer	48.3	47.3	48.3	49.6	50.8	51.2	52.2	52.5	53.2	52.4	51.3	51.1	51.4	-181
Chemicals	53.8	53.3	51.0	54.8	54.3	54.6	53.3	54.1	54.2	52.6	53.0	53.9	51.9	-229

Source: 216 companies that form part of the MOFSL Universe, excluding Financials, Telecom, Media, and Staffing

Exhibit 23: Several sectors recovered YoY in terms of operating margins



Contributions of Metals and Automobiles in the profit pool improve

- The BFSI contribution to the overall MOFSL profit pool accounted for more than one-third of the profits. The contribution declined to 37.6% and was the lowest in the last five quarters.
- The Metals contribution to the profit pool saw an improvement to 8.9% in 4QFY25 – this was at a three-quarter high.
- The Consumer contribution to the profit pool slipped to a new low of 4.1% in 4QFY25.

Exhibit 24: Financials' contribution was down in 4Q; it accounted for more than 1/3rd of the overall profit pool

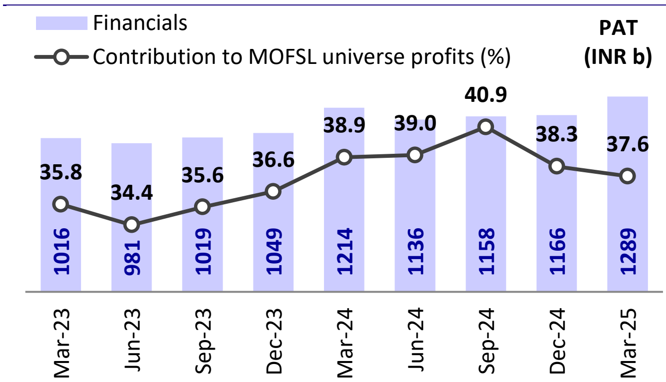


Exhibit 25: IT sector's contribution to the overall profit pool had been at a new low

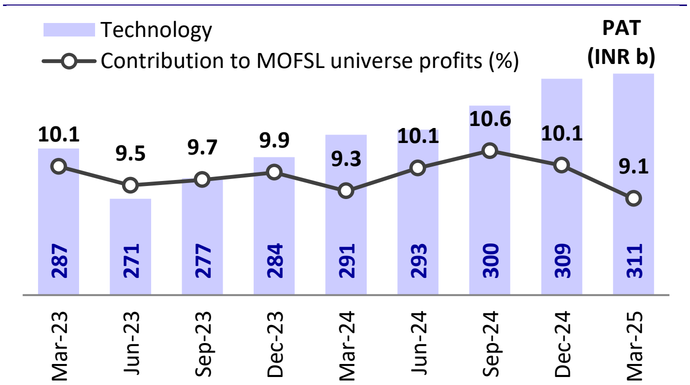


Exhibit 26: O&G's PAT contribution to the overall profit pool has been stable over the last few quarters

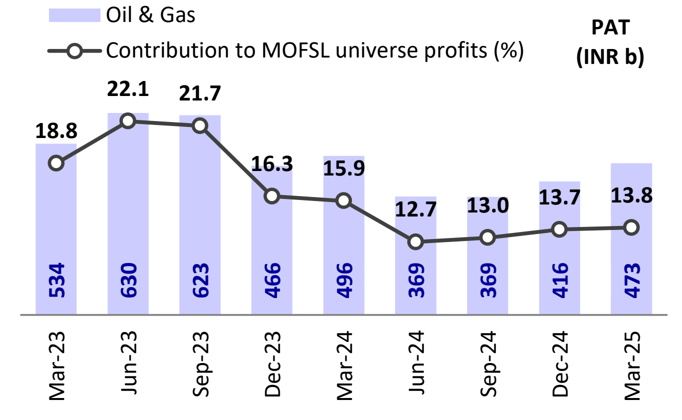


Exhibit 27: Metals' PAT contribution to the MOFSL Universe increased for the third successive quarter in 4QFY25

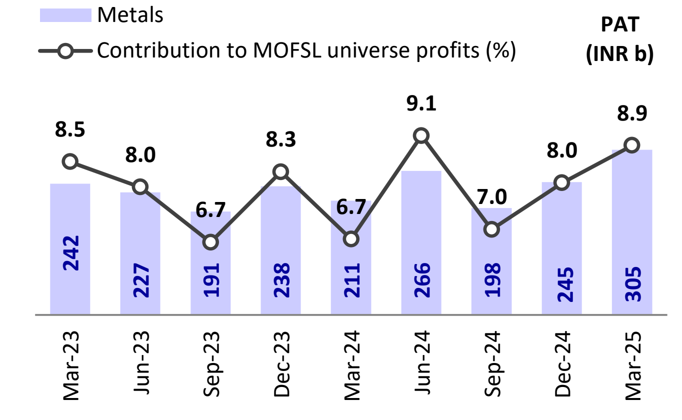


Exhibit 28: Auto sector's contribution to the overall profit pool saw an uptick in 4QFY25

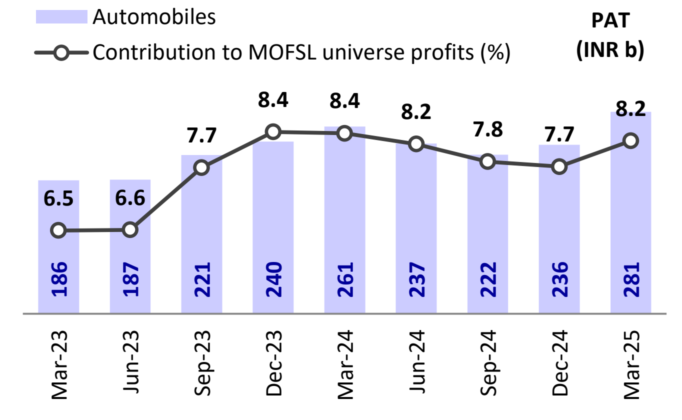
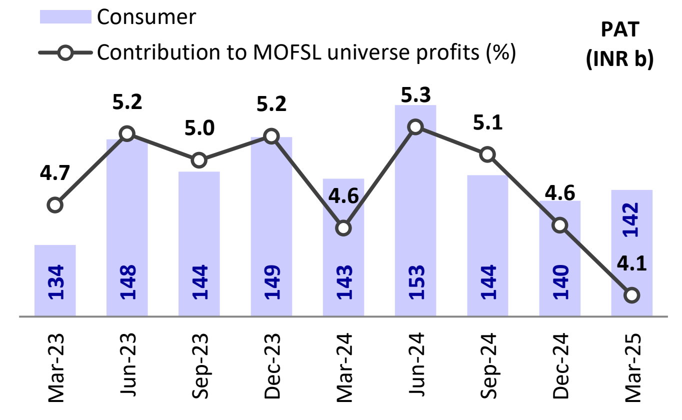
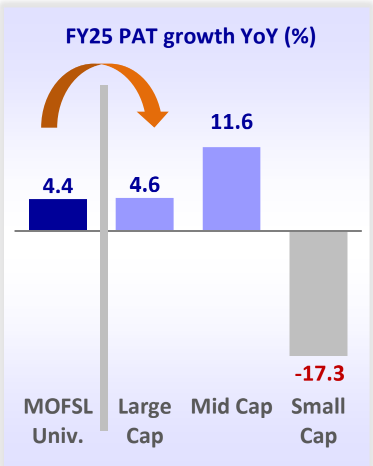


Exhibit 29: Consumer sector's contribution dipped in 4QFY25 – to a new low



PAT growth YoY in FY25 (%)



The FY25 snapshot: Small-cap profits dip

- The MOFSL Universe delivered a 4.4% YoY earnings growth in FY25. Excluding Metals, and O&G, it reported an 11.1% YoY earnings growth. **We categorized the coverage stocks based on market capitalization criteria into large-cap, mid-cap, and small-cap segments**. Notably, our large-cap universe saw a 4.6% YoY earnings growth in FY25, while mid-cap delivered an 11.6% YoY growth, and small-cap posted a decline of 17.3% YoY in FY25.
- During FY25, out of 25 sectors under our coverage, 19 sectors saw a YoY growth in PAT, while six saw a decline. EMS (+67%), Real Estate (+42%), NBFC Non-Lending (+37%), Consumer Durables (+28%), Staffing (+21%), Healthcare (+21%), Logistics (+19%), and Capital Goods (+19%) were top gainers. Conversely, Telecom (a loss of INR15b), Cement (-32%), Oil & Gas (-27%), Chemicals (-5%), Media (-3%), and Consumer (-1%) were the laggards.

Exhibit 30: Sector-wise FY25 performance (%) – Telecom, Cement, and Oil & Gas drag

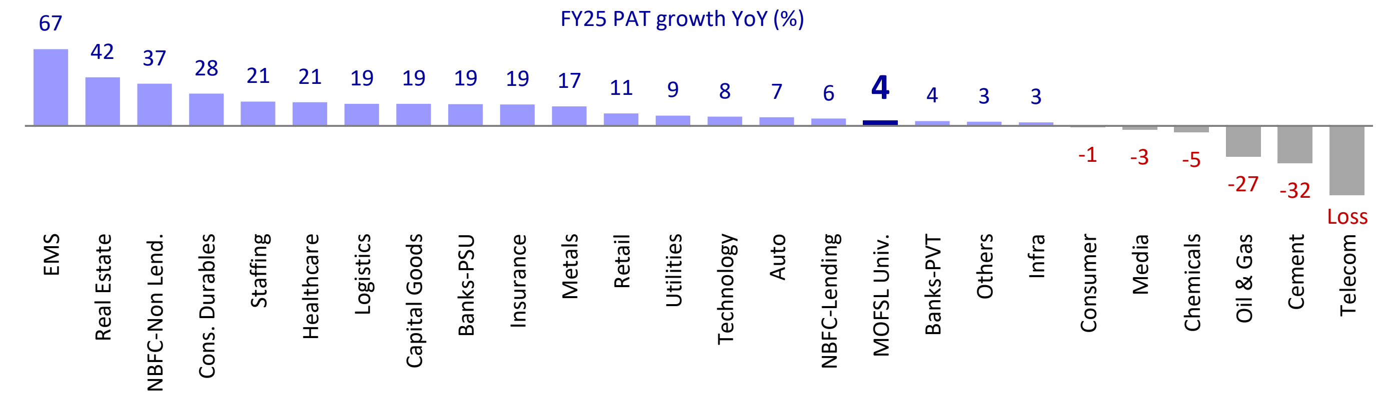


Exhibit 31: Sector-wise contribution to FY25 earnings growth (%) – PSU Banks take the lion's share

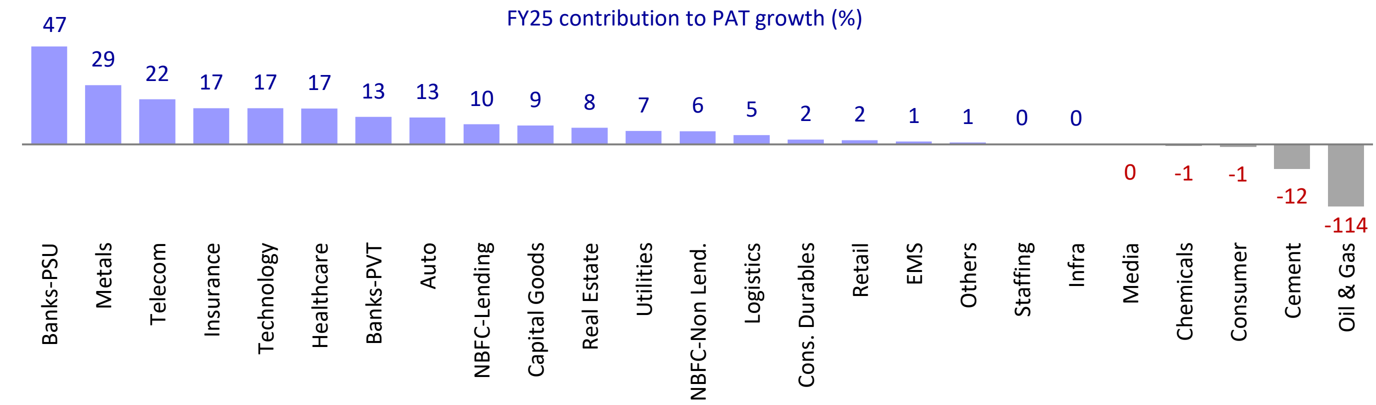
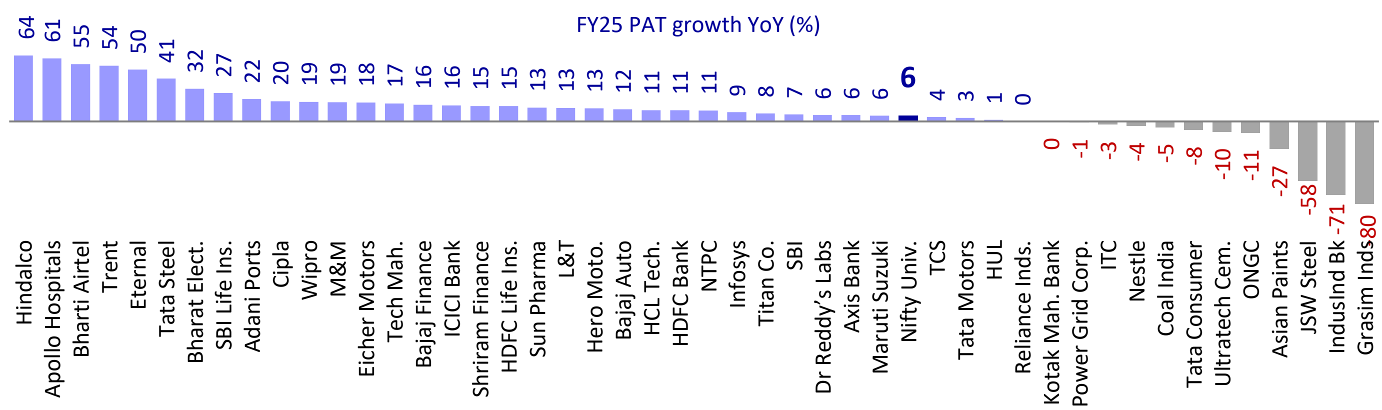


Exhibit 32: Nifty-50 stocks – FY25 earnings growth YoY (%)



Performance highlights of the Nifty constituents in 4QFY25

The top 5 stocks account for ~137% of the incremental profit YoY

- Sales/EBITDA/PBT/PAT growth for Nifty constituents was in line at +7%/+7%/+9%/+3% YoY in 4QFY25. Excluding Financials, profits for Nifty constituents were up 7% YoY (vs. our est. of +5% YoY).
- Among Nifty constituents, 30% exceeded our PAT estimates, while 26% missed our estimates.
- Hindalco, ICICI Bank, Tata Motors, Coal India, Larsen & Toubro, Wipro, Tata Steel, Reliance Industries, Dr. Reddy's Lab, Bharat Electronics, Eicher Motors, Tech Mahindra, Trent, Maruti Suzuki, and Apollo Hospitals delivered higher-than-estimated earnings.
- In contrast, IndusInd Bank, ONGC, Kotak Mahindra Bank, Grasim Industries, Asian Paints, Eternal, SBI Life Insurance, NTPC, HDFC Life Insurance, Titan, JSW Steel, and Bharti Airtel missed our profit estimates.
- Eight Nifty companies witnessed earnings upgrades of over 3% in their FY26 EPS estimates, while 16 companies witnessed downgrades of over 3%.

Exhibit 33: Nifty sales up 7% YoY (in line) in 4QFY25

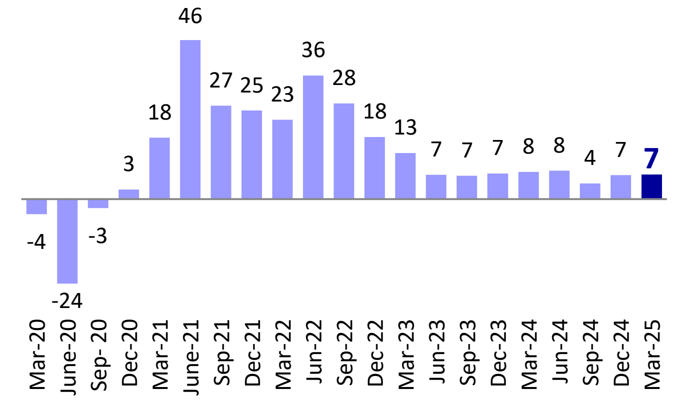


Exhibit 34: Nifty EBITDA up 7% YoY (est. 6%)

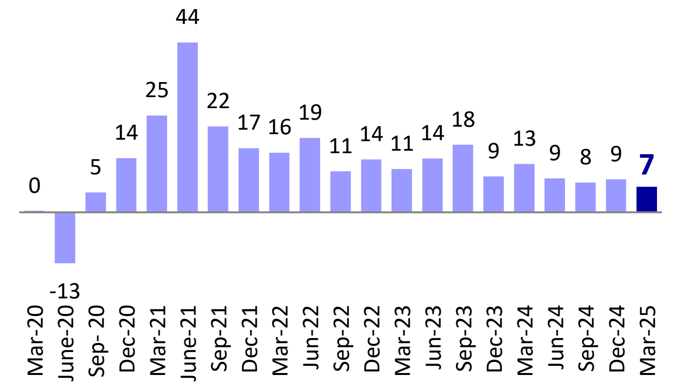


Exhibit 35: Nifty PAT up 3% YoY (est. 2%)

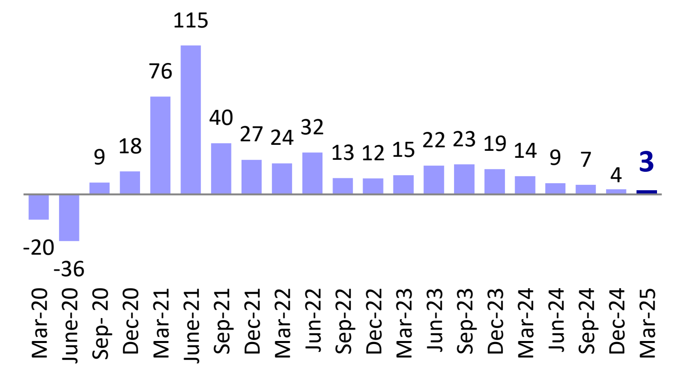


Exhibit 36: Nifty EBITDA margin (ex-Financials) expanded 40bp YoY to 20.9%

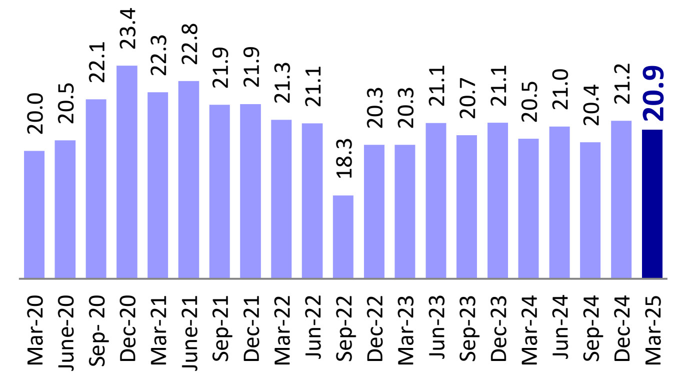


Exhibit 37: BFSI, Metals, and Oil & Gas to drive FY26E earnings for the Nifty

Sector	PAT (INR b)						Growth YoY (%)					
	FY22	FY23	FY24	FY25	FY26E	FY27E	FY22	FY23	FY24	FY25	FY26E	FY27E
Automobiles	75	287	621	666	672	736	-57	281	117	7	1	10
BFSI	1,433	2,026	2,557	2,827	3,084	3,625	37	41	26	11	9	18
Capital Goods	109	133	170	199	236	290	23	22	27	17	19	23
Cement	130	115	134	110	146	182	31	-11	16	-18	33	25
Consumer	304	366	416	390	426	469	11	20	14	-6	9	10
Healthcare	143	164	204	234	260	284	31	15	24	15	11	9
Logistics	59	77	89	108	137	159	30	30	16	22	26	16
Metals	926	540	595	600	771	954	169	-42	10	1	29	24
Oil & Gas	998	1,069	1,261	1,081	1,212	1,353	55	7	18	-14	12	12
Retail	24	37	45	53	67	81	198	54	24	17	27	20
Technology	919	977	1,009	1,101	1,164	1,259	16	6	3	9	6	8
Telecom	35	82	113	176	276	383	Loss	Loss	LP	55	57	39
Utilities	304	321	341	352	419	444	7	6	6	3	19	6
Others	-4	17	39	47	51	70	-259	-487	123	22	9	37
Nifty	**5,455**	**6,212**	**7,594**	**7,944**	**8,920**	**10,290**	**40**	**14**	**22**	**5**	**12**	**15**

Exhibit 38: Sectoral upgrades/downgrades for the MOFSL Universe

	PAT (INR b) - preview			PAT (INR b) - review			Upgrade/downgrade (%)			Growth YoY (%)		
Sector	FY25E	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Automobiles	958	1,031	1,135	975	1,011	1,143	1.8	-1.9	0.7	6.9	3.7	13.0
Capital Goods	291	359	427	297	353	433	2.1	-1.8	1.3	22.1	18.9	22.6
Cement	167	236	305	170	236	305	1.6	0.2	-0.2	-27.2	39.1	29.0
Chemicals	64	89	111	65	85	107	1.2	-4.2	-3.6	-5.2	31.3	25.7
Consumer	580	653	725	580	651	725	-0.1	-0.4	0.1	-1.7	12.2	11.4
Consumer Durables	51	60	73	53	62	75	4.2	4.2	3.5	27.9	17.0	20.8
EMS	18	27	40	18	27	39	-1.9	-1.3	-1.3	66.8	50.5	46.3
Financials	4,824	5,463	6,341	4,893	5,410	6,319	1.4	-1.0	-0.4	13.4	10.6	16.8
Banks-Private	1,752	1,938	2,283	1,774	1,943	2,318	1.2	0.2	1.5	6.4	9.5	19.3
Banks-PSU	1,599	1,739	1,976	1,597	1,680	1,898	-0.1	-3.4	-4.0	23.4	5.2	12.9
Insurance	534	601	675	571	628	718	6.9	4.5	6.3	19.1	10.0	14.3
NBFC - Lending	818	1,041	1,239	828	1,016	1,216	1.2	-2.4	-1.8	6.3	22.8	19.7
NBFC - Non Lending	122	143	168	124	143	169	1.4	-0.4	0.6	31.3	15.5	18.3
Healthcare	516	609	693	521	596	679	1.1	-2.2	-2.0	20.9	14.3	13.9
Infrastructure	18	26	31	18	24	30	1.8	-7.6	-4.0	3.1	33.9	25.7
Logistics	145	177	215	145	181	213	-0.5	2.4	-1.2	19.2	25.3	17.3
Media	23	27	31	23	28	31	4.1	1.8	2.2	-3.3	18.2	12.7
Metals	972	1,334	1,589	1,014	1,264	1,548	4.3	-5.2	-2.6	17.0	24.7	22.5
Oil & Gas	1,645	1,935	2,093	1,641	1,853	2,031	-0.3	-4.2	-3.0	-31.7	12.9	9.6
Excl. OMCs	1,368	1,588	1,743	1,330	1,499	1,666	-2.8	-5.6	-4.5	-15.0	12.7	11.1
Real Estate	124	184	204	139	190	212	11.4	3.0	3.9	42.8	36.9	11.5
Retail	105	142	173	105	139	170	-0.5	-2.4	-1.5	10.0	32.4	22.9
Staffing	10	13	15	8	10	12	-20.5	-19.2	-20.0	47.8	30.8	18.2
Technology	1,210	1,336	1,456	1,213	1,297	1,413	0.2	-2.9	-3.0	8.6	7.0	8.9
Telecom	16	66	210	-29	71	230	PL	6.7	9.6	Loss	LP	225.3
Utilities	444	535	591	432	526	575	-2.8	-1.6	-2.7	6.9	21.9	9.3
Others	145	261	343	159	228	320	9.9	-12.5	-6.7	12.6	43.1	40.2
MOFSL Universe	**12,327**	**14,563**	**16,800**	**12,439**	**14,242**	**16,609**	**0.9**	**-2.2**	**-1.1**	**3.6**	**14.5**	**16.6**

Note: PL: Profit to loss; LP: Loss to profit

Exhibit 39: Nifty delivered a 3% YoY profit growth in 4QFY25

	Sales				EBITDA				PBT				PAT				EBITDA Margin	
Company	Mar 2025	Chg. YoY (%)	Chg. QoQ (%)	Var. (%)	Mar 2025	Chg. YoY (%)	Chg. QoQ (%)	Var. (%)	Mar 2025	Chg. YoY (%)	Chg. QoQ (%)	Var. (%)	Mar 2025	Chg. YoY (%)	Chg. QoQ (%)	Var. (%)	Mar 2025 (%)	Chg. YoY bp
High PAT growth																		
Bharti Airtel	479	27	6	1	270	39	10	0	97	86	4	-5	52	**77**	-5	-11	56.4	4.9
Hindalco	649	16	11	10	88	32	17	14	65	58	23	16	53	**66**	40	23	13.6	1.7
Apollo Hospitals	56	13	1	4	8	20	1	0	5	40	-5	-2	4	**54**	5	11	13.8	0.8
Trent	41	29	-9	0	7	38	-22	11	5	44	-27	27	3	**41**	-25	31	16.0	1.0
Adani Ent.	270	-8	18	NA	37	44	21	NA	53	656	820	NA	9	**41**	1,395	NA	13.8	5.0
Cipla	67	9	-5	-3	15	17	-23	-12	15	26	-19	-6	12	**41**	-10	4	22.8	1.5
Tata Steel	562	-4	5	0	66	-1	-8	2	25	6	-16	20	17	**40**	128	160	11.7	0.4
Adani Ports	85	23	7	1	50	24	4	-6	34	27	8	-9	31	**34**	15	-1	59.0	0.3
Eicher Motors	52	23	5	1	13	11	5	-3	14	13	10	2	14	**27**	16	6	24.0	-2.5
Dr Reddy' s Labs	85	20	3	3	21	16	-6	-6	19	31	10	27	15	**27**	17	30	24.1	-0.8
Wipro	225	1	1	-1	47	6	0	-4	47	23	7	9	36	**26**	6	9	20.7	1.0
M&M	314	25	3	5	47	42	5	12	33	27	-16	3	24	**22**	-18	3	14.9	1.8
Tech Mahindra	134	4	1	0	19	33	3	3	15	16	14	11	12	**20**	19	17	14.0	3.0
Med/Low PAT growth																		
Bajaj Finance	98	22	5	0	80	24	2	-2	56	11	-2	-7	45	**19**	6	1	81.2	1.2
Larsen & Toubro	744	11	15	-7	82	13	31	-1	75	19	41	4	51	**19**	53	6	11.0	0.2
Bharat Electronics	91	7	58	3	28	22	69	35	28	19	62	27	21	**18**	60	23	30.6	3.8
ICICI Bank	212	11	4	2	177	17	5	4	168	17	7	4	126	**18**	7	5	83.3	4.6
JSW Steel	448	-3	8	0	64	4	14	-3	20	-4	58	-25	15	**18**	96	-11	14.2	1.0
HDFC Life Insur.	238	16	42	-13	14	12	48	1	5	8	9	42	5	**16**	15	-15	5.8	-0.2
Tata Motors	1,195	0	5	-5	166	-2	28	-3	119	30	54	7	89	**15**	63	6	13.9	-0.3
Bajaj Finserv	302	12	17	5	83	22	6	-6	60	9	3	-12	24	**14**	8	-11	27.6	2.2
Titan Company	149	19	-16	5	15	29	-20	9	12	23	-26	7	9	**13**	-30	-5	10.3	0.8
Infosys	409	8	-2	-3	98	11	-4	-1	93	12	-3	0	68	**12**	0	2	23.9	0.8
Coal India	378	-1	3	-1	112	5	-2	1	127	10	8	8	96	**12**	13	11	29.7	1.8
Shriram Finance	56	9	0	-4	43	11	6	1	28	5	0	-4	21	**10**	3	-1	77.9	1.1
HCL Technologies	302	6	1	0	65	7	-5	1	57	9	-6	1	43	**8**	-6	1	21.5	0.1
Ultratech Cement	231	13	30	0	46	12	60	0	31	-2	84	-2	25	**8**	83	2	20.0	-0.1
HDFC Bank	321	10	5	5	265	-9	6	4	233	48	7	4	176	**7**	5	3	82.8	-17.9
Hero Motocorp	99	4	-3	3	14	4	-4	2	14	7	-9	4	11	**6**	-10	3	14.2	0.0
Bajaj Auto	121	6	-5	2	25	6	-5	3	27	6	-4	3	20	**6**	-3	3	20.2	0.1
Sun Pharma	128	8	-2	-4	33	12	-8	-9	33	12	-8	-5	29	**3**	5	-4	25.6	0.9
Hind. Unilever	157	3	-1	0	36	2	-2	0	35	5	1	3	26	**3**	-1	2	23.1	-0.1
Reliance Inds.	2,614	11	9	9	438	3	0	1	291	5	2	5	194	**2**	5	8	16.8	-1.2
Jio Financial	3	-5	28	NA	4	18	13	NA	4	1	5	NA	3	**2**	7	NA	139.4	26.5
Power Grid Corp.	110	-1	9	1	92	1	8	1	51	2	6	-2	43	**1**	11	-1	84.0	1.2
NTPC	439	3	6	6	113	-1	-6	-4	81	19	22	17	50	**0**	8	-10	25.6	-1.0
SBI Life Insurance	240	-5	-4	-5	17	10	-11	14	8	1	47	-4	8	**0**	48	-6	6.9	0.9
Negative PAT Growth																		
Axis Bank	138	6	2	0	108	2	2	-4	94	0	12	-2	71	**0**	13	-1	77.9	-2.6
ITC	188	5	0	2	65	-2	2	1	67	-1	3	0	51	**-1**	7	0	34.7	-2.2
TCS	645	5	1	-1	169	-2	0	-2	164	-3	-2	-3	123	**-2**	-1	-2	26.2	-1.8
Maruti Suzuki	407	6	6	2	43	-9	-5	-8	48	-4	4	6	37	**-4**	5	6	10.5	-1.8
Nestle	55	4	15	0	14	5	26	9	12	-1	30	6	9	**-4**	28	0	25.6	0.1
State Bank	428	3	3	0	313	9	33	14	248	-8	10	1	186	**-10**	10	0	73.1	4.1
Kotak Mah. Bank	73	5	1	-2	55	0	6	-3	46	-12	4	-7	36	**-14**	7	-6	75.1	-3.9
Tata Consumer	46	17	4	0	6	-1	10	5	5	-5	19	1	3	**-18**	10	0	13.5	-2.6
Asian Paints	84	-4	-2	-2	14	-15	-12	-6	12	-26	-19	-15	9	**-31**	-22	-15	17.2	-2.2
ONGC	350	1	4	7	190	9	0	5	88	-32	-20	-20	64	**-35**	-22	-22	54.3	4.1
Eternal	58	64	8	0	1	-16	-56	-58	1	-40	-22	-40	0	**-78**	-34	-78	1.2	-1.2
Grasim Inds	89	32	10	3	2	-58	-18	-39	-3	PL	Loss	Loss	-2	**PL**	Loss	Loss	2.5	-5.3
IndusInd Bank	30	-43	-42	-14	-5	PL	PL	PL	-30	PL	PL	Loss	-23	**PL**	PL	Loss	-16.1	-92.0
Nifty Universe	**14,694**	**7**	**6**	**1**	**3,771**	**7**	**5**	**1**	**2,841**	**9**	**6**	**0**	**2,046**	**3**	**7**	**1**	**25.7**	**-0.1**
Ex Metals & Oil	**9,693**	**7**	**5**	**-1**	**2,812**	**7**	**6**	**0**	**2,224**	**11**	**8**	**0**	**1,606**	**3**	**7**	**-1**	**29.0**	**-0.2**

Note: PL: Profit to loss; LP: Loss to profit

MOFSL coverage revision from our preview stance

Cuts in mid-caps and small-caps severe

- **MOFSL Universe experienced a cut of 2.2%/1.1% for FY26E/FY27:** Our MOFSL Universe witnessed a cut of 2.2% for FY26, led by Oil & Gas, Metals, Technology, PSU Banks, NBFCs, and Automobiles.
- Further, our mid-cap and small-cap universes experienced a bigger cut at 3.8% each in FY26E. The large-cap universe witnessed a cut of 1.8%.

Exhibit 40: Earnings revisions of MOFSL Universe from our preview (4QFY25)

	PAT (INR b) @ Preview			PAT (INR b) @ Review			% Revision		
Sector	**FY25E**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**
Automobiles	958	1,031	1,135	975	1,011	1,143	1.8	-1.9	0.7
Banks-Private	1,752	1,938	2,283	1,774	1,943	2,318	1.2	0.2	1.5
Banks-PSU	1,599	1,739	1,976	1,597	1,680	1,898	-0.1	-3.4	-4.0
Insurance	534	601	675	571	628	718	6.9	4.5	6.3
NBFC - Lending	818	1,041	1,239	828	1,016	1,216	1.2	-2.4	-1.8
NBFC - Non Lending	122	143	168	124	143	169	1.4	-0.4	0.6
Capital Goods	291	359	427	297	353	433	2.1	-1.8	1.3
Cement	167	236	305	170	236	305	1.6	0.2	-0.2
Chemicals	64	89	111	65	85	107	1.2	-4.2	-3.6
Consumer	580	653	725	580	651	725	-0.1	-0.4	0.1
Consumer Durables	51	60	73	53	62	75	4.2	4.2	3.5
EMS	18	27	40	18	27	39	-1.9	-1.3	-1.3
Healthcare	516	609	693	521	596	679	1.1	-2.2	-2.0
Infrastructure	18	26	31	18	24	30	1.8	-7.6	-4.0
Logistics	145	177	215	145	181	213	-0.5	2.4	-1.2
Media	23	27	31	23	28	31	4.1	1.8	2.2
Metals	972	1,334	1,589	1,014	1,264	1,548	4.3	-5.2	-2.6
Oil & Gas	1,645	1,935	2,093	1,641	1,853	2,031	-0.3	-4.2	-3.0
Real Estate	124	184	204	139	190	212	11.4	3.0	3.9
Retail	105	142	173	105	139	170	-0.5	-2.4	-1.5
Staffing	10	13	15	8	10	12	-20.5	-19.2	-20.0
Technology	1,210	1,336	1,456	1,213	1,297	1,413	0.2	-2.9	-3.0
Telecom	16	66	210	-29	71	230	-274.7	6.7	9.6
Utilities	444	535	591	432	526	575	-2.8	-1.6	-2.7
Others	145	261	343	159	228	320	9.9	-12.5	-6.7
MOFSL Universe	**12,327**	**14,563**	**16,800**	**12,439**	**14,242**	**16,609**	**0.9**	**-2.2**	**-1.1**
Large Cap Universe	**10,227**	**11,805**	**13,396**	**10,328**	**11,588**	**13,276**	**1.0**	**-1.8**	**-0.9**
Mid Cap Universe	**1,613**	**2,040**	**2,497**	**1,632**	**1,963**	**2,447**	**1.1**	**-3.8**	**-2.0**
Small Cap Universe	**487**	**718**	**907**	**479**	**691**	**886**	**-1.6**	**-3.8**	**-2.3**

Nifty exits FY25 with 1% EPS growth

- Nifty EPS for FY25 ended at INR1,013 (+1% YoY) over a high base of FY24 (+24% YoY) as the earnings normalized and tracked the revenue trend.
- **Nifty EPS cut by 1.9%/1.1% for FY26E/FY27E:** The Nifty EPS estimate for FY26 was cut by 1.9% to INR1,135, largely owing to SBI, ONGC, IndusInd Bank, Tata Motors, and TCS. FY27E EPS was also reduced by 1.1% to INR1,314 (from INR1,328) due to downgrades in SBI, ONGC, IndusInd Bank, TCS, and Reliance Industries.

Exhibit 41: FY26E EPS revisions – Eight Nifty constituents saw upgrades of over 3%, while 16 witnessed downgrades of over 3%

Company	Current EPS (INR)			EPS Upgrade / Downgrade (%)			EPS Growth (%)		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
SBI Life Insurance	24.1	28.5	33.8	-2.1	9.7	15.6	27.4	18.0	18.9
Bharat Electronics	7.2	8.4	10.2	8.1	7.1	8.0	31.5	15.5	21.9
Bharti Airtel	30.3	47.6	62.9	-16.9	6.6	1.3	54.2	57.2	32.1
Hindalco	74.8	69.5	73.7	6.4	5.8	4.2	63.9	-7.1	6.0
Adani Ports	50.2	63.2	73.4	-0.3	4.6	0.5	21.6	26.0	16.1
Mahindra & Mahindra	98.7	121.5	137.8	0.4	4.4	5.8	11.3	23.0	13.4
HDFC Bank	88.7	96.7	112.6	0.9	3.4	4.8	10.7	9.1	16.4
Bajaj Auto	299.5	330.1	370.4	5.2	3.0	2.0	11.8	10.2	12.2
Kotak Mahindra Bank	110.4	108.9	129.1	17.1	2.5	2.1	20.5	-1.3	18.6
Hero MotoCorp	230.3	245.1	265.3	0.7	2.2	2.2	12.6	6.4	8.3
Dr Reddy' s Labs	67.3	70.3	65.6	6.8	1.7	-0.1	6.1	4.4	-6.7
Nestle	32.0	36.8	41.0	-0.6	1.4	1.7	-22.1	15.2	11.3
ITC	16.0	17.2	18.6	0.5	1.1	1.2	-2.5	7.7	8.0
ICICI Bank	66.8	72.9	85.5	0.6	1.0	2.8	14.4	9.2	17.3
Titan Company	42.3	53.5	63.3	-1.2	0.8	0.0	7.6	26.7	18.2
Trent	43.2	55.5	68.3	2.2	0.8	2.3	47.7	28.5	23.2
Shriram Finance	44.0	52.9	62.7	-0.3	0.7	0.0	14.9	20.2	18.6
Bajaj Finance	270.0	338.8	424.8	-0.1	0.6	-0.3	15.5	25.5	25.4
Apollo Hospitals	100.6	121.0	153.2	1.0	0.5	-1.7	61.1	20.3	26.6
Ultratech Cement	207.6	295.8	372.1	-6.4	-0.2	-0.8	-15.1	42.5	25.8
HCL Technologies	63.9	68.8	75.0	0.2	-0.4	-1.0	10.3	7.7	9.1
Tech Mahindra	47.9	60.9	77.0	4.1	-0.6	2.2	17.1	27.0	26.5
HDFC Life Insur.	8.4	10.2	11.5	-4.4	-1.1	-2.0	14.9	21.2	13.3
Maruti Suzuki	443.9	483.5	538.5	-3.0	-1.2	-0.5	5.6	8.9	11.4
Axis Bank	85.4	90.9	107.1	-0.3	-1.4	0.0	5.9	6.4	17.8
Power Grid Corp.	16.7	19.0	20.0	-6.9	-1.5	-2.0	-0.3	14.1	4.8
NTPC	20.3	25.0	26.7	-2.1	-1.8	-3.2	6.2	22.8	6.9
Hind. Unilever	44.3	47.8	52.3	0.3	-1.8	-1.5	1.4	7.8	9.5
Reliance Inds.	51.5	59.5	66.5	2.1	-1.9	-2.2	0.0	15.6	11.7
Infosys	63.8	66.9	71.9	0.5	-2.4	-2.8	0.8	4.8	7.5
Eicher Motors	172.7	175.0	198.8	1.5	-2.6	-2.7	18.0	1.4	13.6
Cipla	62.8	59.2	65.5	0.9	-3.3	-3.9	19.6	-5.7	10.7
Asian Paints	42.5	47.7	56.7	-3.6	-3.9	0.0	-26.7	12.3	18.8
TCS	134.2	142.5	153.1	-0.5	-4.1	-4.3	6.3	6.2	7.5
Tata Consumer	14.0	17.0	20.0	0.8	-4.1	-0.7	-2.4	21.7	17.4
Sun Pharma	47.1	56.8	64.5	-4.2	-4.5	-3.1	13.4	20.6	13.6
Coal India	57.4	60.4	69.1	2.7	-4.6	-2.0	-5.5	5.3	14.4
Wipro	12.5	12.1	12.6	3.1	-4.7	-4.3	22.8	-3.7	4.3
Larsen & Toubro	105.9	127.3	156.7	1.0	-5.8	0.3	12.3	20.2	23.0
Grasim Industries	74.1	89.9	110.7	-0.5	-6.6	-3.7	-22.5	21.3	23.2
Tata Steel	3.4	9.9	13.9	33.1	-7.4	-10.1	41.5	193.5	41.1
State Bank	86.9	90.1	103.8	-2.1	-7.4	-7.9	15.6	3.7	15.2
JSW Steel	15.6	49.4	78.0	-4.8	-8.5	-5.9	-57.7	217.5	57.9
Tata Motors	63.2	50.8	52.0	2.3	-11.6	-5.3	7.7	-19.6	2.2
ONGC	30.6	32.4	36.0	-14.6	-13.4	-9.2	-31.9	5.9	11.4
IndusInd Bank	33.1	44.2	57.0	-45.9	-45.6	-45.2	-71.4	33.8	28.8
Eternal	0.6	1.0	3.2	-24.5	-53.9	-29.9	44.2	78.2	201.4
Nifty (50)	**1,013**	**1,135**	**1,314**	**-0.4**	**-1.9**	**-1.1**	**1.2**	**12.0**	**15.7**

Exhibit 42: We estimate a 14% CAGR for the Nifty free-float PAT over FY25–27

Company	Sales CAGR % 25-27	EBITDA Margin (%)			EBITDA CAGR % 25-27	PAT (INR b)			PAT CAGR % 25-27	Contbn to Delta %
		FY25	FY26E	FY27E		FY25	FY26E	FY27E		
High PAT Growth (20%+)	**16**	**24**	**25**	**26**	**22**	**1,031**	**1,505**	**1,978**	**39**	**40**
Eternal	63	3	3	5	111	5	9	28	132	1
JSW Steel	19	14	17	19	41	38	121	190	124	6
Tata Steel	10	12	14	15	25	42	123	174	104	6
Bharti Airtel	15	54	56	57	18	176	276	383	48	9
Ultratech Cement	15	17	20	21	29	61	87	110	34	2
IndusInd Bank	5	56	54	53	2	26	34	44	31	1
Bajaj Finserv	34	73	63	61	21	89	117	146	29	2
Tech Mahindra	5	13	15	18	22	43	54	68	27	1
Trent	24	16	16	16	25	15	20	24	26	0
Bajaj Finance	26	83	81	80	24	168	210	264	25	4
Apollo Hospitals	15	14	14	14	18	14	17	22	23	0
Titan Company	16	10	11	11	18	38	48	56	22	1
Grasim Industries	11	4	6	7	56	49	59	73	22	1
Larsen & Toubro	14	10	10	10	15	146	175	215	22	3
Adani Ports	16	60	60	61	16	108	137	159	21	2
Tata Consumer	8	14	15	15	13	14	17	20	20	0
Medium PAT Growth (0-20%)	**5**	**28**	**30**	**31**	**11**	**6,458**	**7,015**	**7,903**	**11**	**62**
Shriram Finance	19	74	75	76	20	83	99	118	19	2
Bharat Electronics	17	29	28	28	16	53	61	74	19	1
SBI Life Insurance	16	7	7	7	17	24	28	34	18	0
Mahindra & Mahindra	13	15	15	14	12	119	146	165	18	2
HDFC Life Insur.	16	80	79	80	17	18	22	25	17	0
Sun Pharma	10	27	28	29	13	113	136	155	17	2
Asian Paints	9	18	18	19	14	41	46	54	16	1
NTPC	7	29	29	30	10	197	242	259	15	3
Reliance Inds.	3	17	20	21	13	696	805	900	14	9
ICICI Bank	13	83	85	86	16	472	520	609	14	6
Nestle	9	24	24	25	11	31	36	40	13	0
HDFC Bank	14	82	81	82	14	673	735	855	13	8
Axis Bank	12	77	79	80	14	264	281	331	12	3
Bajaj Auto	13	20	20	20	12	82	90	102	12	1
Maruti Suzuki	12	12	11	11	10	140	152	169	10	1
Coal India	11	33	34	35	15	354	372	426	10	3
Power Grid Corp.	3	85	90	89	5	155	177	186	9	1
State Bank	10	66	64	65	9	776	804	927	9	6
Hind. Unilever	8	24	23	24	8	104	112	123	9	1
ONGC	-8	15	19	19	3	384	407	453	9	3
HCL Technologies	7	22	22	22	8	174	187	204	8	1
Kotak Mahindra Bank	14	74	74	74	14	219	217	257	8	2
ITC	7	34	35	35	8	200	215	233	8	1
Hero MotoCorp	8	14	14	14	7	46	49	53	7	0
Eicher Motors	12	25	24	24	10	47	48	55	7	0
TCS	4	26	28	28	7	488	518	557	7	3
Infosys	5	24	25	25	7	265	278	298	6	1
Cipla	7	26	24	24	4	51	48	53	2	0
Wipro	1	20	20	21	2	131	127	132	0	0
PAT de-growth (<0%)	**4**	**13**	**13**	**13**	**1**	**455**	**400**	**410**	**-5**	**-2**
Hindalco	5	13	13	13	2	166	154	164	-1	0
Dr Reddy' s Labs	4	26	26	25	0	56	59	55	-1	0
Tata Motors	3	13	12	12	0	233	187	191	-9	-2
Nifty (PAT free float)	**7**	**25**	**27**	**28**	**12**	**4,586**	**5,130**	**5,937**	**14**	**100**

FY26E earnings highlights: Global commodities, NBFC-Lending, Private Banks, and Telecom to drive the incremental earnings

- The MOFSL Universe is likely to deliver sales/EBITDA/PAT growth of 4%/12%/14% YoY in FY26E. Metals (25% YoY), Oil & Gas (13% YoY), NBFC-Lending (23% YoY), Private Banks (10% YoY), and Telecom (Loss to Profit) sectors are projected to be the key growth engines of earnings growth. They are likely to contribute 51% of the incremental earnings in FY26E.

Exhibit 43: Metals, Oil & Gas, NBFCs, Private Banks, and Telecom to lead the incremental profits for FY26E (PAT, INR b)

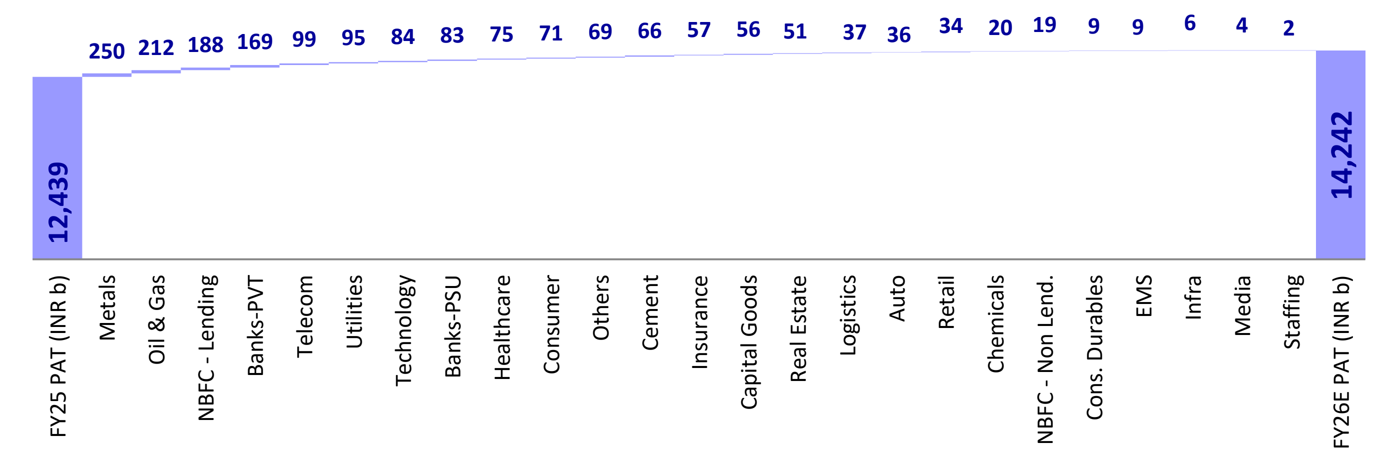
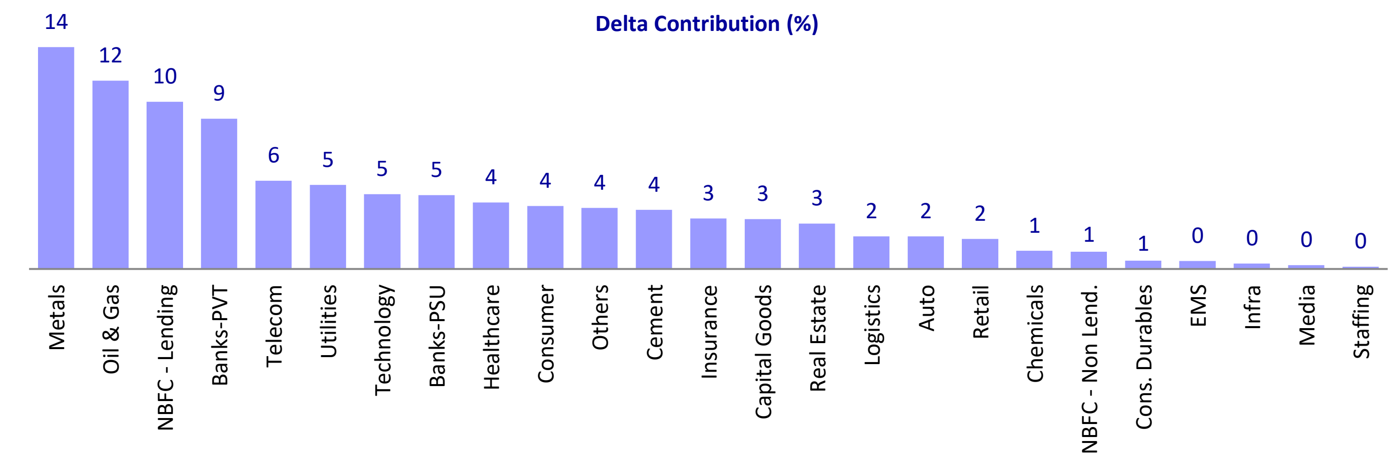


Exhibit 44: Delta contribution to FY26E profit for the MOFSL Universe (%)

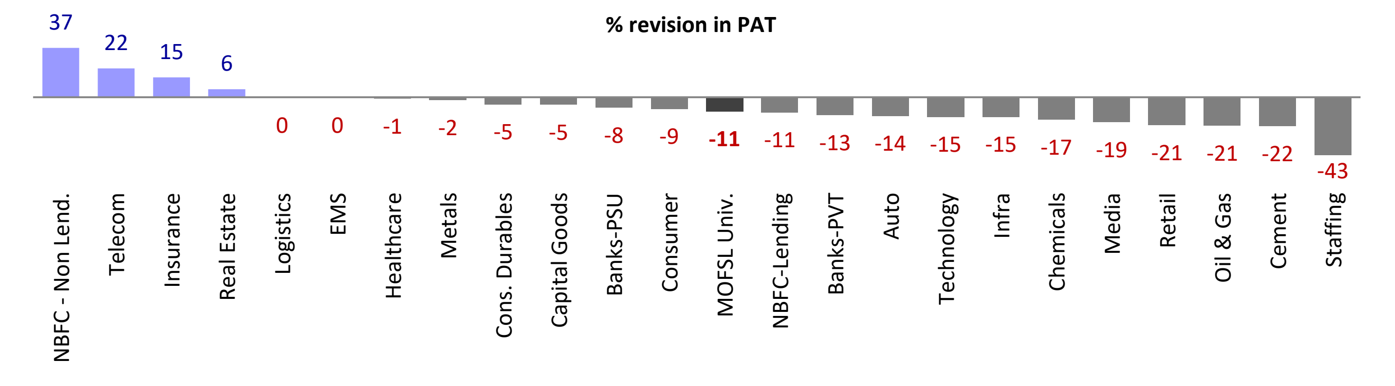


MOFSL Universe sees 11% earnings downgrade for FY26E on a TTM basis

Cement, Oil & Gas experience downgrades

- Over the last one year, earnings revisions for the MOFSL Universe saw a cut of 11%.
- Cement, Oil & Gas, Technology, Automobiles, and Private Banks witnessed significant earnings downgrades, while, only four sector saw upgrades

Exhibit 45: Cement, Oil & Gas, Technology witnessed downgrades over the last one year



Note: Comparable MOFSL Universe of 256 companies

Exhibit 46: Annual Sales/EBITDA/PAT estimates for the MOFSL Universe

	Sales (INRb)			Growth YoY (%)			EBITDA (INRb)			Growth YoY (%)			PAT (INRb)			Growth YoY (%)		
Sector	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**	**FY25**	**FY26E**	**FY27E**
Automobiles	12,742	13,587	14,881	6	7	10	1,682	1,748	1,957	3	4	12	975	1,011	1,143	7	4	13
Capital Goods	3,897	4,469	5,150	15	15	15	467	545	635	20	17	16	297	353	433	22	19	23
Cement	2,345	2,685	2,996	4	15	12	323	441	545	-15	37	23	170	236	305	-27	39	29
Chemicals	664	739	832	7	11	13	119	144	175	0	21	21	65	85	107	-5	31	26
Consumer	3,530	3,855	4,226	4	9	10	827	912	1,009	0	10	11	580	651	725	-2	12	11
Consumer Durables	770	878	1,008	21	14	15	77	91	110	26	18	21	53	62	75	28	17	21
EMS	587	785	1,001	84	34	28	35	47	64	73	35	35	18	27	39	67	50	46
Financials	16,928	18,590	20,985	8	10	13	7,557	8,377	9,778	14	11	17	4,893	5,410	6,319	13	11	17
Banks-Private	3,656	4,030	4,688	11	10	16	2,727	3,021	3,576	9	11	18	1,774	1,943	2,318	6	10	19
Banks-PSU	3,549	3,770	4,232	4	6	12	2,513	2,661	3,020	16	6	13	1,597	1,680	1,898	23	5	13
Insurance	7,707	8,460	9,297	5	10	10	746	870	1,016	13	17	17	571	628	718	19	10	14
NBFC - Lending	1,736	2,013	2,398	18	16	19	1,418	1,650	1,959	18	16	19	828	1,016	1,216	6	23	20
NBFC - Non Lending	280	317	371	38	13	17	152	175	208	49	15	19	124	143	169	31	16	18
Healthcare	3,513	3,891	4,316	11	11	11	843	940	1,054	18	12	12	521	596	679	21	14	14
Infrastructure	173	198	231	-9	15	16	49	59	72	-2	20	21	18	24	30	3	34	26
Logistics	645	758	869	11	17	15	245	295	340	14	20	15	145	181	213	19	25	17
Media	180	196	211	-5	9	8	37	42	46	-13	15	9	23	28	31	-3	18	13
Metals	11,476	12,719	13,943	3	11	10	2,134	2,534	2,931	13	19	16	1,014	1,264	1,548	17	25	22
Oil & Gas	35,932	32,370	33,619	1	-10	4	3,808	4,163	4,495	-17	9	8	1,641	1,853	2,031	-32	13	10
Excl. OMCs	19,763	18,420	19,375	4	-7	5	3,029	3,325	3,622	-4	10	9	1,330	1,499	1,666	-15	13	11
Real Estate	598	752	867	22	26	15	164	230	259	21	40	13	139	190	212	43	37	12
Retail	2,363	2,778	3,228	19	18	16	255	306	359	15	20	17	105	139	170	10	32	23
Staffing	420	472	537	11	12	14	12	14	17	15	23	16	8	10	12	48	31	18
Technology	7,770	8,096	8,659	6	4	7	1,743	1,880	2,035	6	8	8	1,213	1,297	1,413	9	7	9
Telecom	2,782	3,171	3,523	12	14	11	1,406	1,604	1,797	20	14	12	-29	71	230	Loss	LP	225
Utilities	3,243	3,704	3,974	6	14	7	1,162	1,331	1,457	8	15	9	432	526	575	7	22	9
Others	2,606	3,082	3,687	15	18	20	450	543	683	22	21	26	159	228	320	13	43	40
MOFSL Universe	**113,162**	**117,775**	**1,28,742**	**6**	**4**	**9**	**23,393**	**26,250**	**29,820**	**5**	**12**	**14**	**12,439**	**14,242**	**16,609**	**4**	**14**	**17**

Source: MOFSL

SECTOR-WISE: Highlights / Surprise / Guidance

AUTOMOBILES: Demand uncertainty prevails

- **Tractors outperformed in an otherwise subdued Q4:** The auto segment (excluding tractors) saw modest ~2% YoY growth in domestic volumes during the quarter, with rural demand outpacing urban demand. Most of the key segments, except three-wheelers (+7.7%), posted a low single-digit growth in Q4. The 2W industry, which witnessed robust growth till H1, experienced a deceleration in demand in H2, resulting in a 1.4% YoY growth. Excluding EV sales, the industry remained flat YoY. Further, scooters posted a 7% YoY growth, whereas both motorcycles (-3.5%) and mopeds (-10.8%) posted a decline in Q4. Even PVs posted just 2% YoY growth in Q4. Within PVs, UVs continued to drive growth, albeit at a slower pace of ~7%. On the other hand, both cars and vans saw a single-digit decline in volumes. The domestic CV segment also posted a modest 1% YoY growth in Q4. Growth was primarily driven by the bus segment, which continued to post double-digit growth. On the other hand, while the MHCV goods segment posted ~3% growth, the LCV goods segment saw a decline of 3% in Q4. The only segment that witnessed a strong demand recovery is tractors, which grew 17% YoY in Q4.
- **Operational performance for the coverage universe has largely been in line:** For our coverage universe, total revenue grew ~6% YoY and was in line with our estimates. While Auto OEMs posted a 5% YoY growth, the auto ancillary universe posted an 8% YoY growth. However, excluding Tata Motors (which posted flat growth YoY), the OEM universe posted a stronger 10% revenue growth, driven largely by a favorable mix and price hikes. Both PVs and 2Ws achieved about 10% growth each. While most OEMs posted an in-line revenue growth, MM outperformed our estimates. On the operational front, TVS, Hyundai, and MM posted better-than-expected margins in Q4. Among auto ancillaries, tire companies like CEAT and MRF, forgings/casting players like Endurance and Craftsman, and others like MSWIL and Bosch posted better-than-expected operational performance.
- **Demand outlook remains modest; risk of margin pressure surfaces:** For FY26E, the industry body expects PVs to grow in low single digits (2-4%), CVs to grow in mid single digits, and 2Ws to grow at ~6%. The recent budgetary support by the government, particularly income tax cuts for the middle-income class, is expected to boost demand, especially for price-sensitive segments like 2Ws. Tractors are likely to post high single digit growth on the back of positive rural sentiments. Further, most OEMs have cautioned about a gradual rise in input cost inflation that may dent margins in the near term. The recent appreciation of INR vs USD is another key monitorable for exports-focused companies. Given these factors, FY26 is expected to be a year of modest earnings growth for most companies under coverage.
- **Several EPS downgrades amid demand moderation:** Given that the demand slowdown had already begun in Q4, we had lowered our estimates in the previous quarter. Post Q4, there have been no material changes in earnings within our coverage universe. Some companies that witnessed an earnings cut for FY26 include BIL (8%), ARENM (7%), CIE (4%), Escorts Kubota (3%), and TTMT (12%), while companies such as CEAT (4%), MRF (7%), Craftsman (7%), and MM (4%) saw earnings upgrades.
- **Valuation and view:** As highlighted above, the earnings outlook for the sector appears benign, given the modest volume growth outlook and expectations of rising input cost pressure. Further, the recent stock market rally has led to the normalisation of valuation multiples (which had corrected in the recent past) for most companies under our coverage. Given these factors, we prefer to align with companies that are expected to outperform in their respective segments. MSIL, MM, and Hyundai are our top OEM picks. Among ancillaries, we prefer ENDU, HAPPYFORG, and MOTHERSO.
- **Surprises:** TVS, MM, Hyundai, CEAT, MRF, ENDU, CRAFTSMA, MSWIL, BOS
- **Misses:** MSIL, ARENM, SAMIL

Guidance highlights:

- **MSIL**: The industry is likely to grow at a modest 1-2% in FY26, with MSIL aiming to outperform this growth, supported by its new launches. MSIL has lined up two new launches: the recently unveiled e-Vitara and an additional SUV. MSIL expects to post at least 20% YoY growth in exports for FY26.
- **MM: Auto –** Management remains optimistic about continuing to outperform the industry in FY26 in the UV segment, driven by the full-year launch benefits of Thar Roxx and XUV 3XO, along with recently launched EVs.

Tractors – Management has guided for high single digit growth in the tractors industry in FY26 and expects to outperform industry growth.

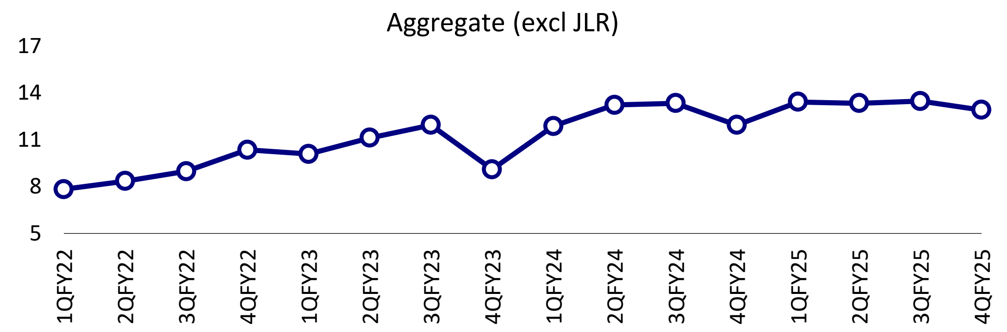
- **Hyundai (HMI):** HMI targets to launch 26 products (a combination of new and refreshes) by FY30, of which 20 would be ICE and six would be EVs. It targets to launch almost eight models during FY26-27. Additionally, it expects to post 7-8% YoY growth in exports in FY26.
- **TTMT: JLR -** JLR is currently facing significant uncertainty due to tariffs levied by the US globally on automobiles. Hence, management has refrained from providing any guidance for FY26. **CV -** Given favorable demand indicators, management expects the CV industry to post single-digit growth in FY26. **PV -** Industry demand for FY26 is likely to remain moderate, similar to FY25. TTMT targets to outperform the industry on the back of its new launches.
- **AL:** Management expects each of the CV segments to post growth in FY26, led by favorable indicators. It has indicated that it expects steel prices to inch up from 1Q onwards (by INR3-5 per kg), and further in 2Q due to the safeguard duty imposed on steel.
- **BJAUT: Domestic 2W -** Management expects the 2W industry to post 5-6% YoY growth in FY26, largely driven by 125cc+ segment. On the back of its new launches, BJAUT aims to regain its lost market share in the 125cc+ segment and targets to move closer to the market leader in this segment by the end of FY26. **Exports 2W -** Management expects exports to grow at 15-20% YoY in FY26, led by strong growth in Latin America and the Middle East as well as an expected revival in exports to KTM in H2. **Input costs**: Management expects input costs to rise 1% QoQ in Q1.
- **HMCL**: Management expects the 2W industry to post 6-7% YoY growth in FY26, largely similar to FY25. It also expects to outperform industry growth in FY26, backed by its upcoming new launches.
- **TVSL:** Management expects the 2W industry's growth rate to remain moderate in Q1, given the high base of last year. However, with overall demand drivers remaining positive, management expects 2W growth in FY26 to be similar to that of FY25.
- **EIM**: RE expects volume growth to continue in FY26. While rural areas continue to see positive sentiments, early signs of recovery are emerging in urban regions, which should bode well for players like RE. As indicated in prior quarters, management continues to focus on absolute growth in profitability.
- **SAMIL:** Management has outlined its five-year growth aspiration to achieve USD108b in revenues (from the current USD25.7b). It is currently implementing a cost-cutting exercise that, once completed, will help save EUR50m over a three-year period.
- **BIL:** Management has set an ambitious five-year roadmap to scale up revenue by 2.2x to INR230b by 2030, which includes its foray into the TBR and PCTR segments in India. However, it has refrained from providing growth guidance for its core global OHT segment due to the adverse macro environment across its key regions globally.

Exhibit 47: Key operating indicators

	Volumes ('000 units)					EBITDA Margins (%)					Adj PAT (INR M)				
	4Q FY25	4Q FY24	YoY (%)	3Q FY25	QoQ (%)	4Q FY25	4Q FY24	YoY (bp)	3Q FY25	QoQ (bp)	4Q FY25	4Q FY24	YoY (%)	3Q FY25	QoQ (%)
Bajaj Auto	1,103	1069	3.2	1,224.5	-9.9	20.2	20.1	10	20	0	20,492	19,360	5.8	21,087	-2.8
Hero MotoCorp	1,381	1392	-0.9	1,463.8	-5.7	14.2	14.3	0	14	-20	10,809	10,161	6.4	12,028	-10.1
TVS Motor	1,216	1065	14.2	1,212.0	0.4	12.5	11.3	110	12	60	6,904	4,854	42.2	6,185	11.6
Maruti Suzuki	605	584	3.5	566.2	6.8	10.5	12.3	-180	12	-110	37,111	38,778	-4.3	35,250	5.3
Hyundai	192	194	-1.1	186.4	2.8	14.1	14.3	-20	11	290	16,143	16,772	-3.7	11,607	39.1
M&M	319	277	15.3	343.7	-7.0	14.9	13.1	180	15	30	24,371	20,001	21.9	29,643	-17.8
Ashok Leyland	59	56	5.1	46.4	27.5	15.0	14.1	90	13	230	12,562	9,485	32.4	7,617	64.9
Eicher - RE	283	228	24.2	272.3	3.9	24.7	27.6	-290	25	-20	11,251	9,833	14.4	10,562	6.5
Aggregate **	**5,410**	**5130**	**5.5**	**5,551**	**-2.5**	**12.9**	**12.0**	**100**	**13.5**	**-60**	**1,45,031**	**1,23,465**	**17.5**	**1,46,920**	**-1.3**

** PBT instead of PAT; JLR in GBP m; Source: MOFSL, Company

Exhibit 48: Aggregate EBITDA margin for OEM (ex TTMT) expanded 90bp YoY to 12.9%, led by a better mix and lower input costs



CAPITAL GOODS: Execution slowdown offset by higher margins

- **Ordering sees healthy improvement:** Order inflow growth was healthier than expected. It was particularly buoyed by the continued momentum in power T&D. International ordering improved for LT, while KECI and KOEL witnesses healthy ordering across domestic and international markets. Private capex-led ordering has been weak for SIEM (ex-Energy) and TMX. Indian defence pipeline remains strong in near term on account of emergency procurement, as well as for medium-to-long term from both - base and large orders. The pipeline from cement, steel, petrochemicals, etc. is yet to fructify into firm orders, while select sectors such as power T&D, renewable energy, data centers, real estate, defense, etc. continue to witness healthy traction.
- **Execution growth slightly below estimates:** Overall execution of our coverage universe grew by 10% YoY (vs. our estimates of 15%) on the back of healthy opening order books with EPC companies posting 12% growth and product companies revenue YoY growth stood at 5%. Accordingly, KPIL, TRIV and ZEN saw healthy revenue growth, while ABB, KOEL, KKC, KECI, TMX, KOEL, and SIEM were weaker.
- **Margin trajectory improving:** With benefit on commodity prices, margins have expanded for EPC players, with FY26 poised to see further improvement on completion of legacy projects. For product companies (ex-Siemens), margins have seen some improvement as the companies enjoy pricing power and strong demand, leading to a favorable product mix coupled with operating leverage benefits. Notable examples include TRIV, POWERIND, KKC, LT and BHE which reported healthy margin expansion in 4QFY25, while TMX and KOEL reported YoY flat margins.
- **Exports continue to improve sequentially:** LT and ABB reported a good uptick in international ordering, while KOEL and KKC continued to witness sequential improvement in export revenue. Given the global uncertainty around trade wars, macroeconomic conditions and geopolitical factors, the export trajectory needs to be monitored closely.
- **Top picks:** With the recent correction in stock prices, we remain positive on LT, BHE and KKC.
- **Surprises:** BHE, POWERIND , KECI, KOEL, KPIL, LT, ZEN
- **Misses:** ABB, TMX

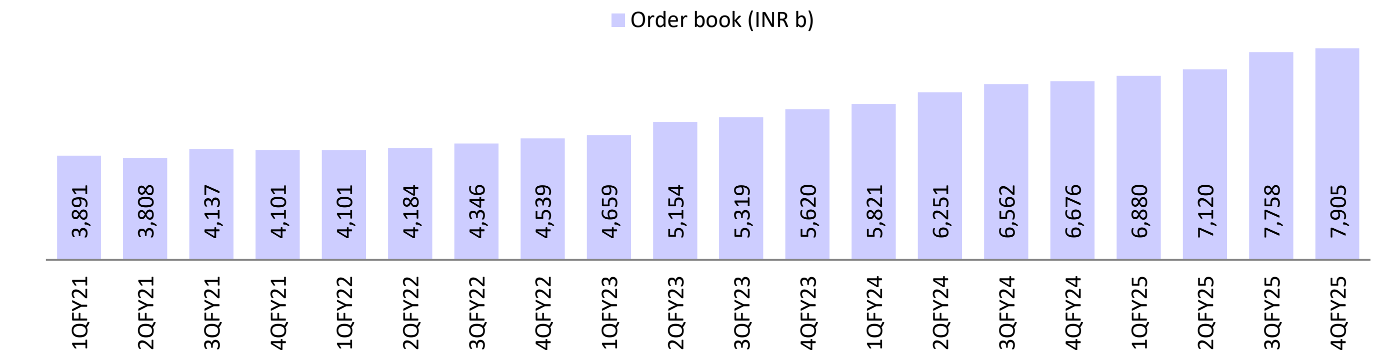
Guidance highlights:

Most managements were confident about a robust prospect pipeline given the expected recovery of government and private capex across sectors.

- **LT:** FY26 order inflow growth guidance of 10% YoY with prospect pipeline of INR19t (+57% YoY), revenue growth of 15% YoY, and margin guidance of 8.5%.
- **BHE:** FY26 revenue growth guidance of 15%, margin guidance of 27% and order inflow guidance of INR270b.
- **HAL:** Revenue guidance of 8-10% for FY26.
- **Zen Tech:** Medium term revenue CAGR guidance of 50% with INR10b in FY26, INR20b in FY27, and INR30 in FY28. Margin guidance at 35% at EBITDA level and 25% at PAT level.
- **KKC**: Maintained double-digit revenue growth guidance for FY26 with GDP expected to grow 6.5% YoY

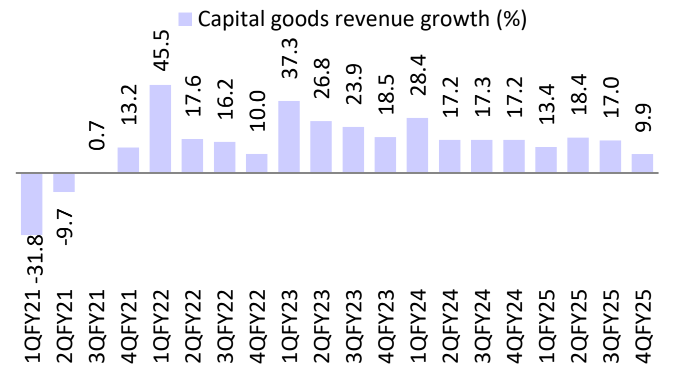
- **KOEL**: Maintained its aim of "2B2B" – to achieve USD2b size by FY30; margins to improve.
- **KECI:** FY26 order inflow guidance of INR300b, while revenue is guided at INR250b (+15% YoY), with an EBITDA margin of 8-8.5%
- **KPIL:** FY26 revenue growth guidance of 20%, while PBT margin are expected to be at 5.25-5.5%. Order inflows guidance of INR260b-280b, and NWC guided to be below 100 days.
- **TRIV:** Domestic ordering expected to rebound in FY26, while high-margin aftermarket services are expected to grow steadily, especially in refurbishment and spares across key regions including the U.S., Europe, and Africa.

Exhibit 49: Aggregate order book (ex-Siemens) seeing a steady build-up (INR b)



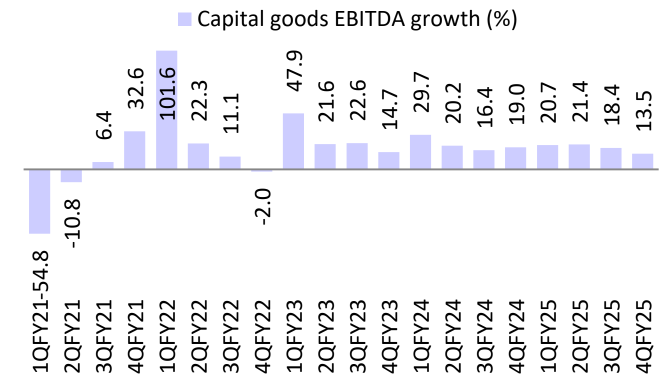
Source: Company, MOFSL

Exhibit 50: Aggregate revenue growth (%)



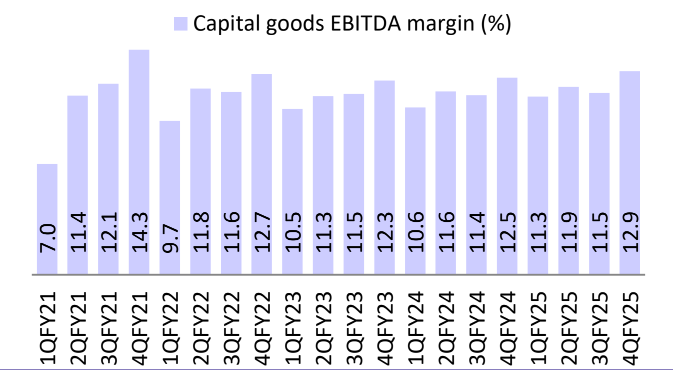
Source: Company, MOFSL

Exhibit 51: Aggregate EBITDA growth (%)



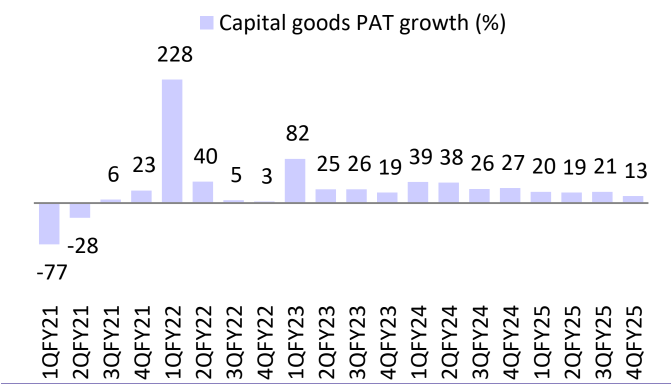
Source: Company, MOFSL

Exhibit 52: Aggregate EBITDA margin (%)



Source: Company, MOFSL

Exhibit 53: Aggregate PAT growth (%)



Source: Company, MOFSL

CEMENT: Volumes in line; EBITDA beat on higher realization and lower opex/t vs. our estimates

- **Volumes grew ~11% YoY, realization declined ~2%:** Cement demand has further improved in 4QFY25, driven by increased government spending and an overall pick-up in all the economic activities. The housing demand picked up, aided by an uptick in rural demand because of good monsoons and increased urbanization. The aggregate volume for our coverage universe grew ~11% YoY (in line), higher than the industry volume growth at 4-5% led by inorganic growth. Cement realization declined ~2% YoY (up 1% QoQ) to INR5,372/t, which was ~3% above our estimates. Players having higher exposures in the northern and eastern regions have reported higher sequential increases in realization, while southern region players have seen muted realization QoQ. UTCEM reported the highest volume growth of ~17% YoY (aided by inorganic growth), followed by JKCE at ~15%, ACC/ACEM at ~14%/13% (also aided by inorganic growth), and JKLC at 10%. ICEM, BCORP, and SRCM posted volume growth of 8%/7%/3% YoY, while TRCL posted a volume decline of ~4%. Though DALBHARA's volume dipped ~2% YoY, its volume (ex-JPA) grew ~5% YoY. The aggregate revenue (ex-GRASIM) increased ~8% YoY to INR541.7b. GRASIM's standalone revenue rose ~32% YoY to INR89.3b in 4QFY25, backed by steady revenue gains from its new growth businesses (Birla Opus and Birla Pivot combined revenue stood at INR21.7b). GRASIM's VSF/chemical segment's revenue was flat/down 6% YoY.
- **Gross margin for our cement coverage increased 1pp YoY to ~60%,** as the adverse impact of weak realizations YoY was more than offset by lower variable costs (average variable cost/t declined ~5% YoY to INR2,156; in line). Total opex/t declined 2% YoY to INR4,348. **Aggregate EBITDA for our coverage companies increased 7% YoY (including GRASIM, which registered an EBITDA decline of 58% YoY), and OPM declined by 60bp YoY (up 4.5pp QoQ) to ~17% (80bp above our estimate)**. EBITDA increased by ~37%/21% for JKCE/DALBHARA YoY, followed by ~13%/12%/10% for BCORP/UTCEM/ACEM. EBITDA of SRCM/JKLC increased ~6%/4% YoY. However, ACC/TRCL posted an EBITDA decline of 4%/23% YoY. ICEM reported EBITDA of INR5m vs. EBITDA of INR469m in 4QFY24. **Avg. EBITDA/t remained flat YoY at INR1,057 (vs. estimated INR965).**
- **Aggregate PAT declined 4% YoY (ex-Grasim, PAT was up ~6%):** Aggregate interest/depreciation expenses for our coverage universe grew 18%/30% YoY, while other income declined 3% YoY. **Aggregate profit increased 6% YoY to INR46.4b for cement companies (profit down 4% YoY to INR44.3b, including GRASIM, as it posted a loss of INR2.1b vs. PAT of INR2.3b in 4QFY24)**. PAT increased 69%/52% YoY for JKCE/BCORP, followed by 41%/23% for DALBHARA/JKLC, and ~8%/4% for UTCEM/ACC. PAT declined by ~77% for TRCL and ~16% for ACEM/SRCM (each). ICEM/GRASIM reported net losses during the quarter.
- **Earnings were broadly maintained, with a few upgrades and one downgrade:** We maintained our aggregate EBITDA estimates for our coverage universe for FY26/FY27, and there were no rating downgrades. We saw EBITDA upgrades for FY26/27 in DALBHARA by ~2%/6%, SRCM by ~5%/2%, JKCE by ~4% (each), BCORP by ~14%/8%, and JKLC by ~5% (each). We downgraded our EBITDA estimate for GRASIM by 22%/17% for FY26/27. We maintained our EBITDA estimate for UTCEM, ACC, ACEM, TRCL, and ICEM.
- **Top picks:** UTCEM remained our preferred pick in the large-cap space and JKCE in the mid-cap space.
- **Surprises:** ACC, ACEM, BCORP, JKCE, JKLC, ICEM, and SRCM
- **Misses:** DALBHARA, TRCL and GRASIM

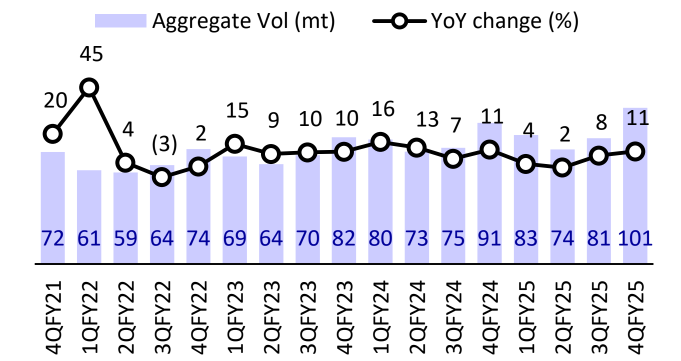
Guidance highlights:

Cement demand at the beginning of FY26 has been slightly weak due to unfavorable weather conditions, which slowed down construction activities and weak demand from the IHB segment. Most of the management teams guided a demand growth of ~6–7% YoY in FY26. Cement prices have increased substantially in the south region up ~10% QTD from exit-4QFY25, while in other regions prices are flattish to marginally up (~1-2%). The companies are focusing on balancing volume growth and profitability.

- **UTCEM:** It indicated that there was some demand weakness at the beginning of FY26 due to heatwaves; however, demand is likely to improve going forward. Sustainable volume growth for the industry should be 7-8%, and UTCEM's FY26 volume growth on a like-to-like basis should be in double digits. It achieved cost savings of INR86/t in FY25 and aims to achieve further cost savings of ~INR214/t by FY27. Net debt/EBITDA was 1.2x, and debt should start reducing rapidly. UTCEM has a comfortable net debt/EBITDA of 0.5x

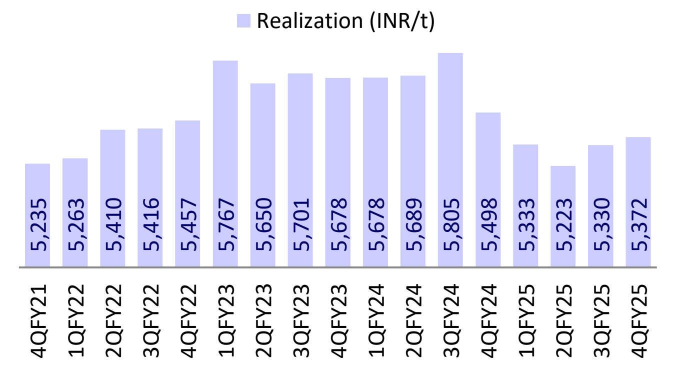
- **ACEM:** It reiterated that cost reduction guidance of INR500/t (incl. INR150-170/t achieved till now) by FY28E and aims to achieve EBITDA/t of INR1,500 by FY28E. ACEM's capacity expansion plans remain on track, and it will have a cement capacity of 140mtpa by FY28E. Most of the capacity expansion in FY26 will be through organic routes, though management is not averse to inorganic plans.
- **DALBHARA**: It indicated that cement demand saw a recovery in 4QFY25 with an industry growth rate estimated at 7-8% YoY v/s 3-3.5% YoY in 9MFY25. It expects cement demand to grow ~7-8% YoY in FY26, led by increased government spending and pent-up demand. It refrained from giving any company-specific guidance for FY26, though the focus would be on balancing the volume growth and profitability. Cement prices have surged in South India (INR30-40/bag), while the blended average price increase in the company's markets is INR10-15/bag.
- **JKCE:** It targets to achieve a grey cement volume of ~20mt (~12% YoY growth) in FY26. Out of targeted cost savings of INR150-200/t, the average cost reduction of INR40/t was achieved in FY25 (~INR75/t on an exit-FY25 basis). Average cost savings of INR25-30/t will be achieved in FY26, along with a full-year benefit of INR75/t.
- **JKLC**: It targets volume growth of ~10% in FY26 vs. expected industry growth of 6.5%-7.0%. The cost-efficiency measures are estimated to deliver INR100-120/t in cost savings in the next 12-18 months. On expansions, 1.35mtpa Surat GU will be commissioned in phases during Jun-Dec'25, while the Durg integrated unit is targeted for 3QFY27. The northeast project saw a delay due to political and local issues.
- **BCORP:** It indicated that the QoQ spike in realizations was led by price hikes in the North & East regions, a better regional mix, and higher premium product sales. The current realization is flat vs. the 4QFY25 average. It targets volume growth of ~6-8% in FY26, in line with the industry. Further, BCORP announced the next leg of capacity expansion to increase its clinker/grinding capacity to 16.7mtpa/27.6mtpa from 13.0mtpa/20.0mtpa currently.
- **GRASIM:** It indicated that within less than six months of Pan-India operations, Birla Opus has emerged as the third-largest decorative paints brand in India, considering the 4QFY25 exit revenue run-rate. In VSF, global demand is muted, while in China, demand has declined. This slowdown, coupled with tariff uncertainties since mid-Apr'25, has led to a cautious approach in VSF.

Exhibit 54: Sales volume grew ~11% YoY in 4QFY25



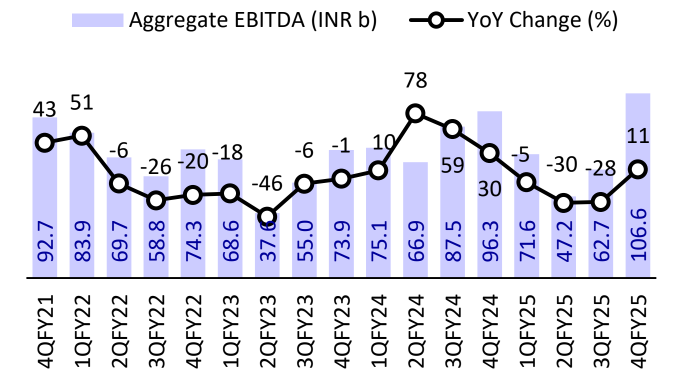
Source: Company, MOFSL

Exhibit 55: Blended realization declined 2% YoY in 4QFY25



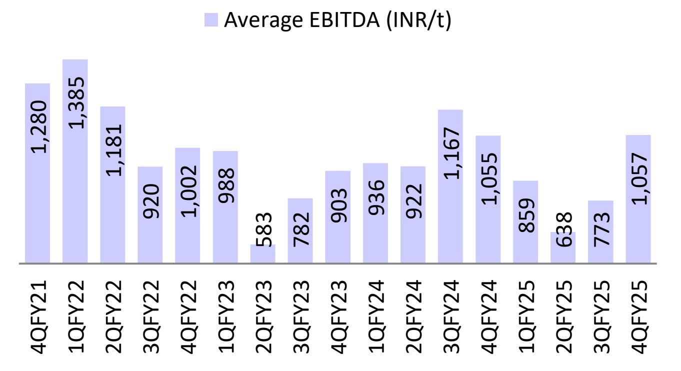
Source: Company, MOFSL

Exhibit 56: Aggregate EBITDA increased 11% YoY in 4QFY25



Source: Company, MOFSL; Note: *EBITDA excluding Grasim

Exhibit 57: Average EBITDA/t was flat YoY in 4QFY25



Source: Company, MOFSL

CHEMICALS: Double-digit EBITDA growth for the first time since 4QFY23; margin expands YoY

- **Overall performance:** Revenue was in line with our estimates (DN, GALSURF, and VO beat our expectations). EBITDA was also in line (ATLP, DN, GALSURF, PI, and SRF beat our estimates, while AACL, FINEORG, NOCIL, and TTCH missed our estimates). Adj. PAT was in line (ATLP, DN, GALSURF, PI, and SRF beat our estimates, while AACL, FINEORG, NFIL, NOCIL, and TTCH were below our estimates; CLEAN and VO were in line). Aggregate revenue rose 10% YoY to INR173b, EBITDA was up 14% YoY to INR31.3b, and adj. PAT grew 18% YoY to INR17.3b.
- The aggregate gross margin for our coverage universe contracted 230bp YoY in 4QFY25 (vs. a dip of 20bp YoY in 3QFY25). NFIL, PI, and VO saw gross margin expansion YoY, but GM contracted for the rest. Aggregate EBITDA margin expanded 60bp YoY (the first time since 4QFY23, a dip of 130bp YoY in 3QFY25). AACL, CLEAN, FINEORG, NOCIL, and TTCH saw EBITDAM contraction YoY, while there was an expansion for the rest within our coverage universe on a YoY basis.
- **Ratings and earnings revisions:** There has been one rating change for our coverage universe post 3QFY25 earnings, upgrading SRF to BUY (from Neutral) with a TP of INR3,540 on an SoTP basis, given a strong business outlook despite past underperformance. We cut our estimates for FINEORG, GALSURF, PI, TTCH, NFIL, NOCIL, and VO post-4QFY25 earnings. AACL, ATLP, and SRF saw an upward revision post-4QFY25 earnings season.
- **Top picks: ATLP –** Its end-user demand improved in FY25 with key projects like the 50ktpa liquid epoxy resin plant commissioned and caustic soda plant issues resolved, unlocking an unrealized sales potential of INR25b. The stock trades at ~29x FY27E EPS with a target price of INR8,450 (35x FY27E EPS), supported by strong growth prospects, though risks include slower project ramp-up and margin pressures. **VO –** VOPL has commissioned key plants for MEHQ, Guaiacol, and other products, with AO revenue growing from INR1.3b in FY24 to INR2.2b in FY25, making VO the largest double-integrated AO manufacturer in India. The stock trades at ~28x FY27E EPS with a target price of INR2,195 (35x FY27E EPS), reflecting a healthy long-term growth outlook despite supply risks from China.
- **Surprises:** ATLP, DN, GALSURF, PI, and SRF
- **Misses:** AACL, FINEORG, NOCIL, and TTCH

Guidance highlights:

- **AACL:** Double-digit volume growth in FY25 was offset by pricing pressure, particularly in amines due to oversupply and Chinese dumping. Capex projects at Dahej are on track, with FY26 growth expected to be volume-led amid continued margin pressure.
- **ATLP:** It reported strong volume and price growth across key segments in FY25, driven by crop protection, pharma, and specialty chemicals, with significant unrealized sales potential across businesses. The company is expanding into value-added upstream/downstream products and targeting high-growth areas such as agri-biotech, epoxy resins, and international retail.
- **CLEAN:** It delivered 25% volume-led growth in FY25 despite an 8% drop in realizations, with strong contributions from new products and steady EBITDA margins. With a USD1.5b TAM expansion expected in FY26, capex of INR3b is planned, and key product launches like Performance Chemicals and Barbituric Acid remain on track.
- **DN:** Volume-led growth offset pricing pressures in FY25 amid the global slowdown, with domestic demand and new contracts providing support. The FY26 outlook remains strong with major capacity additions, renewable energy ramp-up, and normalized profitability expected despite management's cautious stance.
- **GALSURF:** The business navigated a volatile FY25 with stable supply but mixed demand—flat in India and AMET but strong double-digit growth in RoW. FY26 volume growth is guided at 6–8%, with EBITDA/kg expected at INR20.5–21.5, supported by partial pass-through of elevated fatty alcohol costs.
- **NFIL:** It delivered a strong 4QFY25 with stable segment momentum, key strategic tie-ups (Chemours, Buss ChemTech), and robust project execution across HPP, Spec Chem, and CDMO. The FY26 outlook remains positive with strong order visibility, volume-led growth, and margin support from softer raw material prices.
- **NOCIL:** Management remains cautious amid geopolitical uncertainty and pricing pressure from China, Korea, and the EU, though the Indian tyre industry shows a healthy 4-6% CAGR supported by strong domestic demand and

favorable policies. Capex of INR2.5b is on track for expanding TDQ antioxidant production in Dahej, while domestic volumes are stable and export growth is expected to be stronger despite some 4QFY25 product mix challenges.

- **PI:** It expects single-digit revenue growth with a 25% EBITDA margin in FY26, led by domestic agri momentum and new product launches, while exports face near-term headwinds. The long-term outlook remains strong with double-digit growth from 2HFY26, supported by stable commodities and a favorable monsoon.
- **TTCH:** India, Kenya, and the UK are expected to improve in FY26, with UK operations stabilizing from 2QFY26 and US domestic business improving despite export challenges. Capex will reduce from INR20.05b in FY25 to INR5.5-6b in FY26, including INR600m for Kenya and INR180m for Silica capacity, while Mithapur's soda ash and bicarb capacity will reach full utilization.
- **SRF:** Its specialty chemicals segment saw strong revenue and margin growth in FY25, driven by new product launches, capacity debottlenecking with INR7b investment, and a target of 20%+ revenue growth in FY26, aiming for INR110b+ in three years. The fluorochemicals business delivered robust 4QFY25 performance with higher HFC volumes and realizations, supported by rising refrigerant demand and ongoing INR11b capex, with HFC capacity utilization expected to rise to 80-85% in FY26.
- **VO:** It delivered strong FY25 growth with ATBS up 30%, BP 26%, and AOs 70% YoY, while capex of INR3.6b is focused on expanding ATBS capacity and launching new products like Anisole, targeting 20% CAGR and 26-27% EBITDAM in FY26. Segment contributions include ATBS 35%, IB & HPMTBE 15%, BP 15%, and AOs 10%, with continued demand growth from O&G, water treatment, and new product commercialization.

Exhibit 58: Revenue for our coverage universe

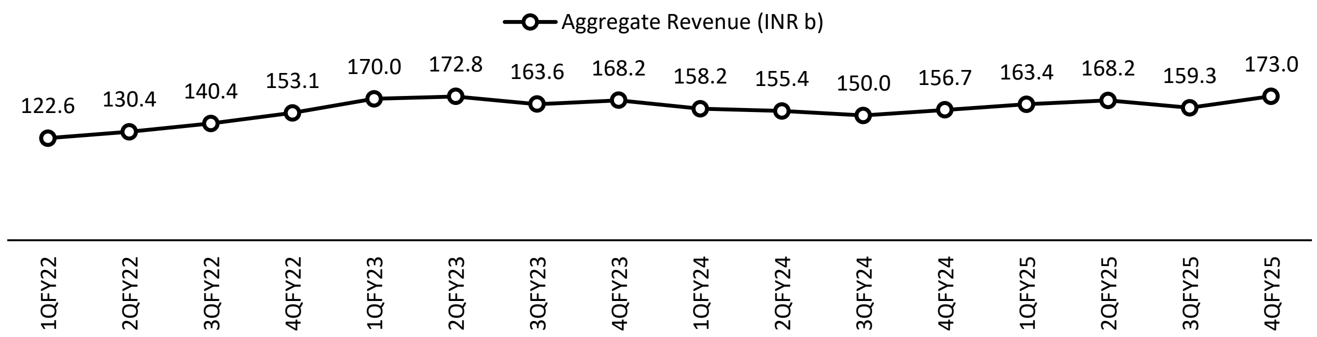


Exhibit 59: Gross margin for our coverage universe

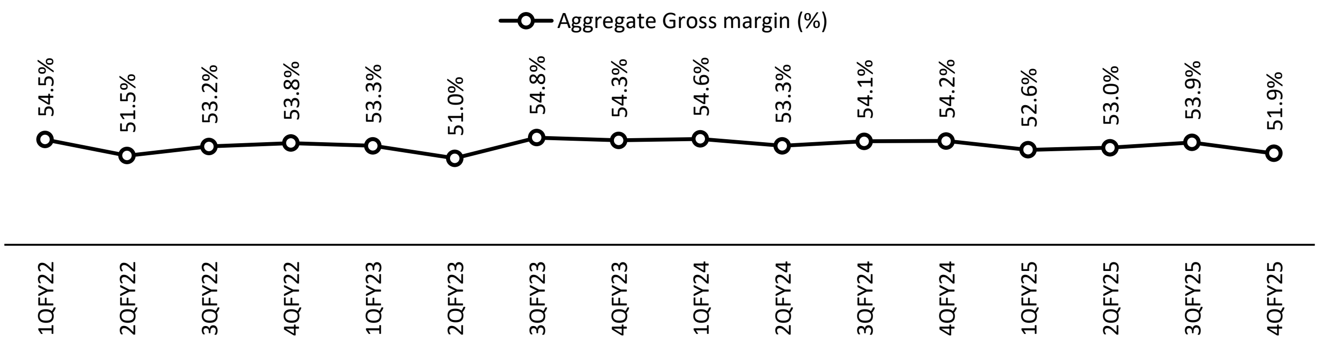


Exhibit 60: EBITDAM for our coverage universe

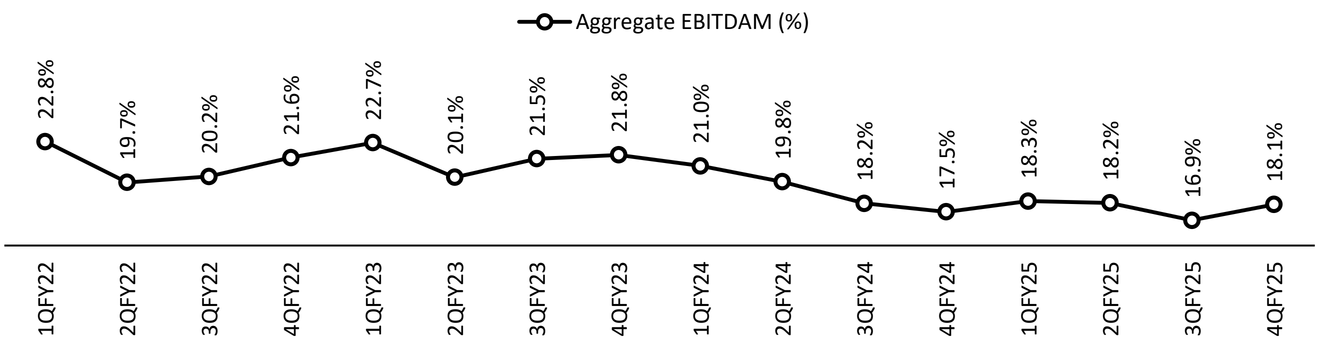


Exhibit 61: EBIT margin for our coverage universe

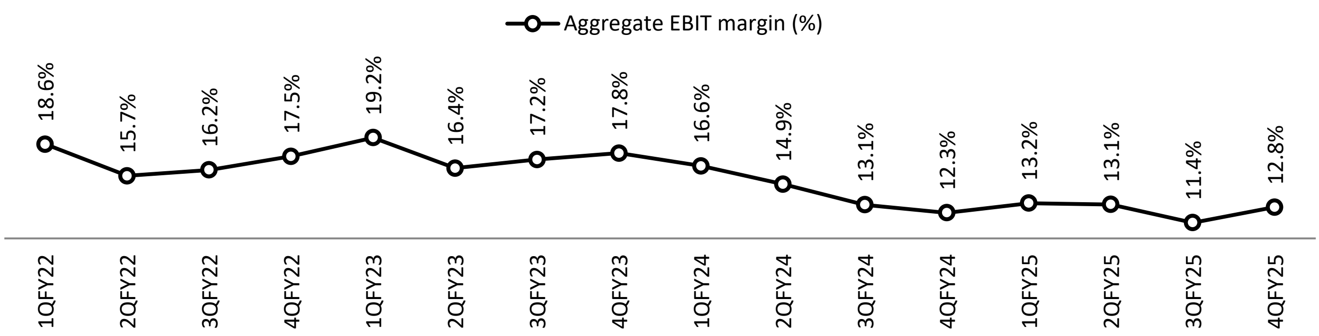
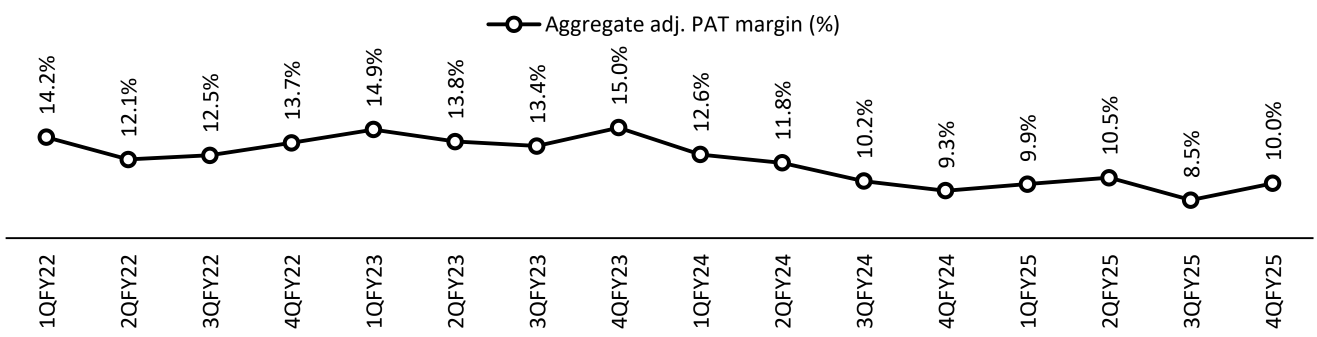


Exhibit 62: PAT margin for our coverage universe



CONSUMER - FMCG: In-line revenues; margins continue to contract

- **Demand trend continues to remain soft:** Our coverage universe reported a 6.2% YoY revenue growth (vs. est. 6.3%). Excluding ITC, our consumer sector grew at 6.6% YoY (est. 7.3%). Demand remained subdued during the quarter. Volume growth across most companies was limited to low- to mid-single digits (refer to Exhibit 1). Rural demand continues to show gradual improvement, while urban demand remains subdued. This trend is also reflected in Nielsen's data, with rural growth at 8.4% vs. urban at 2.6%. A higher LUP mix (observed in urban areas as well) further impacted underlying volume growth. Paint companies were affected by muted demand and consumer sentiment, along with downtrading and elevated competitive intensity, which collectively impacted industry growth trends. Liquor companies saw continued growth momentum, driven by the new Andhra Pradesh liquor policy and healthy P&A demand. Innerwear demand also remained healthy, with Tier 2 and Tier 3 cities showing more pronounced growth, outperforming metro and Tier 1 markets. Traditional channels remained sluggish, whereas emerging channels continued to drive growth and improve the sales mix.

Overall, in our coverage, five companies posted double-digit revenue growth, while APNT, PG, and CLGT recorded a decline in revenue. Overall, 18 out of 20 companies reported revenue in line with estimates.

- **Gross margin pressure impacted EBITDA:** Rising commodity costs, particularly in the agri basket, combined with price hikes taken at a lag, led to gross margin pressure across most categories and companies**.** In 4Q, margin softness was broad-based across categories but more pronounced in the beauty & personal care segment. With tighter operational costs (particularly ad spends), companies were able to restrict margin pressure at the EBITDA level to some extent. Companies have largely completed price hikes, and RM inflation is beginning to cool off, so the full benefits are expected to materialize in the coming quarters. Our coverage universe reported 1.5% YoY EBITDA growth in 4QFY25 (vs. est. +1%)**.** Excluding ITC, EBITDA grew 3% (est. +2.5%) in 4QFY25.
- **PBT and PAT below expectations:** For 17 of the 20 coverage companies, PBT was either ahead of or in line with our estimates, with a better-than-expected performance recorded by PAGE, INDIGOPN, UBBL, and UNSP. Conversely, there were notable misses by APNT, CLGT, and PG. Aggregate PBT grew 1.8% YoY (est. +1.6% YoY). Aggregate PAT declined 1% (est. flat YoY).
- **Outperformer (4Q): PAGE, UBBL, UNSP, and INDIGOPN**
- **Under performer (4Q): APNT, CLGT, and PG**
- **Near-term outlook:** While a slowdown persists across consumer segments, demand trends are expected to improve gradually, supported by income tax benefits, interest rate cuts, and gradual improvements in the macro environment. That said, the early onset of monsoon could adversely impact summer-heavy products such as carbonated drinks and talcum powders in 1QFY26. We anticipate a steady recovery in volume growth, supported by a recovery in both urban and rural markets. Companies continue to focus on traditional growth strategies such as expanding distribution, launching new products, and offering consumer incentives. Most consumer companies have completed price hikes to offset raw material inflation. As a result, realization-driven growth, coupled with an expected uptick in volumes, should accelerate revenue growth in the coming quarters. Our top picks are HUVR, GCPL, MRCO, and PAGE.

Guidance highlights: Consumption trends remain soft, with rural demand outperforming urban demand. Most companies have implemented price hikes across categories to pass on RM inflation, with no price cuts expected in the near term. Improving macro trends indicate a gradual recovery in consumption during FY26.

- **APNT:** APNT anticipates a gradual and prolonged demand recovery. It expects T-3/4 towns to continue outperforming in the near term, supported by normal monsoon forecasts and ongoing government spending, which should further boost rural demand. Management expects to deliver single-digit value growth in FY26.
- **BRIT:** With moderation in RM prices, BRIT does not foresee any further price hikes. Management has guided for an EBITDA margin in the 17-18% range. For FY26, BRIT expects revenue growth driven by both volume and value. However, due to price hikes implemented in recent quarters, the company expects a delta between volume and value growth.
- **DABUR:** Most of Dabur's recent price hikes were largely negated by trade promotions, impacting gross margins. Inflation was ~5%, while price hikes stood at ~3.5% in 4Q. These price hikes are expected to continue into 1QFY26 as well. For FY26, Dabur aims for high single-digit value growth and an expansion in operating margin.
- **HMN:** In 4QFY25, input costs remained broadly under control and are expected to remain stable in the near future. A price hike of 2-3% is expected in FY26.
- **HUVR:** Growth is expected to gain momentum throughout FY26, supported by improving macro tailwinds and portfolio enhancement initiatives. Growth in 1HFY26 is likely to outpace that of 2HFY25. Management has revised its EBITDA margin guidance to 22-23% for the next 2-3 quarters, compared to the earlier guidance at the lower end of 23-24%, reflecting increased investments in portfolio transformation and market development.
- **GCPL:** For FY26, GCPL has guided for mid- to high-single-digit volume growth, high-single-digit revenue growth, and double-digit EBITDA growth. The company expects its Indian business to post mid- to high-single-digit

volume growth, which will be backed by ~2% volume growth in soaps, ~7% volume growth in HI, and ~15% volume growth in the rest of its domestic portfolio. GCPL does not expect any price cuts in the near term.

- **MRCO:** Despite near-term input cost headwinds, the company aims to sustain its double-digit revenue growth and deliver double-digit operating profit growth in FY26.
- **PIDI:** EBITDA margin is expected to be in the 20-24% range in the medium term. It targets growth at 1-2x GDP in its core categories and 2-4x GDP in its high-growth categories.
- **VBL:** The Indian market remains underpenetrated despite growth in competition, with total retail outlets of ~12m; VBL has only reached ~4m outlets. The company maintains its guidance of double-digit growth, led by industry tailwinds. The Indian business is expected to maintain margins at ~21% over the long term.

Exhibit 63: Quarterly volume growth

Volume growth (%)	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Asian Paints	37.0	10.0	0.0	16.0	10.0	6.0	12.0	10.0	7.0	-0.5	1.6	1.8
Britannia	-2.0	5.0	3.0	3.0	0.0	0.0	5.5	6.0	8.0	8.0	6.0	3.0
Colgate	-2.5	-2.5	-4.5	0.5	3.0	-1.0	-1.0	1.0	7.0	8.0	4.0	0.0
Dabur	5.0	1.0	-3.0	1.0	3.0	3.0	4.0	3.0	5.2	-7.0	1.2	-5.0
Emami	9.6	-1.0	-3.9	2.0	3.0	2.0	-1.0	6.4	8.7	1.7	4.0	5.0
Godrej Consumer	-6.0	-5.0	3.0	13.0	10.0	4.0	5.0	9.0	8.0	7.0	0.0	4.0
HUL	6.0	4.0	5.0	4.0	3.0	2.0	2.0	2.0	4.0	3.0	0.0	2.0
ITC	26.0	20.0	15.0	11.5	8.0	5.0	-2.0	2.0	3.0	3.5	6.0	5.0
Jyothy labs	3.0	1.4	2.1	3.3	9.0	9.0	11.0	10.0	10.8	3.0	8.0	4.0
Marico	-5.0	3.0	4.0	5.0	3.0	3.0	2.0	3.0	4.0	5.0	6.0	7.0
Nestle	7.0	8.8	-2.3	5.1	5.4	5.4	4.0	4.0	2.0	-1.5	2.5	2.0
Page Industries	150.0	1.0	-11.0	-15.0	-11.5	-8.8	4.6	6.1	2.6	6.7	4.7	8.5
UBBL	121.0	23.0	4.0	3.1	-12.4	7.0	8.0	10.9	5.0	5.0	8.0	5.0
United spirits	17.9	8.3	-25.0	-27.3	5.8	1.0	-1.8	3.7	3.5	-4.4	10.2	6.9
-P&A	24.4	12.8	3.9	9.7	10.3	3.8	4.6	3.7	5.1	-3.7	11.2	9.2

Source: Company, MOFSL

Exhibit 64: Revenue/EBITDA/PAT growth for 4QFY25

Company Name	Revenue	4QFY25 YoY %	EBITDA	4QFY25 YoY %	PAT	4QFY25 YoY %
Asian Paints	83,589	-4.3%	14,362	-15.1%	8,838	-30.7%
Britannia	44,322	8.9%	8,052	2.3%	5,591	4.2%
Colgate	14,625	-1.8%	4,980	-6.4%	3,550	-6.5%
Dabur	28,301	0.6%	4,269	-8.6%	3,284	-8.2%
Emami	9,631	8.1%	2,194	4.0%	1,812	8.6%
Godrej Consumer	35,980	6.3%	7,592	-0.2%	4,321	-24.8%
HUL	1,56,700	3.0%	36,190	2.4%	25,656	2.6%
Indigo Paints	3,876	0.7%	874	3.3%	569	6.0%
ITC	1,87,650	4.7%	65,194	-1.6%	50,748	-0.9%
Jyothy	6,670	1.1%	1,119	3.3%	806	3.1%
LT Foods	22,284	7.4%	2,583	5.4%	1,605	7.9%
Marico	27,300	19.8%	4,580	3.6%	3,430	7.9%
Nestle	55,039	4.5%	14,094	5.0%	8,730	-4.5%
P&G Hygiene	9,916	-1.1%	2,097	-18.5%	1,561	-15.8%
Page Industries	10,981	10.6%	2,352	43.1%	1,640	51.6%
Pidilite	31,411	8.2%	6,326	9.6%	4,473	20.2%
Tata consumer	46,082	17.3%	6,210	-1.4%	3,109	-17.9%
United Breweries	23,214	8.9%	1,862	31.2%	974	20.5%
United Spirits	29,460	10.5%	5,050	39.5%	3,798	62.3%
Varun Beverages	55,669	28.9%	12,640	27.8%	7,265	35.2%

Source: Company, MOFSL

Exhibit 65: Gross and EBITDA margin expansion in 4QFY25

Companies	Gross Margin	YoY (bp)	QoQ (bp)	EBITDA Margin	YoY (bp)	QoQ (bp)
Staples						
Britannia	40.1%	-479	138	18.2%	-118	-23
Colgate	70.6%	131	70	34.1%	-166	297
Dabur	46.7%	-192	-138	15.1%	-150	-524
Emami	65.9%	11	-439	22.8%	-89	-949
Godrej Consumer	52.5%	-362	-164	21.1%	-136	104
HUL	51.4%	-94	4	23.1%	-15	-26
ITC	58.8%	-448	115	34.7%	-223	88
Jyothy	49.2%	-31	-58	16.8%	36	35
LT Foods	35.7%	336	227	11.6%	-22	61
Marico	48.6%	-301	-93	16.8%	-263	-230
Nestle	56.2%	-63	-22	25.6%	12	219
P&G Hygiene	60.2%	-610	-461	21.1%	-453	-859
Tata consumer	41.9%	-420	84	13.5%	-256	77
Varun Beverages	54.6%	-171	-151	22.7%	-20	698
Paints						
Asian Paints	43.9%	23	149	17.2%	-219	-196
Indigo Paints	46.8%	-204	21	22.6%	58	587
Pidilite	55.0%	161	71	20.1%	26	-356
Liquor						
United Breweries	42.1%	37	-103	8.0%	136	96
United Spirits	44.5%	114	-26	17.1%	356	1

Source: Company, MOFSL

CONSUMER - QSR: Growth on favorable base; store expansion continues

- **Gradual improvement in demand**: Consumption trends remain soft due to macro inflation and an urban slowdown, although the company expects a gradual recovery in dining-out frequency. Eating-out frequency largely remained unchanged in 4QFY25. With a favorable base, same-store sales growth (SSSG) showed an uptick (ex-KFC). The revenue gap between dine-in and delivery has narrowed, driven by increased dine-in footfall traffic. However, weak underlying growth continued to impact operating margins, exerting pressure on restaurant and EBITDA margins for most brands. Enhancements in value-focused menu offerings and promotional activities have increased footfalls. While delivery channels remain strong, dine-in is showing a gradual improvement. Our coverage universe posted revenue growth of 11% YoY (organic growth) in 4QFY25 vs. 12% in 3QFY25 and 8% in 4QFY24. Jubilant delivered robust LFL growth of 12%, Westlife/Devyani PH/Sapphire PH/RBA recorded SSSG of 1%/1%/1%/5%, while Devyani KFC/Sapphire KFC/BBQ registered same-store sales decline of 6%/1%/2%. KFC was partly impacted by bird flu in the Southern region. Store additions continued at a healthy pace during the quarter. RBA is our top pick in QSR.
- **Pressure on profitability:** With underlying growth remaining weak, companies witnessed an adverse impact on their unit economics. Both restaurant margin and EBITDA margin (pre-Ind AS) saw YoY and QoQ contractions. The EBITDA margin (pre-Ind AS) expanded YoY for JUBI and RBA; however, it contracted on a QoQ basis.
- **Outperformer (4Q):** Jubilant Foodworks, RBA
- **Underperformer (4Q):** Devyani

Guidance highlights:

- **JUBI:** LFL growth in the near term may remain elevated due to a lower base. Delivery LFL is expected to continue growing and support overall LFL growth. JUBI is targeting ~100bp gross margin expansion over the next three quarters, backed by cost optimization initiatives and reduced discounting. The company continues to maintain 2-2.5 years of payback period for its new stores.
- **Devyani**: The company is currently in discussions with Yum regarding a turnaround plan for PH, which is expected to be ready by the end of 1QFY26. KFC's ROM could reach 19-20% at an ADS level of INR100K over the next few quarters. Devyani is adopting strategic measures to achieve this.

- **Westlife**: Over the next couple of years, the company expects to reach mid- to high-single-digit SSSG levels. It expects to maintain gross margins at ~70% in the near term, with EBITDA margin guidance at 18-20% for FY27. The company has opened 41 restaurants in FY25 and reached to 438 stores. The company also aims to expand its network to 580-630 restaurants by 2027.
- **Sapphire**: The company expects PH to deliver low single-digit ROM over the next 12-18 months. It aims to maintain its KFC expansion run rate of 70-80 stores annually, while adopting a cautious approach for PH, with 20-25 net store additions per year. In Sri Lanka, it plans high single-digit store additions over the next two years.
- **RBA**: BK plans to open 60-80 new restaurants each year and reach 800 restaurants by FY29 from the current count of 513 restaurants. The company will take a call on its Indonesia market's operations over the next 2-3 quarters.
- **Barbeque**: SSSG recovery is expected to be gradual as the competitive intensity remains elevated. In the long term, the company expects ROM of ~18% for mature stores and ~16% on a blended basis for its Indian business. Total cash requirement for FY26 is estimated at INR1.4b, including INR0.2b for maintenance and INR1.2b for new store openings.

Exhibit 66: Quarterly trends

Particulars	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Revenue Growth (%)												
Barbeque Nation	209%	41%	14%	12%	3%	-3%	1%	6%	-6%	1%	-1%	-2%
Devyani (Consol)	100%	45%	27%	28%	20%	10%	7%	39%	44%	49%	54%	16%
-KFC	109%	47%	27%	26%	22%	15%	14%	11%	7%	7%	9%	3%
-Pizza hut	71%	36%	18%	16%	11%	2%	-2%	-4%	-1%	0%	6%	8%
Jubilant (Standalone)	41%	17%	10%	8%	6%	5%	3%	6%	10%	9%	19%	19%
Sapphire	80%	36%	17%	13%	20%	14%	12%	13%	10%	8%	14%	13%
-KFC	98%	36%	26%	24%	21%	19%	16%	16%	11%	9%	12%	12%
-Pizza hut	85%	60%	20%	18%	12%	-6%	-4%	-3%	3%	3%	10%	5%
Restaurant Brands (Consol)	64%	47%	21%	29%	25%	19%	15%	16%	6%	1%	6%	6%
Restaurant Brands (Standalone)	125%	50%	32%	36%	25%	23%	20%	20%	16%	9%	11%	12%
Westlife	108%	49%	28%	22%	14%	7%	-2%	1%	0%	1%	9%	7%
SSSG												
Barbeque Nation	182%	23%	-1%	-3%	-8%	-11%	-5%	1%	-7%	-3%	-2%	-2%
Devyani - KFC	64%	13%	3%	2%	-1%	-4%	-5%	-7%	-7%	-7%	-4%	-6%
Devyani - PH	32%	3%	-6%	-3%	-5%	-10%	-13%	-14%	-9%	-6%	-1%	1%
Jubilant (LFL)	28%	8%	0%	-1%	-1%	-1%	-3%	0%	3%	3%	13%	12%
Sapphire - KFC	65%	15%	3%	2%	0%	0%	-2%	-3%	-6%	-8%	-3%	-1%
Sapphire - PH	47%	23%	-4%	-4%	-9%	-20%	-19%	-15%	-7%	-3%	5%	1%
Restaurant Brands	66%	27%	9%	8%	4%	4%	3%	2%	3%	-3%	-1%	5%
Westlife	97%	40%	20%	14%	7%	1%	-9%	-5%	-7%	-7%	3%	1%
Gross profit margin (%)												
Barbeque Nation	66.8%	66.1%	66.7%	65.8%	64.0%	65.9%	67.9%	68.9%	68.1%	68.1%	68.2%	68.5%
Devyani (Consol)	71.1%	70.2%	69.3%	69.6%	70.8%	70.8%	70.6%	69.2%	69.2%	69.3%	68.7%	68.5%
-KFC	69.0%	67.9%	67.6%	68.6%	69.7%	69.0%	69.4%	69.9%	69.5%	69.0%	68.6%	68.3%
-Pizza hut	76.2%	74.5%	73.6%	73.2%	74.9%	75.7%	75.8%	77.3%	76.8%	76.7%	76.2%	75.6%
Jubilant (Standalone)	76.7%	76.2%	75.5%	75.3%	76.0%	76.4%	76.7%	76.6%	76.1%	76.1%	75.1%	74.5%
Sapphire	67.9%	66.4%	67.1%	67.9%	68.5%	68.7%	68.9%	68.9%	68.6%	68.8%	68.6%	68.2%
-KFC	67.3%	65.6%	66.5%	66.8%	68.1%	67.9%	68.4%	68.3%	68.2%	68.3%	68.2%	68.0%
-Pizza hut	75.3%	74.7%	74.4%	74.3%	75.1%	76.1%	75.7%	75.5%	76.1%	76.5%	75.6%	74.8%
Restaurant Brands (Consol)	64.3%	64.6%	63.6%	64.1%	64.0%	64.2%	64.4%	64.2%	64.5%	64.9%	65.6%	65.3%
Restaurant Brands (Standalone)	66.4%	66.4%	66.4%	66.4%	66.5%	66.8%	67.1%	67.7%	67.6%	67.5%	67.8%	67.8%
Westlife	68.0%	69.3%	70.2%	71.9%	70.6%	70.1%	70.3%	70.2%	70.6%	69.7%	70.1%	70.0%
EBITDA Pre-Ind AS margins (%)												
Barbeque Nation	13.7%	10.0%	10.3%	3.8%	4.6%	4.5%	11.0%	6.4%	6.9%	5.4%	10.3%	6.5%
Devyani (Consol)	16.1%	15.1%	14.8%	12.1%	13.2%	11.5%	9.3%	9.2%	11.6%	9.4%	10.1%	8.9%
Jubilant	17.4%	17.2%	14.7%	12.3%	13.4%	13.3%	12.9%	10.9%	11.6%	11.7%	12.4%	11.8%
Sapphire	13.2%	11.1%	12.4%	10.0%	11.8%	10.6%	10.8%	8.6%	9.8%	8.5%	10.7%	7.1%
Restaurant Brands (Consol)	-2.2%	-2.9%	-2.4%	-3.6%	-0.3%	1.5%	2.8%	-0.5%	1.3%	0.6%	2.1%	2.3%
Restaurant Brands (India)	1.1%	3.2%	4.2%	1.5%	2.4%	5.4%	6.8%	2.4%	3.6%	5.0%	6.2%	5.4%
Westlife	13.0%	13.4%	14.3%	12.0%	12.9%	11.9%	11.4%	8.7%	8.1%	7.7%	9.1%	7.6%
ADS ('000')												
Barbeque Nation	179	168	172	144	170	158	175	153	155	153	162	141

Particulars	1QFY23	2QFY23	3QFY23	4QFY23	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
Devyani												
-KFC	127	121	116	106	117	109	104	93	104	96	96	83
-Pizza hut	44	45	43	39	40	39	37	32	36	35	35	31
Jubilant (Standalone)	85	84	84	78	79	78	78	75	79	78	84	82
Sapphire												
-KFC	144	134	136	127	138	125	125	114	122	111	115	108
-Pizza hut	61	64	58	50	52	48	45	41	48	47	48	42
Restaurant Brands (India)	120	127	120	108	120	126	119	105	119	118	114	108
Westlife	181	189	199	173	189	185	176	157	170	168	173	153
Store (India)												
Barbeque Nation	195	205	212	216	212	212	210	217	219	222	226	230
Devyani India	961	1,047	1,120	1,184	1,230	1,298	1,387	1,429	1,473	1,557	1,658	1,664
-KFC	391	423	461	490	510	540	590	596	617	645	689	696
-Pizza hut	436	466	483	506	521	535	565	567	570	593	644	630
Jubilant	1,676	1,753	1,814	1,863	1,891	1,949	2,007	2,096	2,148	2,199	2,266	2,304
Sapphire	516	550	599	627	660	692	725	748	762	784	835	836
-KFC	281	301	325	341	358	381	406	429	442	461	496	502
-Pizza hut	235	249	274	286	302	311	319	319	320	323	339	334
Restaurant Brands	328	334	379	391	396	404	441	455	456	464	510	513
Westlife	331	337	341	357	361	370	380	397	403	408	421	438
PBT Margins												
Barbeque Nation	6.6%	2.2%	2.0%	-4.5%	-1.7%	-5.0%	2.3%	-0.3%	-1.8%	-3.3%	1.4%	-5.6%
Devyani (Consol)	10.9%	9.4%	9.3%	5.5%	7.1%	4.0%	1.1%	0.4%	3.1%	-0.1%	0.4%	-1.7%
Jubilant (Standalone)	13.2%	12.6%	9.1%	7.4%	7.7%	7.2%	6.0%	3.8%	4.7%	4.8%	4.9%	4.3%
Sapphire	6.5%	4.8%	5.6%	2.2%	5.1%	3.3%	2.1%	0.1%	1.6%	0.8%	2.2%	0.6%
Restaurant Brands (Consol)	-10.4%	-10.5%	-10.6%	-15.6%	-8.8%	-7.3%	-6.2%	-12.4%	-7.5%	-10.3%	-8.6%	-9.6%
Restaurant Brands (Standalone)	-6.7%	-3.6%	-3.0%	-6.7%	-5.2%	-2.1%	-1.4%	-7.1%	-5.5%	-3.4%	-3.8%	-5.2%
Westlife	5.9%	7.4%	7.9%	5.1%	6.6%	4.9%	3.9%	0.4%	0.7%	0.1%	1.0%	0.2%

CONSUMER DURABLES: Robust growth in C&W, weather dampens UCP demand in season

- **Strong revenue growth, above our estimates:** Revenue for our consumer durables coverage universe increased 21% YoY to INR234.3b in 4QFY25 (+4% vs. our estimates). As expected, the cable and wire (C&W) segment saw strong growth, led by a pick-up in government capex, consistent strong demand in the power sector (including renewable energy), real estate, and higher export demand. The C&W segment's aggregate revenue increased 26% YoY to INR129.4b (+5% vs. our estimates) in 4QFY25. UCP segment also reported strong revenue growth, driven by increased channel inventory in anticipation of strong demand during the summer season. The UCP segment's aggregate revenue (coverage companies) grew 24% YoY to INR53.3b (+4% vs. our estimate) in 4QFY25. Revenue growth for KEII/RRKABEL/Polycab/HAVL/VOLT stood at 26%/26%/25%/20%/13% YoY. Demand in C&W segment is expected to continue to grow, backed by power segment, development of electric vehicle (EV) infrastructure, other infrastructure projects such as railways, metro, and highways, and industrial demand. Meanwhile, a delayed summer and early rains in south and west regions led to subdued demand for cooling products in the secondary market.
- **C&W margin flat YoY, whereas UCP margin improves:** Overall EBIT margin in C&W segment remained flat YoY at 13% (+1pp vs. our estimates). EBIT margins in UCP segment improved 1.5pp YoY to 8.6%. Aggregate EBITDA for our coverage universe grew ~34% YoY to INR26.1b (+10% vs. our estimates) and EBITDA margin improved 1.1pp YoY to ~11% (+60bp vs. our estimates). VOLT's EBITDA grew 75% YoY to INR3.3b, albeit on a low base. Its UCP segment margin improved 80bp YoY (+4.0pp QoQ) to ~10%. EBITDA of RRKABEL/POLYCAB/KEII/HAVL surged by ~69%/35%/23%/19% YoY in 4QFY25.
- **EPS upgrades/downgrades and change in valuation multiple:** We raise our EPS estimates for POLYCAB (4%/5% for FY26/FY27), KEII (6%/7% for FY26/FY27), RRKABEL (~11% for FY26) and HAVL (~3% for FY26/FY27 each). We reduced our valuation multiple for the UCP segment of VOLT to 45x FY27E EPS (from 50x), reflecting uncertainty surrounding the summer season.
- **Top picks:** We remain positive on POLYCAB
- **Surprises:** KEII, RRKABEL, POLYCAB, HAVL

Guidance highlights:

- **POLYCAB:** It indicated C&W demand remains strong, led by good demand from the real estate sector, improvement in corporate investments, and government capex activities. Margin expansion in C&W was led by higher operating leverage, while the FMEG segment benefitted from a richer product mix and better absorption of fixed costs. It maintains guidance of long-term sustainable EBITDA margin of ~11-13% for C&W, while FMEG segment's margin is likely to improve to ~8-10% in the next five years.
- **KEII:** The company noted that the demand outlook remains positive, aided by infrastructure expansion in power, data center, EVs and transportation. The company has guided for ~17-18% growth in FY26, which should accelerate to ~20% from FY27 after the commissioning of its Sanand plant. EBITDA margins are expected to remain in the range of 10.5-11.0%, with a 50bp improvement by FY27-28 on better operating leverage.
- **RRKABEL:** It indicated strong volume growth of ~14% YoY/24% QoQ in C&W aided by strong demand in domestic and export markets. It is targeting a CAGR of ~25% in cable volume in the next two years, supported by capacity expansion, market share gain and higher exports. It expects to improve OPM to double digits (1pp improvement p.a.) by FY28 vs. 6.4% in FY25. It reiterated that FMEG segment would achieve EBITDA break-even by FY26.
- **HAVL:** It highlighted that the large appliances and cables fueled revenue growth during the quarter. The ramp-up of new capacity in the C&W segment is underway. HAVL's margin would reach a normalized level (ex-Lloyd) of 13.5- 14.0%, as the benefits of operating leverage kick in. Delayed summer has affected secondary demand in the ongoing season and the growth trajectory in the rest of the season needs to be seen.
- **VOLT:** The company said that margin improvement in the UCP segment was led by a better product mix and higher demand for large-capacity/energy-efficient products, which enjoy slightly better margins. Unseasonal rains in a few parts of the country hit secondary sales in the initial few days (30-40 days) of the summer season. An extended summer season is anticipated, which should help make up for the volume lost in the last few days. In FY25, VOLT's UCP volume grew ~37% YoY. It projects double-digit growth in FY26.

Exhibit 67: Aggregate* UCP revenue and growth

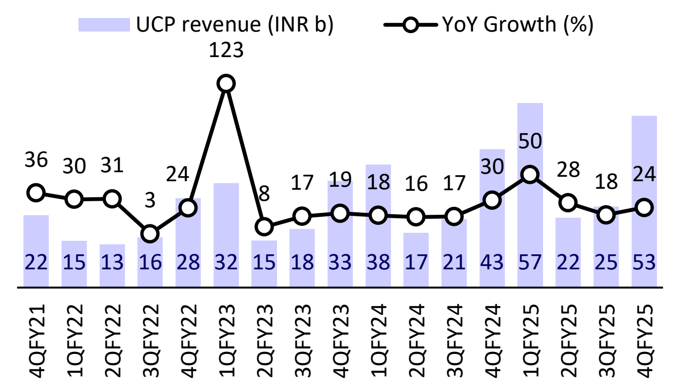
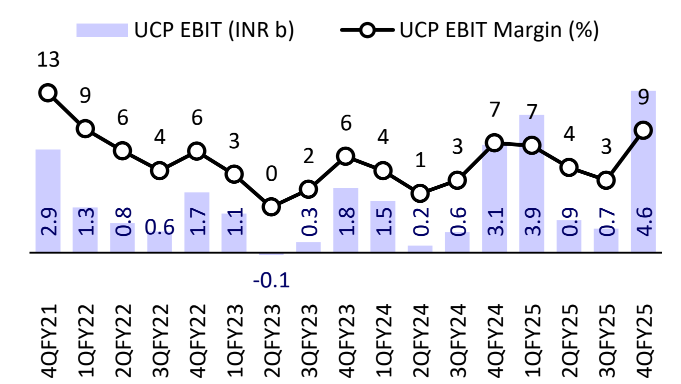


Exhibit 68: Aggregate* UCP EBIT and margin



Source: Company, MOFSL; Note: *In UCP revenue and EBIT we consider VOLT and HAVL

Exhibit 69: Aggregate* C&W revenue and growth

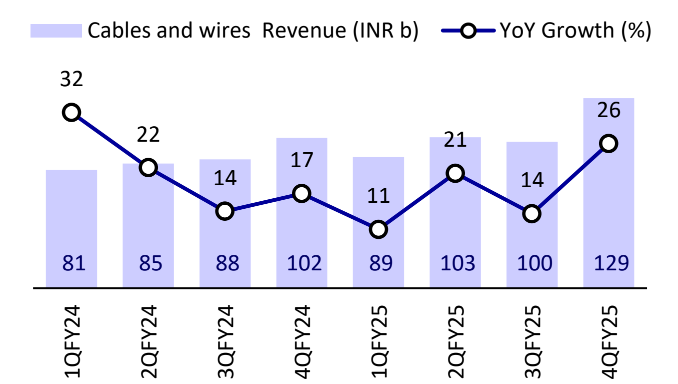
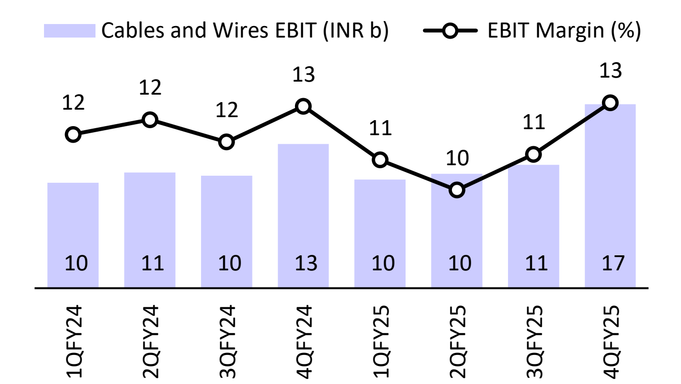


Exhibit 70: Aggregate* C&W EBIT and margin



Source: Company, MOFSL; Note: *In Cables and Wires revenue and EBIT we considered Polycab, KEII, HAVL and RRKABEL

EMS: Strong order books drive revenue growth

- **Continued strong revenue growth across EMS players:** The EMS sector reported another robust quarter, with aggregate revenue surging 71% YoY to INR171b. This exceptional growth was driven by the execution of a strong order book. Dixon led the pack with revenue surging 2.2x YoY, followed by DATAPATT (up 2.2x), Avalon (58%), KAYNES (54%), and Amber (34%). Cyient DLM also witnessed healthy growth, with revenue rising 18% YoY, although it was lower compared to the EMS industry. Syrma remained the only outlier, with revenue declining ~18% YoY, due to the execution of low-volume, high-margin orders. Looking ahead, we expect strong revenue momentum to continue, led by healthy demand traction and the execution of large orders in hand (~INR163.4b as of Mar'25; excluding Dixon and Amber, i.e. ~1.7x the TTM revenue of these companies). For our coverage universe, we expect an aggregate revenue growth of ~34% in FY26 and a CAGR of 31% over FY25-FY27.
- **Order book (ex-Dixon, Amber) continues to remain healthy, with new clients to drive growth going forward**: The sector continued to witness healthy order inflows (INR32b) in 4QFY25. Most companies expect order inflows to accelerate going forward, fueled by inflows from newly added clients and robust market conditions supported by favorable regulatory policies. Additionally, EMS companies are witnessing rising order inflows from high-margin segments like Aerospace, Industrials, Automotive, and Critical Infrastructure. Among our coverage universe, Kaynes witnessed the highest order book growth of ~60% YoY, followed by Avalon/Syrma at ~+29%/19% YoY. Meanwhile, CYIENTDL continues to see a declining order book trend (down 12% YoY/11% QoQ).
- **Margins continue to expand, led by operating efficiency and favorable business mix, barring DATAPATT and Amber:** EBITDA margin for our coverage universe marginally expanded 20bp YoY, led by an expansion across all companies except DATAPATT (EBITDA margin contracted 1,330bp) and Amber (EBITDA margin contracted ~10bp YoY). SYRMA witnessed the highest EBITDA margin expansion of ~510bp YoY, benefitting from a favorable business mix during the quarter (lower share of low-margin consumer business at 21% in 4QFY25 vs. 46% in 4QFY24). It was followed by AVALON (up 410bp), led by an increase in domestic manufacturing (87% vs. 77% in 4QFY24), while KAYNES' margin expanded 210bp YoY, led by the execution of high-margin orders. Favorable operating leverage also played a role in margin expansion for these companies. **Going forward, we expect margins for our coverage universe to expand gradually, led by the execution of high-margin orders and operating leverage.**
- **The quarter experienced one earnings downgrade:** We have downgraded our earnings estimates for Amber by 8%/each for FY26/FY27 to factor in higher losses from JV and a higher tax rate. For the rest of the coverage universe, we broadly maintain our earnings estimate for FY26/27.
- **Surprises**: DATAPATT; **Misses:** DIXON and Amber

Guidance highlights:

- **Kaynes** has guided for revenue growth of over 60% (including acquisitions), along with a 50bp margin expansion in its core EMS segment. The company's FY26 capex will be focused on semiconductor and HDI PCB projects, with maintenance-only investments in core EMS. The INR34b OSAT and INR14b HDI PCB capex will be largely incurred in FY26/FY27.
- **Avalon** has guided for an 18-20% growth in revenue, with significant growth anticipated in 2HFY26. The company has secured several new projects that have moved from the design/prototype stage to the production stage. Many of these are expected to ramp up in the current financial year. A capex of INR450-500m is planned for FY26, which may include investments in a new export facility in Chennai and a domestic facility located ~30km away from the existing Tamil Nadu facility.
- **Syrma SGS** expects an EBITDA margin of ~8% in FY26, translating into INR4b in absolute terms. Strategically, management aims to reduce its exposure to low-margin, high-volume business. Even in the consumer business, the company plans to continue growing its high-margin ODM segment. In exports, the company is confident of crossing INR10b in FY26.
- **Cyient DLM**: Margins are expected to remain in double digits on a full-year basis, though 1QFY26 may be softer. Order book remains under pressure as consumption growth by major clients outpaces new order growth.

However, management anticipates strong traction in the North American market, supported by ongoing discussions with three big global players.

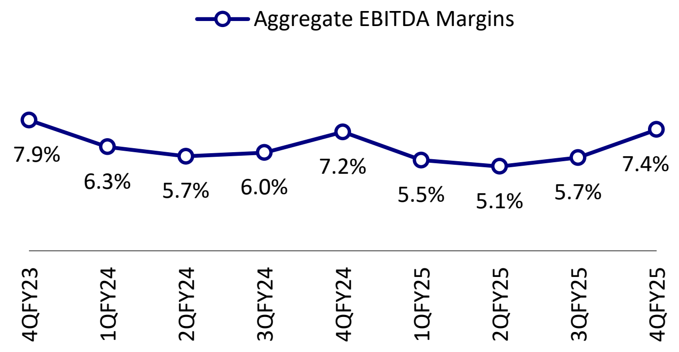
- **DATAPATT** maintains its revenue guidance of ~20-25% growth over the next two to three years while maintaining EBITDA margins at around 35-40% for FY26. Additional contracts under Brahmos are expected to materialize in the near term. Management is strategically deploying funds to accelerate product development, with a substantial portion allocated to expanding its R&D capabilities.
- **Amber Enterprises** expects strong growth across segments, with the Consumer Durables division targeting 10-12% YoY growth in Room ACs and 20-30% in Commercial ACs for FY26. The Electronics division aims for 30-40% annual revenue growth, with margins reaching 10-12% over two years, driven by demand from the industrial, automotive, defense, and aerospace sectors. Planned capex stands at INR8-9b (INR5b excluding ECMS), while the Railways segment is set to double its revenue over the next two years.
- **Dixon Technologies** expects mobile phone volumes to reach 43-44m units in FY26 and 60-65m in FY27. IT hardware revenue is guided at INR12-15b in FY26, reaching INR20b by FY27. In consumer durables, refrigerator revenue is set to grow 50% in FY26, with margins of 9.5-10.5%, supported by capacity expansion from 1.2m to 2m units. The home appliances segment is focused on portfolio diversification to drive margin expansion and sustain growth. The lighting JV with Signify will begin operations in 2QFY26. Capex for FY26 is estimated at INR9-10b.

Exhibit 71: Key operating indicators

	Revenue (INR m)					EBITDA margins (%)					Adj PAT (INR m)				
	4QFY25	4QFY24	YoY (%)	3QFY25	QoQ (%)	4QFY25	4QFY24	YoY (bp)	2QFY25	QoQ (bp)	4QFY25	4QFY24	YoY (%)	3QFY25	QoQ (%)
Kaynes	9,845	6,373	54	6,612	49	17.1	14.9	210	14.2	280	1,162	813	43	665	75
Avalon	3,428	2,168	58	2,809	22	12.1	7.9	410	12.3	-30	243	71	244	240	1
Cyient DLM	4,281	3,618	18	4,442	-4	13.4	10.5	290	8.1	530	310	227	36	168	84
Syrma SGS	9,244	11,341	-18	8,692	6	11.6	6.5	510	9.1	250	654	349	87	509	28
Data Patterns	3,962	1,823	117	1,170	239	37.7	51.0	-1330	46.2	-840	1,141	711	60	447	155
Dixon	1,02,925	46,580	121	1,04,537	-2	4.3	3.9	40	3.7	60	1,845	952	94	1,712	8
Amber	37,537	28,055	34	21,333	76	7.9	7.9	-10	7.4	40	1,160	947	NA	359	224
Agg.	**1,71,221**	**99,958**	**71**	**1,49,595**	**14**	**7.4**	**7.2**	**10**	**5.7**	**170**	**6,516**	**4,070**	**60**	**4,099**	**59**
Agg. (ex. Dixon, Amber)	**30,759**	**25,323**	**21**	**23,725**	**30**	**17.0**	**12.5**	**450**	**12.6**	**450**	**3,510**	**2,171**	**62**	**2,029**	**73**

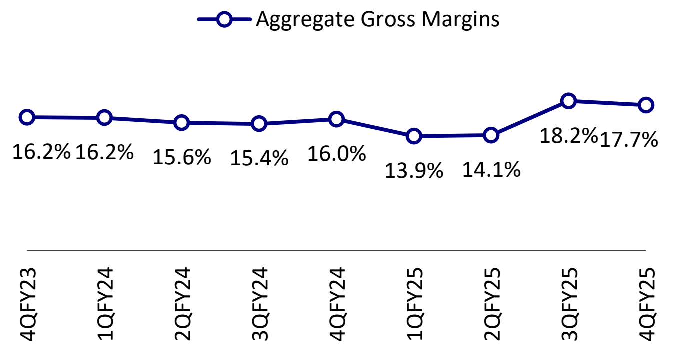
Source: MOFSL, Company

Exhibit 72: Aggregate EBITDA margin



Source: MOFSL, Company

Exhibit 73: Aggregate gross margin



Source: MOFSL, Company

Exhibit 74: Our revised EPS estimates (INR)

	FY26E			FY27E		
	Rev	Old	Chg (%)	Rev	Old	Chg (%)
Dixon	169	168	0	242	242	0
Amber	104	114	-8	160	174	-8
Kaynes	84	84	0	132	134	-1
Avalon	16	17	-4	25	25	1
Cyient DLM	15	16	-4	22	22	1
Syrma SGS	15	15	-5	21	21	-3
Data Patterns	50	49	2	64	62	3

FINANCIALS – BANKS: Healthy other income propels earnings growth, while credit cost challenges persist; NIM outcome divergent, with large PVBs witnessing improvement

- The banking sector witnessed a mixed quarter, with business momentum gaining a mild pace in a busy 4Q. However, the margin outcome was divergent for the private and public banks. Most of the large private banks had seen a sequential improvement in NIMs amid lower-day adjustments in 4Q, while public banks continue to see a moderation in NIMs, although calibrated at low single digits. CASA mix improved for large banks amid seasonal CA flows in 4Q, while small- and mid-sized banks saw a marginal decline in the CASA ratio. Opex continued to grow within a narrow range, barring some PSBs that had seen a one-off increase in opex pertaining to the PLI expenses. In contrast, other income improved amid higher fee income, better treasury income, and SR provision write-backs for public banks. Overall business momentum has improved in a busy 4Q, while a high CD ratio for the system has led to a decline in credit growth for the industry. Growth in corporate was sluggish, while growth in unsecured saw a sharp moderation amid stress in MFI, PL, and CC. We tweak our earnings for the private banks while cutting our earnings estimate for PSBs (largely driven by SBI). We will keenly monitor the asset quality in the unsecured segment. We estimate a credit growth of 12% for the sector for FY26.
- NII growth stood at ~6% YoY for private banks and 1.2% YoY for PSBs. Within our coverage universe, HDFCB, ICICI, and AU Bank reported healthy NII growth among private banks, while among PSBs, Canara and SBI reported healthy NII growth. That said, IIB, BoB, Federal, and Bandhan reported a decline in NII. Hereon, we believe that NII growth shall continue to grow at a moderate pace with slow business momentum as well as due to declining policy rates in FY26E. The NIM trajectory is likely to witness pressure in 1HFY26, while some improvement can be observed in 2HFY26 as the reduction in repo rates should benefit the CoF. In 4QFY25, NIMs for large PVBs witnessed a one-off improvement due to the lower number of days adjustment, while PSBs reported a single-digit NIM contraction. With a steeper rate cut cycle imminent, we estimate FY26 NIM to remain under pressure, with 1H experiencing more pressure and 2H witnessing some improvement.
- Fresh slippages continue to remain elevated for the banks amid sustained stress in the MFI business. Our channel checks, as well as lenders, have indicated slower business momentum and a cautious approach in the unsecured business. Credit costs for select players continued to remain elevated, with most mid-sized private banks witnessing pressure in 4QFY25 and FY25. With the new MFIN guardrails being implemented in 1HFY26, the growth shall experience a hiccup, while asset quality is likely to improve. We expect credit costs to remain elevated in 1HFY26 and expect moderation in credit costs in 2HFY26. PCR for the banks remained healthy, while the restructured book continued a declining trend.
- **Private Sector Banks – Business momentum witnesses a mild recovery; margin sees a one-off improvement:** Advances growth stood at 3.2% QoQ for our banking universe coverage. HDFCB surprised and grew 4% QoQ, while IDFC First and DCB reported healthy growth in advances. However, IndusInd reported a sharp decline in advances as the bank voluntarily let go of its corporate book due to a bank run in deposits. Deposits for our banking universe grew at 4.8% QoQ, amid heavy seasonal flow in the CA deposits in 4Q. As a result, the CASA ratio for our coverage universe stood at 37.8%. NIMs for most of the large private banks improved in 4Q amid a lower number of days adjustment. Slippages were under control for most of the large private banks, while they stood elevated for unsecured players.
- **Public Sector Banks – NIM experiences a mild contraction; asset quality well under control:** NII for the PSBs stood broadly flat at 1.4% QoQ, as NIMs continue to dip marginally for all PSBs. NII slid for BOB/PNB and dipped 3.5%/2.5% QoQ, while SBI, Canara, and Union improved ~3% QoQ. Slippages remained under control for most banks, reflecting no imminent signs of stress for the banks. The GNPA ratio improved 17-40bp QoQ, while the PCR continued to be at healthy levels at ~75-90%. SMA for most of the PSBs is manageable, while restructured books witnessed a decline in 4Q.
- **Small Finance Banks – Business growth healthy; NIMs continue to dip:** AUBANK reported healthy business growth as advances grew 46% YoY (merged basis, 7.6% QoQ), led by healthy traction in retail (wheels) and commercial (BB). Deposit growth was steadfast at 42.5% YoY/ 10.7% QoQ, whereas the CASA ratio moderated to 29.2%. Asset quality ratios were steady, with the GNPA ratio at 2.28%, while the NNPA ratio declined to 0.74%. However, the credit cost ratio stood elevated and offset healthy other income gains. The bank has ramped up its

PCR ratio to 68% in 4QFY25. EQUITASB reported modest advances growth of 17% YoY/2.3% QoQ, as the bank continued to focus on moving its dependency away from the MFI segment. Deposit growth was healthy at 5.8% QoQ, led by healthy flow in the CA deposits. While NIM continued to dip 26bp QoQ to 7.13%, slippages declined marginally in 4Q, although they continued to remain elevated. This was because the bank continued to make provisions to sustain the sub-1% NNPA levels.

- **Our view:** Following the sharp earnings cut throughout FY25 owing to slow growth as well as stress piling up in the unsecured segments, 4Q turned out to be a relatively stable quarter across the banking industry. Banks with higher exposure to unsecured loans saw deteriorating asset quality as well as higher credit costs throughout FY25. We estimate credit growth to be maintained at 12% YoY for FY26. We maintain our cautious view on the margin trajectory given the low inflation trends and risk of more rate cuts along with elevated stress in the unsecured segments. We believe the credit cost shall remain elevated in 1HFY26 and thereafter shall see a reduction in credit costs from 2HFY26 onwards. We thus expect private banks' aggregate earnings to report a 15.1% CAGR over FY25-27. For PSBs, we expect the earnings CAGR for FY25-27 to be at 7%. We estimate our overall coverage universe earnings to clock 11.5% CAGR. A healthy balance sheet, healthy PCR, and contingent buffers well in place shall keep the earnings downside well protected and positive for the sector. **Our preferred picks** are ICICIBC, HDFCB, SBIN, and AUBANK.
- **Surprises: ICICIBC, HDFCB, and AUBANK**
- **Misses: BoB, IIB, and BANDHAN**

Guidance highlights

- **HDFCB** continues to focus on healthy traction in deposit growth and targets to bring the CD ratio below 90% by FY27, with adjustments to the CD ratio not steep. The bank is focused on increasing its branches and is doing 2x in terms of opening branches vs. five years ago. The goal is to have the wallet share of the customer in whatever form it comes.
- **KMB** is focused on increasing the share of unsecured loans, which has dropped to 10.5% of total advances vs. 12.7% a year back. The bank aims to increase this towards the mid-teen range, with a strong focus on credit cards and upcoming product launches. Advances are expected to grow at 1.5–2.0x of nominal GDP. The bank is addressing repo rate cuts by managing deposit costs and has aligned its SA rates with industry benchmarks.
- **ICICIBC** continues to have a strategic focus on growing PBT through a 360-degree customer approach. Banks are reducing deposit rates after the RBI has cut the policy rates. The bank has seen improvement in liquidity over the last few months, and deposit growth has been quite strong. Upcoming rate cuts are likely to affect margins, with a lag in deposit repricing. Despite falling deposit rates, NIMs may see some pressure.
- **AXSB's** business growth has been a laggard to peers. Loan growth – HL, VF, and corporate have been lagging behind the system average growth. Deposit growth has been lower compared to other private banks, but the bank remains focused on improving the quality and granularity of deposits. The bank will manage margins by managing the balance sheet on the asset side better, with some mix change to be seen.
- **SBIN** expects credit growth to remain at ~12-13%. The bank aims to maintain RoA at ~1% levels on an annual basis (with some quarterly variances). The bank aims to keep the C/I ratio below ~50-51%. RoE to be maintained above +15% across business cycles.
- **IIB's** loan book declined sharply by 6% QoQ to INR3.45t, led by a reduction in the corporate book for liquidity and balance sheet management efforts. Reported NIMs contracted to 2.25% (down 168bp QoQ), while adjusted NIMs stood at 3.47% vs. our estimate of 3.78%. The financial impact of all identified issues has been taken into account for FY25. The bank aspires to start FY26 on a clean slate.
- **BOB's** advances growth stood healthy at 13.5%, with the bank maintaining its advances growth guidance. NIMs are expected to be maintained at 3% in FY26, similar to FY25-exit-quarter levels, with 1Q26 witnessing continued pressure. NIMs are expected to see some improvement from 2HFY26 onwards. Segment-wise growth is expected to remain the same. Corporate book is expected to stand at 10% YoY. RAM is expected to grow at 15% YoY.

Exhibit 75: PPoP growth led by healthy other income, credit costs elevated for select private banks. NIMs improved for large private banks and dipped marginally for PSBs

	NII			PPOP			PAT		
INR b	4QFY25	YoY (%)	QoQ (%)	4QFY25	YoY (%)	QoQ (%)	4QFY25	YoY (%)	QoQ (%)
AUBANK	20.9	56.6	3.5	12.9	94.6	7.2	5.0	35.9	(4.7)
AXSB	138.1	5.5	1.5	107.5	2.1	2.1	71.2	(0.2)	12.9
BANDHAN	27.6	(3.9)	(2.6)	15.7	(14.5)	(22.3)	3.2	482.0	(25.5)
BoB	110.2	(6.6)	(3.5)	81.3	0.3	6.1	50.5	3.3	4.3
CBK	94.4	(1.4)	3.2	82.8	12.1	5.7	50.0	33.1	21.9
DCBB	5.6	9.9	2.8	3.1	30.7	12.6	1.8	13.8	16.9
FB	23.8	8.3	(2.2)	14.7	32.0	(6.6)	10.3	13.7	7.8
HDFCB	320.7	10.3	4.6	265.4	(9.4)	6.1	176.2	6.7	5.3
ICICIBC	211.9	11.0	4.0	176.6	17.5	4.6	126.3	18.0	7.1
IDFCFB	49.1	9.8	0.1	18.1	8.9	3.0	3.0	(58.0)	(10.4)
IIB	30.5	(43.3)	(41.7)	-4.9	NA	NA	-23.3	NA	NA
INBK	63.9	6.2	(0.4)	50.2	16.6	5.7	29.6	31.6	3.6
KMB	72.8	5.4	1.2	54.7	0.2	5.6	35.5	(14.1)	7.5
PNB	107.6	3.8	(2.5)	67.8	5.6	2.3	45.7	51.7	1.3
RBK	15.6	(2.3)	(1.4)	8.6	(2.9)	(13.6)	0.7	(80.5)	110.5
SBIN	427.7	2.7	3.2	312.9	8.8	32.8	186.4	(9.9)	10.4
UNBK	95.1	0.8	3.0	77.0	17.9	2.8	49.8	50.6	8.3
EQUITASFB	8.3	5.5	1.3	3.1	(16.9)	(6.5)	0.4	(79.7)	(36.5)
Total Banking Coverage	**1823.8**	**3.5**	**0.8**	**1347.5**	**1.6**	**5.9**	**822.3**	**0.9**	**3.0**

Source: MOFSL, Company

Exhibit 76: NIM outcome divergent, with large PVBs witnessing a NIM uptick; mid-sized PVBs and PSBs experienced a contraction in NIMs in 4QFY25

NIM (%)	3QFY25	4QFY25	YoY (bp)	QoQ (bp)
AUBANK	5.90	5.80	70	(10)
AXSB	3.93	3.97	(9)	4
BANDHAN	6.90	6.70	(90)	(20)
BoB	2.94	2.86	(41)	(8)
CBK	2.71	2.73	(34)	2
DCBB	3.30	3.29	(33)	(1)
FB	3.11	3.12	(9)	1
HDFCB	3.43	3.54	10	11
ICICIBC	4.25	4.41	1	16
IDFCFB	6.04	5.95	(40)	(9)
IIB	3.93	2.25	(201)	(168)
INBK	3.57	3.48	(4)	(9)
KMB	4.93	4.97	(31)	4
PNB	2.93	2.81	(29)	(12)
RBK	4.90	4.89	(56)	(1)
SBIN	3.01	3.00	(30)	(1)
UNBK	2.91	2.87	(22)	(4)

Source: MOFSL, Company

Exhibit 77: Overall business momentum saw some mild recovery in 4Q vs. the subdued business growth in 3Q

	Loans			Deposits			CASA ratio (%)		
INR b	4QFY25	YoY (%)	QoQ (%)	4QFY25	YoY (%)	QoQ (%)	4QFY25	YoY (%)	QoQ (%)
AUBANK*	1,071	46.4	7.6	1,243	42.5	10.7	29.2	(380)	(140)
AXSB	10,408	7.8	2.6	11,730	9.8	7.0	41.0	(200)	200
BANDHAN	1,320	9.0	3.6	1,512	11.8	7.2	31.4	(572)	(36)
BoB	12,096	13.5	5.1	14,720	10.9	5.7	40.0	(136)	64
CBK	10,492	12.6	2.5	14,569	11.0	6.4	31.2	(112)	117
DCBB	510	24.7	6.8	600	21.6	5.9	24.5	(150)	(57)
FB	2,348	12.1	1.9	2,836	12.3	6.5	30.2	85	7
HDFCB	26,196	5.4	4.0	27,147	14.1	5.9	35.0	(320)	100
ICICIBC	13,418	13.3	2.1	16,103	14.0	5.9	41.8	(34)	135
IDFCFB	2,331	19.8	4.5	2,521	25.7	6.4	46.9	(30)	(80)
IIB	3,450	0.5	(6.0)	4,109	6.8	0.3	32.8	(507)	(208)
INBK	5,711	10.9	5.3	7,372	7.1	5.0	38.4	(240)	5
KMB	4,269	13.5	3.2	4,991	11.2	5.4	43.0	(250)	70
PNB	10,775	15.3	0.7	15,666	14.4	2.4	38.0	(349)	(17)
RBK	926	10.3	2.4	1,109	7.2	3.9	34.1	(107)	134
SBIN	41,633	12.4	4.0	53,822	9.5	2.9	40.0	(114)	77
UNBK	9,535	9.5	3.6	13,097	7.2	7.7	33.5	(68)	9
Total Banking Coverage	**1,56,489**	**11.0**	**3.2**	**1,93,147**	**11.3**	**4.8**	**37.8**		

* AU Bank Nos on merged with Fincare SFB, Source: MOFSL, Company

Exhibit 78: Asset quality ratio improved for most of the banks in 4QFY25

Asset quality	3QFY25 (%)			4QFY25 (%)			QoQ change (bp)		
(%)	GNPA	NNPA	PCR	GNPA	NNPA	PCR	GNPA	NNPA	PCR
AUBANK	2.31	0.91	61.2	2.28	0.74	68.1	(3)	(17)	683
AXSB	1.46	0.35	76.2	1.28	0.33	74.6	(18)	(2)	(162)
BANDHAN	4.68	1.28	73.5	4.71	1.28	73.7	3	-	19
BoB	2.43	0.59	76.0	2.26	0.58	74.9	(17)	(1)	(116)
CBK	3.34	0.89	74.1	2.94	0.70	76.7	(40)	(19)	258
DCBB	3.11	1.18	62.9	2.99	1.12	63.2	(12)	(6)	30
FB	1.95	0.49	75.2	1.84	0.44	76.2	(11)	(5)	107
HDFCB	1.42	0.46	67.8	1.33	0.43	67.9	(9)	(3)	3
ICICIBC	1.96	0.42	78.7	1.67	0.39	76.9	(29)	(3)	(187)
IDFCFB	1.94	0.52	73.6	1.87	0.53	72.3	(7)	1	(133)
IIB	2.25	0.68	70.2	3.13	0.95	70.2	88	27	4
INBK	3.26	0.21	93.8	3.09	0.19	93.9	(17)	(2)	9
KMB	1.50	0.41	73.2	1.42	0.31	78.1	(8)	(10)	492
PNB	4.09	0.41	90.2	3.95	0.40	90.3	(14)	(1)	4
RBK	2.92	0.53	82.2	2.60	0.29	89.0	(32)	(24)	685
SBIN	2.07	0.53	74.7	1.82	0.47	74.4	(25)	(6)	(24)
UNBK	3.85	0.82	79.3	3.60	0.63	83.1	(25)	(19)	382

Exhibit 79: Snapshot of the restructured books across banks (%)

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

Exhibit 80: We tweak our estimates for private banks and cut our estimates for PSBs by ~2% for FY26E and FY27E

PAT (INR b)	Old estimates			Revised estimates			Change (%)		
	FY25E	FY26E	FY27E	FY25A	FY26E	FY27E	FY25E	FY26E	FY27E
Private Banks									
AXSB	264.4	284.5	330.6	263.7	280.5	330.5	-0.3%	-1.4%	0.0%
BANDHAN	28.8	35.7	41.5	27.5	31.9	38.6	-4.6%	-10.7%	-7.1%
DCBB	6.0	7.4	9.5	6.2	7.6	9.8	3.2%	2.7%	2.7%
HDFCB	667.7	710.5	816.1	673.5	734.7	855.1	0.9%	3.4%	4.8%
ICICIBC	466.2	507.0	584.7	472.3	519.6	609.3	1.3%	2.5%	4.2%
IDFCFB	15.1	29.3	48.8	15.2	27.7	49.7	1.1%	-5.4%	1.9%
IIB	47.6	63.3	80.9	25.8	34.5	44.4	-45.9%	-45.5%	-45.1%
KMB	139.5	152.8	180.4	137.2	152.3	178.2	-1.6%	-0.3%	-1.2%
FB	39.4	44.1	55.6	40.5	43.9	54.9	2.8%	-0.3%	-1.4%
RBK	6.6	12.2	19.3	7.0	13.7	21.5	6.0%	12.0%	11.7%
AUBANK	20.7	26.6	35.1	21.1	27.5	37.1	1.5%	3.5%	5.8%
EQUITASB	1.8	6.2	9.9	1.5	4.5	10.1	-17.6%	-26.8%	2.2%
Total Private Banks	**1,703.7**	**1,879.6**	**2,212.5**	**1,691.3**	**1,878.4**	**2,239.3**	**-0.7%**	**-0.1%**	**1.2%**
YoY growth	**5.0%**	**10.3%**	**17.7%**	**4.2%**	**11.1%**	**19.2%**			
PSU Banks									
BOB	194.3	202.7	228.9	195.8	204.2	225.6	0.8%	0.7%	-1.5%
CBK	161.9	178.3	196.5	170.3	178.5	197.5	5.2%	0.1%	0.5%
INBK	108.2	112.6	124.6	109.2	113.7	127.0	0.9%	0.9%	1.9%
PNB	166.1	193.1	219.8	166.3	194.5	223.5	0.1%	0.7%	1.7%
SBIN	708.1	750.6	840.4	709.0	711.2	796.1	0.1%	-5.3%	-5.3%
UNBK	176.0	184.2	200.6	179.9	184.9	197.4	2.2%	0.4%	-1.6%
Total PSU Bank	**1,514.6**	**1,621.5**	**1,810.9**	**1,530.4**	**1,587.0**	**1,767.0**	**1.0%**	**-2.1%**	**-2.4%**
YoY growth	**22.8%**	**7.1%**	**11.7%**	**24.0%**	**3.7%**	**11.3%**			
Total for Banks	**3,218.3**	**3,501.1**	**4,023.4**	**3,221.7**	**3,465.5**	**4,006.4**	**0.1%**	**-1.0%**	**-0.4%**
YoY growth	**12.7%**	**8.8%**	**14.9%**	**12.8%**	**7.6%**	**15.6%**			
Other Financials									
SBICARD	19.5	29.2	39.0	19.2	31.3	42.9	-1.3%	7.4%	9.9%
PAYTM	-2.3	1.9	10.7	-2.3	1.9	10.7	NA	NA	NA

FINANCIALS – NBFC: Muted performance due to macro headwinds; HFCs stand out as most resilient

- NBFCs (incl. HFCs) under our coverage reported AUM growth of ~16% YoY/4% QoQ in FY25. Vehicle financiers (VFs) clocked AUM growth of 20% YoY, but we expect VF loan growth to moderate in FY26. Large HFCs (PNBHF and LICHF) grew 8% YoY; affordable and small-ticket HFCs saw ~14% YoY growth; NBFC-MFIs' AUM declined ~17% YoY (down 6% QoQ); and gold loan NBFCs AUM grew ~36% YoY (primarily due to ~41% YoY AUM growth by MUTH). For our coverage companies (excl. PIEL), NII/PPoP/PAT grew 17%/19%/4% YoY. Excluding MFIs, NII/PPoP/PAT grew 18%/21%/10% YoY.
- For HFCs (including affordable HFCs), NIM showed divergent trends because of company-specific nuances. Large HFCs, such as PNBHF and LICHF, reported sequential expansion in NIMs. LICHF reported NIM expansion primarily due to better liquidity management and a ~10bp PLR hike by the company in 1QFY26. However, given that large HFCs will pass on the declining interest rates to customers effective May/Jun'25, we expect them to exhibit a transitory NIM compression over the next few quarters. AAVAS reported ~10bp expansion in NIMs, driven by PLR hike by the company in the previous quarter. For CANF and Repco, NIMs declined ~5bp and ~30bp respectively. HomeFirst reported broadly stable NIM during the quarter.
- VFs did not witness any meaningful improvement in asset quality, resulting in higher net slippages and elevated credit costs. Lenders acknowledged that the challenging macro (because of weak government capex) resulted in higher collection efforts, as borrower cash flows remained weak during the large part of this year.
- Except for power financiers and HFCs, a vast majority of NBFCs reported stable asset quality or a deterioration despite the strong seasonality of 4Q. This was attributable to a weak macro-economic environment, tightness in collections and sluggishness in rural cash flows. NBFCs' asset quality performance in 4QFY25 did not reflect the typical seasonal strength of the fourth quarter. Credit costs remained elevated for both VFs and diversified lenders across secured as well as unsecured product segments.

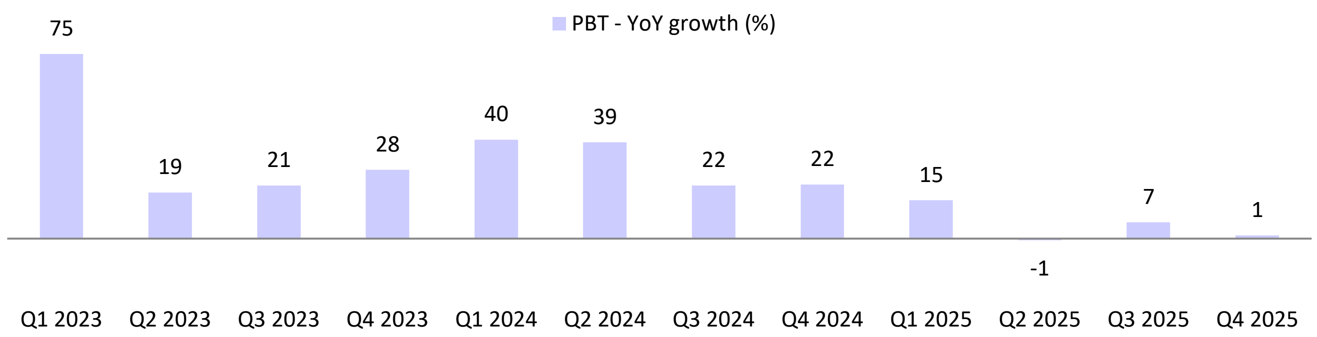
- NBFC-MFIs exhibited an improvement in PAR levels across most states during the quarter, except for Karnataka and Andhra Pradesh. Collection efficiency in Karnataka is expected to normalize by 1QFY26 end. Additionally, MFIs shared that the recent Tamil Nadu Bill has had no material impact on collection efficiencies in the state. In 4Q, most MFIs continued to accelerate write-offs to clean up the existing stress on the balance sheet and they guided for credit costs to remain elevated in 1HFY26 as well. Loan growth is likely to pick up from 2HFY26 onward. Select NBFCs like PNBHF, LICHF, PFC, REC, Repco and Aditya Birla Finance reported a sequential improvement in asset quality.
- **HFCs/AHFCs – Disbursement momentum improved sequentially; NIM could exhibit transitory compression in a declining rate cycle:** Mortgage lenders delivered healthy disbursement and loan growth, aided by an improvement in the operating environment in select regions of Karnataka and Telangana. The issues in Hyderabad are fully resolved, while disbursements in Karnataka have recovered to ~85-95% of normal levels. This resulted in HFCs exhibiting a healthy sequential growth in disbursements during the quarter. Loan growth remained muted for LICHF, while Aavas saw a minor moderation due to the company's cautious approach toward lending to over-leveraged borrowers. Affordable HFCs (except Aavas) witnessed a sequential decline in margins, primarily due to lower yields amid higher competitive intensity. In contrast, larger players like PNBHF and LICHF reported margin expansion of ~5bps and ~15bps QoQ, respectively, driven by company-specific factors and PLR hikes. The important thing to note is that most of the HFCs did not take any PLR cuts during the quarter as the benefit from the decline in the cost of borrowing is yet to reflect meaningfully. However, with a decline in funding costs expected over the next few quarters, some PLR reductions are likely to be undertaken in 1HFY26. Asset quality remained broadly stable for mortgage financiers during the quarter, with a slight improvement bias seen in select HFCs.
- **Vehicle financiers – Weakness persists in CVs, tractors relatively resilient; collections challenging in 4Q:** CV demand remained subdued during the quarter, impacted by weak government spending and capex, while PVs saw some recovery. Used vehicle segment also faced sluggish demand, primarily due to limited supply and the growth was primarily driven by higher ticket sizes rather than volume growth. The tractor segment was the most resilient, exhibiting strong and sustained demand. Disbursements grew 9% YoY (flat QoQ) for three VFs in our coverage universe. While SHFL and CIFC have a diversified AUM mix, we have classified them under VFs for this exercise. SHFL reported sequential NIM compression, primarily due to elevated liquidity levels on its balance sheet, while margins remained stable for CIFC. In contrast, MMFSL saw a decline in NIMs, driven by lower yields and the impact of a one-time calibration in computation of interest income.
- **Diversified financiers – Focused on strengthening secured segments; unsecured segments likely to pick up in 2HFY26:** Credit costs were slightly elevated for diversified lenders amid a weak macro. However, diversified lenders have now started exhibiting higher confidence in scaling up their personal loan (PL) and MSME portfolios. The focus within this segment has increasingly shifted toward prime and near-prime customers, with an emphasis on higher ticket sizes and borrowers with strong CIBIL scores, which shows a more risk-calibrated lending approach. With the MFI business, LTFH has performed significantly better than the overall industry and its NBFC-MFI peers. BAF, in our view, would now look to pivot toward growth in its unsecured segments, given that it is now past the hump of asset quality stress in its B2C segments.
- **Gold financiers – Robust gold loan growth supported by rising gold prices and non-availability of unsecured loans; draft gold lending guidelines will remain a key monitorable:** Gold loan growth over the last two quarters has been accompanied by higher gold prices, decent gold tonnage growth and non-availability of unsecured loans. MUTH/MGFL reported ~41%/19% YoY growth in gold loans in FY25. Asirvad (subsidiary of MGFL) and Belstar (subsidiary of MUTH) acknowledged the stress in the MFI segment, which resulted in higher credit costs in their respective MFI businesses. While MGFL was confident that draft gold lending guidelines will not disrupt the industry and growth, MUTH acknowledged that LTV norms published in the draft guidelines, if implemented, will have a near-term impact on the disbursement LTV and growth of MUTH and its peer NBFCs.
- **Microfinance (MFIs) –Improvement in flow rates led to decline in the PAR accretion; trend reversal on the horizon within the next two quarters:** NBFC-MFIs witnessed an improvement in PAR levels across most states during the quarter, except in Karnataka and AP. Collection efficiency is expected to normalize in Karnataka by end-1QFY26. Credit costs for NBFC-MFIs remained elevated during the quarter because of accelerated write-offs due to the clean-up of existing stress on the balance sheet. CREDAG indicated that apart from Karnataka, all other regions have returned to normalcy, reflecting in improved center meeting attendance. We believe that

there is a trend reversal on the horizon in the MFI sector. However, sustained performance over the next 3-4 months will be crucial to validate this recovery as a definitive shift.

- **Power financiers – Muted loan growth; downward revision in growth guidance; asset quality improves from resolutions of stressed exposures:** PFC and REC reported a steady quarter, with PFC delivering steady disbursements and loan growth. However, REC's loan growth fell short of expectations, primarily due to elevated repayments during the quarter from the distribution and RE segment. PFC/REC reported loan growth of ~13%/11% YoY. PFC and REC reduced its guidance on loan growth primarily due to weaker disbursements expected from the distribution segment in FY26. NIM was broadly stable for both PFC and REC. Asset quality continued to improve, driven by resolution of stressed assets like KSK Mahanadi and Corporate Power. However, both PFC and REC increased standard asset provisioning during the quarter to reflect rating downgrades of certain DISCOMs.
- **Our view:** The stress in unsecured retail segment appears to be peaking out now. While the existing stress on the balance sheet will have to be provided for/written-off, we will start seeing NBFCs pivoting from moderation (over the last five quarters) to growth in 2HFY26. The interest rate cut cycle, in addition to being margin-accretive for certain products, will also boost demand and loan growth. **Our preferred ideas are SHFL, Homefirst, PNBHF and LTFH.**
- **Positive Surprises:** PNBHF, IIFL Finance
- **Misses:** CREDAG, Poonawalla, Fusion, MGFL, REC, SHFL
- **Rating Change:** LICHF (Downgrade to Neutral)

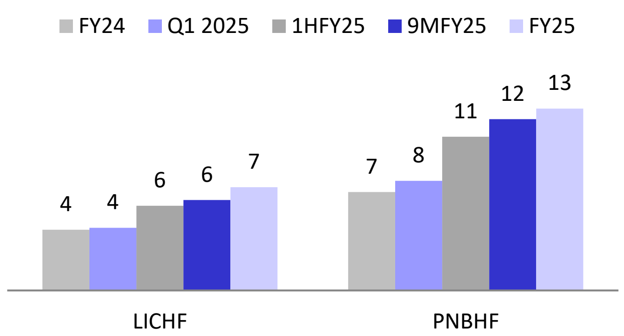
Guidance highlights: a) MMFS guided for mid- to high-teen loan growth over the next 3-5 years; b) MUTH guided for ~15% YoY gold AUM growth for FY26; c) BAF guided for ~24%-25% AUM growth in FY26 and credit costs of 1.85%-1.95% with RoA of 4.4%-4.6%; d) PNBHF guided for retail recoveries to continue in FY26 and guided for retail loan growth of ~18%; and e) NBFC-MFIs witnessed improvement in PAR rates and collection efficiencies and guided for stabilization in credit costs from 2HFY26.

Exhibit 81: PBT (excl. PIEL) grew 1% YoY and 5% QoQ for our NBFC coverage universe*



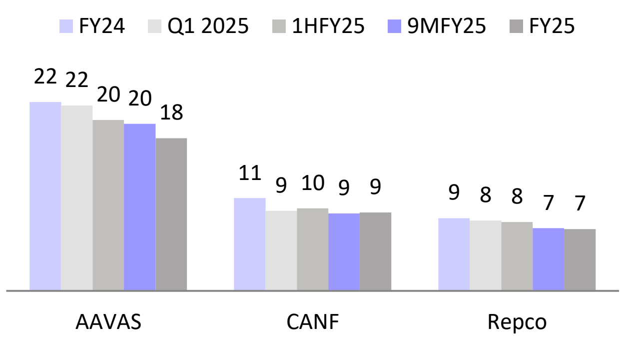
Source: MOFSL, Company, *MOFSL universe excl. PIEL and Indostar

Exhibit 82: LICHF loan growth has lagged the industry, while PNBHF retail loan growth has been gaining momentum



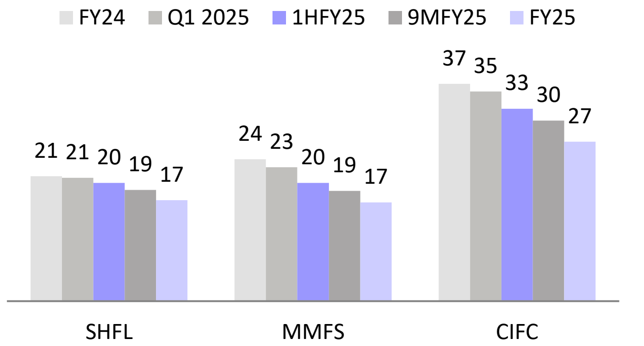
Source: MOFSL, Company;
Note: YoY AUM growth for large HFCs

Exhibit 83: Loan growth moderated for Aavas, while it was largely stable for Canfin and Repco



Source: MOFSL, Company;
Note: YoY AUM growth for affordable housing financiers

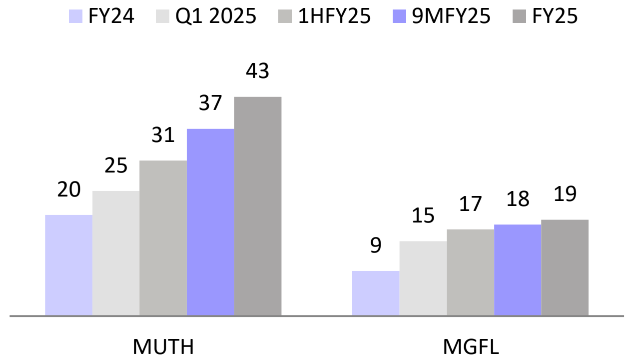
Exhibit 84: AUM growth for VFs moderated slightly because of weak macros



Source: MOFSL, Company

Note: YoY AUM growth for vehicle financiers

Exhibit 85: Gold loan growth picking up pace, aided by higher gold prices, tonnage growth and customer additions



Source: MOFSL, Company

Note: YoY AUM growth for gold financiers

Exhibit 86: PAT (excl. PIEL) grew 5% YoY for our NBFC coverage universe*

INR m	NII			PPOP			PAT			NIM		
	4QFY25	YoY (%)	QoQ (%)	4QFY25	YoY (%)	QoQ (%)	4QFY25	YoY (%)	QoQ (%)	4QFY25	YoY (bp)	QoQ (bp)
AAVAS	2,705	14	7	2,009	10.5	3.3	1,537	7.8	5.0	6.9	-16.4	11.1
ABCAP (NBFC)	17,854	5	3	12,294	7.6	3.1	6,520	11.5	8.7	5.8	-81.9	-11.3
ABCAP (HFC)	3,350	59	16	1,451	65.1	20.1	1,211	27.6	10.2	4.1	-32.0	1.0
BAF	98,072	22	5	79,675	24.3	2.1	45,456	18.9	5.5	9.6	-36.1	-9.3
CANF	3,485	6	1	2,946	8.4	1.1	2,339	11.9	10.3	3.7	-9.9	-4.0
CIFC	30,557	30	6	23,315	43.2	9.6	12,667	19.7	16.6	6.8	6.0	-0.5
Fivestar	5,594	21	4	3,964	19.2	2.1	2,791	18.2	1.9	19.4	-47.0	-12.8
HomeFirst	1,726	26	6	1,456	28.3	4.3	1,047	25.4	7.5	5.6	-25.0	-3.2
IIFL Finance	13,139	-20	6	6,582	-16.6	11.1	2,077	-44.4	409.1	3.5	-72.4	8.2
LTHF	24,231	4	-4	14,240	4.6	-3.7	6,358	15.0	1.6	10.0	-112.1	-70.1
LICHF	21,664	-3	8	18,790	-1.3	7.4	13,680	25.4	-4.5	2.9	-29.5	16.1
MMFSL	19,276	6	1	12,128	3.4	-0.7	5,631	-9.0	-37.4	6.6	-69.3	-15.1
MASFIN	1,625	42	9	1,516	34.7	9.6	808	18.8	3.5	7.6	81.2	35.5
MGFL	14,439	-3	-9	6,833	-26.8	-26.6	-2,032	-136.1	-173.0	13.5	-151.4	-94.9
Muthoot	29,039	36	7	21,478	42.3	4.3	15,078	42.7	10.6	11.7	-27.1	-18.8
PIEL	8,469	19	3	8,317	-887.2	16.5	1,024	-25.3	165.7	7.1	110.0	-
PNBHF	7,279	17	5	6,464	14.1	11.5	5,504	25.3	13.9	3.8	10.0	5.0
PFL	6,101	8	-1	2,384	-41.8	-36.1	623	-81.2	232.8	8.0	-280.7	-129.2
REPCO	1,892	7	-4	1,308	1.6	-9.4	1,149	6.4	7.9	5.2	10.0	-30.0
SHFL	55,655	9	-0	43,353	11.0	6.1	21,394	9.9	2.8	8.6	-66.8	-38.7
CREDAG	8,765	-1	2	6,340	-7.1	1.8	472	-88.1	-147.4	12.7	-40.0	20.0
FUSION	2,693	-25	20	901	-69.0	39.1	-1,646	-224.0	-77.1	8.6	-299.0	-30.0
SPANDANA	2,052	-47	-25	251	-90.5	-68.0	-4,343	-437.6	-1.3	12.3	-278.8	-76.0
PFC	59,106	39	26	65,460	39.8	27.0	51,090	23.5	23.0	4.6	90.4	84.5
REC	61,651	37	20	61,646	39.0	22.8	42,362	5.5	5.1	4.3	80.4	67.0
Total (excl. PIEL)	**4,91,950**	**17**	**7**	**3,96,784**	**19.1**	**8.5**	**2,31,774**	**4.4**	**9.5**			

Source: MOFSL, Company, *MOFSL universe excl. Indostar

Exhibit 87: Advances/AUM growth

INR b	Advances/AUM		
	4QFY25	YoY (%)	QoQ (%)
AAVAS	204	17.9	6.1
ABCAP (NBFC)	1,264	19.6	5.8
ABCAP (HFC)	311	68.6	16.2
BAF	4,168	26.1	4.7
CANF	382	9.2	2.9
CIFC	1,847	26.9	5.8
Fivestar	119	23.2	6.3
HomeFirst	127	31.1	6.4
IIFL Finance	783	-0.8	9.7
LTHF	978	14.3	2.8
LICHF	3,077	7.3	2.9
MMFSL	1,197	16.6	3.9
MASFIN	121	19.5	3.6
MGFL	430	2.3	-2.7
Muthoot	1,086	43.3	11.4
PIEL	807	17.2	3.0
PNBHF	804	12.8	4.6
PFL	356	42.5	15.0
REPCO	145	7.2	2.4
SHFL	2,632	17.0	3.4
CREDAG	259	-2.9	4.6
FUSION	90	-21.8	-15.3
SPANDANA	68	-43.0	-23.7
PFC	5,431	12.8	7.8
REC	5,669	11.3	0.2
Total	**32,356**	**15.6**	**4.3**

Source: MOFSL, Company

Exhibit 88: Asset quality snapshot

Asset quality	As on 3QFY25 (%)			As on 4QFY25 (%)			QoQ change (bp)		
(%)	GNPA	NNPA	PCR	GNPA	NNPA	PCR	GNPA	NNPA	PCR
AAVAS	1.1	0.8	29.8	1.1	0.7	32.4	-6	-7	262
ABCAP (NBFC)	2.3	1.2	45.6	2.3	1.2	46.5	3	0	90
ABCAP (HFC)	1.0	NA	NA	0.7	NA	NA	-33		
BAF	1.12	0.5	57.2	0.96	0.4	53.7	-17	-4	-348
CANF	0.9	0.5	45.2	0.9	0.5	47.7	-5	-4	259
CIFC	2.9	1.7	44.1	2.8	1.6	45.3	-10	-9	117
HomeFirst	1.7	1.3	25.5	1.7	1.3	25.2	-6	-4	-29
IIFL Finance	2.4	1.0	58.8	2.2	1.0	53.6	-19	4	-520
LTFH	3.2	1.0	70.6	3.3	1.0	71.1	6	0	56
LICHF	2.8	1.5	47.5	2.5	1.2	51.2	-28	-24	376
MMFSL	3.9	2.0	50.1	3.7	1.8	51.2	-21	-16	110
MASFIN	2.4	1.6	37.9	2.4	1.6	40.2	3	0	231
MGFL	2.5	2.3	NA	2.8	2.5	NA	30	20	
Muthoot	4.2	NA	NA	3.4	NA	NA	-82		
PIEL	2.6	1.4	49.3	2.7	1.8	35.7	3	37	-1357
PNBHF	1.2	0.8	33.3	1.1	0.7	36.0	-11	-11	277
PFL	1.9	0.8	56.8	1.8	0.9	54.5	-1	4	-232
REPCO	3.9	1.5	61.8	3.3	1.4	59.6	-59	-17	-219
SFL	5.4	2.7	51.6	4.6	2.6	43.3	-83	-4	-836
CREDAG	4.0	1.3	68.7	4.8	1.8	64.8	77	45	-390
FUSION	12.6	1.8	87.8	7.9	0.3	96.4	-466	-151	860
SPANDANA	4.8	1.1	79.8	5.6	1.3	78.8	78	25	-94
PFC	2.7	0.7	73.4	1.9	0.4	80.1	-74	-32	671
REC	2.0	0.7	61.9	1.4	0.4	71.7	-60	-36	985

Source: MOFSL, Company

FINANCIALS – CAPITAL MARKETS AND INSURANCE: Capital market players recovering from regulatory impact; regulations impact performance of general insurers; VNB margin expands for life insurers

- **Capital market activity witnessed revival in Mar'25:** Volumes continued to decline in Jan'25/ Feb'25 but witnessed a 22% MoM growth in Mar'25, signaling a revival in volumes. ANGELONE reported an 8% MoM growth in order run rate for Mar'25, after witnessing a decline since the implementation of F&O regulations in Oct'24. The company expects the impact of these regulations to gradually normalize, supported by early signs of a pickup in the revenue trend.
- **Premium-to-notional turnover ratio improves for exchanges:** Strong growth in the premium turnover market share—driven by an improving premium-to-notional turnover ratio and increased non-expiry day trading activity—significantly boosted BSE's top line and profitability. Star MF continued to report healthy performance, marking a 44% YoY growth in revenue. Meanwhile, heightened volatility in crude oil prices and strong demand for gold led to a surge in options volumes (101% YoY growth in total volumes), resulting in strong revenue growth for MCX. Options ADT surged 96% YoY to INR2.3t, largely supported by a 339% YoY growth in bullion contracts and 64% YoY growth in energy contracts. Futures ADT rose 56% YoY to INR283b, fueled by 45%/74%/66% YoY growth in bullion/energy contracts/base metals.
- **AMCs witnessed the impact of weak markets; flows remained stable:** The MF industry's QAAUM declined sequentially to INR67.3t at the end of Mar'25, with the share of equity QAAUM growing to 63.8% from 63% as of Mar'24. Industry SIP flows continued to gain traction, with INR783b flows in 4QFY25 vs. INR771b in 3QFY25. All AMCs maintained a positive outlook for SIP flows amid early signs of market recovery. While yields witnessed a slight decline due to fewer trading days, other income for all players was impacted by adverse equity market movements—which was offset by a favorable environment for debt investments. A weak market environment in the MF business led to a slowdown in growth for CAMS, which reported a 10% YoY increase in PAT. Wealth managers like 360ONE and Nuvama continue to witness steady ARR inflows, with yields showing strong improvement across products during 4QFY25.
- **Decline in ULIP momentum impacted growth; VNB margin expands due to higher non-par contribution:** During 4QFY25, the life insurance industry witnessed APE growth of ~1% YoY, driven by ~12% YoY growth reported by private life insurers, while LIC witnessed a decline of ~16% YoY. VNB margin witnessed an expansion across the industry, due to: 1) increased sales of ULIP products featuring higher sum assured and rider attachments and 2) growth recovery of non-linked products. Absolute VNB for private listed players grew in the range of 3-12% YoY. The players reported a sequential VNB margin expansion of 50-500bp.
- **Growth slowdown largely in the motor and health segment:** The general insurance industry continues to experience a low growth trajectory, due to: 1) weak infrastructure investments, 2) slow credit growth, 3) weak trends in motor sales growth, and 4) 1/n regulation. ICICIGI has successfully gained market share by focusing on profitable businesses and easing competitive intensity. Profitability has remained strong due to conservative reserving in the past. STARHEAL's recent pricing actions may provide some relief from rising medical inflation and hospitalization trends, potentially bringing the claims ratio down gradually over the next few quarters. Niva reported strong underwriting performance during the quarter, but the combined ratio was largely impacted by 1/n regulation. ICICIGI/STARHEAL/NIVABUPA registered a YoY NEP growth of 20%/12%/19%, while their PAT dipped 2%/100%/grew 31% YoY.

Valuation and view: The capital market ecosystem witnessed a mixed performance in FY25, marked by strong growth in 1HFY25 but a slowdown in 2HFY25 due to regulatory impact, weak market sentiments, and uncertain macroeconomic conditions. We expect the volume revival seen in Mar'25 to sustain, supporting a stable growth trajectory for brokers and exchanges as participation gradually rises. Mutual fund activity is anticipated to remain stable, backed by industry efforts to spread awareness, enhance financial literacy, and promote a long-term investment perspective—factors that are likely to maintain stable performance for AMCs and intermediaries like CAMS.

Wealth managers are expected to witness strong inflows and positive MTM impact going forward. Life insurance companies should see an improvement in VNB margins as the product mix shifts toward retail protection and annuities. Recovery in auto sales and capex are key monitorables for growth prospects among general insurance players.

- **Top Picks:** ANGELONE, NUVAMA, NIVABUPA
- **Surprises:** 360 ONE WAM, NUVAMA, SBILIFE, BSE, NIVABUPA, MAXF, CAMS, ABSLAMC
- **Misses:** STARHEAL, LIC, MCX, UTIAMC

Guidance highlights:

- **360ONE:** The strategic collaboration with UBS will support 360ONE's global business, enhance its domestic wealth proposition, and provide global distribution opportunities for its AMC products. Management aims to achieve an ARR flow growth of 12-15% and an MTM growth of 8-10%, targeting an overall AUM growth of 20-25%. This is expected to translate into revenue growth of 15-20% and PAT growth of 20-25%.
- **ANGELONE:** The revenue curve picked up in Mar'25, with a similar trajectory observed in Apr'25. Management expects the impact of F&O regulations to gradually normalize, which will lead to an operating margin of 40-45% in 4QFY26. The company's variable employee expenses serve as a lever for cost efficiency. It has been gaining market share through client additions and aims to remain aggressive while the industry adopts a wait-and-watch approach. Management expects the distribution segment to play a key role in revenue diversification, driven by a calibrated approach to launching new products, especially for credit and insurance.
- **CAMS:** For FY26, management expects EBITDA margins to contract to ~44%, driven by a muted AUM growth outlook of ~11-12%, translating into ~8-9% revenue growth. The non-MF business recorded a revenue run rate of ~INR2b in FY25, with management projecting a 25% increase in FY26, driven mainly by CAMSPay, AIF, and KRA, which will add around INR500m. EBITDA margins for this segment, which were in the 10-15% range, are expected to rise to ~20% in FY26. Management has guided for yields to dip to 2.14bp by 4QFY26.
- **BSE:** BSE is focused on leveraging the Sensex brand, enhancing reach, and widening its product basket. BSE aims to add 200 colocation racks before the end of FY26, bringing the total count to 500 racks. It has introduced a per-order rate on a pilot basis for colocation and will fine-tune it in the near future based on feedback. It aims to soon introduce a model with differentiated pricing for various customer segments.
- **HDFC AMC:** Management remains optimistic about a pickup in flow trends, noting that the company's decline in SIP flows was lower than the industry average.
- **NIPPON AMC:** Equity yield stood at 57bp, and management continues to expect a 2-3bp dip YoY going forward. In FY26, the company expects a cost increase of 15% ex-ESOP, with employee costs growing at 14-15% as well. The industry's SIP book has started to moderate amid ongoing market volatility. NAM is focused on diversifying products to attract investors toward SIPs and maintain momentum. A newly launched scheme in Japan—providing Japanese investors access to Indian markets, is expected to significantly benefit NAM.
- **ICICIGI:** While growth in the commercial and auto segments remained weak due to a weak economic backdrop, ICICIGI's health segment continued to perform well. The company will continue to evaluate a price hike in the health segment but is comfortable with the retail indemnity loss ratio of 65-70%. It expects the pricing to improve in the fire segment as companies adjust to a new reality of higher catastrophic events. Competitive pressures in the motor segment have been easing, as reflected in slower growth for some players.
- **NIVABUPA:** Niva's EOM has improved on a gross basis by 190-200bp each in FY24 and FY25. With strong premium growth, the company is well-positioned to achieve a similar improvement going forward, helping it comply with EOM regulations. In 4QFY25, Niva launched a new product targeting the middle-class and lower middle-class segments, addressing one of the largest unserved populations.
- **HDFCLIFE:** APE growth is expected to moderate to the mid-teens in FY26. VNB margins are likely to remain range-bound as the company continues to invest its surplus in enhancing agent productivity and driving technology transformation. Management expects traditional products to perform well, aided by lower interest rates and equity market uncertainty in FY26.
- **SBILIFE** Management expects individual APE growth of 13-14% in FY26, slightly above the industry growth of 12%, driven by continued expansion and productivity gains in the agency channel (expecting 25% growth in FY26) and stable momentum in the bancassurance channel (expecting 8-10% growth in FY26). VNB margin is expected to remain in the 27-28% range in FY26. Additionally, the company expects to achieve a 5% shift toward traditional products in FY26, bringing the contribution to 35% in the product mix, with ULIPs comprising the remaining 65%.

- **LIC:** Management expects premium growth to recover soon, although the reduction in the number of policies issued may take longer to stabilize. LIC remains focused on expanding its non-par business to enhance profitability and offer better policyholder benefits, particularly in a declining interest rate environment.

INR m	Revenue			EBITDA			PAT		
AMCs	**4QFY25**	**YoY (%)**	**QoQ (%)**	**4QFY25**	**YoY (%)**	**QoQ (%)**	**4QFY25**	**YoY (%)**	**QoQ (%)**
HDFC	9,014	30	-4	7,302	35	-4	6,385	18	-0
NAM	5,665	21	-4	3,652	26	-5	2,983	-13	1
ABSL	4,288	17	-4	2,439	19	-11	2,281	9	2
UTI	3,602	13	-4	1,534	18	-20	1,020	-44	-41
Broking/Exchanges									
ANGELONE	7,439	-15	-16	2,357	-49	-39	1,745	-49	-38
BSE	8,467	75	10	4,843	405	11	4,931	371	127
MCX	2,913	61	-3	1,602	NA	-17	1,355	54	-15
Wealth Management									
360 ONE WAM	6,518	14	8	3,177	16	11	2,498	4	-9
Nuvama	7,712	29	7	3,363	41	1	2,553	41	1
Anand Rathi	2,220	20	-6	908	24	-15	737	30	-5
Prudent Corporate	2,829	18	-1	686	13	4	516	16	7
RTA									
CAMS	3,562	15	-4	1,594	11	-8	1,128	10	-9
KFIN Technologies	2,827	24	-3	1,223	17	-6	851	14	-6
CDSL	2,244	-7	-19	1,094	-26	-32	1,004	-22	-23
General Insurance	**Gross Premium**			**Underwriting Profit/(Loss)**			**PAT**		
	4QFY25	**YoY (%)**	**QoQ (%)**	**4QFY25**	**YoY (%)**	**QoQ (%)**	**4QFY25**	**YoY (%)**	**QoQ (%)**
ICICIGI	69,039	10	7	-1,523	NA	NA	5,096	-2	-30
STARHEAL	51,380	3	35	-2,752	NA	NA	5	-100	-100
Life Insurance	**APE**			**VNB**			**PAT**		
	4QFY25	**YoY (%)**	**QoQ (%)**	**4QFY25**	**YoY (%)**	**QoQ (%)**	**4QFY25**	**YoY (%)**	**QoQ (%)**
HDFCLIFE	51,860	10	45	13,760	12	48	4,765	16	15
IPRU	35,020	-3	44	7,950	2	54	3,853	122	19
SBILIFE	54,500	2	-21	16,600	10	-11	8,135	0	48
MAXFIN	30,390	6	44	8,520	4	74	380	-175	-46
LIC	1,88,530	-11	89	35,340	-3	83	1,90,128	38	72

HEALTHCARE: In-line show; ends FY25 on a robust note despite currency/acute therapy challenges

- Pharma coverage companies delivered largely in-line revenue/EBITDA/PAT for 4QFY25, sustaining growth momentum with YoY increases of 12%/19%/18% in sales/EBITDA/PAT, respectively. Interestingly, US sales showed a moderation on an aggregate basis in CC terms, while acute therapies in the Domestic Formulation (DF) segment were adversely impacted by unfavorable seasonality. Despite these factors, the overall performance was decent, supported by increased growth momentum in chronic therapies within the DF segment and favorable currency movements in regulated markets, resulting in high-teen YoY growth in EBITDA and PAT.
- The reduction in API prices continued to improve overall profitability for formulation companies during the quarter.
- In the overall listed hospital space, Revenue/EBITDA grew strongly by 18%/20% YoY, respectively, for the quarter, driven by broad-based growth in operational parameters (volume growth up 9% YoY and patient realization up 9% YoY) for the quarter. Hospital companies added the lowest number of operating beds on a quarterly basis (82) in 4QFY25 for FY25.
- Out of 25 companies, 10 reported in-line performance, eight delivered better-than-expected performance, and seven delivered lower-than-expected performance. BIOS, GLXO, DIVI, and LAURUS delivered strong positive surprises for the quarter, while ALKEM/MANKIND delivered a considerable miss on operational performance.
- **US sales** witnessed revenue expansion of 3.4% YoY (in cc terms) to USD2.4b, on an aggregate basis, for companies under our coverage. The moderate performance from top drugs, in-line approvals, increased USFDA observations, and rising competition contributed to growth in US generics for the quarter.
- Among our coverage companies, ZYDUSLIF delivered the highest YoY growth of 17.4% in US sales, led by products like g-Myrbetriq and improved traction in the base portfolio. LUPIN's US segment delivered 17.2% YoY growth, backed by limited competition and new product launches like G-Spiriva/Pred Forte. Alembic delivered

17.3% YoY growth in US sales, driven by 16 product launches in FY25 and higher off-take of products commercialized in earlier years. Overall, 163 products are now commercialized in the US. In contrast, SUNP saw a 14% YoY decline in US sales, as continued strength in its specialty portfolio was offset by weakness in the generics business, leading to a slight decline in cc terms.

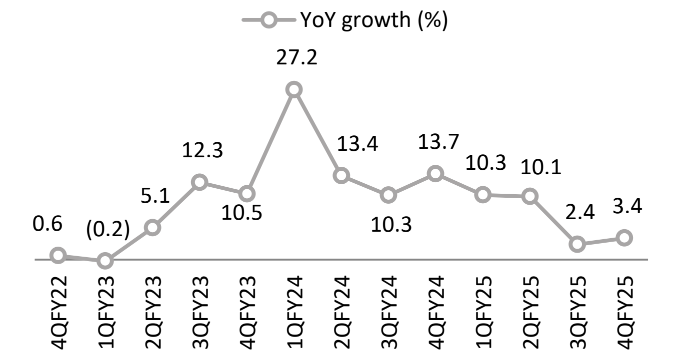
- On an overall basis, our coverage companies received approvals for 80 ANDAs (54 final approvals and 26 tentative approvals) in 4QFY25.
- On an aggregate basis, **Domestic Formulation (DF)** reported YoY growth of 11% in 4QFY25, led by strong growth in chronic therapies, which was offset by a lower off-take in acute therapies. Among therapies, Urology, Cardiac, Derma, Antineoplast, and Gastro delivered 13.6%/11.7%/9.5%/13.1%/9.7% YoY growth, outperforming IPM (8% YoY growth). However, Anti-infectives, Respiratory, Gynae, and Ophthal underperformed IPM by 290bp/460bp/400bp/340bp. Among our coverage companies, Sun/Mankind/DRRL delivered 13.6%/17%/15.8% YoY for 4QFY25. ERIS delivered 28% YoY growth, partly driven by acquisitions made in FY25.
- For FY25, DF sales grew 12.8% YoY to INR923b. Among our coverage companies, GNP/ERIS delivered YoY growth of 35.7%/44%, respectively. GNP's growth was supported by a low base effect, while ERIS's strong performance was driven by acquisitions.
- Among our coverage companies that have reported earnings so far, four have seen earnings upgrades, while six have seen earnings downgrades. Upgrades in FY26/FY27 earnings were observed in GLXO (5% each), LAURUS (3%/1%), DIVI (5%/6%), and LPC (8%/7%). PIRPHARM (down 47%/33%), BIOS (13%/3%), GRAN (8%/6%), and MANKIND (12%/9%) witnessed maximum downgrades in earnings estimates.
- **Top picks: SUNP, MAXH, IPCA**
- **Surprises:** BIOS, GLXO, DIVI, and LAURUS
- **Misses:** CIPLA, SUNP, ALKEM, MANKIND

Guidance highlights

- **Sun Pharma (SUNP)** expects mid-to-high single-digit YoY revenue growth in FY26, with a USD100m investment in specialty launches and field force. Illumya sales rose 17% YoY to USD680m. The ETR is expected to rise, while R&D spending will remain at 6-8% of sales. Post Phase II trials, partnering for MM-II is under evaluation.
- **Dr. Reddy's** expects double-digit revenue growth in FY26 with stable EBITDA margins. Key developments include biosimilar partnerships (HLX15, AVT03), seven product launches in North America, and the sale of its Shreveport facility. A one-time cost impacted gross margins by 80bp. SGA/R&D expenses will remain flat YoY, while ETR is guided to remain at FY25 levels.
- **Divi's** targets sustained double-digit revenue growth, with Unit III now operational and INR11b capitalized in FY25. A recent contract win will yield benefits by end-CY26. FY26 capex is set at INR14b. Raw material sourcing and freight conditions are stabilizing, and cash reserves stood at INR37b as of FY25-end.
- **Cipla** guided for 23.5-24.5% EBITDA margin in FY26, with a USD220m US sales run rate. Key launches include g-Abraxane, g-Nilotinib, and three peptides. The company plans major filings in respiratory, peptide, and oligonucleotide segments. Domestic sales are expected to grow 8-10% YoY, supported by a strong chronic portfolio and brand performance.
- **BIOS** has imminent TADs for g-Copaxone and Insulin Aspart, with Liraglutide set for late 2025. It is scaling up the production of Bevacizumab and expects b-denosumab approval by FY26-end. Four biosimilars have each achieved USD200m in sales, with strong US market shares for b-Trastuzumab (26%) and b-Pegfilgrastim (30%).
- **LPC** expects a 23-23.5% EBITDA margin for FY25, with 9MFY25 already at 24%. The US business is now projected for double-digit YoY growth, targeting USD1b in US sales for FY26 despite competition. Key filings include Ranibizumab for the EU, with R&D spend at INR18b and five complex nasal sprays planned.
- **ZYDUSLIF** targets double-digit YoY growth and a 26% EBITDA margin in FY26, with high single-digit growth expected in its US business. The Mirabegron litigation trial is scheduled for Feb'26, while vaccine interest from UNICEF/PAHO is increasing. An impairment has been recorded related to the g-rotigotine patch.
- **APHS** is on track to achieve cash EBITDA breakeven (excluding ESOP cost) in Healthco by 2QFY26/3QFY26. The company anticipates GMV growth of 25-30% YoY in FY26, with sales:GMV ratio expected at 40-45% vs the current ratio of 37%. It expects to maintain the profitability of its healthcare services segment for FY26.

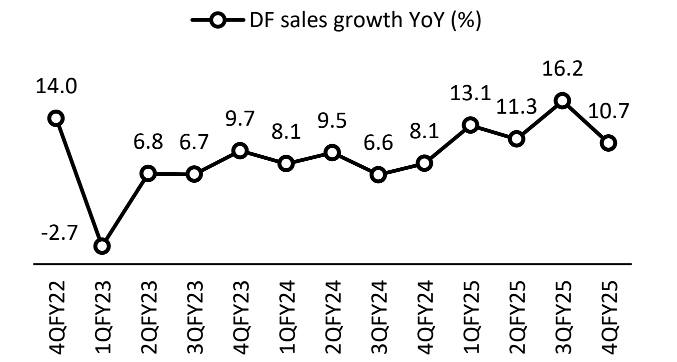
- **LAURUS** expects stable ARV revenue of INR25-26b in FY26, with limited current payload and linker manufacturing. FY26's capex of INR10b will be funded internally, keeping net debt steady. Significant growth in animal health and crop protection businesses is anticipated from end-FY26 onwards.
- **GLAND** ended FY25 with flat revenue but targets mid-teens YoY growth in FY26, driven by biologics, dry powder contracts, GLP business, and new US/ROW launches. Cenexi is expected to break even by 3QFY26, aiming for a double-digit EBITDA margin by FY27.
- **TRP** is preparing to launch Semaglutide in India, with its Curatio portfolio growing 18-19% YoY in FY25. Its chronic portfolio outperformed industry growth at 14%. The company posted 4% volume and 7% price growth. It has added 200 MRs and aims for 6,800-6,900 by FY26-end. It expects high-single-digit revenue growth in Germany.
- **IPCA** has guided for 8-10% YoY growth in revenue and a 100bp margin expansion for FY26. Additionally, management indicated 6-7 product filings for the US market in FY26. IPCA outperformed the DF market in acute and chronic categories in FY25.
- **MAXHEALTH** aims to add 1,500 beds in FY26, following the addition of 856 beds in FY25. Strong 4QFY25 revenue growth was driven by Oncology, Orthopedics, and Obstetrics/Gynecology, with international patient revenue increasing 28%. Cash flow supported expansion, facility upgrades, and the JP Healthcare acquisition; the Vaishali facility added 140 beds, operating at 83% occupancy.
- **MEDANTA** plans a new 400-bed hospital in Guwahati with an INR5b investment; construction at Noida and Ranchi hospitals is on track for 2QFY26 operations. Over 119 doctors have joined in FY25. The Lucknow hospital has achieved 250+ kidney transplants, while international patient revenue grew 17% YoY.

Exhibit 89: US sales declined 3.4% YoY in 4QFY25 (CC terms)



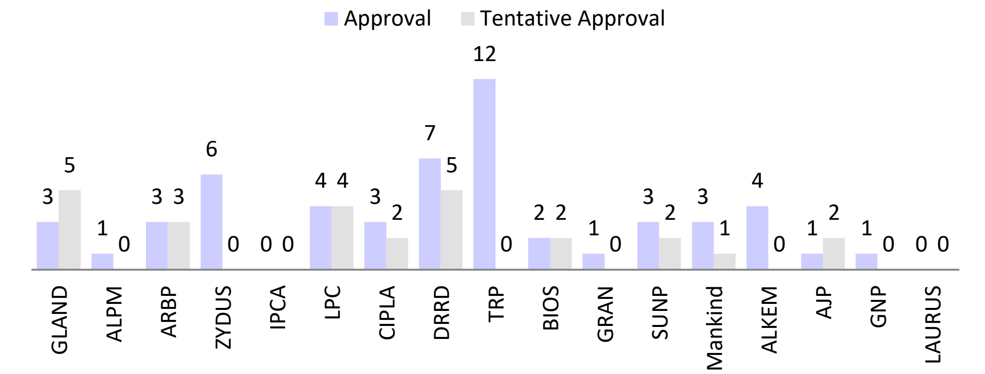
Ex-APHS/MAXHEALT/MEDANTA Source: MOFSL, Company

Exhibit 90: DF sales grew 10.7% YoY in 4QFY25



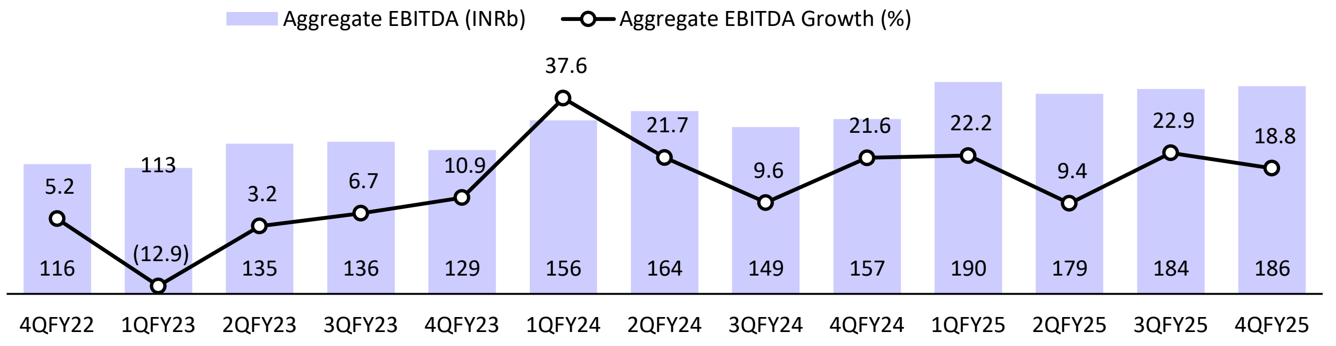
Ex-APHS/MAXHEALT/MEDANTA Source: MOFSL, Company

Exhibit 91: 54 Final ANDAs approved on an aggregate basis for our coverage universe in 4QFY25



Source: MOFSL, Company

Exhibit 92: Aggregate EBITDA up 18.8% YoY to INR186b in 4QFY25 for pharma universe



Ex-APHS/MAXHEALT/MEDANTA/SOLARA Source: MOFSL, Company

Infrastructure: Sluggish awarding activity in FY25; delays in appointed dates hurt execution

- **Execution declines on a YoY basis in 4Q amid sluggish awarding activity:** Infrastructure companies within our coverage universe (excluding IRB) reported a 16% YoY revenue decline in 4QFY25, primarily due to sluggish project awarding by NHAI and delays in land acquisition. KNR/GRIL revenue declined 28%/10% YoY, respectively, in 4QFY25. GRINFRA faced a slowdown in execution, primarily due to fewer projects under execution. NHAI's awarding was sluggish in FY25 and both the companies, KNR and GRIL, are exploring non-road infrastructure opportunities like power transmission projects, water projects, and solar EPC projects to diversify their order books. The managements of KNR and GRIL have guided for flattish growth in FY26 as well. Execution is likely to improve in FY27 across our coverage companies.
- **Awarding activity remains subdued in FY25; pipeline robust**: Awarding activity by NHAI has remained subdued, with ~4,000km of projects awarded in FY25. While there is a huge tender pipeline, order inflows could kick in materially only in FY26. Management of GRIL has guided for order inflows of INR200b in FY26, while management of KNR has guided for order inflows of INR80b. Given the sluggish awarding activity by NHAI, both companies are expected to focus on diversifying their order books toward non-road segments.
- **Elevated input costs keep margins under check:** Companies within our coverage reported flattish EBITDA margin on a YoY basis. Though steel and aluminum prices have corrected ~30% from their highs in Apr'22, the prices continue to remain at elevated levels. Cement prices have increased ~8% from their lows in Oct'23.
- **Focus on asset monetization:** NHAI had set a monetization target of ~INR300b at the beginning of FY26 (INR287b in FY25) and has prepared a tentative list of 24 road assets earmarked for monetization. In line with the National Monetization Plan (NMP), NHAI's total asset monetization program has surpassed INR1t.

Exhibit 93: Revenue declined ~16% YoY for our coverage universe

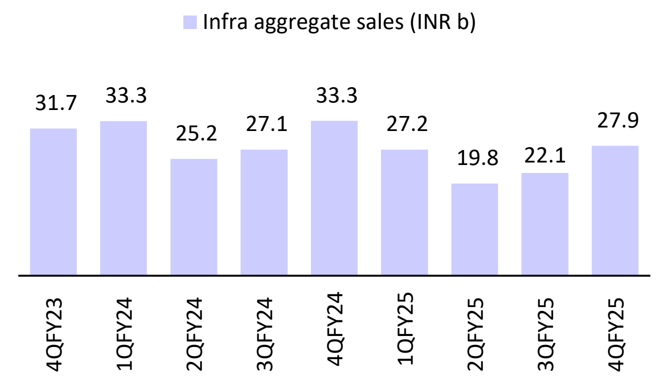


Exhibit 94: Gross margin expanded on a YoY basis

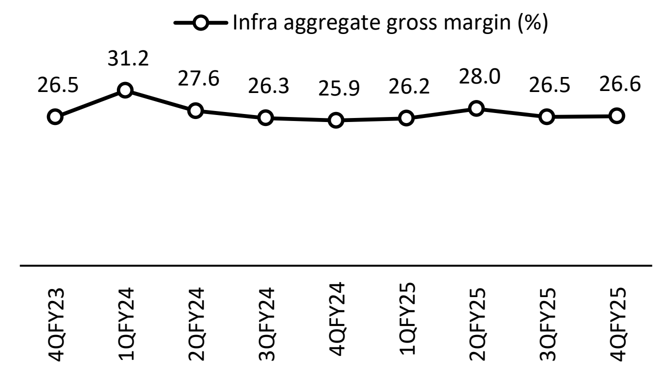


Exhibit 95: EBITDA remains flattish YoY

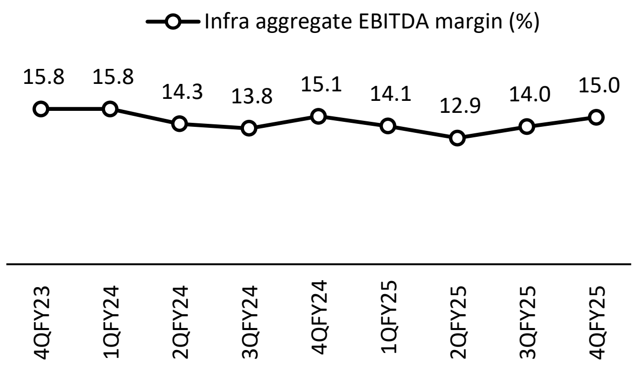
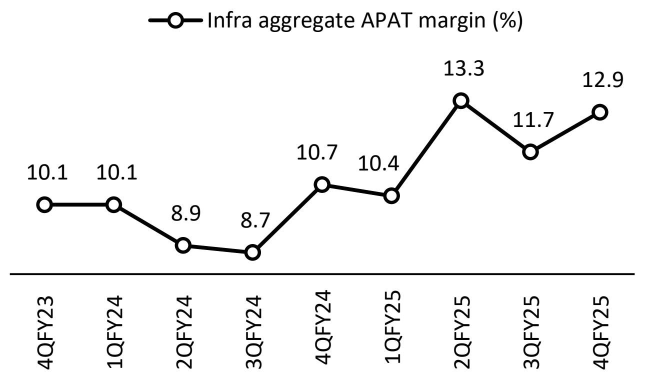


Exhibit 96: APAT margins expand on a YoY basis



Note: Data in the above charts is for our coverage universe, excluding IRB

Logistics: Volumes remain muted amid slowdown in consumption; private port operators gain market share

- **Logistics activity remains muted; cargo volumes at ports remain subdued due to geopolitical issues:** Logistics activity remained muted due to challenges like weak volume growth—especially in road transportation and e-commerce, market fluctuations, and rising labor costs. Express logistics saw a volume decline due to muted demand and competitive pressure. Logistics companies (excluding APSEZ and JSWINFRA) reported YoY revenue growth of ~5% in 4QFY25 and 2% in FY25. APSEZ and JSWINFRA reported an 8% and 5% YoY growth in cargo volumes, respectively. In FY25, APSEZ managed ~27% of the country's total cargo and ~45% of container cargo. With volume ramp-up at recently acquired ports/terminals, APSEZ and JSWINFRA are expected to witness strong volume growth going forward.
- **Margins remain largely flattish on a YoY basis due to muted volume growth and high operating expenses:** Gross margin for our coverage universe, barring APSEZ and JSWINFRA, stood at 29.9% in 4QFY25 (up 40bp YoY and 50bp QoQ). Muted volumes during the quarter, coupled with elevated operating expenses—such as high fuel prices and toll charges—kept margins subdued. EBITDA margin for our coverage universe, excluding APSEZ and JSWINFRA, decreased 10bp YoY and 30bp QoQ to 12.9%. APSEZ's margins stood at 59% (up 40bp YoY and down 130bp QoQ), while JSWINFRA's margins stood at ~50% (down 300bp YoY and up 30bp QoQ).
- **Organized players with a Pan-India network and technological advantage to gain higher market share:** The implementation of GST, e-way bills, and reduced e-invoicing turnover limits has prompted businesses to partner with organized logistics providers. Express companies are expanding their infrastructure and digitalizing operations, positioning themselves to capture higher volumes. Meanwhile, the government's port privatization efforts present growth opportunities, with APSEZ and JSWINFRA well-placed to benefit, given their strong balance sheets.
- **Top picks**: JSWINFRA is our preferred choice in this space.

Guidance

- **APSEZ:** In FY26, APSEZ expects cargo volumes of 505-515mmt, revenue of INR360-380b, EBITDA of INR210-220b, and a net debt-to-EBITDA ratio of 2.0-2.5x. It has planned a capex of INR120b, primarily for ports (INR60b), logistics, and renewables.
- **JSWINFRA:** Port capacity is set to reach 400mtpa by FY30, with the current capacity rising to 177mtpa. Management targets INR80b in revenue, INR20b in EBITDA, and INR90b in capex for JSW Ports Logistics Ltd. JSWINFRA plans to invest INR55b in capex (vs. INR 24.4b in FY25), including INR40b earmarked for ports and INR15b for logistics.
- **VRLL:** In FY26, VRL expects 2-3% volume growth, with a weak 1H due to the exit from low-margin businesses and recovery from 3Q. Revenue will be supported by 6-7% realization growth and stable pricing, while EBITDA margins are expected to remain at 19-20% with continued cost control.
- **TRPC:** The company expects freight margins and RoCE to bottom out, with some volume recovery from SME customers. Strong momentum continues in warehousing, quick commerce, and multimodal services. For FY26, it

targets 10-12% revenue and profit growth, aided by the China+1 strategy, PLI scheme, and infrastructure push. A capex of INR4.5b is planned for FY26.

- **BDE:** BDE anticipates high single- to low-double-digit YoY growth in FY26-27, aims to improve margins without providing specific guidance, and expects B2C ground express growth to vary with economic conditions while leveraging better infrastructure to support stronger pricing.
- **CCRI:** For FY26, CCRI targets 13% overall volume growth, driven by 10% growth in EXIM and 20% in domestic volumes. The commissioning of the Western DFC to JNPT by Dec’25 is expected to boost rail volumes by shifting light cargo from the roads. Additionally, four new terminals—Talabad, Patri, Mandalgarh, and Chunar—are set to open in FY26, creating new regional freight corridors.
- **MLL:** MLL aims to build integrated logistics capabilities, leveraging enhanced tech and automation as differentiators. It targets mid-to-high teen revenue growth and an 18% RoE by FY26, with a long-term goal of becoming an INR100b logistics provider, while remaining optimistic about narrowing losses as express volumes recover.
- **TCIE:** The company expects 7-8% tonnage and 10-12% revenue growth in FY26, driven by better yields and network expansion. Margin expansion of 150-200bp is anticipated from price hikes, cost control measures, and a higher share of rail/air express. The company has earmarked INR3b capex for FY26-27.

Exhibit 97: Sales improved ~5% YoY for our coverage universe

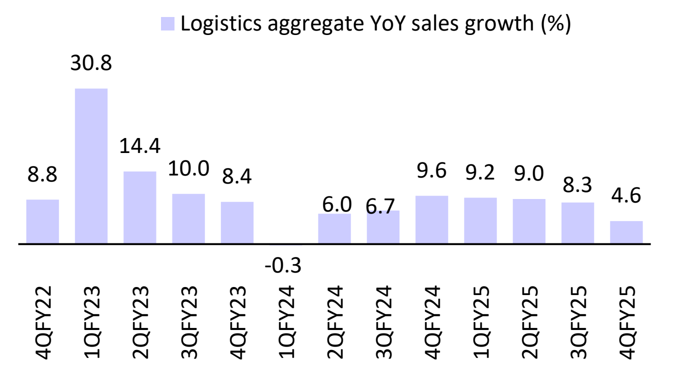


Exhibit 98: Margins remained largely flattish on a YoY basis

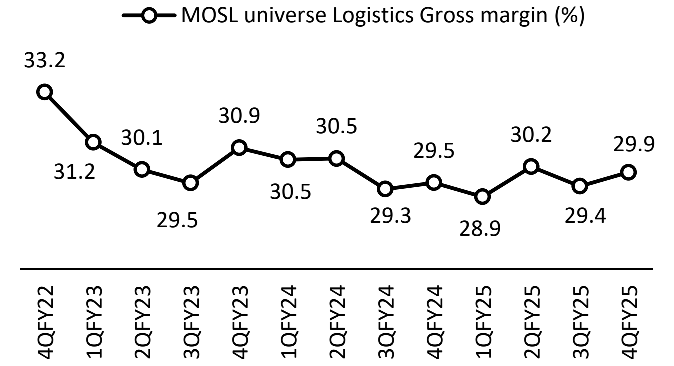
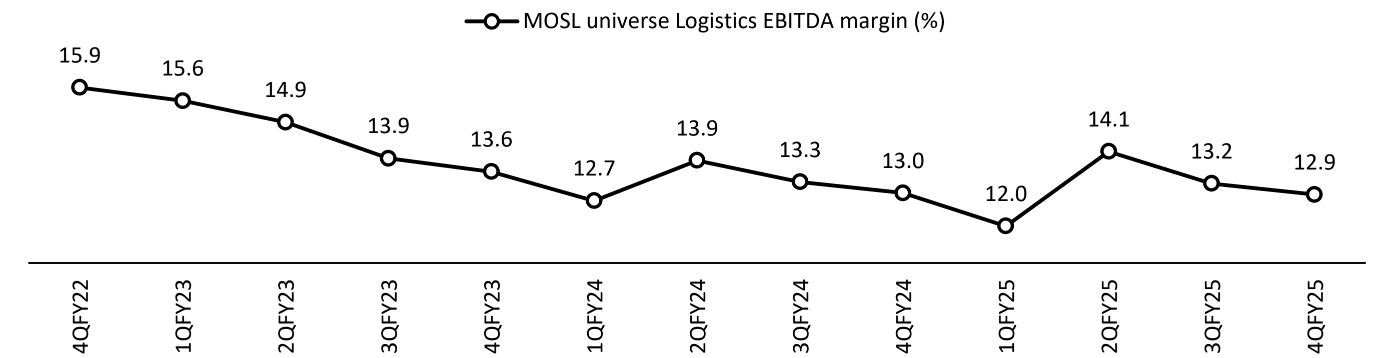


Exhibit 99: EBITDA margin remained flattish on a YoY basis, primarily due to muted volume growth



Note: Data in the above charts is for our coverage universe, excluding APSEZ & JSWINFRA

Source: Company, MOFSL

METALS: Low costs drive operating performance; ferrous sees better volume, ASP remains muted

- **Strong volume growth for ferrous as imports soften**

Ferrous: Companies within our coverage universe reported sales volume growth of 9% YoY and 12% QoQ in 4QFY25, as construction activity resumed and imports softened, in addition to a low base effect. SAIL reported strong volume growth of 20% QoQ (+17% YoY), driven by incremental volume from NMDC steel (NSL). JSPL/JSTL reported 12% QoQ volume growth, while TATA saw 8% QoQ volume growth.

Non-Ferrous: HNDL domestic aluminum volume growth remained muted at 2% both QoQ and YoY, while copper volume grew 13% QoQ (flat YoY). Novelis (HNDL overseas aluminum business) saw modest volume growth of 6% QoQ, but remained flat YoY due to subdued global demand and trade tensions. Vedanta posted 2% QoQ (flat YoY) volume decline in aluminum business, while the domestic zinc business (HZ) saw volumes growth of 7% QoQ (flat YoY). NACL reported aluminum sales growth of 19% QoQ (+17% YoY), while alumina sales fell by 8% QoQ and 10% YoY, owing to a production shift toward aluminum.
Mining: COAL's sales (dispatches) were up 3% QoQ and flat YoY at 201mt, while NMDC sales volume rose 6% QoQ and 1% YoY to 12.7mt.

- **Ferrous ASP remained muted QoQ; non-ferrous benefitted from favorable pricing:** Aggregate revenue for the ferrous companies under coverage grew by 9% QoQ (flat YoY) as healthy volume offset muted NSR. Despite an increase in ferrous prices by INR2,500-3,000/t during Mar'25, the average flats price in 4QFY25 was marginally up by INR500/t, and management expects to see INR2,500-3,000/t NSR improvement in 1QFY26. Average realization moderated by 2% QoQ in 4Q. Aggregate revenue for non-ferrous companies increase by 8% QoQ and 17% YoY, led by favorable pricing during the quarter. HNDL reported revenue growth of 11% QoQ and 16% YoY, whereas the HZ/VEDL revenue grew by +6/3% QoQ and +20/13% YoY in 4QFY25.
- **Ferrous EBITDA/t improved QoQ amid muted cost; non-ferrous delivers strong growth: a) Ferrous**: Aggregate EBITDA for our coverage companies increased by 12% both QoQ/YoY, driven by strong volumes and muted cost. EBITDA/t for JSPL/JSTL improved marginally by 2% QoQ (down 4/6% YoY) to INR11,650/INR8,500 per ton. SAIL reported strong EBITDA/t of INR6,536/t (+43% QoQ and +69% YoY), while TATA EBITDA/t stood at INR7,874/t (-15% QoQ and -5% YoY). EU operating losses remained flat QoQ and YoY both at USD38/t. **b) Non-ferrous**: EBITDA for non-ferrous companies increased significantly by ~38% YoY and 9% QoQ on account of strong pricing and muted costs during the quarter. The biggest improvement was visible in NACL, which benefited from higher alumina sales and favorable pricing.
- **Ferrous - Decent operating profit drives PAT growth:** Aggregate APAT for ferrous companies increased by 117% QoQ and 55% YoY in 4QFY25, led by strong operating profit on account of better volume and muted costs. Non-ferrous companies' aggregate APAT increased by 20% QoQ and 79% YoY, driven by strong operating profitability on account of strong pricing and muted costs during 4Q.
- **Top picks:** JSTL and JSP
- **Surprises:** SAIL and NACL

Capacity enhancement: a) Ferrous: TATA is doubling its domestic crude steel capacity to 40mt from 21mt; recently Kalinganagar 5mtpa was commissioned and other associate facilities will be commissioned in the coming years. Similarly, JSP is doubling its finished steel capacity to 13.75mt by FY26 from 7.25mt. JSTL 5mtpa Vijayanagar integrated facility (Sinter and BF) was commissioned. JSTL's other expansion such as Dolvi phase-III and debottlenecking should take the capacity to 42mtpa by Sep'27. SAIL plans to increase its capacity from 20mtpa of crude steel to 35mtpa by the end of FY31 in a phased manner.
b) Non-ferrous: Novelis' (HNDL) Bay Minette facility is expected to be completed in 2HCY26 and would take 18-24 months to fully ramp up. VEDL's Lanjigarh Train-1 is ramping up steadily, and the ongoing Train-2 expansion of 1.5mtpa is expected to be completed in 1HFY26. At Zinc International, the Phase 2 expansion project is expected to be commissioned by 2HFY26. In BALCO, the company plans to add 30ktpa of aluminum silicon products and 50ktpa of slabs. HZ's debottlenecking at Dariba Smelting Complex is expected to be completed by 2QFY26 and the debottlenecking at Chanderiya lead-zinc smelter in 3QFY26. NACL is expanding its alumina refinery (5th Stream) by 1mtpa with a completion target of Jan-Feb'26 (delayed from Sep'25 due to local issues).

Guidance highlights:

- **TATA:** In 1QFY26, India prices are expected to rise by INR3,000/t and Europe prices by EUR20-30/t. Deliveries for FY26 are expected to increase by 1.5mt, primarily from Kalinganagar's ramp-up in India. Coking coal costs (on a consumption basis) for India operations would be USD10/t lower QoQ in 1QFY26, and for the Netherlands, coking coal prices may fall by USD10/t QoQ and iron ore prices might be higher by USD10/t QoQ. Management aims for cost savings of INR115b in FY26: a) INR40b from India via contract optimization and technology-driven procurement; b) UK fixed cost reduction by 29%; and c) EUR500m in the Netherlands via volume maximization.

- **JSTL:** Realization/t is expected to go up by INR3,200-3,250/t for 1QFY26. In 1QFY26, management expects coking coal costs to further decline by USD10-15/t sequentially. Volume guidance for FY26: Indian operations' production/sales to be 29.5mt/28.2mt. USA-Ohio production/sales to be 1mt/1mt. Capex Guidance: INR200b for FY26 and INR210b for FY27. Out of this, ~96% of the total capex will be spent on Indian operations, and the remaining on overseas operations. Captive iron ore sourcing is expected at 40% (~34mt) for FY26.
- **JSP: The** company expects 9-10mt of crude steel production in FY26 with the incremental steel production of 0.2-0.3mt coming from existing plants and 0.7- 1.6mt from new expansion. JSP expects finished steel sales of 8.5-9mt for FY26; the lag between production and sales will be due to the ongoing ramp-up. Management expects coking coal to further moderate by USD10-12/t in 1QFY26. Earnings are expected to be better in 1QFY26, driven by healthy volumes, better NSR, and lower costs. In 4QFY25, the company spent ~INR23.1b primarily on Angul capex. Out of the total ~INR470b capex announced for growth and maintenance, JSPL has spent ~INR259b so far and the remaining will be spent over FY26-28E.
- **NMDC:** NMDC targets production of 55mt for FY26, with an incremental loading of ~6-7mt from two new lines (line-4 in Bacheli and line-13 in Kirandul). Domestic iron ore prices remain stable, supported by safeguard duties on steel despite range-bound international prices (USD99-102/t). NMDC aims to double its production capacity from 50mt to 100mt over the next few years. For FY26, NMDC has guided for a capex of INR40-42b, with a significant ramp-up expected in FY27-28 (potentially exceeding INR100b annually) as projects move into execution.
- **HNDL:** Coal mix for FY25: linkage was 50%, e-auction was 47%, and the rest was from own mines. Management does not foresee any substantial change in FY26 and expects major changes after the commissioning of Chakla and Bandha mines. HNDL expects alumina prices to remain in the range of USD350-400/t in FY26. Downstream EBITDA/t is expected to be USD250-300 for FY26. Alumina sales for FY26 are expected to be 700-800kt.
- **VEDL/HZ:** Currently, 55% of alumina is sourced from captive sources, with the rest being imported. As production ramps up to 4mt by 4QFY26, captive sourcing is expected to increase to 65%. For the aluminum business, VEDL expects production volume of 2.5mt and CoP of USD1,700-1,750/t for FY26. For Bauxite, VEDL expects to source 60% from the domestic market (OMC) and 40% imported in 1HFY26. KCM is ramping up well, and management targets 150kt in FY26, with potential upside to 170-180kt. The mine is expected to be cash positive in FY26 with the completion of the KDMP project.

Exhibit 100: Domestic spot steel spreads (USD/t) recovered close to LTA

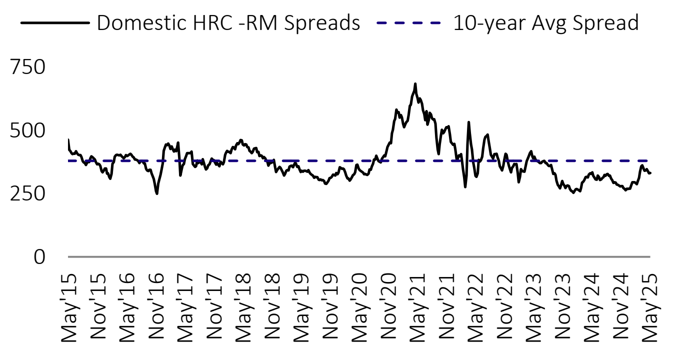
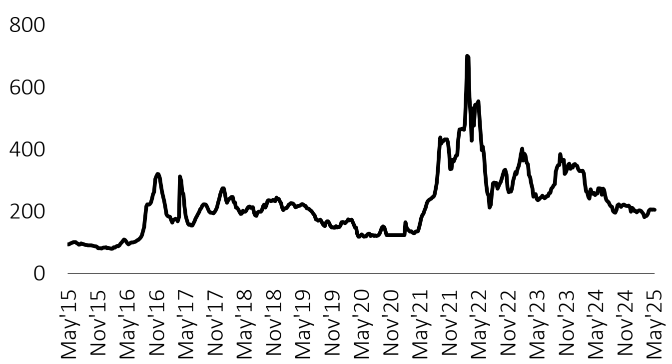
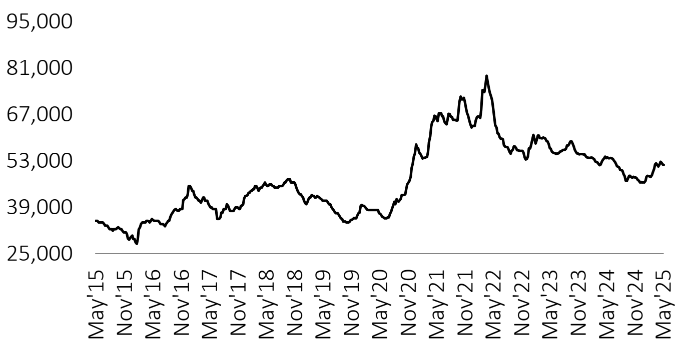


Exhibit 101: Coking coal (USD/t) moderated significantly from the peak and now range bound near USD200/t



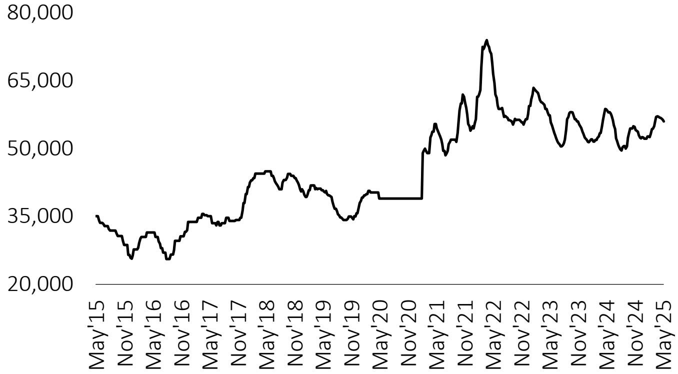
Source: MOFSL, Steelmint

Exhibit 102: HRC (INR/t) rebound to INR52,000/t amid safeguard duty



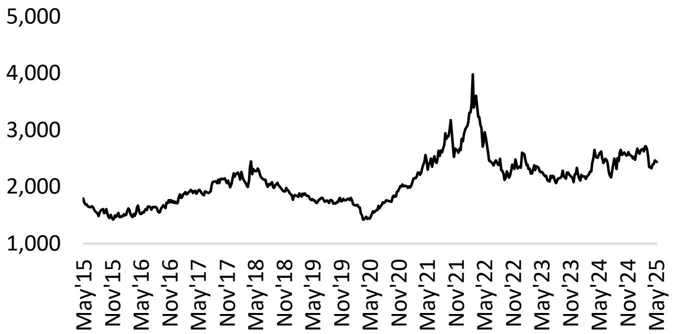
Source: MOFSL, Steelmint

Exhibit 103: Rebar (INR/t) prices resilient at 56,000/t level with better demand from construction activities



Source: MOFSL, Steelmint

Exhibit 104: Aluminum prices corrected to ~USD2,500/t

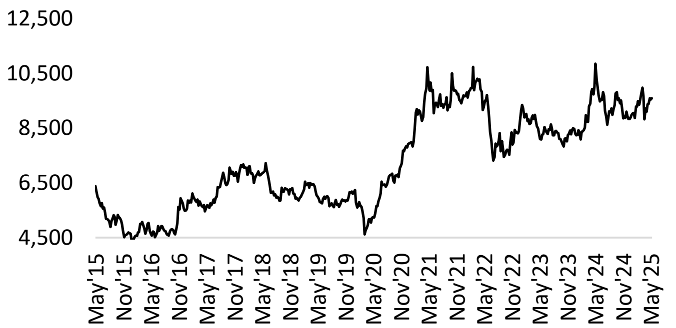


Source: MOFSL, Bloomberg

Exhibit 105: Zinc prices slipped from USD2,700/t levels

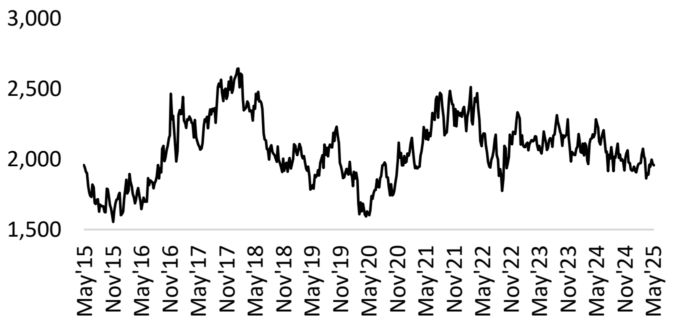
Source: MOFSL, Bloomberg

Exhibit 106: Copper prices steady at USD10,000/t levels



Source: MOFSL, Bloomberg

Exhibit 107: Lead prices softened below USD2,1000/t



Source: MOFSL, Bloomberg

Exhibit 108: EBITDA/t for steel companies under our coverage (consolidated)

EBITDA/t	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25
JSW Steel	12,340	12,438	11,967	9,100	9,003	8,869	8,314	8,515
Tata Steel	7,186	6,037	8,031	8,271	9,059	7,343	9,268	7,874
SAIL	4,250	4,429	5,638	3,879	5,536	3,111	4,582	6,536
JSPL	14,283	11,372	15,705	12,162	13,585	11,893	11,494	11,651

Source: MOFSL, Company

OIL & GAS: OMCs – refining steady, marketing remains robust; CGD margins have bottomed out

- **Overall performance:** Revenue came in 7% above our estimate (flat YoY). Excluding OMCs, revenue was 8% above our estimate (up 7% YoY). EBITDA was 16% above estimates (flat YoY), with OMCs, GAIL and IGL beating our estimates. Excluding OMCs, EBITDA was in line with estimates (flat YoY). Adjusted PAT was 27% above est. (down 5% YoY). Adjusted PAT, excluding OMCs, was in line (down 12% YoY). (AEGISLOG is excluded as it is yet to report 4QFY25 result)
- **RIL:** Reliance Industries' (RIL) 4QFY25 consolidated EBITDA was flat QoQ (+3% YoY) at INR438b (in line), driven by a stronger recovery in Retail (EBITDA +15% YoY). Consol. O2C EBITDA grew ~5% QoQ, driven by cost optimization and favorable ethane cracking economics amid weaker refining and petchem spreads. E&P EBITDA declined ~8% QoQ (6% miss) due to lower KG D6 production.
- **Upstream:** While production for both **ONGC and OINL** came in above estimates in 4Q, both crude oil and natural gas production trends were flat QoQ/YoY. Oil realization stood in the range of USD74-USD75 for upstream companies. ONGC's EBITDA stood 5% above estimate and OINL's EBITDA came in line with estimate. Both companies booked higher-than-estimated dry well write-offs.
- **OMCs – Higher-than-estimated GRM drives performance:** HPCL/IOCL/BPCL reported strong EBITDA outperformance of 61%/110%/46% vs. our estimates, driven primarily by better-than-expected GRMs. Refining throughput remained broadly in line with expectations. Marketing margins exceeded estimates for IOCL and BPCL, while HPCL's were in line. Although LPG under-recoveries continued to weigh on profitability, they remained flat QoQ across all three companies.
- **CGDs:** While **GUJGA's** EBITDA margins exceeded our expectations, **MAHGL** and **IGL's** adj. EBITDA margins fell short. Total volumes for GUJGA/MAHGL/IGL were broadly in line with estimates at 9.2/4.2/9.18 mmscmd. Realizations improved by INR1.3/INR3/INR3 per scm during the quarter, primarily due to recent price hikes and provision reversals, partially offset by higher operating expenses.
- **Gas utilities:** Both GAIL and GUJS witnessed soft transmission volumes amid subdued demand from power, fertilizer and CGD segments. **GAIL's** EBITDA exceeded our est. by 11%, driven by strong gas marketing performance, which offset weaker results in transmission and petrochemicals. **GUJS** reported a 30% EBITDA miss, driven by weak volumes at 25.8mmscmd. Implied tariff stood in line at INR847/mmscm. Net profit was impacted by lower other income and a higher tax rate. **PLNG's** EBITDA beat our estimates by 21%, aided by UoP provision reversal. Adjusted EBITDA was in line. Volumes were 8% below expectations at 205Tbtu due to lower third-party cargoes.
- **Others: MRPL's** EBITDA beat our estimates by 34% on a stronger GRM of USD6.2/bbl (core: ~USD 5.8/bbl). PAT was hit by a higher tax rate, while refining throughput matched estimates at 4.6mmt. **CSTRL's** results were in line with estimates. EBITDA margin declined 55bp YoY and 615bp QoQ due to higher other expenses. Volumes met expectations at 62m liters.
- **Ratings and earnings revisions: IGL upgraded from Neutral to BUY:** IGL's EBITDA margin appears to have bottomed, supported by recent CNG price hikes and declining raw material costs. We estimate conservative EBITDA/scm of INR6.2/6.5 for FY26/FY27 and 7% volume growth, below management's 10% guidance. We cut **MRPL's** FY27E GRM to USD6.5/bbl (from USD7) and lower FY26E throughput to 17mmt (from 18mmt) due to planned maintenance.
- **Top picks: MAHGL** – We expect a 10% CAGR in volume over FY25-27, driven by multiple initiatives implemented by the company, such as collaborating with OEMs to drive conversions of commercial CNG vehicles and providing guaranteed price discounts to new I/C-PNG customers. **HPCL** – It remains our preferred pick among the three OMCs. We see the following as key catalysts for the stock: 1) the de-merger and potential listing of the lubricant business, 2) the commissioning of its bottom upgrade unit in 2QCY26, 3) the start of its Rajasthan refinery in FY26, and 4) LPG under-recovery compensation.
- **Surprise:** GUJGA, GAIL, IGL, HPCL, IOCL, MRPL and BPCL
- **Misses:** ONGC

Guidance highlights:

- **Upstream: ONGC:** Management guided for FY26 standalone production of 21.5mmt for oil and 21mmtoe for gas, which it expects to grow to 22mmtoe in FY27, supported by Daman and KG-98/2 ramp-ups. FY26 capex is guided at INR300-350b. OPaL performance is expected to improve in 1QFY26, aided by cheaper NW gas and SEZ exit benefits. **OINL:** Management expects the Paradip-Numaligarh crude and Duliajan-Numaligarh gas pipelines to be commissioned by Oct'25. FY26 capex is guided at INR150-160b, including INR91.3b for NRL. The Mozambique project is set to restart in Jul'25. The company plans to drill over 75 wells in FY26, up from 60+ in FY25.
- **OMCs**: **HPCL's** management expects HRRL's CDU to start soon, with MS/HSD production by 3QFY26. Key projects like the Mangalore LPG cavern and Visakh bottom upgradation unit will be commissioned in 2QFY26. FY26 capex is guided at INR130-140b, with equal allocation to refining, marketing, and JV equity contributions. **IOCL** plans to add 3,000-4,000 retail outlets in FY26, expanding its network beyond 40,000. FY26 capex is guided at INR340b, with major spends on refining and pipelines. Panipat and Gujarat refinery expansions are set for commissioning by 4QFY25, while Barauni will be completed by 1HFY27. **BPCL's** FY26-28 capex is guided at INR200b/INR250b/INR300b. Bina refinery has reached 11% physical progress, while the Andhra project will have 40% petchem integration. BPCL will invest USD2.1b more in Mozambique. Management guided for GRMs of USD7-9/bbl at current spreads.
- **CGDs**: **IGL** guides for EBITDA margins of INR6-7/scm for the near term and INR7-8/scm for the long term, supported by INR appreciation and stable gas costs. It expects 10% volume growth in FY26, led by CNG and PNG. **MAHGL's** management expects ~10% YoY volume growth in FY26, led by CNG; EBITDA margins are guided at INR9-11/scm. Capex outlay for FY26 is INR13b. **GUJGA**: FY26 CNG volume growth is guided at 12% YoY; EBITDA/scm to remain at INR4.5-5.5. Morbi volumes to stay steady in 1QFY26 amid soft fuel prices. FY26 capex guidance is INR10b with 70 new CNG stations planned. Amalgamation scheme completion expected by Sep-Oct'25.
- **Others: GAIL:** Management expects to clock NG transmission volumes of 139/148/159mmscmd in FY26/27/28. Management maintained its NG marketing EBIT guidance of INR40-45b for FY26. Additionally, the company is expected to clock 108/114/120mmscmd marketing volumes in FY26/FY27/FY28. **PLNG:** Management guides Dahej expansion commissioning in 3-4 months and 5-6% LNG volume growth in FY26, with INR45-50b capex focused on the Dahej petchem project. Kochi terminal utilization is expected to improve by end-CY25, and no major issues are anticipated from the new PNGRB rules. **MRPL:** MRPL expects stable GRMs of USD6-6.5/bbl and ~17mmt throughput in FY26. Retail volumes will exceed 300tkl with 150+ new outlets. FY26 capex will be around INR10b, split between refinery maintenance and marketing. Gas use will rise to 0.65-0.7mmscmd, aided by power infrastructure upgrades reducing fuel loss.

Exhibit 109: Implied gross marketing margin (INR/lit)

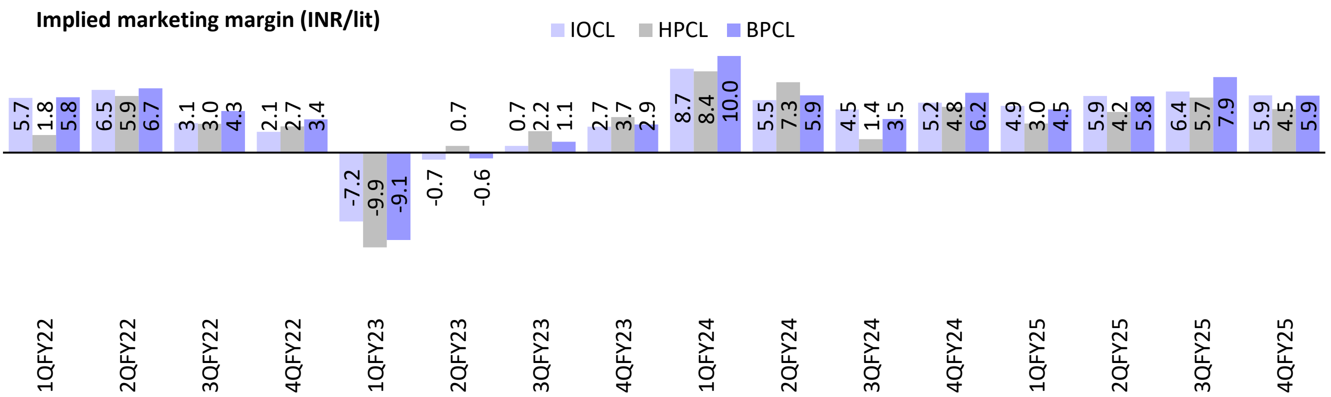


Exhibit 110: Reported refining margin (USD/bbl)

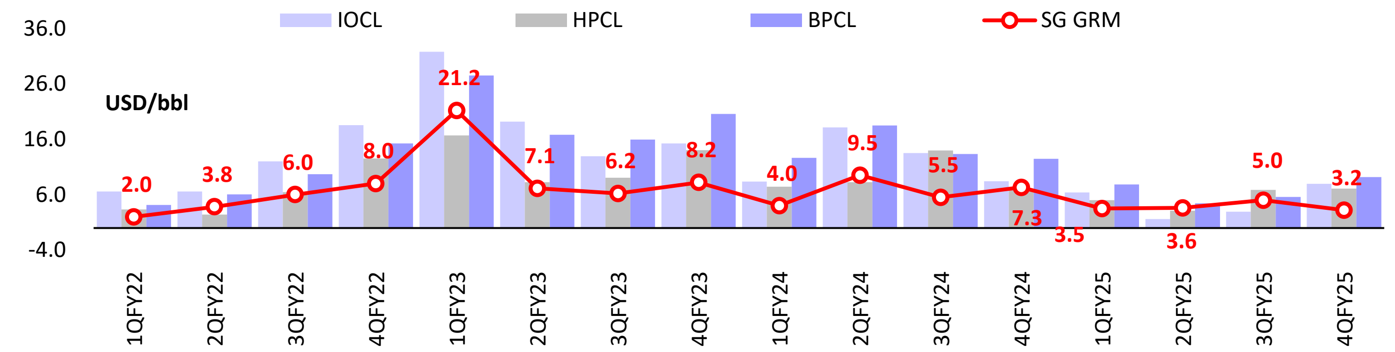


Exhibit 111: Sales volume of CGDs (mmscmd)

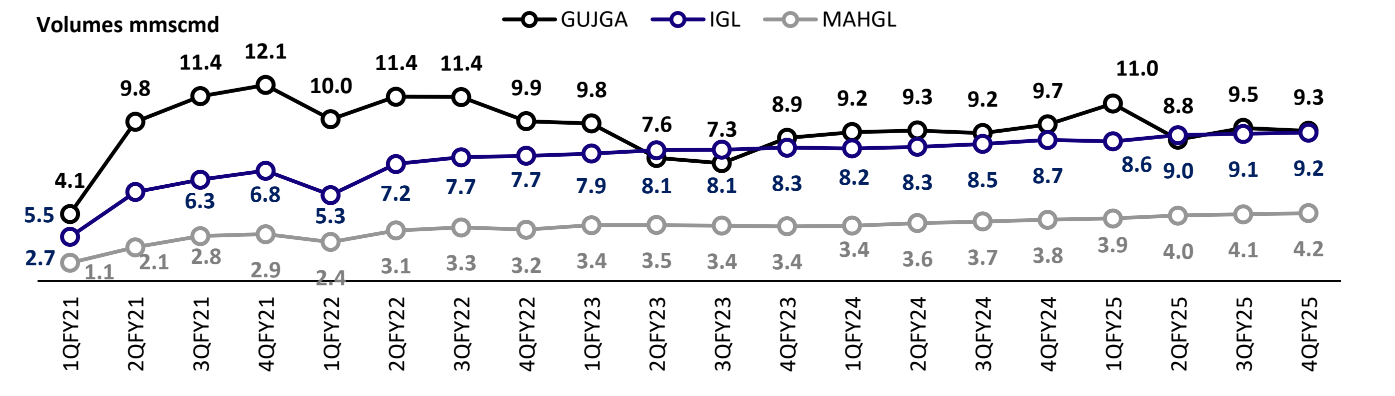
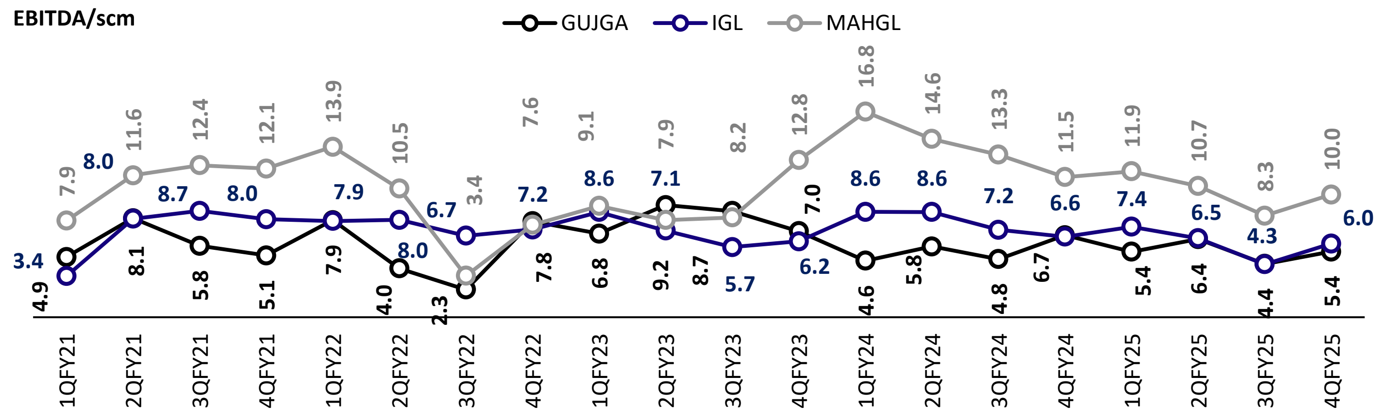


Exhibit 112: EBITDA/scm trend for CGDs (INR)



REAL ESTATE: Premium push powers FY25; pre-sales grow 19% in FY25 despite subdued launch activities

- **Pre-sales increased 4% YoY in 4Q (19% YoY in FY25):** In 4QFY25, our coverage universe reported bookings of INR333b, a mere 4% increase YoY, due to the absence/delay in launches coming from OBER, KPDL, and SIGNATUR. However, players within our coverage universe have mostly surpassed their FY25 pre-sales guidance except for PEPL, SOBHA, and MLDL; these companies fell 29%, 26%, and 7% short of their guidance, respectively. In 4QFY25, a few key listed players have demonstrated exceptional YoY growth primarily led by pre-sales (DLFU, GPL, LODHA, SOBHA, SRIN, PEPL, and BRGD) even when sales from other players (OBER, MLDL, KPDL, and SIGNATUR) were considerably lower. These key players contributed ~88% to the total reported bookings of our coverage universe. GPL alone contributed ~31%, mainly due to 12 new project launches in the quarter across five cities. Most of the listed players within our coverage experienced decent YoY growth in FY25. The key players contributed ~83% of pre-sales.

- Even though the overall booking areas of listed players within our coverage universe declined 10%/3% YoY in 4Q/FY25, pre-sales increased 4%/19% YoY, reflecting higher sales from the Premium and Luxury segments with higher ticket sizes. This also indicated that the demand for Premium and Luxury segments remained strong.
- In 4QFY25, DLF, PEPL, SOBHA, and SRIN performed the best, recording 39%, 48%, 22%, and 28% YoY growth, respectively. In contrast, GPL performed the best in terms of value, i.e., INR102b out of the total reported bookings of INR333b for our coverage universe. In FY25, bookings of most of the companies from our coverage universe grew 20-45% YoY, whereas in value terms, GPL excelled at INR294b out of the total reported bookings of INR1,231b for our coverage universe.
- Realization also improved 15%/22% YoY in 4Q/FY25 due to higher sales from the Luxury and Premium segments.
- **Double-digit growth aspiration intact for FY26:** Our coverage universe posted a 40% CAGR in cumulative bookings over FY21-25, and the companies aspire to achieve 20-30% growth in FY26 since the delay/absence of key launches in FY25 will spill over into FY26. In FY25, business development remained equally strong, led by GPL, LODHA, and MLIFE, which added new projects worth GDV of INR265b, INR237b, and INR181b, respectively. Consequently, companies identified a huge launch pipeline for FY26, which can support their future growth aspirations.
- **Launches dominated by a few players:** Unlike FY24, launches were low in FY25 due to a delay in approvals, which were impacted by the state and national elections. Launches improved 25%/42%/50%/47% YoY for DLF/GPL/OBER/BRGD in FY25, while other listed players within our coverage universe experienced either a flat or declining trend. Prestige Estate posted a 17% YoY decline in FY25 launches due to a lack of approvals. However, the delayed launches will spill over into FY26.
- **Collections:** Total collections for 4QFY25 increased 46% YoY to INR265b, leading to an increase in collection efficiency (collections-to-sales) to 80% from 59% in 3QFY25. In FY25, collections increased 33% YoY to INR845b, resulting in an increase in collection efficiency to 69% from 61% in FY24.
- **P&L performance – a mixed bag:** Aggregate revenue for the coverage universe increased 5% YoY to INR173b (8% below our estimate). The individual performance was a mixed bag as DLF/Godrej/LODHA/Sobha/KPDL reported healthy revenue growth, while other players within our coverage were hit by lower project deliveries. Cumulative EBITDA stood at INR47b, down 2% YoY, with an EBITDA margin of 27% (2% below 4QFY24).
- **View:** The operating performance of our coverage universe was below our expectations due to the impact of delayed launches in pre-sales. We retain our FY26 pre-sales estimates (except for the upward revision of SRIN and reduction for SIGNATUR) for all the companies, but we will critically monitor launches as many companies have expressed concerns regarding approval delays. We prefer PEPL, BRGD, and SIGNATUR as our top picks.

- **Surprises:** GPL
- **Misses**: OBER

Company commentary:

- **LODHA:** The company has ended its growth phase in Bengaluru with the success of three projects and plans to increase its market share to 15% in a decade's time, as it did in other markets. It also executed two new data center deals at INR210m/acre (10m/acre more than guidance), which clearly showcases Palava as the data center hub for LODHA. The visibility of Palava is expected to increase further with the opening of the Airoli-Katai tunnel by the end of FY26, leading to an expected 20% growth in sales. In FY25, LODHA successfully acquired approximately 33 acres of land in NCR and around 45 acres in Chennai for digital infrastructure.
- **OBER:** 4QFY25 did not see any new launches after the phenomenal response to the recent mixed-use Jardin Project in Thane, which was launched in 3QFY25. One tower in Elysian was launched in 1QFY26. In FY26, OBER expects to launch one tower in Borivali, one tower in Goregaon, and two towers in Forestville Thane. Additionally, it will also launch projects in Gurugram, Adarsh Nagar, Worli, and Tardeo in FY26. Alibaug is currently in the design phase and may be pushed to FY27. The company is witnessing strong leasing traction across all three office assets. Commerz I and Commerz II are nearly fully leased out following an increase in occupancy in Commerz III to 81% in 4QFY25.
- **DLFU:** FY25 saw 2 new launches wherein DLFU's Ultra Luxury project named 'The Dahlias' with a total revenue potential of INR350b and +70% gross margins, contributed to 65% of the full-year pre-sales. DLF is confident of launching its Mumbai project in 1QFY26. Privana Phase-3 and Goa will be launched in FY26. Total projects with a GDV of INR739b are planned beyond FY25.

- **GPL:** In FY25, GPL exceeded its launch guidance by 22%, booking value guidance by 9%, collections guidance by 14%, delivery guidance by 23%, and business development guidance by 32%. Of the land acquired since FY23, INR500-550b of launch-ready inventory remains. Overall, at the project level (including townships), the remaining inventory is valued at INR1.1t. In 4QFY25, the Board approved fundraising of INR20b through non-convertible debentures/bonds/debt securities via private placement. This follows INR60b raised through a QIP in 3QFY25.
- **PEPL:** It launched 14msf of new projects in 4QFY25 across Bengaluru, Mumbai, and Hyderabad with a GDV of INR161.3b; stock in hand stood at 13.85msf. While the delay in approvals impacted launches for the year, these have been spilled over into FY26. FY26 presales guidance at INR270b, with INR120-130b expected in 1QFY26; GDV pipeline moderated to INR420b. BKC will be completed by FY28, and Aerocity office space, which is fully leased out, will be completed by the end of CY25. A capex of INR70-80b will be incurred. Approvals have started falling in place on the new launches. Evergreen, Raintree Park, Pallavpuram Chennai, and Dahisar-Mira Road projects are all expected to be launched in FY26.
- **BRGD:** In 4QFY25, it launched Brigade Altius, Eternia, and Orchards, covering areas of 1.4/2.1/0.4 msf in Chennai and Bengaluru. Across FY25, the company launched projects with a Gross Development Value (GDV) of INR117b. The company has made good progress in the commercial portfolio's occupancy, which rose to 92% in FY25 from 83% in FY24.
- **MLIFE:** MLDL has signed projects worth INR48b from Jan-Apr'25 and has acquired INR390b of its INR450b GDV expansion target, with continued focus on Pune and Bangalore. The company is experiencing a significant shift toward premium residential sales, with premium projects expected to drive 97% of sales value by FY30, while affordable housing is being phased out. MLDL has approved a rights issue to raise INR15b for long-term debt repayment and funding future acquisitions, positioning itself for further growth with a projected net worth of INR34b post-issue.
- **SOBHA:** From the current sales, EBITDA margins to be recognized will be 40%. The management targets 33% EBITDA margin and 28% embedded PBT margins to be attained at the project level from INR160b of revenue remaining to be recognized and 15-18% excluding overheads and interest. Overall margins in 4Q have recovered from earlier losses incurred from contractual business and reduction in JV projects. The RE margin is also at 8% and is expected to further increase in the coming quarters. SOBHA has a robust upcoming pipeline of 18.56msf across 18 residential projects in 9 cities and a commercial pipeline of 0.71msf across two projects, scheduled for launch in the next six to eight quarters. The effective share of Sobha expected from the upcoming launch is guided at ~81%.
- **SIGNATUR:** The company achieved pre-sales of INR103b, up 42% YoY in FY25 (in line), surpassing its FY25 guidance by 3%. Like-to-like price increases are in the 15–20% range across sectors like 37D and 71, driven by robust infrastructure development and demand dynamics. The company achieved collections of INR12b, up 16%/8% YoY/QoQ, while it missed the guidance (61% below our estimate). This was due to construction delays on account of the NGT restriction and lack of labor availability with contractors. The company guided pre-sales of INR125b for FY26.
- **KPDL:** With Mumbai launches shifting to FY26, FY25 pre-sales declined 9% to INR27.9b. In FY25, launches stood at INR40b. A 22-acre JDA was signed in Wadgaon Khurd, Sinhagad Road, Pune (near Nanded City), with an anticipated GDV of INR40b and a total area of 5msf. Management expects a 25% CAGR in pre-sales over FY25-27. Blackstone is set to acquire up to 66% stake in KPDL for a total commitment of INR18b.
- **SRIN:** Sunteck Realty (SRIN) reported presales of INR8.7b in 4QFY25, up 28% YoY. Traction in uber-luxury projects increased 36% QoQ, with bookings of INR5.7b, or 66% of total presales. The upper-middle-income segment accounted for 27% of presales. Aided by the strong launch pipeline, management guided for presales growth of 25-30% in FY26. This growth will be driven by the uber-luxury and premium-luxury segments. In FY26, more projects will come up for revenue recognition, such as Sunteck City – 4th Avenue, as the project has received an occupation certificate.
- **PHNX:** In 4QFY25, total consumption stood at ~INR32b, up 15% YoY, driven by Phoenix Palassio, and the continued ramp-up at Phoenix Mall of the Millennium and Phoenix Mall of Asia and Phoenix Palladium Expansion. On a like-for-like basis (excluding the contribution from new malls), consumption rose 8% YoY. In FY25, on an overall basis, jewelry/hypermarkets, the key categories, outperformed with 19%/3% YoY growth, while electronics stood at 6% YoY. The entertainment and multiplex segment was up 12% YoY.

Exhibit 113: Pre-sales for our coverage universe rose 4% YoY…

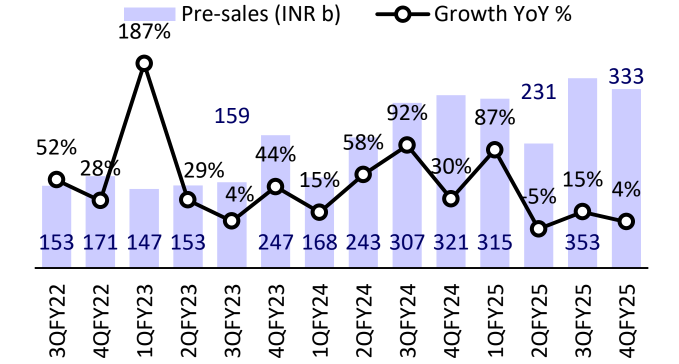


Exhibit 114: …while volumes declined 10% YoY

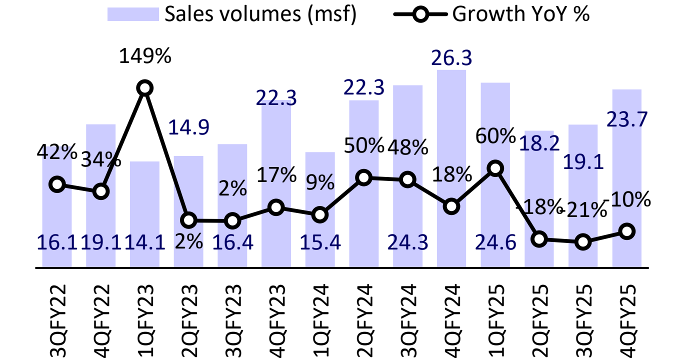


Exhibit 115: Collections improved 40% YoY

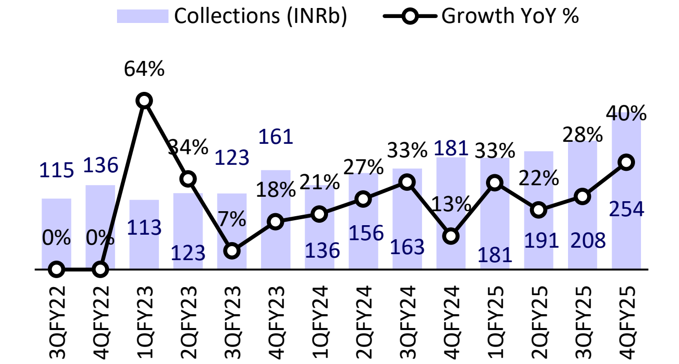


Exhibit 116: Our coverage stocks to deliver 19% YoY growth in bookings

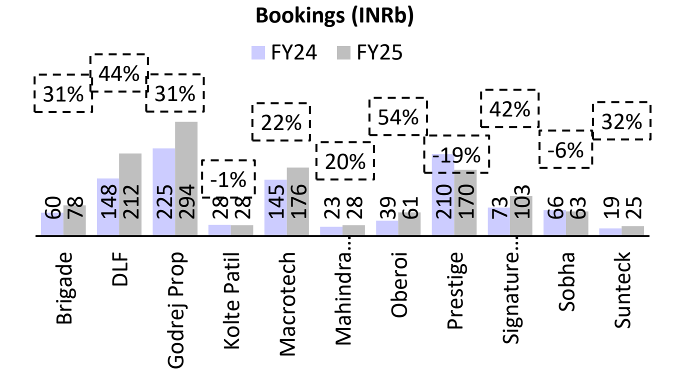


Exhibit 117: Estimate changes for our coverage universe

INR b	Revenue					
	Old		New		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
DLF	75	57	75	57	0%	0%
Godrej Properties	36	56	54	58	51%	4%
Macrotech	181	189	181	189	0%	0%
Oberoi Realty	69	89	69	89	0%	0%
Prestige Estates	114	141	114	141	0%	0%
Brigade	50	61	50	61	0%	0%
Sobha	50	58	50	58	0%	0%
Mahindra Lifespaces	5	8	5	8	0%	0%
Sunteck	21	9	12	22	-42%	132%
Kolte Patil	29	26	29	26	0%	0%
Signature Global	52	85	44	74	-17%	-13%

	EBITDA					
	Old		New		Change	
INR b	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
DLF	26	12	26	12	0%	0%
Godrej Properties	2	7	7	9	349%	23%
Macrotech	52	54	52	54	0%	0%
Oberoi Realty	40	48	41	48	1%	1%
Prestige Estates	31	33	27	29	-11%	-13%
Brigade	18	22	18	22	0%	0%
Sobha	8	12	6	8	-22%	-32%
Mahindra Lifespaces	-1	0	-1	0	7%	180%
Sunteck	6	2	2	5	-66%	125%
Kolte Patil	6	5	6	5	5%	6%
Signature Global	10	22	8	18	-22%	-18%

	PAT					
	Old		New		Change	
INR b	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
DLF	43	32	44	33	2%	2%
Godrej Properties	18	18	25	24	39%	34%
Macrotech	33	36	35	35	6%	-1%
Oberoi Realty	30	37	29	35	-4%	-4%
Prestige Estates	8	10	8	10	2%	-2%
Brigade	9	13	9	13	3%	2%
Sobha	5	8	4	5	-27%	-34%
Mahindra Lifespaces	1	3	1	3	-46%	-5%
Sunteck	5	1	2	4	-62%	158%
Kolte Patil	4	4	4	3	-19%	-16%
Signature Global	8	17	8	18	-5%	4%

	Pre-sales					
INR b	Old		New		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
DLF	233	257	233	257	0%	0%
Godrej Properties	321	341	321	341	0%	0%
Macrotech	213	253	213	253	0%	0%
Oberoi Realty	98	112	98	112	0%	0%
Prestige Estates	262	315	262	315	0%	0%
Brigade	105	115	105	115	0%	0%
Sobha	100	121	101	124	1%	2%
Mahindra Lifespaces	34	35	34	35	0%	0%
Sunteck	29	45	30	39	4%	-14%
Kolte Patil	41	48	41	48	0%	0%
Signature Global	130	178	123	178	-6%	0%

	Collections					
INR b	Old		New		Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
DLF	170	199	170	199	0%	0%
Godrej Properties	263	284	263	284	0%	0%
Macrotech	144	172	144	172	0%	0%
Oberoi Realty	74	91	74	91	0%	0%
Prestige Estates	165	220	165	220	0%	0%
Brigade	78	94	78	94	0%	0%
Sobha	70	111	70	113	1%	2%
Mahindra Lifespaces	29	34	29	34	0%	0%
Sunteck	23	33	23	31	3%	-7%
Kolte Patil	33	41	33	41	0%	0%
Signature Global	94	129	63	103	-33%	-21%

RETAIL: Subdued demand environment continues to impact growth

- **Apparel and grocery retail: Growth moderates; profitability improves on reduced discounting and store closures**
  - Demand trends remained soft in 4QFY25 amid macro headwinds, though benefitting partially from a shift in the festive calendar (Eid). Several retailers highlighted that regional softness in South India (notably AP and Telangana) dragged down 4Q performance. That said, companies observed a sequential improvement in 2HFY25, driven by easing base effects, normalization of weather patterns, and more favorable wedding calendars.
  - In 4QFY25, aggregate revenue for the six apparel stocks under our coverage moderated to **10% YoY** (vs. 14% in 3Q) to **INR114b** (in line). Despite a sharp deceleration in growth, **Trent (+28% YoY)** continued to outperform among apparel retailers, while value retailers such as **V-Mart (+16% YoY)** continued to shine. Including DMart, aggregate revenue increased **~13.5% YoY** (vs. ~14% YoY in 3Q). **Value retailers** (V-Mart, Trent, DMart) continued

to outperform with **mid- to high-single-digit SSSG**, while **premium retailers** (ABFRL, Shoppers Stop) saw relatively **modest SSSG**, aided by **unprofitable store rationalization and reduced discounting**.

- Profitability improved for most players, underpinned by cost discipline and operating leverage. Aggregate gross profit (excl. DMart) was up **12% YoY** (vs. 13% in 3Q) to INR56b as margins **expanded by 55bp** YoY (90bp beat), led by ABFRL (+605bp), Shop (+380bp) and V-Mart (+140bp), partially offset by Trent (-265bp) and RLL (-455bp).
- Aggregate EBITDA (excl. DMart) was up 14% YoY (vs. 13% in 3Q) to INR16b (6% beat) as margins expanded ~50bp YoY, led by ABFRL (+595bp), VMart (+270bp) and Trent (+100bp). RLL was the biggest drag with 95% YoY decline in EBITDA due to weaker demand sentiment and impact of cyberattack.
- DMart's profitability was impacted by higher competitive intensity and continued increase in the cost of retailing.

- **Footwear: Demand remains subdued; weaker gross margins offset by strong cost controls**

The aggregate revenue for the four footwear stocks under our coverage grew ~2% YoY (vs. 3% YoY in 3Q) to INR25b, largely led by ~11-12% YoY growth for Campus and Metro. Relaxo continued to underperform with 7% YoY revenue decline. Aggregate gross profit declined by ~2% YoY (~5% miss), as gross margin contracted ~185bp YoY (~155bp miss) on account of non-BIS inventory liquidation. Bata/Relaxo reported ~230bp/535bp YoY gross margin contraction. Aggregate EBITDA grew ~6% YoY (in line), largely led by better performance by Metro (25% YoY) and Campus (12% YoY). Aggregate EBITDA margin expanded ~100bp YoY (~80bp beat), led by strong cost controls.

- **Retailers increase focus on boosting store productivity over store additions**

Aggregate revenue growth for the 11 retail stocks under our coverage further moderated to 13% YoY in 4QFY25 to INR284b (vs. 15% YoY in 3Q), driven by an 8% YoY improvement in store productivity on the back of continued store rationalization. Net store additions (ex- RRVL) stood at 189, taking the total to 12,675 stores (+4% YoY), led primarily by Zudio (Trent), DMart, and RLL. Retailers across segments prioritized operational efficiency and store productivity in 4QFY25, actively rationalizing underperforming stores amid subdued demand and elevated rentals. While firms such as ABLBL, ABFRL and Shoppers Stop pursued closures to enhance like-to-like growth, retailers such as Vedant Fashions and Metro Brands adopted a cautious, calibrated approach to new store openings. Aggregate gross profit and EBITDA for our retail coverage grew ~10% YoY (vs. ~12% YoY in 3Q) as gross/EBITDA margin contracted ~80bp/30bp YoY. Aggregate PAT for our retail coverage grew 13% YoY (vs. 14% YoY in 3Q). Excluding Trent, PAT grew by a modest ~5% YoY (vs. ~7.5% YoY in 3QFY25).

Broad-based earnings downgrades continued: Amid a muted demand backdrop, we have cut FY26-27E EBITDA by 3-5% and earnings by ~7-10%, since 3Q results. Our EBITDA cut was broad-based with material downgrades for Vedant Fashions, Raymond, SHOP, DMart and Trent on account of weaker demand and/or margin pressures. Campus and VMart were the only stocks with broadly unchanged EBITDA, driven by their resilient performance.

Top picks: TRENT, Metro Brands and Campus

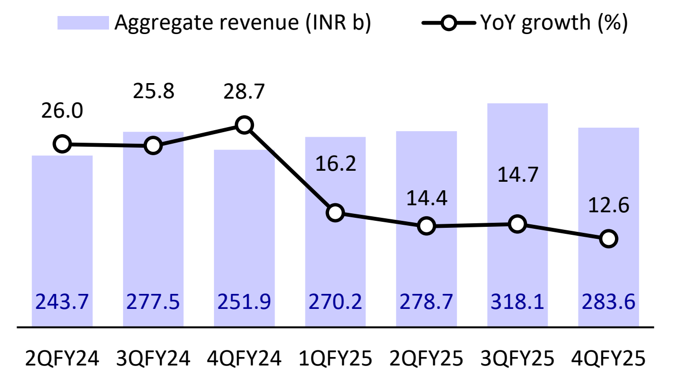
- **Positive surprises:** ABFRL, Metro and Campus
- **Negative surprises:** Raymond Lifestyle, Vedant Fashions, D-Mart and Relaxo

Guidance highlights:

- **Demerged ABFRL**: The long-term plan is to triple sales and double EBITDA margin by 2030. After the recent fund raise, ABFRL's cash balance stood at ~INR23.5b (~INR9b net cash), and the fund raise is primarily earmarked for scaling up value fashion (Style Up) and Ethnics (through Tasva). Management is targeting EBITDA breakeven for all segments (except TMRW) by FY27.
- **ABLBL**: It will be listed by end-Jun'25. The company will start with net debt of ~INR7-8b, with plans to become net debt-free in the next 2-3 years. Over the long term, the aim is to double revenue and improve profitability.
- **Shoppers Stop:** INTUNE witnessed a challenging quarter, marred by weak demand and higher discounting. SHOP has trimmed guidance on INTUNE store additions to 40-60 for FY26 (from 90-100 earlier). In addition to INTUNE, management has also lowered its FY26 guidance for departmental store additions to 6-7 stores (vs. 10-12 net additions earlier). However, management is looking to fund the growth through internal accruals while focusing on reducing leverage and inventory

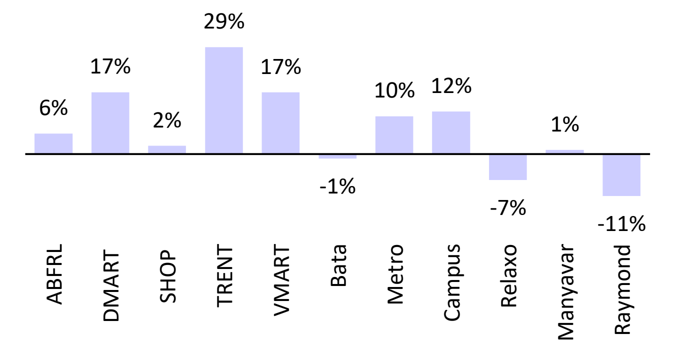
- **Vedant Fashion:** The company is witnessing some green shoots in demand in 1QFY26 (albeit on a weak base). However, overall demand sentiment still remains weaker than expectations. LFL growth recovery is the key focus for the company in FY26. Further, it expects the consolidation of high-rental unprofitable stores to continue, at least until 1HFY26.
- **VMART:** The company is targeting ~17-20% revenue growth, driven by ~12% store additions and mid- to high-single-digit SSSG. Healthy SSSG with operating leverage should be the key lever for margin expansions.
- **Campus Activewear:** Despite weaker underlying demand, the company was able to increase its market share and anticipates this positive momentum to continue, with an aim for 17-19% EBITDA margin over the medium term.
- **Metro Brands**: Management reiterated its guidance of ~15% revenue CAGR over the long term. Further, it indicated that rentals are stabilizing and the company will continue to focus on opening meaningful and profitable stores and is not fixated on particular store opening targets (earlier guidance of 140-145 store openings for FY26).
- **Raymond Lifestyle**: The company expects revenue growth of 10-15%+ in FY26, driven by demand recovery, dealer restocking, and easing inflation. Profitability is set to recover strongly as scale improves and store performance stabilizes. Steady-state margins are targeted at 20-22% for Branded Textiles and 14-15%for the overall business.
- **Relaxo Footwears**: The company expects a modest revenue recovery starting 2HFY26, driven by the stabilization of its new distribution strategy and expansion in modern trade, e-commerce, and retail outlets. However, it does not anticipate significant volume growth, as its long-term strategy emphasizes value growth through premiumization and product mix improvements.

Exhibit 118: Aggregate revenue for retailers under our coverage grew 13% YoY (vs. 15% YoY in 3Q)



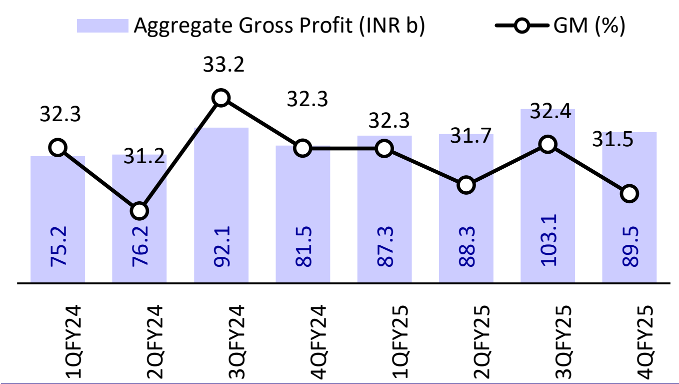
Source: Company, MOFSL

Exhibit 119: Trent continued its outperformance in 4QFY25, though growth moderation continued



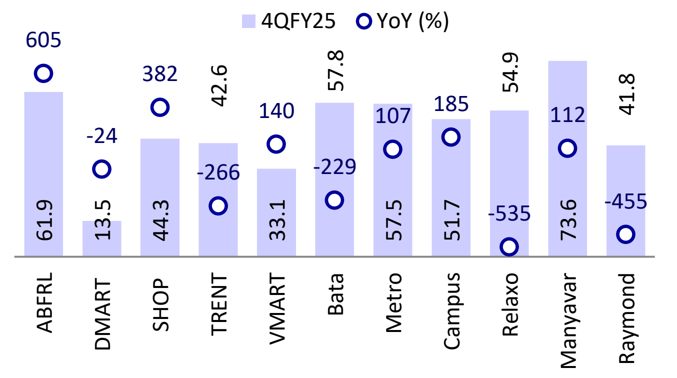
Source: Company, MOFSL

Exhibit 120: Aggregate gross profit was up 10% YoY (vs. 12% YoY in 3Q) as margins contracted ~80bp YoY



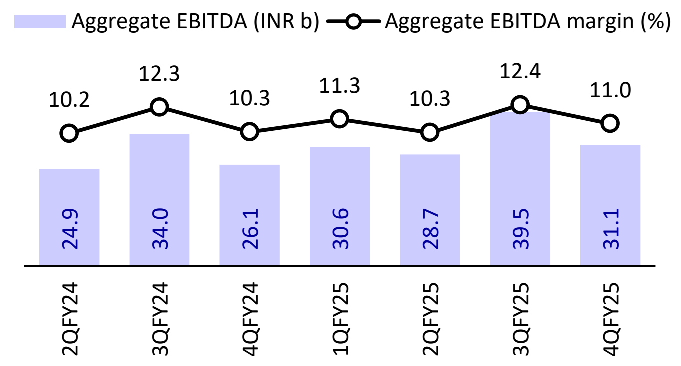
Source: Company, MOFSL

Exhibit 121: Gross margin contraction driven by weaker GM for Trent, Raymond, Relaxo and DMart



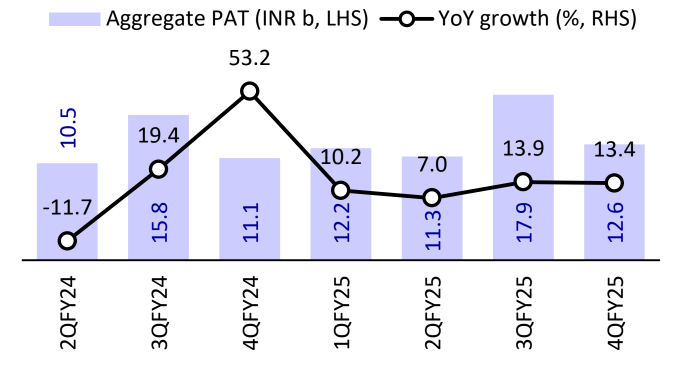
Source: Company, MOFSL

Exhibit 122: Aggregate EBITDA grew ~10% YoY (vs. 12% YoY in 3Q) as margin contracted ~30bp YoY; RLL was biggest drag



Source: Company, MOFSL

Exhibit 123: Aggregate PAT rose ~13% YoY (~5% YoY excl. Trent, vs. ~7.5% YoY in 3Q)



Source: Company, MOFSL

Exhibit 124: Store additions moderated on rationalization of unprofitable stores by apparel retailers

Total Stores	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	YoY	QoQ
ABFRL	4,753	4,664	4,607	4,538	4,492	4,420	-5.2	-1.6
DMART	341	365	371	377	387	415	13.7	7.2
SHOP	290	306	320	341	345	363	18.6	5.2
TRENT	715	811	823	831	907	1,043	28.6	15.0
VMART	454	444	448	467	488	497	11.9	1.8
Raymond	1512	1518	1539	1592	1653	1688	11.2	2.1
Vedant Fashion	673	676	662	650	666	678	0.3	1.8
Metro	840	839	854	873	895	908	8.2	1.5
Campus	250	268	275	288	290	296	10.4	2.1
Bata	1,835	1,862	1,916	1,955	1,953	1,962	5.4	0.5
Relaxo	399	405	399	403	410	405	0.0	-1.2
Total coverage stores	**12,062**	**12,158**	**12,214**	**12,315**	**12,486**	**12,675**	**4.3**	**1.5**
QoQ net store adds	937	96	56	101	171	189		

Note: Excluding Reliance Retail stores

Source: Company, MOFSL

Retail - Jewelry: Robust revenue growth with healthy margins

- Jewelry companies continued to deliver robust sales growth as the demand environment was stable during the quarter, despite macro uncertainties and higher gold prices. Moreover, the Akshaya Tritiya festival showed strong demand trends, with customer sentiments remaining largely upbeat. Titan (Jewelry standalone, ex-bullion), Kalyan, Senco, and P N Gadgil (retail) delivered revenue growth of 25%, 37%, 21%, and 50%, respectively. The SSSG of Titan, Kalyan, and Senco stood at 15%, 21%, and 18%, respectively. There was an improvement in the studded mix for Kalyan and Senco, while it declined for Titan. The solitaires segment witnessed a healthy recovery, supported by increased traction in lower carat weights. Our top picks are Titan and PN Gadgil.
- **Outperformer (4Q):** Titan, Kalyan Jewellers
- Underperformer (4Q): Senco Gold

Guidance highlights:

- **TTAN:** The company expects an EBIT margin of 11-11.5% for FY26, with a stronger focus on absolute growth. Additionally, it plans to open 40-50 new Tanishq stores and refurbish 50-60 existing stores across all formats during the year.
- **Kalyan Jewelers**: Management expects EBITDA margins to remain steady or expand marginally in FY26, supported by better operating leverage, efficient inventory turnover, and a calibrated approach to discounting. In FY26, it plans to launch 170 showrooms across Kalyan and Candere formats - 90 Kalyan showrooms and 80 Candere showrooms in India.
- **Senco:** The company maintains its revenue growth guidance of 18-20% and remains on track to open 18-20 new stores in FY26.

- **P N Gadgil:** At the retail level, the company expects revenue growth of 30-35% in FY26, with EBITDA margins of 7-8% and PAT margins of ~4%. At the consolidated level, PAT margins are projected to be in the range of 2.85-3.25%. The company plans to open 20-25 new stores in FY26, including 6-7 COCO, 6-7 FOCO, and 12-13 PNG Lifestyle stores.

TECHNOLOGY: Macro fog delays discretionary spending uptick

- **Aggregate performance:** IT services companies within the MOFSL Universe posted a 0.7% QoQ decline in median revenue in 4QFY25 (vs. growth of 1.8%/2.0%/1.2% in 3QFY25/2QFY25/1QFY25). The backdrop remains challenging, as macro uncertainty continues to weigh on IT demand, marking a softer exit to FY25. FY26 setups diverge across tier-1 companies: TCS/Wipro guide for weak 1Q; INFO strikes a cautiously optimistic tone with the upper end of INFO's guidance (3% YoY organic cc growth) assuming a 'stable to marginally improving environment'. HCLT leads with the most constructive guidance of 2-5% YoY cc. Overall, Street FY26/FY27E revenue estimates are likely to see modest resets after 4Q. However, the commentary around the BFSI vertical remains relatively steady compared to other verticals. In contrast, Manufacturing, Retail, and Healthcare are facing pressure from trade-related policies and a shaky macro backdrop. What looked like a recovery in discretionary spending earlier in FY25 now seems to be stalling, as clients adopt a wait-and-watch approach amid concerns around trade tensions and a slower Fed rate cut cycle, and this has introduced new uncertainties for enterprises in the US and Europe. Deal momentum stayed steady across tier-1 IT companies this quarter, but conversion remains a watch point. TCS and Wipro have solid pipelines, though potential leakage and deferrals could lead to lower conversion. HCLT, meanwhile, looks set for a stronger start to FY26, backed by healthy deal flow. We prefer TECHM and HCLT in the tier-1 space and COFORGE and PSYS in the tier-2 space.
- **Tier-2 pack outpaces tier-1**: Tier-1 players posted a median revenue dip of 1.0% QoQ CC, while Tier-2 companies recorded a robust growth of 2.8% QoQ CC, driven by strong performance by LTTS (10.5% CC QoQ growth) and Persistent (4.5% QoQ CC). INFO (-3.5% QoQ CC), TECHM (-1.5% QoQ CC) and CYL (-1.9% QoQ CC) reported weak growth. Persistent (+4.5% QoQ CC vs. 4.0% est.) and Coforge (+3.4% QoQ CC vs. 3.0% est.) outperformed their peers with strong executions in 4Q. On the margin front, tier-1 companies reported ~40bp decline, while tier-2 companies held their margins steady at ~14%. The margin contraction for tier-1 was majorly attributed to subdued revenue growth, wage hikes (INFO), and investment in capabilities (TCS). For tier-2, the margin remained stable, supported by better margin performance by PSYS/CYL, better-than-expected Cigniti's margins (COFORGE), and growth leverage.
- **Steady TCV performance:** A majority of tier-1 companies reported stable TCV performance, except for HCLT/TCS (up 43.0%/19.6% QoQ). Tier-2 companies also reported robust growth in TCV, with COFORGE witnessing an order intake of USD2.1b in 4Q with five large deals. HCLT's new deal TCV stood at USD3b (up 43% QoQ/31% YoY) in 4QFY25. Within tier-2, COFORGE's order intake was USD2.1b. Five large deals were signed during the quarter. The 12-month executable order book rose 47.4% YoY to USD1.5b. The 4Q book-to-bill was decent at ~1.0x for tier-1 firms and ~1.9x for tier-2 players.
- **Headcount movement**: Hiring activity was muted in 4Q; the net headcount declined by ~150 for tier-1, while tier-2 saw a net addition of ~1,900. The attrition rate remained range-bound at lower levels for a majority of companies, while utilization also remained stable QoQ, except for MPHL and INFO. For PSYS, utilization stood at 88% (up 100bp QoQ) and we believe this margin lever is now maxed out.
- **Top picks:** We prefer TECHM and HCLT among large-caps and COFORGE and PSYS in the mid-cap space. Our positive outlook on TECHM is driven by early signs of transformation under new leadership and improving execution in BFSI. Margin expectations are now more reasonable, and niche offerings are resonating well. We believe TechM's transformation remains relatively decoupled from discretionary spending. We continue to like HCLT for its all-weather portfolio. Often perceived as defensive, its strengths in data, product engineering, and modernization should enable it to benefit from the recovering demand environment. We believe Coforge's strong executable order book and a rebound in BFS client spending bode well for its organic business. Cigniti could prove to be an effective long-term asset. PSYS, with its strong product engineering background, remains the fastest-growing IT services company in our coverage and is well-positioned to benefit from the long-term GenAI investments.
- **Significant beat:** TECHM (margin), Coforge (revenue growth and margin), PSYS (revenue growth and margin)

- **Significant miss:** TCS/WPRO (revenue growth), LTTS (revenue growth and margin), CYL (revenue growth and margin)
- **Significant surprise:** INFO (upper end of 3.0% guidance better than beaten-down estimates), WPRO (1Q guidance significantly below estimates), LTTS (fall short of FY25 guidance)
- **Major EPS upgrades/downgrades:** LTTS' FY25E/FY26E EPS were reduced by 7%/6%. CYL's DET business FY26/FY27 EPS estimates were cut by 5% each. For PSYS/COFORGE, their FY27 EPS estimates were upgraded by 3-4%.

Guidance highlights

- **TCS:** The company observed delays in decision-making around discretionary spending. The anticipated revival in such spending, as expected in 3Q, has not materialized. Sectors such as Retail, CPG, Travel, and Automotive are expected to be the most affected by tariffs. The demand environment in BFSI remains strong, except for Insurance, which has been experiencing some challenges. Management maintains a positive outlook for FY26 (to be better than FY25), especially in international markets. Management maintains its margin guidance in the 26–28% range. Some pressure may arise from reduced utilization and the lack of currency tailwinds. Subcontracting costs are expected to unwind as the BSNL deal ramps down, which should support margin improvement.
- **INFO:** The environment remains uncertain. With changes in the economic outlook, client conversations are increasingly centered on cost take-outs and vendor consolidation. Third-party costs and revenues are expected to be lower in FY26 vs. FY25, given the current deal pipeline. The company sees opportunities for pricing improvement through value-based selling and does not expect pricing pressure from vendor consolidation deals. FY26 revenue growth guidance stands at 0-3% in CC terms. M&A deals closed during the quarter are expected to contribute 40-50bp to full-year revenue growth in FY26. The top end of the guidance assumes steady to marginal improvement; the lower end assumes elevated macro challenges. EBIT margin guidance remains at 20-22%.
- **WPRO:** Clients remain cautious amid macroeconomic uncertainty, even though the underlying demand for technology modernization remains strong. Many clients are engaged in scenario planning to evaluate the potential impact of tariffs, which led to delays or holdbacks in further investments. Large transformation projects are either paused or have had their timelines realigned. Some clients are also re-evaluating their IT budgets. Margin pressure is expected in 1QFY26 due to two headwinds: 1) the overall revenue environment and 2) pricing pressure in cost-takeout and vendor consolidation deals. The company aims to maintain margins within a narrow band going forward. Margin levers include sustaining or improving utilization, enhancing fixed-price productivity, and rationalizing overhead costs.
- **HCLT:** Discretionary spending will remain subdued. Tariffs and de-globalization are expected to impact the IT sector, leading to potential budget cuts and deal re-negotiations. Clients are looking to diversify supply chains. The tariff impact will hit the Manufacturing and Consumer segments first, and eventually become broad-based (with a possible one-quarter lag). FY26 revenue growth guidance: 2-5% YoY CC (same for Services), with 1% contribution from inorganic growth. Guidance is supported by strong 4Q bookings. It focuses on building non-linearity in revenues — aiming for higher productivity and growth with a leaner workforce. Delivery model will be location-agnostic. FY26 EBIT margin guidance is maintained at 18-19%.
- **TECHM:** Consolidation and cost-takeout programs are expected to play a key role in this environment, alongside the growing importance of GCC deals. Softness was observed in the auto and hi-tech segments over the past three months. Margin gain in FY25 was aided by a 100bp benefit from the reduction of the non-core portfolio. A 20-30bp tailwind is expected in FY26 from the same. Most clients acknowledge a gap between AI potential and realized value; TECHM sees this as an opportunity to deliver AI more effectively. The company views AI as a major industry tailwind.
- **LTIM:** LTIM is adjusting its portfolio from a higher discretionary mix to longer-term efficiency programs. Some closed deals failed to ramp up as planned; certain 4Q deals got delayed. Clients were largely in "wait-and-watch" mode during 4Q, but they are opening up now for conversations. Productivity gains were delivered to the top client in 3Q and 4Q. No pricing reset has happened and no future impact is expected on pass-backs. Focus areas for margin improvement would be pyramid correction and an improved span of control.

Exhibit 125: For Tier-1 companies' growth was impacted by tariff uncertainty

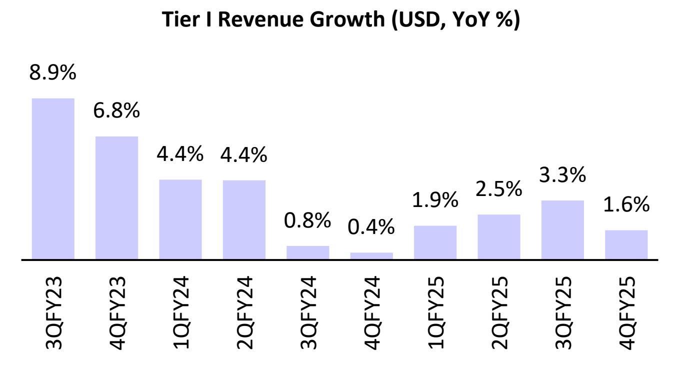


Exhibit 126: Tier-2 continued to post mid-teen growth

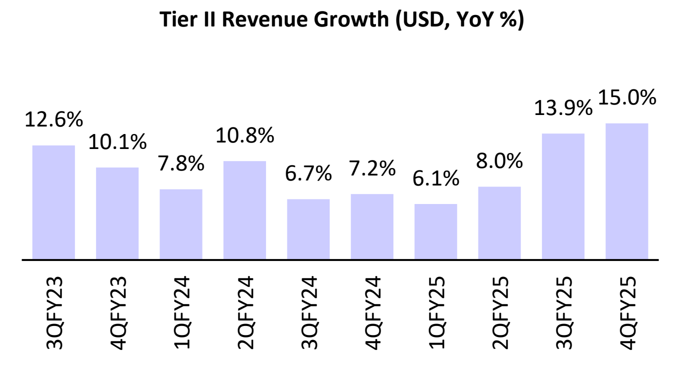
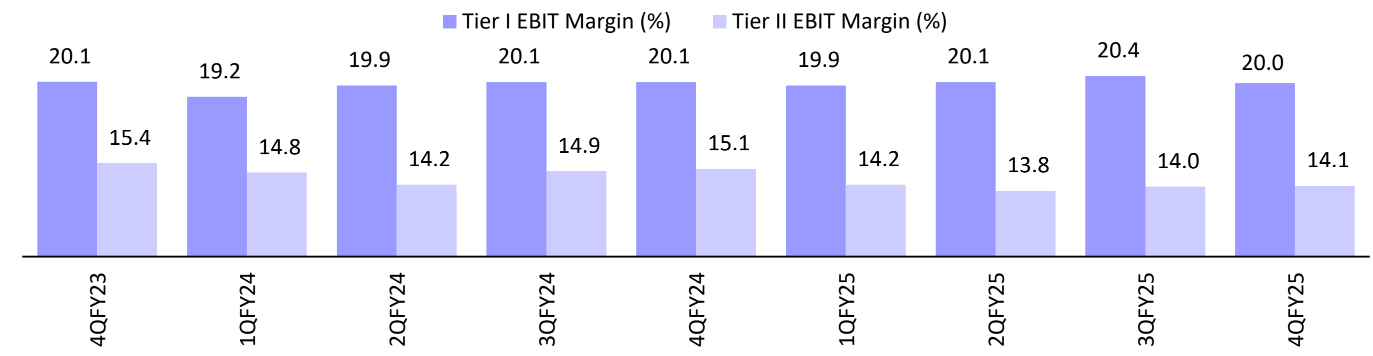
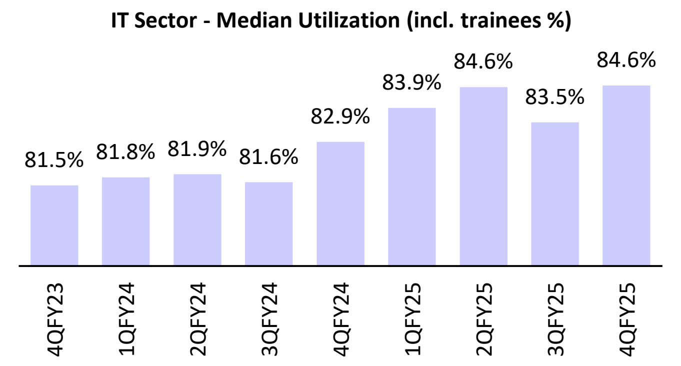


Exhibit 127: Tier-1 margins impacted by wage hikes, while Tier 2 margins were stable



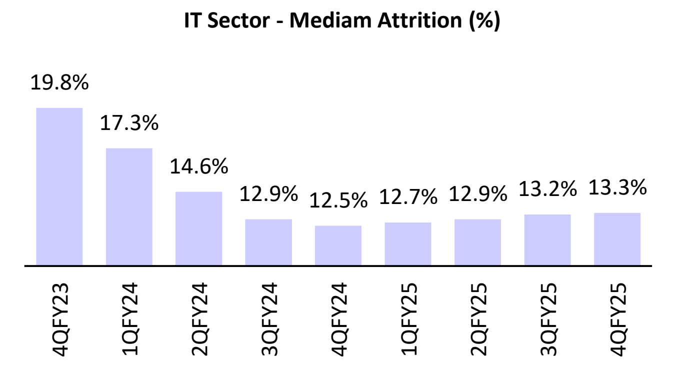
Source: Company, MOFSL

Exhibit 128: Median utilization (%) increased by 110bp QoQ



Figures excl. LTTS. from 1QFY23; MPHL (Offshore); Source: Company, MOFSL

Exhibit 129: Median attrition (%) was stable in 4Q



Figures exclude MPHL; Source: Company, MOFSL

TELECOM: Muted 4Q as residual tariff hike benefits offset by two fewer days QoQ

As expected, 4QFY25 was a muted quarter for the telecom sector as residual benefits of tariff hikes were offset by two fewer days QoQ. The combined wireless revenue for three private telcos inched up ~1% QoQ (+15% YoY, in line). Blended wireless ARPU for the three private telcos was up 0.7% QoQ (+15% YoY), while subscriber trends continued to improve with ~8m net adds (vs. +1m/-21m in 3Q/2Q). EBITDA for private telcos was up ~2% QoQ (+20% YoY, in line), driven by healthy incremental margins. Among private telcos, Bharti continued to be the biggest gainer from tariff hikes, with a ~175bp gain (+7bp QoQ in 4Q) in revenue market share (RMS) and ~110bp gain (+23bp QoQ in 4Q) subscriber market share (SMS). RJio with a higher share of users on longer duration plans was the biggest gainer in 4Q, gaining ~27bp RMS QoQ (but lost 22bp in FY25), while its SMS was up by modest 8bp QoQ (up 21bp YoY) in 3Q. Vi continued to lose market share, with RMS down further ~35bp QoQ (-155bp in FY25) and SMS down

~30bp QoQ (-130bp YoY). We believe the bulk of tariff hike benefits have now reflected, with further ARPU growth likely to be driven by subscriber mix improvements over the next few quarters. We continue to assume a tariff hike of 15% (or INR50/month) on smartphone plans from Dec'25. Vi's network rollout accelerated in 4Q, with the highest quarterly capex and network rollout since the merger, as it commenced its INR500-550b capex plans. Conversely, with the completion of accelerated 5G rollouts, we expect wireless capex to moderate for Bharti and RJio, with the focus now shifting to driving greater adoption of home broadband through accelerated fiber rollouts and the scale-up of FWA offerings.

Residual tariff hike flow-through offset by two fewer days; RJio was the biggest gainer in 4QFY25
ARPU in 4Q is typically impacted by two fewer days QoQ. However, driven by the residual flow-through of tariff hikes, blended wireless ARPU of private telcos was up 0.7% QoQ (~15% YoY) in 4QFY25. RJio with higher proportion of subscribers on longer duration plans witnessed slightly better growth vs. peers (though lower than our estimate). The subscriber trends continued to improve as the impact of tariff hike-led SIM consolidation wanes. The combined reported subscriber base for private telcos grew by ~8m (vs. -21m/+1m in 2Q/3Q), with Bharti reporting robust ~5m net adds, followed by ~4m for RJio. Vi continued to lose subscribers in 4Q, but the quantum of subscriber losses moderated significantly to 1.6m from ~5m in 2Q and 3Q. After a ~13% QoQ increase in combined wireless revenue of private telcos, revenue was up ~1% QoQ as residual tariff hike benefits were offset by two fewer days QoQ. RJio led with modest ~2% QoQ growth, followed by ~1% QoQ for Bharti, while Vi's wireless revenue declined ~1% QoQ as tariff hike benefits were offset by continued subscriber base declines.

Robust incremental margin drives modest ~2% sequential growth in combined EBITDA for three private telcos
Driven by tariff hike flow-through and lower network opex, the incremental margin for private telcos improved to ~85% (from 80% QoQ). As a result, combined EBITDA grew ~2% QoQ (~20% YoY). After astonishing 90% incremental margins in 3Q, Bharti surprised once again with robust ~85% incremental margins to drive ~2% QoQ (+29.5% YoY) EBITDA growth, with margin expanding ~35bp QoQ to 59.2%. RJio witnessed slightly higher EBITDA growth, driven by acceleration in fixed broadband subscribers and higher ARPU uptick, though its margins remained stable for the second successive quarter at ~52.8%. Vi's reported EBITDA declined ~1% QoQ, while its pre-INDAS 116 EBITDA dipped ~5% QoQ to INR23.2b, due to lower revenue and the impact of acceleration in its network rollouts.

Vi's network rollout accelerates, Bharti and RJio's capex to taper off further in FY26

- Vi's capex increased to INR42b (~INR96b for FY25), its highest ever since the merger, as it rolled out ~8.5k MBB towers. Vi's 4G population coverage increased ~600bp to reach 83% in Mar'25, while it commenced 5G rollouts in select towns, with plans to roll out 5G in key cities across its 17 priority circles by Aug'25.
- Bharti's India capex (excl. Indus) at INR103b was up ~53% QoQ (+21% YoY), driven by investments in cloud and data centers (in B2B) and the timing of certain shipments in wireless. However, Bharti's India capex (excl. Indus) moderated to INR303b in FY25 (vs. INR334b YoY) and management has reiterated its guidance for capex to taper off further in FY26.
- RJio's FY25 cash capex (incl. payment of creditors for capex and spectrum repayments) stood at INR462b (down 14% YoY from ~INR534b in FY24), while its gross block additions (a proxy for committed capex) moderated to INR422b (vs. ~INR583b YoY), driven by the completion of the first phase of pan-India 5G rollout.
- Bharti generated ~INR390b in FCF (after leases and interest) and used up ~INR260b for spectrum prepayments. With the leverage ratio in a comfortable range (consol. net debt to EBITDAaL at 1.42x), Bharti doubled its dividend payments in FY25 and we expect a further step up in dividend payouts in the coming years.
- Vi's net debt (excl. leases) declined by ~INR302b to INR1.87t as it accounted ~INR370b equity conversion of GoI's spectrum dues. However, Vi continues to face significant GoI repayments pertaining to AGR dues over FY26-31.
- RJio's FCF (after interest, leases and spectrum repayments) stood at ~INR39b (vs. FCF outflow of INR151b in FY24). Effective net debt (including spectrum debt and creditors for capex) declined by INR221b to INR1.87t.

Indus' dividend deferral despite robust FCF generation was disappointing: Indus Towers' (Indus) 4Q results were impacted by several one-offs (consummation of tower deal with Bharti Airtel, one-off revenue and continuing past period provision reversals). Adjusted for one-offs, operational performance was broadly in line with the pick-up in tenancy additions. Indus' 4Q recurring EBITDA grew 4% QoQ (+10% YoY) to ~INR41b (largely in line). Driven by collection of Vi's past dues and moderation in capex, Indus' FY25 FCF stood at ~INR97b (of which INR27.5b was used for buyback in 1H). However, despite robust FCF generation, Indus deferred its decision on rewarding shareholders through dividend reinstatement/buyback to a committee, which was the key disappointment.

TCOM's subdued performance continued: TCOM's data revenue grew 10% YoY (+4% QoQ), driven by ~17% YoY (~6% QoQ) growth in digital portfolio and modest ~3% QoQ/YoY growth in core connectivity revenue. However, adjusted consolidated EBITDA margin contracted ~125bp QoQ (-35bp YoY) to 18.7%, leading to 3% QoQ decline in EBITDA (8% miss).

- **Top picks:** BHARTI, RIL
- **Positive surprises:** Vodafone Idea
- **Negative surprises:** Reliance Jio, Tata Communication

Guidance highlights:

- **RJio:** 5G now accounts for ~40%/45% of RJio's subscriber base/data consumption. Management indicated that the consumption profile of 5G users is significantly higher and the company's large 5G user base provides the company significant monetization opportunities through higher data plan offerings and additional value-added offerings over the next few years. On fixed broadband, the company continues to target ~100m connections through a mix of FTTH and FWA over the medium term (vs. ~18m at end-4QFY25).
- **Bharti:** In FY25, India capex (excl. Indus) at INR303b was lower than ~INR334b in FY24, in line with management's guidance. Management expects capex to further unwind in FY26. Going ahead, the priorities for capex would be investments in the transport layer, Home Broadband, data centers and B2B, while radio capex would decline in FY26, with the completion of the rural rollout. On capital allocation, the company aims to strike a fine balance between its priorities such as: 1) deleveraging the balance sheet, 2) stepping up dividend payments, and 3) selective and prudent investments to bolster capabilities in B2B adjacencies. Moreover, management seemed open to increasing its stake in subsidiaries such as Indus Towers and/or Airtel Africa.
- **Bharti Hexacom:** Similar to its parent Bharti Airtel, management expects BHL's capex to decline in FY26 as there is no major rural rollout planned in BHL's circles.
- **Vi:** The company added ~7.6k towers and ~34k net MBB sites in 4Q, its highest network rollout since the merger. As a result, its 4G population coverage increased by ~600bp, reaching 83% by Mar'25. Management plans to increase the 4G population coverage to 90% of population over the medium term and roll out 5G in key cities across its 17 priority circles by Aug'25.
- **TCOM:** Following a strong 1HFY25, the order booking pace has normalized in 2H. Further, given the global macro uncertainties, there is an elevated level of caution among customers, which has led to a deferral of some deals from 4QFY25 to 1QFY26. However, management remains committed to doubling data revenue to INR280b by FY27 and improving margins to 23-25% over the medium term.
- **Indus:** The order book remains robust, and the focus is on driving growth both organically (through higher market share in key customers' rollouts) and inorganically.

Exhibit 130: Subscriber trends improved for the industry in 4Q

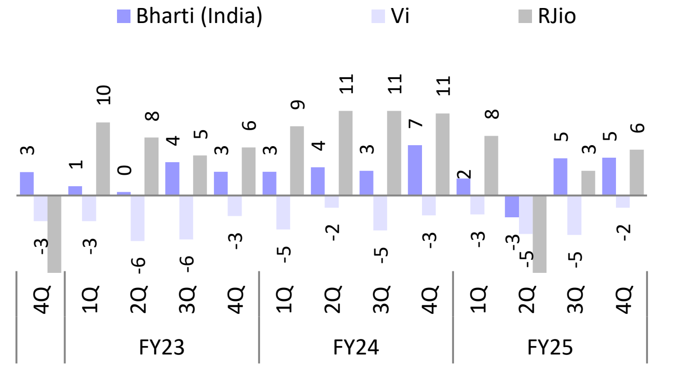


Exhibit 131: Bharti continued to lead peers on ARPU

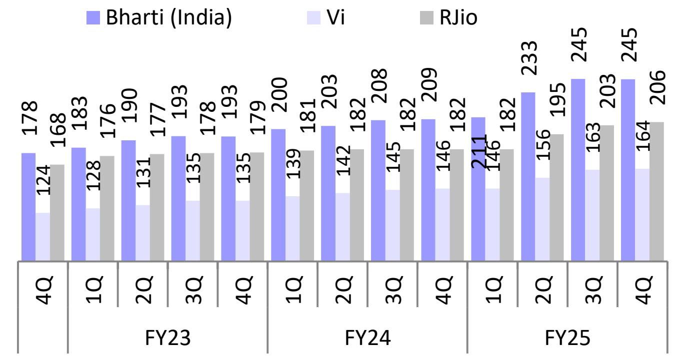


Exhibit 132: Wireless KPI comparison

	FY22				FY23				FY24				FY25				YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	(%)	(%)
EOP Wireless SUBS (m)																		
Bharti (India)	321	323	323	326	327	328	332	335	339	342	346	352	355	352	357	362	2.7	1.4
Idea	255	253	247	244	240	234	229	226	221	220	215	213	210	205	200	198	-6.8	-0.8
RJio	441	430	421	410	420	428	433	439	449	460	471	482	490	479	482	488	1.3	1.3
Avg. Wireless Subs (m)																		
Bharti (India)	321	322	323	324	327	328	330	334	337	340	344	349	353	353	354	359	2.9	1.4
Idea	262	254	250	246	242	237	232	227	224	221	218	214	211	208	202	199	-7.0	-1.7
RJio	433	435	425	416	415	424	430	436	444	454	465	476	486	484	480	485	1.8	1.0
ARPU (INR/month)																		
Bharti (India)	146	153	163	178	183	190	193	193	200	203	208	209	211	233	245	245	17.3	-0.1
Vi	104	109	115	124	128	131	135	135	139	142	145	146	146	156	163	164	12.3	0.6
RJio	138	144	152	168	176	177	178	179	181	182	182	182	182	195	203	206	13.5	1.4
MOU/Sub (min)																		
Bharti (India)	1,044	1,053	1,061	1,083	1,104	1,082	1,094	1,122	1,138	1,123	1,127	1,158	1,128	1,135	1,160	1,163	0.4	0.2
Idea	642	629	620	614	620	601	611	623	626	613	615	626	607	586	593	598	-4.5	0.9
RJio	815	835	901	962	1001	968	984	1004	1002	979	981	1008	974	977	1013	1024	1.6	1.1
Wireless traffic (B min)																		
Bharti (India)	1,002	1,020	1,030	1,051	1,079	1,063	1,082	1,124	1,149	1,148	1,161	1,210	1,195	1,200	1,233	1,254	3.6	1.7
Idea	504	480	465	452	450	428	424	425	420	406	401	402	385	365	360	357	-11.2	-0.8
RJio	1060	1090	1150	1200	1246	1230	1270	1313	1335	1334	1370	1440	1420	1420	1460	1490	3.5	2.1
Data usage/Sub (Gb)																		
Bharti (India)	18.5	18.6	18.3	18.8	19.5	20.3	20.3	20.3	21.6	22.2	22.5	23.1	24.3	24.5	25.1	25.7	11.2	2.5
Idea	13.0	13.2	12.5	12.6	13.0	13.7	13.9	13.9	14.4	14.6	14.2	14.3	14.5	14.4	14.2	15.0	4.4	5.6
RJio	15.6	17.6	18.4	19.7	20.8	22.2	22.4	23.1	24.9	26.6	27.3	28.6	30.3	31.0	32.3	33.6	17.4	4.1
Data traffic (B Gb)																		
Bharti (India)	10.3	10.7	10.8	11.3	12.0	12.9	13.2	13.6	15.3	16.1	16.8	17.8	19.2	19.8	20.7	21.6	21.2	4.5
Idea	5.5	5.5	5.2	5.2	5.4	5.7	5.8	5.8	6.0	6.1	6.0	6.0	6.1	6.0	5.9	6.2	1.9	5.2
RJio	20.3	23.0	23.5	24.6	25.9	28.2	29.0	30.3	33.2	36.3	38.1	40.9	44.1	45.0	46.5	48.9	19.6	5.2

Source: MOFSL, Company

Exhibit 133: Financials

	FY22				FY23				FY24				FY25				YoY	QoQ
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	(%)	(%)
Revenue (INR b)																		
Bharti (India wireless)	143	152	161	175	181	189	194	195	204	210	216	221	225	248	263	266	20.6	1.3
Bharti (consolidated)	269	283	299	315	328	345	358	360	374	370	379	376	385	415	451	479	27.3	6.1
Idea	92	94	97	102	104	106	106	105	107	107	107	106	105	109	111	110	3.8	-0.9
RJio	180	187	193	209	219	225	230	234	240	248	254	260	265	283	293	300	15.6	2.4
EBITDA (INR b)																		
Bharti (India wireless)	70	75	79	89	93	99	104	105	112	115	119	122	125	142	155	158	29.5	1.9
Bharti (consolidated)	130	138	147	160	165	176	185	187	196	195	198	194	197	218	246	270	39.5	9.8
Idea	37	39	38	46	43	41	42	42	42	43	44	43	42	45	47	47	7.5	-1.1
RJio	86	90	95	105	110	115	120	122	126	130	133	136	139	150	155	159	16.5	2.4
EBITDA Margin (%)																		
Bharti (India wireless)	49.2	49.2	49.4	50.6	51.1	52.3	53.8	53.8	54.8	54.9	55.1	55.1	55.6	57.1	58.8	59.2	*407bps*	*35bps*
Bharti (consolidated)	48.3	48.8	49.2	50.9	50.4	51.0	51.5	51.9	52.3	52.7	52.3	51.5	51.2	52.7	54.5	56.4	*491bps*	*191bps*
Idea	40.5	41.1	39.3	45.4	41.6	38.6	39.4	40.0	39.0	40.0	40.8	40.9	40.0	41.6	42.4	42.3	*143bps*	*-8bps*
RJio	47.9	48.0	49.2	50.3	50.1	51.0	52.2	52.2	52.3	52.3	52.3	52.4	52.6	53.1	52.8	52.8	*37bps*	*-1bps*
Reported PAT (INR b)																		
Bharti (consolidated)	2.8	11.3	8.3	20.1	16.1	21.5	15.9	30.1	16.1	13.4	24.4	20.7	41.6	35.9	147.8	110.2	432.0	-25.4
Idea	(75.0)	(71.5)	(72.2)	(65.5)	(73.0)	(76.0)	(79.9)	(64.0)	(78.4)	(87.4)	(77.4)	(76.7)	(64.3)	(71.8)	(66.1)	(71.7)	-6.6	8.4
RJio	35.0	35.3	36.2	41.7	43.4	45.2	46.4	47.2	48.6	50.6	52.1	53.4	54.5	62.3	64.8	66.4	24.5	2.5
EPS (INR)																		
Bharti	0.5	2.1	1.5	3.6	2.9	3.8	2.8	5.3	2.8	2.4	4.3	3.6	7.2	6.2	25.5	19.0	426.7	-25.5
Idea	(2.5)	(2.5)	(2.5)	(2.0)	(2.3)	(2.4)	(2.5)	(1.3)	(1.6)	(1.8)	(1.4)	(1.6)	(1.0)	(1.0)	(1.0)	(1.0)	-35.7	6.3

Source: MOFSL, Company

UTILITIES: Mixed quarter; NTPC lags on PAT but JSWE, ACME, and Suzlon outperform

- **Overall performance:** For our coverage universe, revenue and EBITDA both increased by 4% YoY and were in line with our estimates. However, adjusted PAT (APAT) came in 5% below expectations, primarily due to NTPC underperforming by 10%, while JSWE/ACME/Suzlon exceeded our estimates by 34%/109%/44%.
- **Overall a mixed quarter – JSWE/ACME/Suzlon beat our APAT estimates, while NTPC a miss: IEX's** standalone revenue missed our estimate, primarily due to a lower-than-estimated per-unit transaction fee. The reported standalone PAT was in line with our est. led by an 18% YoY rise in electricity volumes and other income. IEX's overall volumes rose ~27% YoY in 4QFY25, driven by an 18% rise in electricity volumes and a 107.5% surge in renewable volumes. **NTPC's** standalone revenue exceeded our estimate, driven by a 2% YoY growth in generation, but EBITDA fell short, primarily due to a 27% YoY increase in other expenses. PAT also came in below expectations, mainly due to higher-than-anticipated depreciation, finance costs, and tax rates. Gross power generation rose 2% YoY to 95BUs in 4QFY25. The PLF for coal, hydro, and gas plants stood at ~81%, 13.9%, and 2.1%, respectively. **TPWR's** EBITDA came in 7% above our estimate, driven by robust growth in Orissa distribution, strong results in Mundra, coal, and shipping, and higher contributions from both traditional and renewable generation. APAT was in line with our expectations. **JSWE** missed our revenue and EBITDA estimates, mainly due to weaker performance at the Ratnagiri/Barmer thermal plants, with net generation falling 7%/11% YoY. Despite lower fuel costs, standalone EBITDA remained under pressure due to higher employee expenses and increased other opex. JSWE completed the acquisition of both KSK Mahanadi and O2 Power. **PWGR's** standalone revenue, EBITDA, and PAT met our estimates. Higher-than-expected interest expenses were offset by lower depreciation, taxes, and higher other income. **ACME's** 4QFY25 revenue was 5% ahead of estimates, driven by higher-than-estimated generation and improved CUFs. EBITDA rose 117% YoY, surpassing estimates by 10%, and EBITDA margin stood at 89%, supported by favorable operating leverage and efficiency. **Suzlon's** consolidated revenue was 6% above our estimates, driven by ~15% higher-than-expected WTG deliveries. EBITDA/APAT exceeded expectations by 38%/44%, on the back of a stronger gross margin.
- **Ratings and earnings revisions: PWGR –** We trim our DPS estimate to INR10, reflecting a 17% reduction in the dividend payout estimate due to the elevated capex guidance provided by the management. **ACME –** Its 4QFY25

APAT exceeded, prompting an upward revision in our FY26 APAT by 42% driven by adjustments to expected finance costs, other income, and the tax rate. **Suzlon –** Considering a strong 4QFY25 financial performance, we increase our APAT estimate marginally by 4%, supported by improved gross margin in the wind turbine generator (WTG) segment.

- **Top picks: JSWE, Suzlon, and ACME Solar** remain our preferred picks.

Surprises: ACME, Suzlon, and JSWE.

Misses: NTPC, TPWR.

Guidance highlights:

- **PWGR:** Management reiterated a strong growth outlook driven by an aggressive capex trajectory, with targets set at INR280b for FY26, INR350b for FY27, and INR450b for FY28. Despite missing the FY25 capitalization guidance by ~50%, PWGR aims to capitalize INR230-250b in FY26. However, management cautioned that the rising capex burden may pressure future dividend payouts. Leh–Ladakh HVDC: Land acquisition and infrastructure work in progress. Awarding of the line from Pang to Leh is expected in 2QFY26. Clarity from the Government of India on the Paradip–Andaman HVDC link is anticipated by 2QFY26. As per the National Electricity Plan (NEP), over INR9t of transmission projects would be completed by FY32, and of these, INR3t projects are already allocated. Hence, the remaining would have to be allocated by FY29, implying heavy bidding activity over the next four years.
- **NTPC:** Management remains focused on long-term capacity expansion, with a group-level capacity addition target of 11,806MW in FY26 and 9,904MW in FY27. NTPC plans to invest INR 876b in standalone capex from FY25–FY27 (averaging INR292b annually) and INR2.6t in group capex (averaging INR884b annually). Captive coal production is projected at 50 MMT (FY26), 56 MMT (FY27), and 60 MMT (FY28). NTPC has secured 6 GW of land, with another 8 GW in the pipeline; connectivity has been arranged for RE targets until FY27. Beyond FY27, land and CTU connectivity could be a challenge, prompting state partnerships. The company also plans 20 GW of pumped storage projects (PSPs), with the first 1 GW targeted by FY26. Its nuclear power target is 30 GW by 2047. The Mahi Banswara Nuclear Project is progressing through regulatory clearances; excavation is expected by Jul'25, and operations to begin in FY32.
- **JSWE:** Management has outlined an ambitious growth strategy targeting a total generation capacity of 30GW and 40GWh of energy storage by 2030, supported by a planned capex of INR1,300b between FY26-FY30. For FY26, the company aims to invest INR150-180b in capex. Recent acquisitions of KSK Mahanadi and O2 Power are expected to drive EBITDA growth starting in FY26, while the Vijayanagar plant's full PPA tie-up reduces merchant exposure to under 1GW and lowers imported coal dependence to around 9-10%, helping stabilize earnings. Management remains confident in achieving 2.7x to 3x EBITDA growth by FY30 over FY25 pro forma levels.
- **TPWR**: Tata Power's management has outlined a robust growth roadmap for FY26, with a capex target of INR250b (~60% is earmarked for RE expansion and ~30% for transmission and distribution broadly, but might change). The company aims to commission 2.5-2.7GW of RE capacity in FY26, supported by a 5.5GW pipeline slated for execution over the next 6–24 months. While the RE installation target is ambitious amid sectoral headwinds like land acquisition and transmission constraints, management remains confident. In the cell and module segment, TP Solar's plants are now fully operational, and output is projected to exceed 3,700MW for both products in FY26. Additionally, progress on DISCOM privatization opportunities, including in key states like Uttar Pradesh, could serve as key growth drivers. The 600MW Dagachhu hydro project in Bhutan is also underway, with completion targeted by Nov'29.
- **IEX:** Management remains optimistic about sustained volume growth, backed by strong momentum in electricity and renewable energy markets. The company is awaiting regulatory approval to extend Term-Ahead Market (TAM) contracts from 90 days to 11 months, which would open access to a 40BUs trader addressable market. No update has been received from CERC for potential market coupling.
- **ACME:** The company expects to commission 450MW in FY26 (165MW of this and 112.5MW commissioned recently and the balance ~135MW is expected to be commissioned within a month) and 1.89GW in FY27. The

goal is to reach 7GW by FY28 and 10GW by FY30. All projects have secured transmission connectivity, with 2.5 GW in surplus. Over 50%/60% of the land required for solar/wind components of the projects is already acquired, and applications have been made for ~10,000 acres of government land. ACME is also developing a 600MW x 6-hour PSP project in Uttar Pradesh.

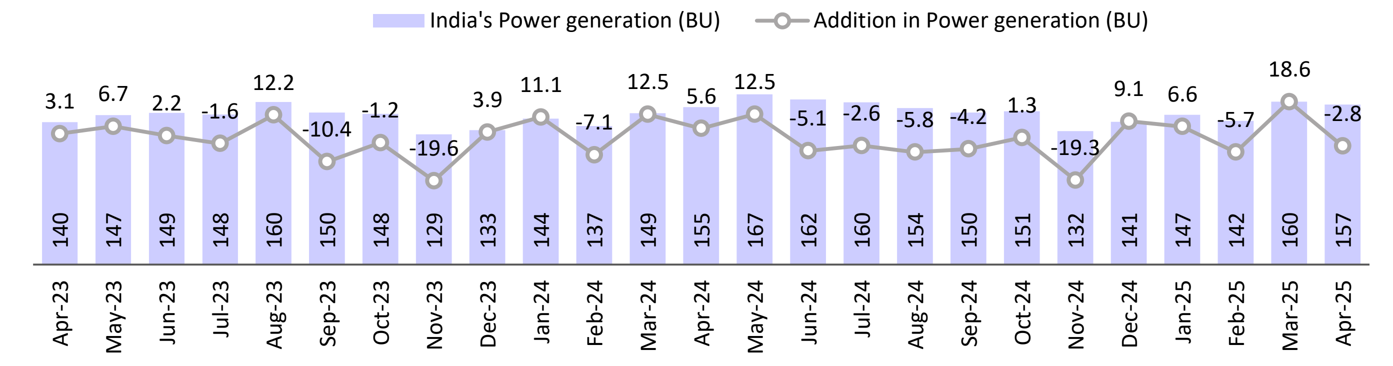
- **Suzlon:** Management has guided at least a 60% YoY increase across key metrics – deliveries, revenue, EBITDA, and PAT. COD is also expected to rise by over 60%. The strong order inflow momentum is likely to continue, especially driven by PSUs, with no visibility concerns over the next 18–24 months. Suzlon's focus remains on the domestic market, with export readiness in place. Segment margins are expected to remain stable, with WTG contribution margin at ~23% and consolidated EBITDA margin near 17%. Capex is pegged at INR4.0-4.5b in FY26.

Exhibit 134: Key snapshot

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Total generation growth (%)	**5.4**	**5.2**	**0.7**	**-0.6**	**8.1**	**9.0**	**7.2**	**5.0**
Conv. Generation growth (%)	4.1	3.6	0.0	-1.6	7.1	7.7	6.7	4.0
RE generation growth (%)	24.9	24.4	7.8	7.7	16.2	19.1	10.9	11.7
All India Peak Demand (GW)	**161**	**176**	**183**	**189**	**201**	**212**	**240**	**250**
Capacity addition (GW)								
Net Coal	6.0	3.6	4.1	4.2	1.4	1.2	5.7	4.2
Solar	9.4	6.5	6.4	5.5	13.9	12.8	15.0	23.8
Wind	1.8	1.6	2.1	1.6	1.1	2.3	3.3	4.2
Total capacity addition	**17.2**	**12.1**	**14.0**	**12.0**	**17.3**	**16.6**	**25.9**	**33.3**

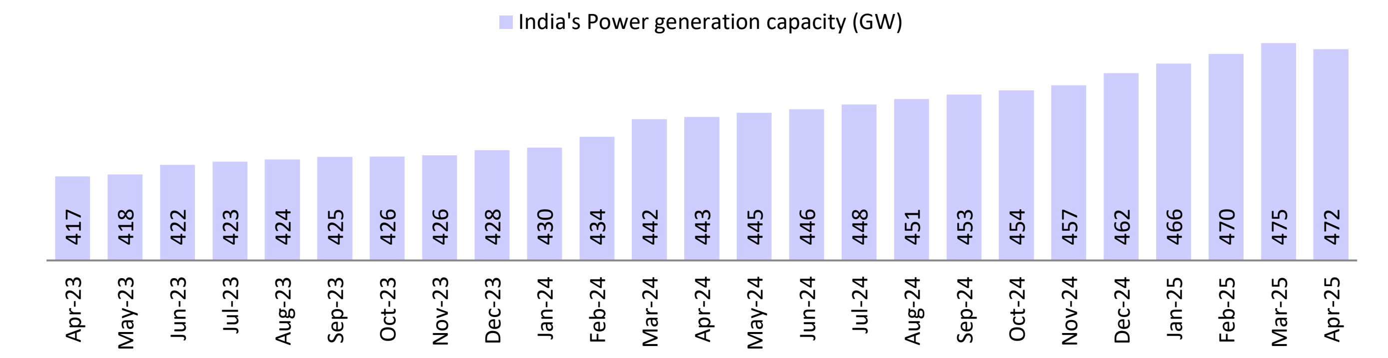
Source: NPP, CEA, MOFSL

Exhibit 135: India's power generation



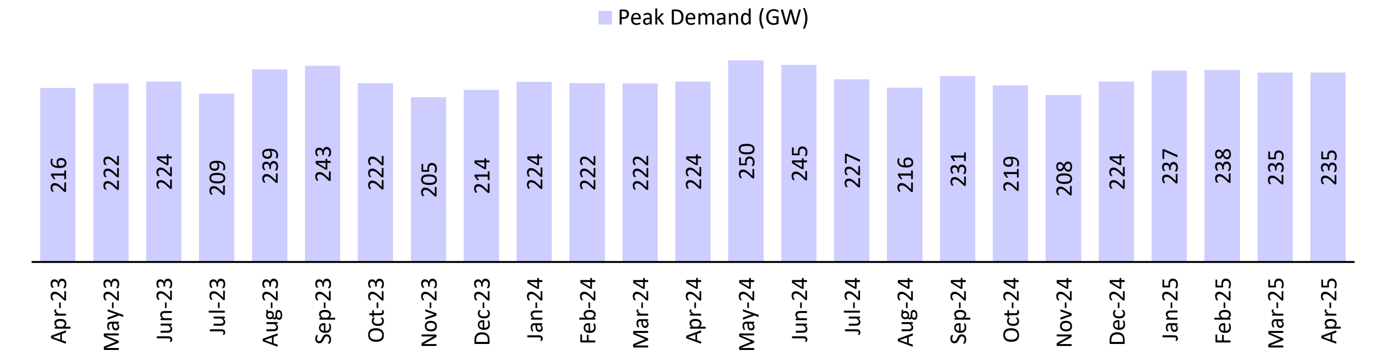
Source: NPP, CEA, MOFSL

Exhibit 136: India's power generation capacity (GW)



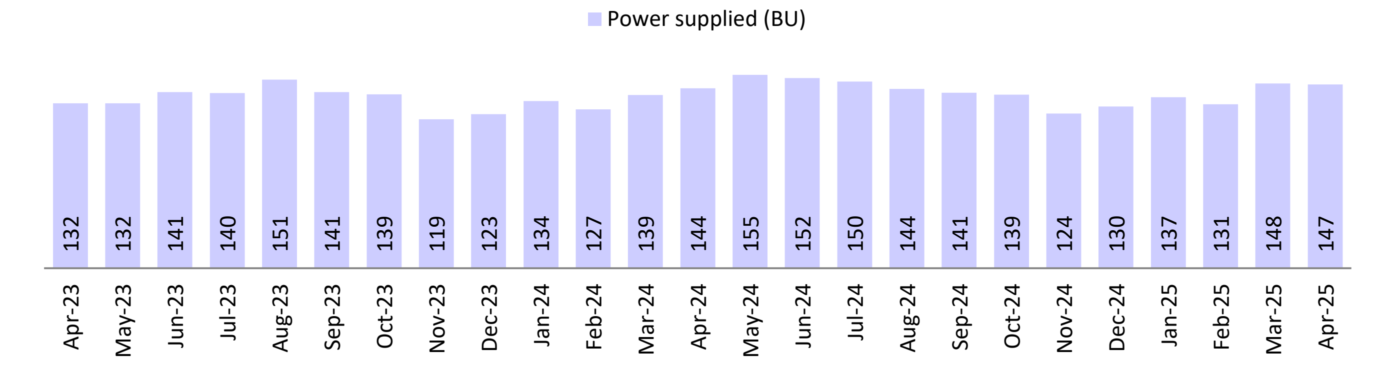
Source: NPP, MOFSL

Exhibit 137: India's peak demand



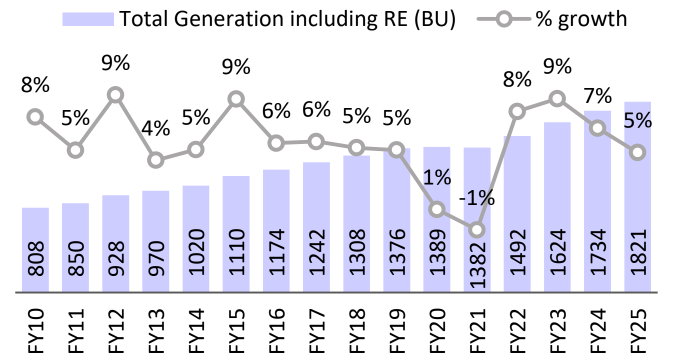
Source: CEA, MOFSL

Exhibit 138: India's power supplied (BUs)



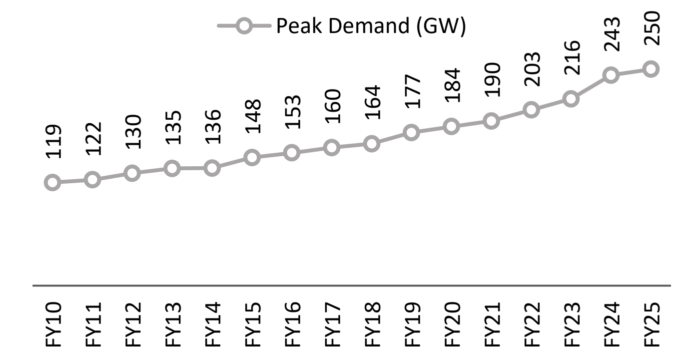
Source: CEA, MOFSL

Exhibit 139: India's power generation growth



Source: NPP, CEA, MOFSL

Exhibit 140: Peak demand growth



Source: CEA, MOFSL

ANNEXURE: MOFSL UNIVERSE (ACTUAL V/S EXPECTATIONS)

	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
		Gr (%)		Var. over		Gr (%)		Var. over		Gr (%)		Var. over
Company	Mar-25	YoY	QoQ	Exp. (%)	Mar-25	YoY	QoQ	Exp. (%)	Mar-25	YoY	QoQ	Exp. (%)
Automobiles	**3,363.3**	**5.7**	**4.6**	**-0.4**	**459.9**	**2.5**	**12.5**	**0.8**	**281.2**	**7.8**	**19.3**	**6.3**
Amara Raja Energy	29.7	6.3	-6.0	-6.0	3.4	-16.1	-17.7	-14.6	1.7	-26.8	-27.4	-23.0
Apollo Tyres	64.2	2.6	-7.3	-2.2	8.4	-22.4	-11.6	-1.2	2.7	-41.8	-20.4	-0.6
Ashok Leyland	119.1	5.7	25.6	0.6	17.9	12.5	47.8	6.9	12.6	32.4	64.9	15.7
Bajaj Auto	121.5	5.8	-5.1	2.2	24.5	6.3	-5.0	3.2	20.5	5.8	-2.8	3.2
Balkrishna Inds	28.4	5.2	10.3	4.4	7.0	-0.9	10.1	1.7	3.6	-25.8	-17.6	-17.8
Bharat Forge	21.6	-7.1	3.2	1.2	6.2	-5.7	1.1	-0.8	3.6	-8.8	4.0	2.0
Bosch	49.1	16.0	10.0	9.6	6.5	16.1	11.0	13.2	5.5	-1.9	12.3	-4.3
CEAT	34.2	14.3	3.7	1.9	3.9	-0.9	13.8	9.9	1.3	-16.3	30.5	17.6
CIE Automotive	22.7	-6.4	7.7	3.5	3.4	-7.0	12.1	6.2	2.1	-10.5	15.1	10.2
Craftsman Auto	17.5	58.3	11.0	7.7	2.4	17.7	22.4	11.3	0.7	20.3	209.3	84.2
Endurance Tech.	29.6	11.2	3.6	-1.9	4.2	14.4	13.4	8.1	2.4	21.0	27.9	20.1
Eicher Motors	52.4	23.1	5.4	1.1	12.6	11.4	4.7	-2.9	13.6	27.3	16.4	6.5
Escorts Kubota	24.3	6.1	-17.2	5.3	2.9	0.7	-12.6	19.3	2.7	9.1	-6.7	17.4
Exide Inds.	41.6	3.7	8.1	4.3	4.7	-9.6	4.0	-1.8	2.5	-10.3	3.9	-4.6
Happy Forgings	3.5	2.5	-0.7	-3.6	1.0	5.3	0.8	-2.5	0.7	3.0	5.0	1.0
Hero Motocorp	99.4	4.4	-2.7	2.7	14.2	4.1	-4.1	2.2	10.8	6.4	-10.1	3.1
Hyundai Motor	179.4	1.5	7.8	4.2	25.3	0.4	35.0	20.2	16.1	-3.7	39.1	22.0
Mahindra & Mahindra	313.5	24.5	2.7	5.4	46.8	42.0	4.8	11.9	24.4	21.9	-17.8	2.8
Maruti Suzuki	406.7	6.4	5.7	2.1	42.6	-9.0	-4.6	-7.6	37.1	-4.3	5.3	5.9
Samvardhana Motherson	293.2	9.1	6.0	1.6	26.4	-1.0	-1.6	-8.7	10.0	9.4	14.1	0.8
Motherson Wiring	25.1	12.4	9.1	6.8	2.7	-6.9	14.2	10.2	1.6	-13.8	17.8	12.0
MRF	69.4	11.7	0.9	0.0	10.4	3.7	30.1	25.6	5.0	6.1	62.3	52.2
Sona BLW Precis.	8.5	-4.0	-2.1	0.4	2.2	-13.0	-7.8	-2.6	1.5	-0.6	-5.9	8.6
Tata Motors	1,195.0	-0.4	5.2	-5.4	166.3	-2.2	27.6	-3.3	88.9	15.1	62.5	6.3
Tube Investments	19.6	-0.3	2.5	-1.9	2.3	5.0	-6.2	-1.0	2.6	5.0	62.0	2.2
TVS Motor	93.9	14.9	3.2	2.0	11.7	26.4	8.3	6.0	6.9	42.2	11.6	2.2
Capital Goods	**1,148.1**	**9.9**	**17.1**	**-5.2**	**148.2**	**13.5**	**31.3**	**3.8**	**100.4**	**14.2**	**43.0**	**7.6**
ABB India	31.6	2.6	-6.1	-6.3	5.8	3.0	-11.4	-7.4	4.7	3.2	-10.9	-7.3
Bharat Electronics	91.2	6.9	58.4	2.7	27.9	22.3	68.7	35.0	21.0	18.0	59.9	23.1
Cummins India	24.6	6.1	-20.4	-14.0	5.2	-4.5	-13.4	-5.0	5.2	-7.2	1.4	4.4
Hitachi Energy	18.8	11.1	16.3	-19.4	2.7	49.1	62.5	4.7	2.0	73.5	130.8	14.8
KEC International	68.7	11.5	28.5	0.5	5.4	38.9	43.9	-3.6	2.7	76.7	107.0	10.9
Kalpataru Proj.	62.0	20.5	28.6	2.9	5.2	30.8	30.2	5.0	2.7	51.8	68.9	14.5
Kirloskar Oil	14.1	1.5	21.4	7.6	1.7	-2.3	48.8	10.8	1.1	-10.2	62.4	9.8
Larsen & Toubro	743.9	10.9	15.0	-7.0	82.0	13.4	31.1	-1.0	51.3	18.8	52.8	6.4
Siemens	53.9	-6.3	7.4	-5.9	7.0	-20.2	-3.2	-10.5	5.8	-27.4	-5.2	-9.7
Thermax	30.8	11.6	23.0	6.0	3.0	9.7	58.6	5.4	2.1	5.3	80.8	-8.3
Triveni Turbine	5.4	17.5	6.9	-1.9	1.2	34.0	10.2	3.7	0.9	25.9	2.2	-4.3
Zen Technologies	2.9	116.3	107.4	11.2	0.9	109.4	157.0	-1.7	0.8	177.3	119.9	15.2
Cement	**691.0**	**10.9**	**22.0**	**2.1**	**116.8**	**6.3**	**66.6**	**7.1**	**49.7**	**-2.8**	**132.6**	**12.7**
ACC	60.1	11.3	14.2	5.9	8.0	-4.4	69.4	14.7	5.1	4.5	127.8	25.7
Ambuja Cements	98.9	11.2	16.3	0.6	18.7	9.9	110.9	30.2	4.5	-16.1	8.0	17.8
Birla Corporation	28.1	6.0	24.7	11.4	5.3	13.0	115.3	49.6	2.9	52.2	818.9	174.9
Dalmia Bharat	40.9	-5.0	28.6	-3.7	7.9	21.3	55.2	-5.8	3.6	40.7	503.4	28.2
Grasim Industries	89.3	31.9	9.9	3.5	2.2	-58.1	-18.5	-38.8	-2.1	PL	Loss	Loss
India Cements	12.0	-3.9	32.5	18.4	0.0	-99.0	LP	LP	-0.7	Loss	Loss	Loss
J K Cements	35.8	15.3	22.2	8.4	7.6	36.6	55.4	16.7	3.6	69.1	90.9	19.7
JK Lakshmi Cem.	19.0	6.6	26.8	7.4	3.5	4.4	74.1	19.9	1.9	23.3	226.0	34.2
Ramco Cements	23.9	-10.5	21.0	-10.8	3.2	-23.1	14.8	-30.7	0.3	-76.7	787.7	-78.3
Shree Cement	52.4	3.3	23.7	5.6	14.1	6.4	49.2	7.0	5.8	-12.5	152.4	33.8
Ultratech Cement	230.6	13.0	29.7	0.1	46.2	12.3	59.5	0.3	24.9	7.8	83.1	1.8
Chemicals-Specialty	**173.0**	**10.4**	**8.6**	**2.7**	**31.3**	**13.9**	**16.3**	**4.0**	**17.3**	**18.1**	**27.8**	**4.6**
Alkyl Amines	3.9	8.3	4.0	-1.4	0.7	-1.5	-4.8	-17.4	0.5	19.7	5.2	-11.9
Atul	14.5	19.8	2.5	2.6	2.2	51.1	-0.5	22.7	1.3	121.3	11.1	55.8

Company	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
		Gr (%)		Var. over		Gr (%)		Var. over		Gr (%)		Var. over
	Mar-25	YoY	QoQ	Exp. (%)	Mar-25	YoY	QoQ	Exp. (%)	Mar-25	YoY	QoQ	Exp. (%)
Clean Science	2.6	15.9	9.5	3.6	1.0	10.9	6.4	-1.5	0.7	5.4	12.8	1.7
Deepak Nitrite	21.8	2.5	14.5	13.6	3.2	5.1	87.8	67.6	2.0	3.4	106.4	84.9
Fine Organic	5.8	10.5	9.7	-3.8	1.1	-18.3	0.2	-27.6	0.9	-15.5	-0.5	-28.5
Galaxy Surfactants	11.4	23.2	9.9	13.9	1.3	24.9	20.2	84.3	0.8	-2.1	17.4	115.6
Navin Fluorine	7.0	16.4	15.6	0.7	1.8	62.4	21.3	-2.8	1.0	35.0	13.6	-8.3
NOCIL	3.4	-4.7	6.8	1.4	0.3	-22.8	40.8	-13.9	0.2	-50.4	10.1	-35.9
P I Industries	17.9	2.6	-6.0	1.0	4.6	3.1	-11.0	5.6	3.3	-10.6	-11.3	6.9
SRF	43.1	20.8	23.5	3.7	10.0	40.9	53.3	12.4	5.7	30.4	87.1	21.5
Tata Chemicals	35.1	1.0	-2.3	-4.8	3.3	-26.2	-24.7	-35.2	-0.3	Loss	Loss	PL
Vinati Organics	6.5	17.8	24.3	5.4	1.8	22.2	28.6	1.4	1.3	22.1	33.5	2.3
Consumer	**882.1**	**6.2**	**0.6**	**-0.1**	**202.6**	**1.5**	**0.4**	**0.8**	**141.8**	**-1.0**	**1.0**	**-1.3**
Asian Paints	83.6	-4.3	-2.2	-2.0	14.4	-15.1	-12.3	-5.8	8.8	-30.7	-21.7	-14.8
Britannia	43.8	9.0	-2.0	0.5	8.1	2.3	-4.7	2.7	5.6	4.2	-4.0	3.0
Colgate	14.6	-1.8	0.0	-5.6	5.0	-6.4	9.6	-7.3	3.6	-6.5	10.0	-9.7
Dabur	28.3	0.6	-15.7	1.8	4.3	-8.6	-37.4	2.5	3.3	-8.2	-38.1	5.0
Emami	9.6	8.1	-8.2	1.1	2.2	4.0	-35.2	-1.9	1.8	8.6	-39.7	3.2
Godrej Consumer	36.0	6.3	-4.5	-0.9	7.6	-0.2	0.4	3.4	4.3	-24.8	-14.0	-15.6
Hind. Unilever	156.7	3.0	-0.9	0.0	36.2	2.4	-2.1	0.0	25.7	2.6	-1.5	1.6
Indigo Paints	3.9	0.7	13.1	-1.2	0.9	3.3	52.9	9.4	0.6	6.0	58.0	17.1
ITC	187.7	4.7	-0.1	2.3	65.2	-1.6	2.5	0.7	50.7	-0.9	7.3	-0.4
Jyothy Labs	6.7	1.1	-5.3	-3.9	1.1	3.3	-3.3	-3.4	0.8	3.1	-7.8	-4.7
L T Foods	22.3	7.4	-2.0	-4.9	2.6	5.4	3.4	-2.0	1.6	7.9	12.0	2.0
Marico	27.3	19.8	-2.3	1.8	4.6	3.6	-14.1	-3.6	3.4	7.9	-14.0	-0.3
Nestle	55.0	4.5	15.2	-0.2	14.1	5.0	25.9	8.5	8.7	-4.5	27.7	0.0
P&G Hygiene	9.9	-1.1	-20.5	-8.8	2.1	-18.5	-43.5	-22.1	1.6	-15.8	-41.9	-22.4
Page Industries	11.0	10.6	-16.4	2.2	2.4	43.1	-22.2	23.2	1.6	51.6	-19.9	33.4
Pidilite Inds.	31.4	8.2	-6.8	0.1	6.3	9.6	-20.8	0.3	4.5	20.2	-19.0	2.4
Tata Consumer	46.1	17.3	3.7	0.4	6.2	-1.4	10.0	5.1	3.1	-17.9	9.7	0.0
United Breweries	23.2	8.9	16.2	-0.9	1.9	31.2	31.9	28.9	1.0	20.5	52.1	13.9
United Spirits	29.5	10.5	-14.2	-1.5	5.1	39.5	-14.1	11.9	3.8	62.3	-9.7	14.9
Varun Beverages	55.7	28.9	50.9	-0.5	12.6	27.8	117.9	-1.5	7.3	35.3	291.2	-6.1
Consumer Durables	**234.3**	**21.3**	**34.1**	**3.7**	**26.1**	**34.1**	**54.0**	**10.2**	**18.4**	**36.9**	**67.1**	**13.4**
Havells India	65.4	20.2	33.8	5.2	7.6	19.3	77.5	16.8	5.2	15.7	86.0	14.7
KEI Industries	29.1	25.7	18.1	10.1	3.0	23.2	25.1	12.4	2.3	34.2	37.5	22.4
Polycab India	69.9	24.9	33.7	3.5	10.3	34.6	42.4	6.7	7.3	33.1	58.8	12.7
R R Kabel	22.2	26.4	24.4	7.2	1.9	68.6	75.8	28.3	1.3	64.0	88.3	33.5
Voltas	47.7	13.4	53.5	-2.6	3.3	74.6	68.6	-2.4	2.4	132.2	82.4	-2.0
EMS	**171.2**	**71.3**	**14.5**	**3.3**	**12.6**	**74.8**	**48.9**	**11.2**	**6.5**	**60.1**	**59.0**	**-5.3**
Amber Enterp.	37.5	33.8	76.0	21.6	2.9	32.8	85.7	17.7	1.2	22.6	223.5	-10.2
Avalon Tech	3.4	58.1	22.1	11.3	0.4	140.5	19.4	2.6	0.2	243.8	1.2	-5.2
Cyient DLM	4.3	18.3	-3.6	-7.6	0.6	50.9	58.9	5.4	0.3	36.5	84.4	-4.4
Data Pattern	4.0	117.4	238.5	31.7	1.5	60.7	176.7	24.2	1.1	60.5	155.4	20.6
Dixon Tech.	102.9	121.0	-1.5	2.5	4.4	142.7	13.4	12.7	1.8	93.9	7.8	-17.3
Kaynes Tech	9.8	54.5	48.9	-2.8	1.7	76.3	78.5	-1.2	1.2	43.0	74.8	-2.6
Syrma SGS Tech.	9.2	-18.5	6.3	-32.1	1.1	45.9	36.0	2.2	0.7	87.3	28.5	2.7
Financials	**4,692.3**	**3.5**	**14.4**	**-0.6**	**1,843.6**	**5.2**	**7.2**	**2.7**	**1,288.7**	**6.1**	**10.5**	**4.3**
Banks-Private	**924.9**	**5.9**	**0.3**	**0.9**	**675.5**	**-5.1**	**-2.6**	**-1.2**	**410.3**	**-5.9**	**-2.4**	**-2.9**
AU Small Finance	20.9	56.6	3.5	0.7	12.9	94.6	7.2	7.4	5.0	35.9	-4.7	6.5
Axis Bank	138.1	5.5	1.5	-0.3	107.5	2.1	2.1	-4.0	71.2	-0.2	12.9	-1.0
Bandhan Bank	27.6	-3.9	-2.6	-1.8	15.7	-14.5	-22.3	-8.2	3.2	482.0	-25.5	-29.3
DCB Bank	5.6	9.9	2.8	-1.3	3.1	30.7	12.6	7.3	1.8	13.8	16.9	12.0
Equitas Small Fin.	8.3	5.5	1.3	1.0	3.1	-16.9	-6.5	-5.2	0.4	-79.7	-36.5	-42.8
Federal Bank	23.8	8.3	-2.2	-1.0	14.7	32.0	-6.6	-0.2	10.3	13.7	7.8	12.0
HDFC Bank	320.7	10.3	4.6	4.6	265.4	-9.4	6.1	3.8	176.2	6.7	5.3	3.4
ICICI Bank	211.9	11.0	4.0	1.6	176.6	17.5	4.6	3.5	126.3	18.0	7.1	5.0
IDFC First Bank	49.1	9.8	0.1	-1.8	18.1	8.9	3.0	3.4	3.0	-58.0	-10.4	5.7
IndusInd Bank	30.5	-43.3	-41.7	-14.5	-4.9	PL	PL	PL	-23.3	PL	PL	Loss
Kotak Mahindra Bank	72.8	5.4	1.2	-2.3	54.7	0.2	5.6	-3.1	35.5	-14.1	7.5	-6.0

	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
		Gr (%)		Var. over		Gr (%)		Var. over		Gr (%)		Var. over
Company	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**
RBL Bank	15.6	-2.3	-1.4	-0.3	8.6	-2.9	-13.6	3.1	0.7	-80.5	110.5	136.3
Banks-PSU	**899.0**	**1.2**	**1.4**	**-1.6**	**672.0**	**9.3**	**16.0**	**6.1**	**412.0**	**8.7**	**9.0**	**4.0**
Bank of Baroda	110.2	-6.6	-3.5	-5.5	81.3	0.3	6.1	-3.1	50.5	3.3	4.3	3.0
Canara Bank	94.4	-1.4	3.2	0.2	82.8	12.1	5.7	7.8	50.0	33.1	21.9	20.2
Indian Bank	63.9	6.2	-0.4	-2.3	50.2	16.6	5.7	4.5	29.6	31.6	3.6	3.5
Punjab National Bank	107.6	3.8	-2.5	-6.5	67.8	5.6	2.3	-6.9	45.7	51.7	1.3	0.5
Union Bank	95.1	0.8	3.0	0.6	77.0	17.9	2.8	0.6	49.8	50.6	8.3	8.4
State Bank	427.7	2.7	3.2	0.1	312.9	8.8	32.8	13.7	186.4	-9.9	10.4	0.5
Insurance	**2,330.7**	**0.6**	**30.7**	**-1.8**	**77.3**	**0.9**	**39.8**	**4.6**	**212.4**	**34.7**	**59.0**	**21.1**
HDFC Life Insur.	237.7	16.0	41.7	-13.1	13.8	11.5	48.0	1.1	4.8	15.9	14.8	-14.8
ICICI Lombard	52.3	19.6	3.6	14.8	-2.1	Loss	Loss	Loss	5.1	-1.9	-29.7	-11.5
ICICI Pru Life	168.3	11.1	32.9	3.7	8.0	2.4	53.8	-0.5	3.9	121.7	18.6	-16.0
Life Insurance Corp.	1,475.9	-3.1	38.1	-0.5	35.3	-3.0	83.5	0.8	190.1	38.1	72.0	28.6
Max Financial	118.6	10.5	44.3	0.4	8.5	3.8	74.2	8.5	0.4	LP	-45.6	-77.4
SBI Life Insurance	240.0	-4.9	-4.0	-5.3	16.6	9.9	-11.2	14.0	8.1	0.3	47.7	-5.9
Star Health	38.0	11.9	0.0	-0.5	-2.8	Loss	Loss	Loss	0.0	-99.6	-99.8	-99.6
NBFC - Lending	**476.9**	**18.4**	**7.2**	**3.9**	**387.9**	**20.5**	**8.7**	**4.1**	**229.0**	**5.9**	**10.8**	**5.3**
AAVAS Financiers	2.7	12.4	5.1	1.3	2.0	10.5	3.3	-1.1	1.5	7.8	5.0	-3.2
Bajaj Finance	98.1	22.4	4.5	-0.3	79.7	24.3	2.1	-2.3	45.5	18.9	5.6	0.6
Can Fin Homes	3.5	6.3	1.1	-0.6	2.9	8.4	1.1	0.4	2.3	11.9	10.3	4.9
Chola. Inv & Fin.	30.6	29.8	5.8	-1.5	23.3	43.2	9.6	7.0	12.7	19.7	16.6	3.3
CreditAccess	8.8	-0.5	1.6	-3.5	6.3	-7.1	1.8	-6.6	0.5	-88.1	LP	-32.4
Five-Star Business	5.6	21.2	3.6	2.0	4.0	19.2	2.1	0.4	2.8	18.2	1.9	1.0
Fusion Finance	2.7	-25.4	19.9	-7.1	0.9	-69.0	39.1	-31.9	-1.6	PL	Loss	Loss
Home First Fin.	1.7	26.2	5.8	1.2	1.5	28.3	4.3	-0.4	1.0	25.4	7.5	0.3
IIFL Finance	13.1	-20.2	6.4	5.6	6.6	-16.6	11.1	-20.8	2.1	-44.4	409.1	-6.7
L&T Finance	21.5	8.2	-3.9	-4.7	14.2	4.6	-3.7	0.0	6.4	14.8	1.6	-0.2
LIC Housing Fin	21.7	-3.2	8.3	5.6	18.8	-1.3	7.4	8.5	13.7	25.4	-4.5	7.2
M & M Financial	19.3	6.4	0.9	-2.3	12.1	3.4	-0.7	-5.3	5.6	-9.0	-37.4	-1.6
Manappuram Finance	14.4	-3.4	-9.2	-9.1	6.8	-26.8	-26.6	-28.8	-2.0	PL	PL	PL
MAS Financial	2.3	34.5	9.9	5.1	1.5	34.7	9.6	5.5	0.8	18.8	3.5	-3.5
Muthoot Finance	29.0	36.0	6.7	-0.8	21.5	42.3	4.3	0.0	15.1	42.7	10.6	-0.5
PFC	59.1	39.5	25.9	27.5	65.5	39.8	27.0	19.8	51.1	23.5	23.0	16.8
PNB Housing	7.3	16.8	5.4	3.8	6.5	14.1	11.5	6.2	5.5	25.3	13.9	9.4
Poonawalla Fincorp	6.1	8.5	-0.6	-12.4	2.4	-41.8	-36.1	-47.2	0.6	-81.2	232.8	-65.8
REC	61.7	37.4	20.1	18.4	61.6	39.0	22.8	19.5	42.4	5.5	5.1	20.5
Repco Home Fin	1.7	4.9	-4.2	-6.7	1.3	1.6	-9.4	-12.6	1.1	6.4	7.9	-0.4
Shriram Finance	55.7	9.4	-0.4	-3.8	43.4	11.0	6.1	1.3	21.4	9.9	2.8	-1.0
Spandana Sphoorty	2.1	-46.8	-25.1	-11.0	0.3	-90.5	-68.0	-37.2	-4.3	PL	Loss	Loss
NBFC - Non Lending	**60.8**	**15.3**	**-3.8**	**1.8**	**30.9**	**11.8**	**-10.4**	**0.6**	**25.1**	**-1.0**	**-9.6**	**3.2**
360 ONE WAM	6.5	13.7	7.7	11.3	3.2	16.4	11.2	19.5	2.5	3.6	-9.1	7.4
Aditya Birla AMC	4.3	17.3	-3.7	-1.6	2.4	19.1	-11.1	-2.8	2.3	9.5	1.6	11.8
Anand Rathi Wealth	2.2	20.4	-6.3	-3.9	0.9	24.2	-15.1	-9.1	0.7	29.6	-4.6	4.7
Angel One	7.4	-14.9	-16.4	-1.6	2.4	-48.6	-39.2	-11.9	1.7	-48.7	-38.0	-13.0
BSE	8.5	74.9	10.2	12.2	4.8	405.3	11.4	22.0	4.9	366.5	127.2	40.4
Cams Services	3.6	14.7	-3.7	6.5	1.6	11.2	-7.8	17.2	1.1	9.5	-9.1	15.1
CDSL	2.2	-6.8	-19.3	-6.7	1.1	-26.0	-31.9	-9.5	1.0	-22.4	-22.6	10.4
HDFC AMC	9.0	29.6	-3.6	-2.1	7.3	35.4	-4.4	-1.4	6.4	18.0	-0.5	3.1
KFin Technologies	2.8	23.8	-2.5	1.6	1.2	16.9	-6.4	3.8	0.9	14.2	-5.7	1.2
MCX	2.9	60.9	-3.3	-1.9	1.6	57.1	-17.1	-12.4	1.4	54.2	-15.4	-12.5
Nippon Life AMC	5.7	21.0	-3.6	-0.5	3.7	25.6	-5.3	2.0	3.0	-12.9	1.0	9.7
Nuvama Wealth	7.7	29.5	6.7	11.4	3.4	41.3	0.8	10.6	2.6	41.3	1.4	14.5
Prudent Corp.	2.8	18.0	-0.7	2.6	0.7	12.9	4.1	14.8	0.5	15.9	7.1	16.4
UTI AMC	3.6	13.4	-4.1	0.2	1.5	17.9	-19.5	-9.7	1.0	-43.8	-41.2	-24.2
Healthcare	**913.2**	**12.4**	**3.4**	**1.6**	**216.9**	**17.6**	**2.4**	**0.6**	**137.2**	**16.7**	**6.6**	**5.5**
Alembic Pharma	17.7	16.7	4.5	8.1	2.7	4.6	4.5	17.6	1.6	-12.3	13.4	37.7
Alkem Lab	31.4	7.1	-6.8	0.2	3.9	-2.7	-48.5	-14.6	3.1	0.6	-51.1	-15.9
Ajanta Pharma	11.7	11.0	2.1	5.1	3.0	6.8	-7.4	2.2	2.2	16.4	-0.1	9.7

	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
		Gr (%)		Var. over		Gr (%)		Var. over		Gr (%)		Var. over
Company	Mar-25	YoY	QoQ	Exp. (%)	Mar-25	YoY	QoQ	Exp. (%)	Mar-25	YoY	QoQ	Exp. (%)
Apollo Hospitals	55.9	13.1	1.2	4.0	7.7	20.2	1.1	0.1	3.9	53.5	4.6	10.8
Aurobindo Pharma	83.8	10.6	5.1	2.3	18.6	10.4	14.4	2.7	9.4	-6.6	7.1	-7.9
Biocon	44.2	12.8	15.6	8.3	10.8	17.7	37.2	27.1	3.3	128.4	640.4	168.0
Cipla	67.3	9.2	-4.9	-2.6	15.4	16.9	-22.7	-12.5	12.2	40.6	-10.4	3.9
Divis Labs	25.9	12.2	11.5	5.4	8.9	21.2	19.2	15.0	6.5	22.0	12.6	24.8
Dr Agarwals Health.	4.6	31.9	6.8	2.0	1.3	24.2	21.3	-0.9	0.4	-7.4	91.6	-24.5
Dr Reddy' s Labs	85.1	20.1	3.3	2.8	20.5	16.1	-5.6	-6.4	15.4	26.7	16.5	30.0
ERIS Lifescience	7.1	28.0	-3.0	-7.4	2.5	48.6	0.8	-7.7	0.9	15.0	12.2	-16.3
Gland Pharma	14.2	-7.3	3.0	-3.1	3.5	-3.1	-3.5	17.4	1.9	-2.7	-8.9	-0.5
Glenmark Pharma	32.6	6.3	-3.9	-2.1	5.6	11.2	-6.5	-5.2	2.9	74.6	-15.7	-16.3
Global Health	9.3	15.2	-1.3	2.4	2.2	17.6	-6.8	5.0	1.4	9.4	-2.5	-7.1
Granules India	12.0	1.8	5.3	5.8	2.5	-1.3	9.6	0.0	1.3	-1.0	9.2	3.5
GSK Pharma	9.7	4.8	2.6	0.2	3.3	29.5	17.8	19.4	2.6	36.8	19.0	20.8
IPCA Labs.	22.5	10.5	0.1	3.1	4.3	33.2	-7.4	5.8	2.4	23.4	-2.5	19.5
Laurus Labs	17.2	19.5	21.6	13.3	4.2	74.2	47.5	18.4	1.9	148.4	103.5	36.4
Lupin	56.7	14.2	-0.4	3.7	12.9	29.6	-6.1	3.9	7.5	47.0	-12.6	0.3
Mankind Pharma	30.8	26.1	-3.7	0.3	7.1	19.8	-13.2	-13.6	3.2	-31.8	-14.0	-12.0
Max Healthcare	23.0	28.5	1.5	1.7	6.1	22.9	-1.6	-2.5	3.9	17.7	-1.8	-5.6
Piramal Pharma	27.5	7.9	24.9	-0.1	5.6	5.9	66.1	1.0	1.5	34.0	4071.2	-17.6
Sun Pharma	128.2	8.5	-1.8	-4.3	32.8	12.3	-8.2	-8.8	28.9	3.0	4.5	-4.2
Torrent Pharma	29.6	7.8	5.3	0.8	9.8	11.1	7.3	1.2	5.3	17.8	5.1	5.9
Zydus Lifesciences	65.3	18.0	23.9	7.6	21.6	33.2	66.5	19.2	13.6	16.1	43.7	14.7
Infrastructure	**49.4**	**-8.4**	**17.8**	**-3.6**	**14.2**	**1.7**	**12.8**	**5.5**	**5.8**	**5.4**	**30.0**	**8.8**
G R Infraproject	19.4	-9.9	32.8	-8.8	3.0	0.6	94.6	20.8	2.9	27.3	118.8	39.1
IRB Infra	21.5	4.3	6.1	11.2	10.0	12.1	1.4	9.4	2.1	13.7	-3.2	7.5
KNR Constructions	8.5	-27.8	20.2	-20.1	1.2	-42.2	0.2	-35.2	0.8	-43.4	-16.7	-39.4
Logistics	**173.3**	**13.7**	**3.7**	**-2.0**	**66.1**	**18.7**	**3.6**	**-7.0**	**40.7**	**27.6**	**9.7**	**-1.9**
Adani Ports	84.9	23.1	6.6	1.3	50.1	23.8	4.2	-6.1	30.7	33.7	14.6	-0.9
Blue Dart Express	14.2	7.1	-6.2	-5.7	1.2	-15.3	-19.2	-22.0	0.5	-30.0	-32.7	-35.7
Concor	22.8	-1.6	3.6	-9.3	4.3	-11.4	-5.4	-23.2	3.0	0.7	-12.0	-21.1
JSW Infra	12.8	17.0	8.6	-4.0	6.4	10.3	9.4	-4.5	4.4	18.9	0.9	11.7
Mahindra Logistics	15.7	8.2	-1.5	-4.7	0.8	37.3	5.4	0.7	-0.1	Loss	Loss	PL
TCI Express	3.1	-3.1	3.6	-0.8	0.3	-41.4	-9.1	-16.0	0.2	-38.7	0.9	-5.9
Transport Corp.	11.8	9.3	2.8	0.6	1.2	11.2	2.7	-4.1	1.1	9.3	13.2	1.3
VRL Logistics	8.1	5.3	-2.0	-2.5	1.9	77.1	12.1	22.9	0.7	244.6	24.9	40.9
Media	**43.4**	**-0.2**	**-3.3**	**2.6**	**7.0**	**-2.6**	**-28.9**	**-0.8**	**5.0**	**21.2**	**-23.9**	**20.5**
PVR Inox	12.5	-0.5	-27.2	1.3	-0.1	PL	PL	Loss	-1.1	Loss	PL	Loss
Sun TV	9.1	-2.0	14.5	-1.7	4.3	-16.1	-1.2	-7.4	4.2	5.2	20.8	13.6
Zee Entertainment	21.8	0.7	10.4	5.4	2.9	35.7	-10.4	1.6	1.9	78.1	-22.9	9.1
Metals	**3,080.7**	**5.5**	**7.9**	**3.4**	**600.6**	**20.4**	**6.6**	**6.0**	**305.1**	**44.7**	**24.4**	**16.0**
Coal India	378.2	-1.0	2.6	-1.2	112.3	5.5	-2.2	1.1	96.0	12.0	12.9	10.5
Hindalco	648.9	15.9	11.1	10.3	88.4	32.3	16.5	13.6	52.8	66.3	40.2	23.3
Hindustan Zinc	90.9	20.4	5.5	6.3	48.2	32.1	7.1	8.6	30.0	47.4	12.1	16.3
JSPL	131.8	-2.3	12.2	9.2	24.8	1.5	13.6	9.6	11.0	17.7	15.8	14.9
JSW Steel	448.2	-3.1	8.3	0.3	63.8	4.1	14.3	-3.1	15.3	17.7	96.4	-11.2
Nalco	52.7	47.2	13.0	20.7	27.5	148.7	18.3	43.9	20.7	205.5	32.0	62.0
NMDC	70.0	7.9	6.6	2.2	20.5	-2.4	-13.5	-16.1	14.8	3.3	-21.5	-25.2
SAIL	293.2	11.7	19.7	0.3	34.8	97.0	71.6	20.9	12.8	609.1	1029.5	61.6
Tata Steel	562.2	-4.2	4.8	0.3	65.6	-0.6	-8.3	1.9	16.9	40.1	128.3	160.4
Vedanta	404.6	13.9	3.4	4.0	114.7	30.8	3.3	6.3	34.8	121.8	-1.8	2.9
Oil & Gas	**8,016.7**	**1.7**	**3.2**	**7.1**	**995.7**	**3.4**	**4.7**	**16.3**	**472.9**	**-4.7**	**13.7**	**27.1**
Oil Ex OMCs	**3,860.3**	**7.4**	**7.5**	**8.0**	**724.3**	**1.4**	**0.8**	**3.2**	**321.2**	**-11.8**	**1.2**	**1.1**
BPCL	1,111.8	-4.6	-1.7	16.1	78.1	-15.7	3.0	46.0	45.5	-18.3	-2.1	71.5
Castrol India	14.2	7.3	5.0	4.7	3.1	4.6	-18.2	-2.4	2.3	8.0	-14.0	-0.4
GAIL	356.9	10.4	2.1	11.0	32.2	-9.6	13.3	11.0	20.5	-5.9	43.6	3.3
Gujarat Gas	41.0	-0.8	-1.2	3.7	4.5	-24.0	18.2	8.3	2.9	-22.0	29.6	24.2
Gujarat State Petronet	2.0	-55.7	-14.6	-12.3	1.2	-67.0	-35.2	-30.4	0.7	-72.9	-47.8	-46.9
HPCL	1,094.9	-4.4	-0.9	16.5	57.6	18.3	-10.8	61.0	33.5	18.0	11.0	114.4

	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
		Gr (%)		Var. over		Gr (%)		Var. over		Gr (%)		Var. over
Company	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**
Indraprastha Gas	39.5	9.8	5.1	6.9	5.0	-4.8	36.7	20.1	3.5	-8.8	22.2	18.2
IOC	1,949.7	-1.5	0.6	-3.3	135.7	27.0	48.1	109.6	72.6	50.2	231.1	499.9
Mahanagar Gas	18.6	19.0	6.1	2.0	3.8	-3.9	20.3	0.8	2.5	-4.8	11.9	-2.3
MRPL	246.0	-2.9	12.5	11.1	11.2	-52.1	-6.0	33.7	3.6	-68.2	19.4	102.8
Oil India	55.2	-4.1	5.3	6.7	19.8	-15.0	-7.0	-0.7	15.9	-21.6	30.3	16.1
ONGC	349.8	1.0	3.8	6.6	190.1	9.2	-0.3	5.5	64.5	-34.7	-21.7	-21.8
Petronet LNG	123.2	-10.7	0.7	-8.6	15.1	37.0	21.3	21.1	10.7	45.1	23.4	24.0
Reliance Inds.	2,613.9	10.5	8.9	8.6	438.3	3.1	0.1	0.8	194.1	2.4	4.7	8.0
Real Estate	**178.6**	**5.5**	**16.4**	**-11.9**	**48.4**	**-0.7**	**9.9**	**-7.9**	**39.8**	**4.5**	**13.7**	**24.3**
Anant Raj	5.4	22.2	1.1	21.2	1.4	36.4	6.6	-36.1	1.2	38.2	7.4	-15.9
Brigade Enterpr.	14.6	-14.2	-0.2	7.9	4.2	-3.9	0.5	-28.3	2.5	19.8	4.5	-26.0
DLF	31.3	46.5	104.6	59.4	9.8	29.7	144.5	100.6	12.8	39.4	21.1	392.4
Godrej Properties	21.2	48.8	119.0	215.3	1.1	-10.4	299.1	-60.8	3.8	-20.8	139.2	-8.8
Kolte Patil Dev.	7.2	36.5	105.5	-30.5	1.1	LP	316.4	-44.0	0.7	LP	158.1	-10.8
Macrotech Developers	42.2	5.1	3.5	-1.2	12.2	16.6	-6.5	35.9	9.2	37.3	-2.1	177.2
Mahindra Lifespace	0.1	-35.3	-94.5	-74.9	-0.6	Loss	Loss	Loss	0.9	19.0	LP	-21.6
Oberoi Realty	11.5	-12.5	-18.5	6.4	6.2	-21.6	-27.8	8.8	4.3	-45.0	-30.0	0.4
Phoenix Mills	10.2	-22.2	4.2	-15.9	5.6	-10.7	1.2	-27.1	2.7	-16.9	2.6	-24.8
Prestige Estates	15.3	-29.4	-7.6	-66.8	5.4	-34.6	-8.3	-30.1	0.3	-82.1	41.2	-93.2
SignatureGlobal	5.2	-25.0	-37.1	-70.2	0.4	113.3	224.9	-86.3	0.6	47.0	110.7	-73.0
Sobha	12.4	62.6	1.3	-11.5	0.9	51.5	39.9	0.4	0.4	481.1	88.4	-35.5
Sunteck Realty	2.1	-51.7	27.4	-55.7	0.7	-55.2	41.9	-49.9	0.5	-50.3	18.5	-39.3
Retail	**572.4**	**16.7**	**-13.8**	**1.3**	**60.0**	**15.8**	**-20.8**	**2.9**	**23.8**	**17.1**	**-31.7**	**2.5**
Aditya Birla Fashion	36.0	5.6	-16.4	2.3	5.1	81.0	-19.1	26.0	-0.2	Loss	Loss	Loss
Avenue Supermarts	148.7	16.9	-6.9	0.0	9.6	1.2	-21.5	-11.1	5.5	-2.2	-23.9	-9.2
Barbeque Nation	2.9	-1.8	-11.0	-3.2	0.5	-2.6	-13.4	-2.2	-0.2	Loss	PL	Loss
Bata India	7.9	-1.2	-14.2	-5.1	1.8	-2.2	-10.6	-5.0	0.5	-27.9	-31.3	-26.0
Campus Activewear	4.1	11.5	-21.2	2.7	0.7	11.9	-13.0	6.9	0.4	7.0	-24.6	-4.8
Devyani Intl.	12.1	15.8	-6.3	-0.3	2.0	15.5	-8.4	3.0	0.0	PL	Loss	Loss
Jubilant Foodworks	15.9	19.2	-1.5	3.2	3.1	20.2	-2.3	7.5	0.5	43.3	-17.0	43.1
Kalyan Jewellers	61.8	36.6	-15.2	-0.1	4.0	34.8	-19.1	-0.7	1.9	36.4	-27.7	-9.6
Metro Brands	6.4	10.3	-8.6	2.8	2.0	24.3	-12.4	10.1	1.0	10.1	-20.6	10.9
P N Gadgil Jewellers	15.9	5.0	-34.8	-4.3	0.9	5.8	-23.3	6.1	0.6	12.9	-27.9	16.4
Raymond Lifestyle	14.9	-11.3	-14.8	3.5	0.1	-94.5	-92.5	-82.4	-0.4	PL	PL	Loss
Relaxo Footwear	7.0	-7.0	4.2	-6.7	1.1	-6.9	34.4	-5.9	0.6	-8.4	70.3	-3.2
Sapphire Foods	7.1	12.6	-6.0	0.4	1.1	3.2	-20.9	-1.0	0.1	189.3	-53.7	-57.5
Senco Gold	13.8	21.1	-32.7	2.2	1.3	44.8	18.1	27.0	0.6	94.0	15.2	42.4
Shoppers Stop	10.2	2.3	-22.0	-2.1	1.7	3.2	-29.4	0.3	0.0	-5.7	-90.7	LP
Titan Company	149.2	19.4	-15.9	5.0	15.4	29.1	-20.2	9.1	8.7	13.0	-30.1	-5.0
Trent	41.1	28.8	-9.5	0.5	6.6	37.5	-21.6	11.0	3.5	41.3	-25.5	30.7
V-Mart Retail	7.8	16.7	-24.0	0.0	0.7	69.4	-60.2	2.3	-0.1	Loss	PL	Loss
Vedant Fashions	3.7	1.2	-28.1	-4.4	1.7	-5.3	-31.6	-8.6	1.0	-12.7	-36.0	-10.9
Westlife Foodworld	6.0	7.3	-7.7	-1.3	0.8	3.0	-13.1	10.1	0.0	96.5	-78.4	LP
Staffing	**106.5**	**-4.1**	**-3.2**	**-13.7**	**3.2**	**-11.4**	**5.0**	**-31.4**	**2.2**	**60.5**	**3.7**	**-24.5**
Quess Corp	36.6	-25.5	-9.0	-31.6	0.7	-65.5	7.9	-66.8	0.6	-37.6	30.8	-37.9
SIS	34.3	9.3	1.9	-1.0	1.6	96.4	5.1	-1.9	0.8	LP	-19.2	-33.4
Team Lease Serv.	28.6	17.5	-2.2	1.3	0.5	29.5	36.0	10.0	0.4	38.3	33.5	8.4
Updater Services	7.1	12.2	2.0	-0.4	0.4	-11.4	-22.8	-21.6	0.3	76.1	9.7	22.0
Technology	**1,979.2**	**6.7**	**0.6**	**-1.2**	**441.8**	**5.3**	**-1.2**	**-1.1**	**310.8**	**6.7**	**0.6**	**0.9**
Coforge	34.1	47.1	4.7	-3.1	5.8	36.2	13.6	-0.8	2.9	22.6	24.6	-4.6
Cyient	19.1	2.6	-0.9	-7.0	3.0	-9.7	5.6	-3.0	1.9	-3.1	42.3	8.8
HCL Technologies	302.5	6.1	1.2	-0.4	65.0	6.5	-5.3	1.5	43.1	8.1	-6.2	0.8
Infosys	409.3	7.9	-2.0	-3.0	97.8	11.5	-3.6	-0.5	68.1	12.1	0.0	2.1
L&T Technology	29.8	17.5	12.4	-3.8	4.8	-5.4	-3.9	-13.8	3.1	-9.3	-2.3	-19.2
LTIMindtree	97.7	9.9	1.1	-0.8	16.0	3.9	0.2	-1.8	11.3	2.5	3.9	-2.1
MphasiS	37.1	8.7	4.2	-0.6	7.0	10.0	3.6	-0.5	4.5	13.6	4.4	-1.3
Persistent Systems	32.4	25.2	5.9	0.0	5.8	28.6	8.7	3.0	4.0	25.5	6.1	1.3
TCS	644.8	5.3	0.8	-0.5	169.2	-1.5	-0.3	-1.7	122.9	-1.7	-1.2	-2.1

	Sales (INR b)				EBITDA (INR b)				PAT (INR b)			
		Gr (%)		Var. over		Gr (%)		Var. over		Gr (%)		Var. over
Company	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**	**Mar-25**	**YoY**	**QoQ**	**Exp. (%)**
Tech Mahindra	133.8	4.0	0.7	0.0	18.7	32.6	3.2	2.6	11.7	20.3	18.7	16.5
Wipro	225.0	1.3	0.8	-0.9	46.6	6.3	0.4	-3.8	35.7	25.9	6.4	8.9
Zensar Tech	13.6	10.5	2.5	0.3	2.1	4.7	2.7	-0.1	1.8	1.8	10.5	6.2
Telecom	**749.0**	**19.0**	**4.3**	**0.7**	**382.8**	**28.9**	**-0.7**	**-0.2**	**5.1**	**LP**	**-58.9**	**-29.5**
Bharti Airtel	478.8	27.3	6.1	0.6	270.1	39.5	9.8	0.4	52.2	76.9	-5.3	-11.2
Bharti Hexacom	22.9	22.5	1.7	-0.6	11.7	33.0	1.4	-0.5	3.8	70.8	3.7	8.1
Indus Towers	77.3	7.4	2.4	1.9	43.2	6.2	-37.9	-4.9	16.1	1.7	-7.5	4.4
Tata Comm	59.9	5.2	3.8	0.3	11.2	6.2	-2.6	-8.3	4.6	24.0	108.2	46.5
Vodafone Idea	110.1	3.8	-0.9	1.0	46.6	7.5	-1.1	3.7	-71.7	Loss	Loss	Loss
Utilities	**795.9**	**6.4**	**9.4**	**0.9**	**261.8**	**6.2**	**2.0**	**0.2**	**113.9**	**6.8**	**10.7**	**-2.7**
ACME Solar	4.9	65.0	39.5	5.3	4.4	117.1	41.8	9.7	1.4	LP	15.5	109.3
Indian Energy Exch.	1.4	16.5	7.6	-7.0	1.2	16.3	8.1	-6.1	1.1	17.8	8.6	0.2
JSW Energy	31.9	15.7	30.8	-16.0	12.0	3.1	31.8	-8.0	2.9	-16.6	74.5	33.5
NTPC	439.0	3.2	6.2	5.6	112.6	-0.7	-5.9	-3.5	50.0	0.4	8.3	-10.4
Power Grid Corp.	109.8	-0.6	8.5	1.3	92.2	0.9	8.2	1.3	42.9	0.5	11.3	-0.7
Suzlon Energy	37.9	72.6	27.4	5.9	6.9	94.0	38.8	38.0	5.8	108.0	49.1	44.2
Tata Power	171.0	7.9	11.1	-7.4	32.5	39.2	-3.2	7.1	9.7	14.5	-5.4	-3.4
Others	**724.3**	**20.3**	**5.3**	**-1.0**	**142.7**	**42.5**	**13.0**	**19.7**	**58.5**	**64.4**	**15.8**	**34.1**
APL Apollo Tubes	55.1	15.6	1.4	-2.9	4.1	47.6	19.7	3.7	2.9	72.0	35.1	17.6
Cello World	5.9	14.9	5.7	3.5	1.4	1.5	6.2	-0.9	0.9	-0.7	2.1	-1.8
Coromandel International	49.9	27.5	-28.1	0.3	4.3	56.0	-41.0	0.8	3.0	89.4	-40.7	7.6
Dreamfolks Services	3.1	11.7	-7.6	-3.1	0.2	-18.7	-12.7	-14.2	0.1	-16.6	-11.8	-13.4
EPL	11.1	7.4	9.0	2.4	2.3	19.4	13.1	0.2	1.2	72.9	25.1	14.8
Eternal	58.3	63.8	7.9	-0.3	0.7	-16.3	-55.6	-58.4	0.4	-77.7	-33.9	-78.5
Godrej Agrovet	21.3	0.0	-12.9	-3.8	1.5	-0.9	-33.3	-28.1	0.7	23.9	-36.5	-33.7
Gravita India	10.4	20.1	4.1	4.4	1.1	16.8	6.1	-0.2	1.0	37.9	22.1	3.7
Indiamart Inter.	3.6	12.8	0.2	-2.6	1.3	46.9	-5.8	-7.1	1.8	80.4	48.9	70.7
Indian Hotels	24.3	27.3	-4.3	-0.7	8.6	29.9	-10.9	-0.2	5.2	25.5	-10.0	2.9
Info Edge	6.9	13.0	2.3	-2.8	2.6	4.9	-10.6	-16.1	2.6	20.9	27.4	-8.6
Interglobe Aviation	221.5	24.3	0.2	-2.5	69.5	58.9	17.4	50.1	30.7	62.3	25.9	130.6
Kajaria Ceramics	12.2	1.1	5.7	-4.4	1.4	-20.0	-9.8	-18.4	0.7	-30.3	-12.3	-22.3
Lemon Tree Hotel	3.8	15.6	6.6	1.7	2.0	19.0	10.8	5.0	0.8	26.3	35.4	33.2
MTAR Tech	1.8	28.1	4.9	-15.7	0.3	87.3	2.7	-38.8	0.1	181.7	-14.0	-58.6
One 97 Comm.	19.1	-15.7	4.6	-8.9	-0.9	Loss	Loss	Loss	-0.2	Loss	Loss	Loss
SBI Cards	16.2	14.5	3.1	1.9	19.6	7.2	7.3	3.1	5.3	-19.4	39.4	-5.2
Swiggy	44.1	44.8	10.4	4.3	-9.6	Loss	Loss	Loss	-10.8	Loss	Loss	Loss
UPL	155.7	10.6	42.8	0.8	32.4	67.5	49.7	4.7	11.9	225.5	19.6	-15.4

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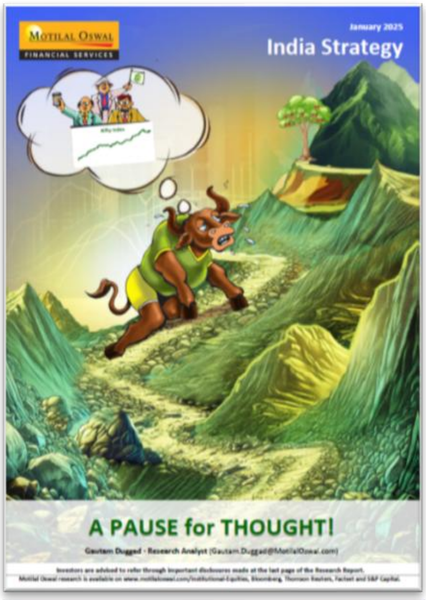

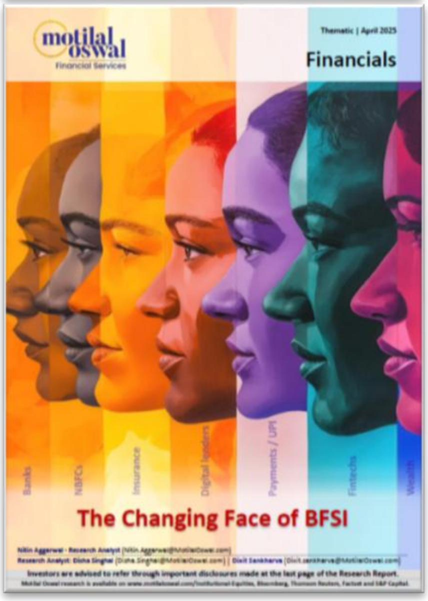

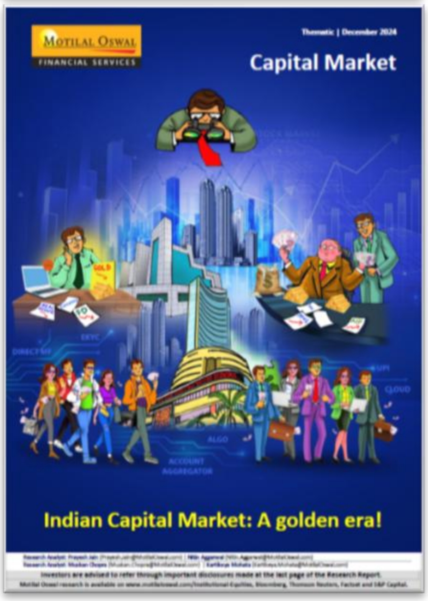

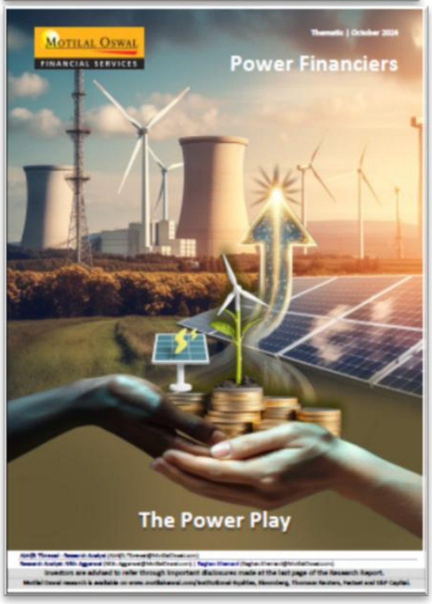

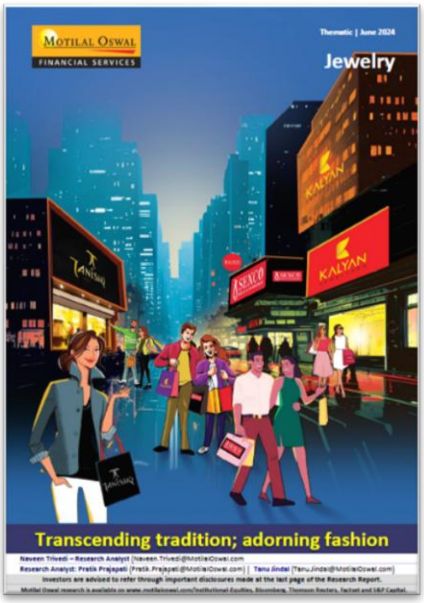

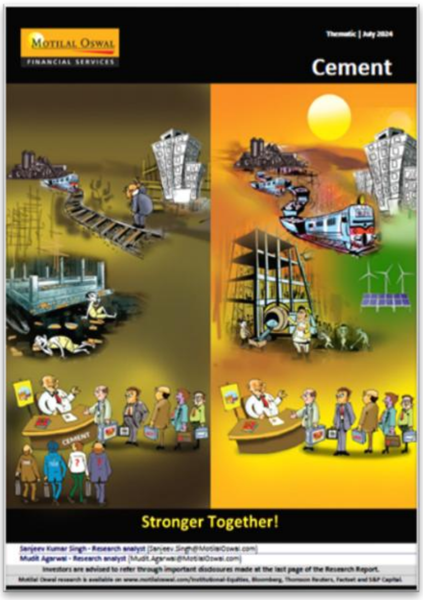

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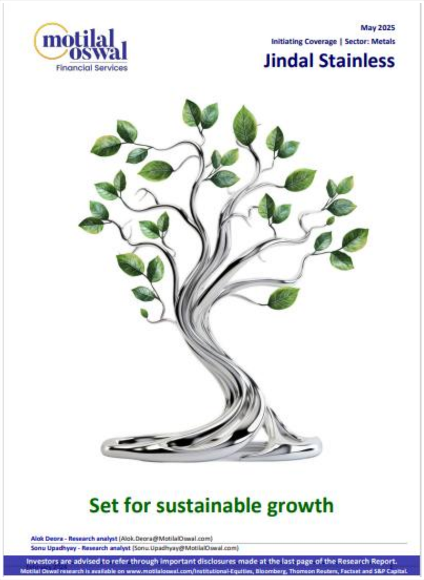

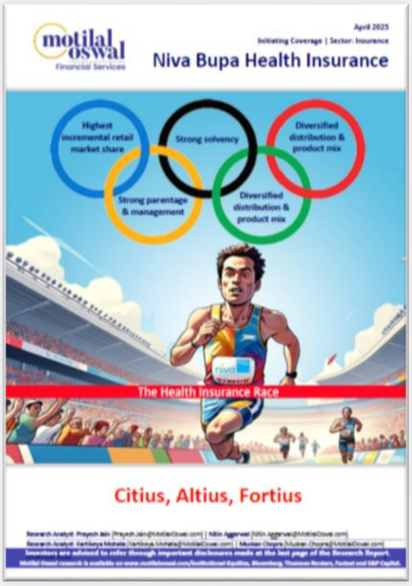

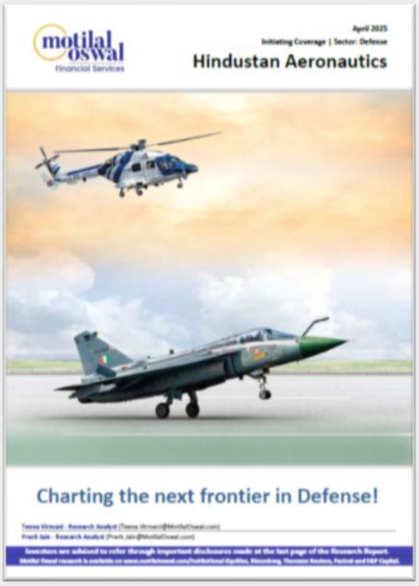

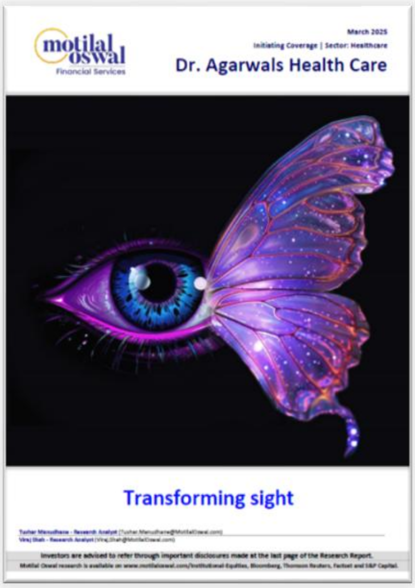

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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