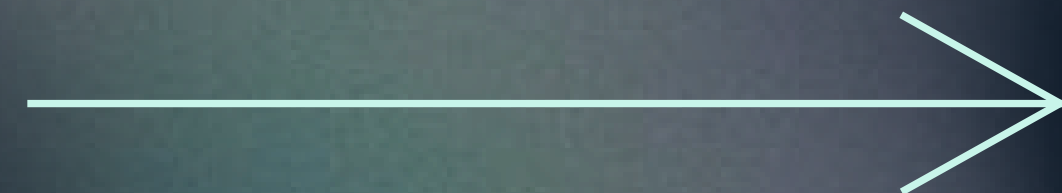


BUILDING ON MOMENTUM

Q3\_FY2026



Q3FY26

# What We Will Discuss?

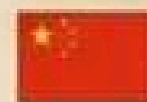
- 1 Stock Market Past
- 2 Courage (Action)
- 3 Reward
- 4 Market till H1fy26
- 5 War Crude INR Market
- 6 Q3fy26 Market
- 7 Forward Estimate
- 8 Conclusions/Query

# CHAPTER:1

# PAST

# The Independence Wave (1945–1960)

The end of WWII in 1945 didn't bring immediate peace; it brought a **Power Vacuum**. As European empires (Britain, France, Netherlands) weakened, local movements seized the moment.



1945

1946

1947

1948

1949

Indonesia and Vietnam declare independence (followed by years of conflict with returning colonial powers).

The Philippines gains independence from the U.S.

The Partition of India and Pakistan creates two major new nations.

Burma (Myanmar), Sri Lanka, and South Korea emerge.

The People's Republic of China is established after a long civil war.



**Investor Insight:** This was the era of 'Nation Building.' Most countries started with a Protectionist mindset, focusing on self-sufficiency after centuries of colonial extraction.

# The Three Waves of Emergence

Different countries took different paths to stability, often described as the “Flying Geese” model where Japan led, and others followed.

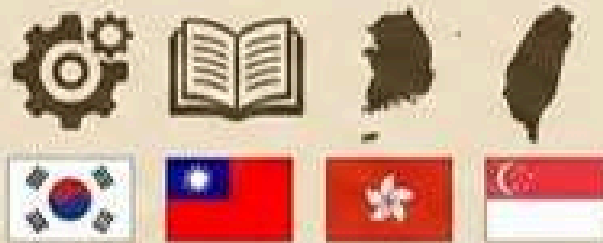


## Phase 1: The Japanese “Economic Miracle” (1950s–1970s)



Japan was the first to stabilize by pivoting from a military state to an Export-Oriented industrial giant. By focusing on quality electronics and automobiles, Japan achieved double-digit GDP growth for nearly two decades.

## Phase 2: The Four Asian Tigers (1960s–1980s)



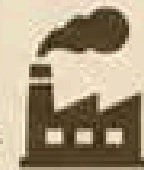
South Korea, Taiwan, Hong Kong, and Singapore followed the Japanese model.

They transformed from war-torn or resource-poor islands into “High-Income” economies within a single generation by investing in education and manufacturing.

## Phase 3: The Sleeping Giants Awaken (1980s–2000s)



China (1978): Deng Xiaoping’s “Opening Up” policy transformed China from a closed agrarian econy to the “World’s Factory.”

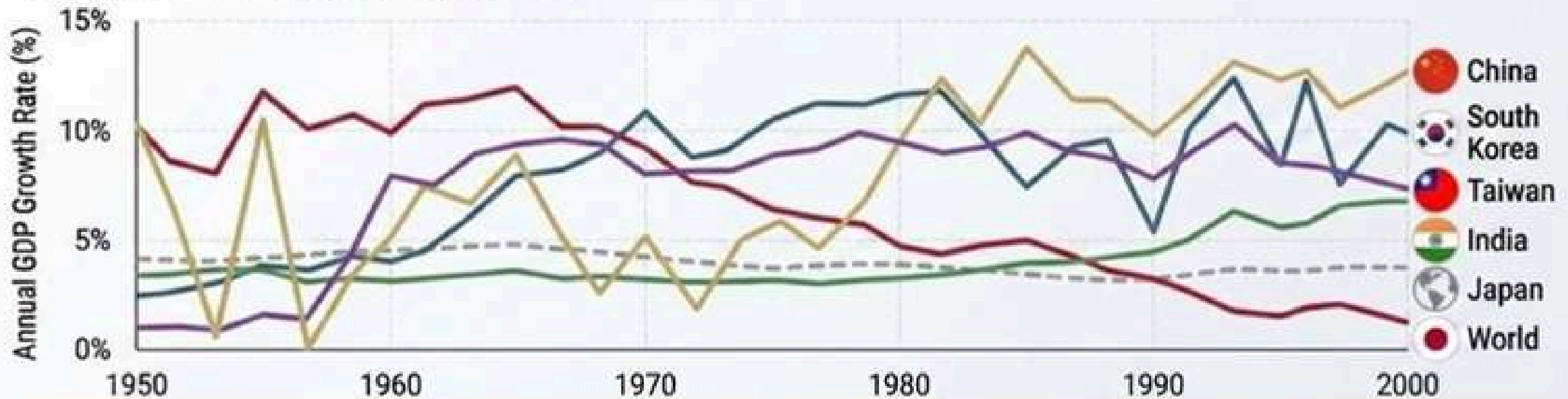


India (1991): Facing a balance-of-payments crisis, India liberalized its economy, moving away from the “License Raj” and sparking a services and software boom.



# Asian GDP Growth Trajectories (1950-2000): The Rise of the Tigers & Giants

Selected Asian nations, including Taiwan, significantly outperformed global average growth during their transformation phases.



Country	High-Growth Phase (Approx. Years)	Avg. Annual GDP Growth (During Phase)	Key Growth Driver
 <b>Japan</b>	1950s-1970s	~9-10%	Export-led manufacturing & reconstruction
 <b>South Korea</b>	1960s-1990s	~8-9%	State-led heavy industry & exports
 <b>Taiwan</b>	1960s-1990s	~8-9%	Export-led industrialization, SMEs, tech manufacturing
 <b>China</b>	1980s-2000s+	~10%	Economic reforms & opening up (SEZs)
 <b>India</b>	1990s-2000s+	~6-7%	Economic Liberalization & Services Boom

# Global Economic Shift: World GDP Rankings (Nominal) (1950, 1975, 2000)

## 1950 Japan Ranking



**Japan (9)**

## 1975 World GDP Ranking

- United States (1)
- Soviet Union (2)
- Japan (3)**
- Germany (West) (4)
- France (5)
- United Kingdom (6)
- Italy (7)
- Canada (8)
- China (9)**
- Brazil (10)
- India (11)

## 2000 World GDP Ranking

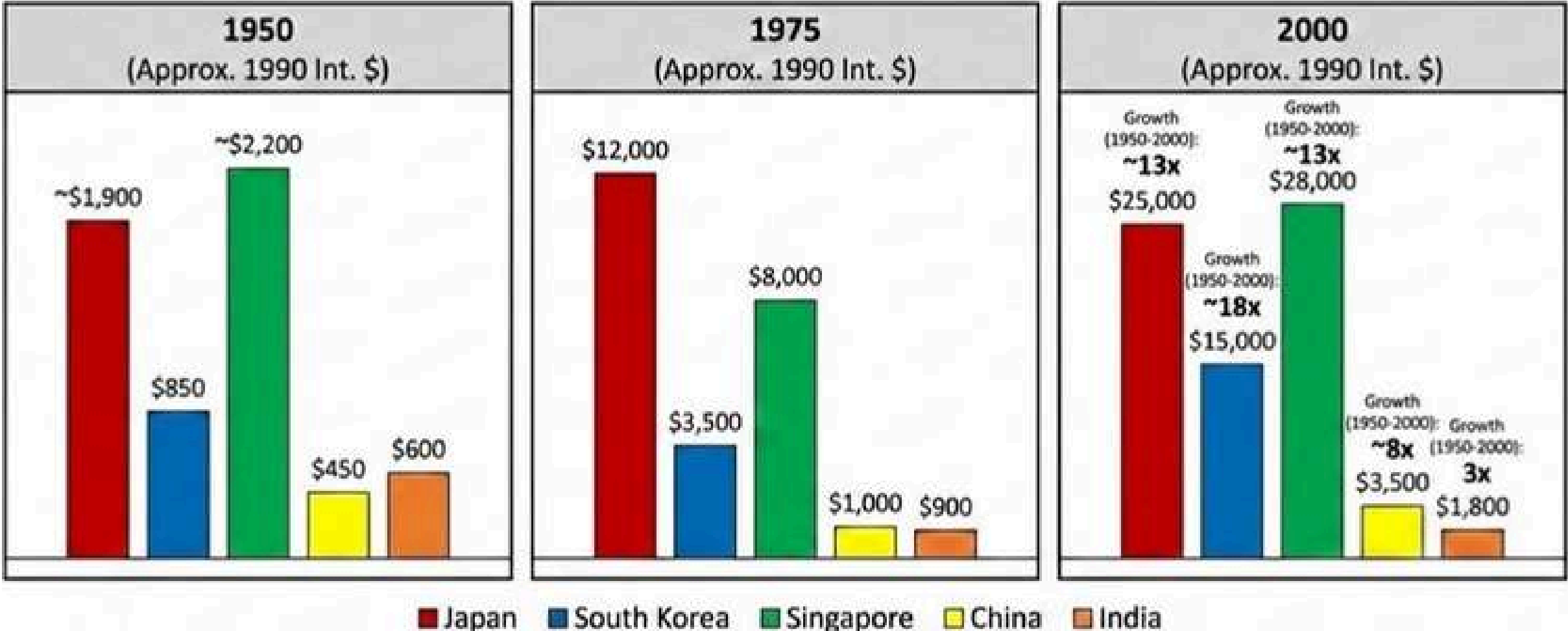
- United States (1)
- Japan (2)**
- Germany (3)**
- United Kingdom (4)
- France (5)
- China (6)**
- Canada (8)
- Brazil (9)**
- Mexico (10)
- India (11)**
- South Korea (12)**

Significant upward mobility for East Asian economies, with **Japan & China** entering top tier.

Source: World Bank/UN/Maddison (estimates)

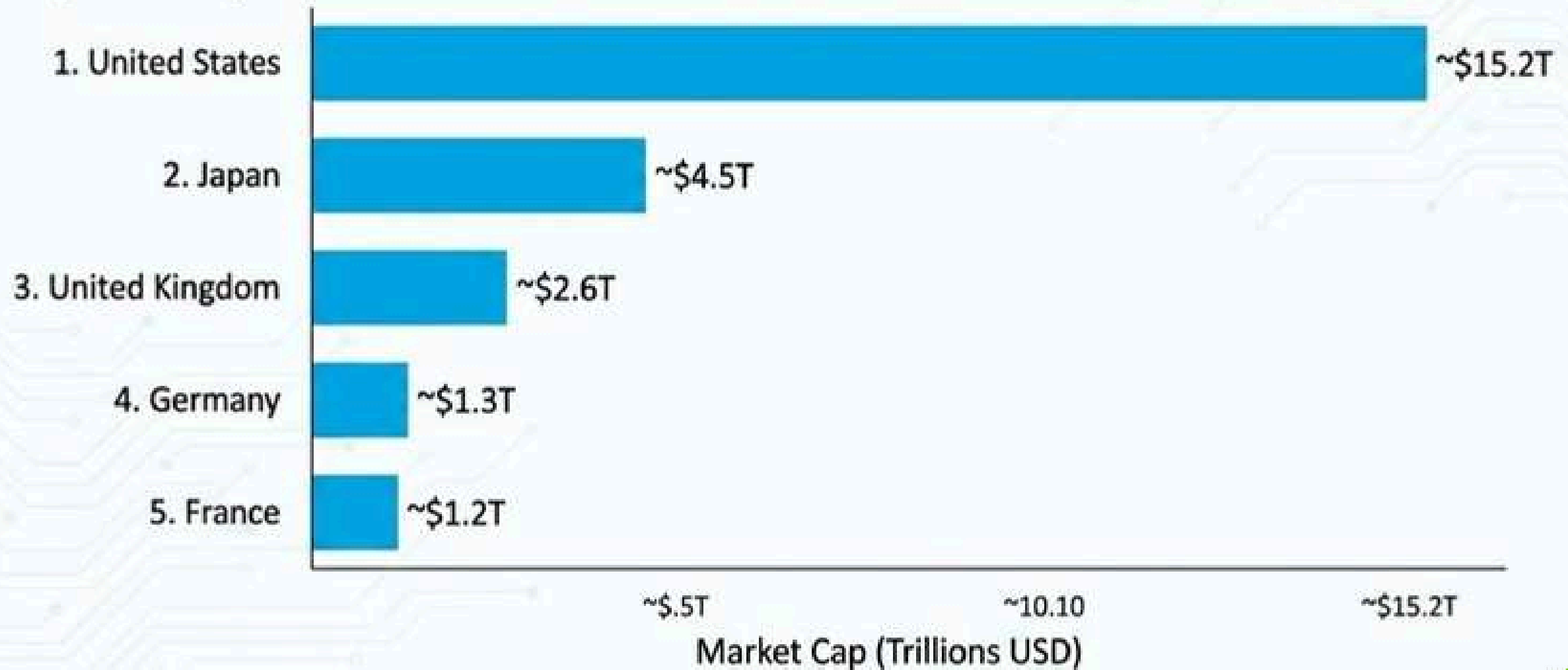
Note: Rankings are based on Nominal GDP estimates. Data can vary by source.

# Asian Economic Growth: GDP Per Capita & 50-Year Growth Factors (1950, 1975, 2000)



Source: Maddison Project Database, historical estimates in 1990 International Geary-Khamis dollars. Figures are approximate and for illustrative purposes.

# Top 5 Global Markets by Market Capitalization (2000)



Source: World Bank, Bloomberg estimates. Note the scale change.

# Top 5 Global Markets by Market Capitalization (FY2025 Estimate)



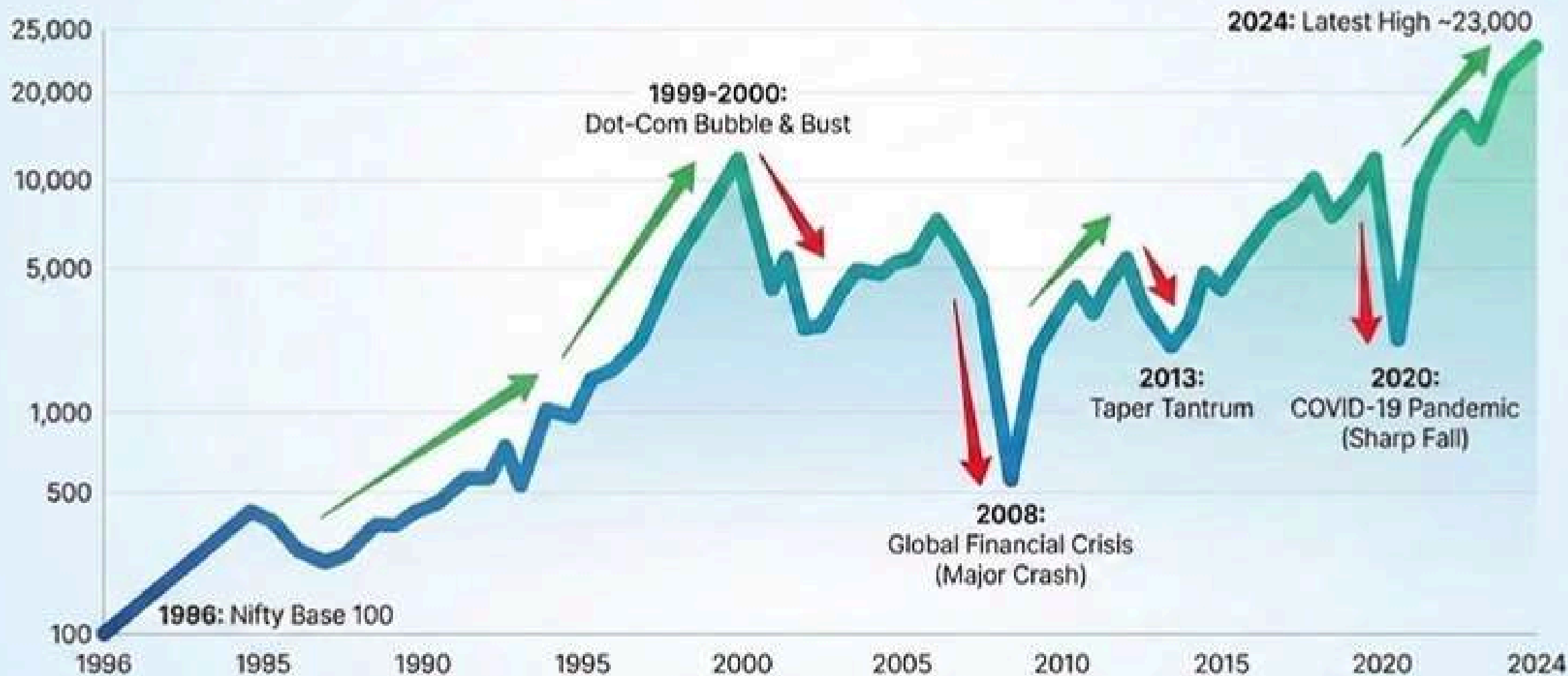
Source: IMF, World Bank, Bloomberg estimates. Note: Figures are projections subject to change.

# World's Largest Economies by Nominal GDP (FY2025 Estimate)



\*Source: Based on international financial institution estimates and projections. Figures are approximate and subject to change.

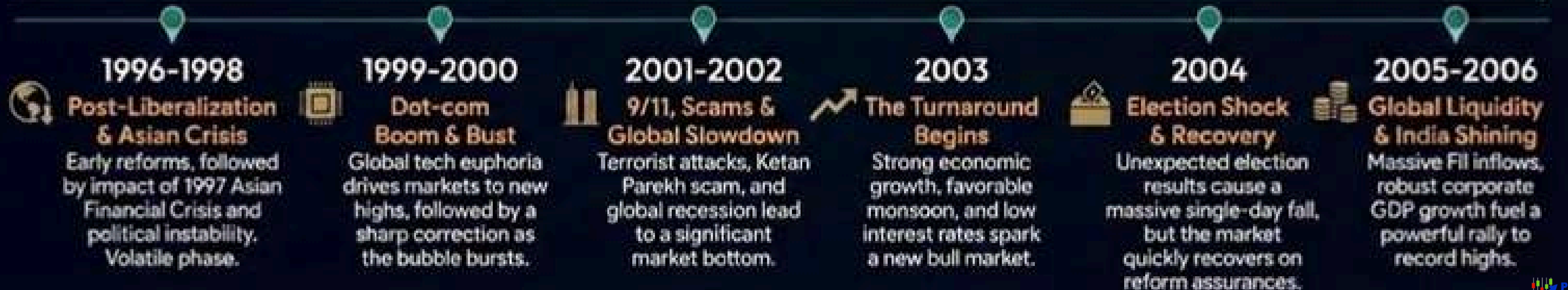
# The Long-Term Growth Story of Nifty 50 (1996-2024): Riding the Waves of Volatility



Despite numerous crises and corrections, the long-term trend has been one of substantial growth, reflecting the resilience of the Indian economy.

Source: NSE Data. Values are approximate and for illustrative purposes.

# Nifty's Journey: A Decade of Transformation (1996-2006)



# The Dot-Com Bust (2000-2002)

This was the “Irrational Exuberance” phase. Companies with no revenue, no profits, and only a .com in their name were valued at billions. When the bubble popped, it wasn't just a correction; it was an **extinction event** for “hollow” business models.

Metric	Data
Global (NASDAQ/US)	-77% (NASDAQ fell from 5,048 to 1,114)
India (Sensex/Nifty)	-56% (Sensex fell from ~6,150 to ~2,600)
Peak to Trough	~\$5 Trillion globally
Wealth Wiped Out	Over ₹2.5 Lakh Crore in India
Duration	~30 Months (March 2000 to Oct 2002) ~18 Months of intense bear market
Key Casualties	Pets.com, Webvan, WorldCom Ketan Parekh-favored 'K-10' stocks (HFCL, Global Tele, Zee)

**The Indian Context:** In India, the bust was accelerated by the Ketan Parekh Scam. Leading tech and telecom stocks (the 'K-10') collapsed by 90-95%, leading to a massive crisis in urban cooperative banks. The 'IT dream' felt like a nightmare for retail investors who bought into the hype.

# The 9/11 Terror Attacks (2001)

If the Dot-Com Bust was a financial heart attack, 9/11 was a massive external trauma. It hit just as the world was trying to recover from the tech crash.

- **Global Market Shutdown:** The US markets closed for 4 days—the longest closure since the Great Depression. When they reopened on Sept 17, the Dow Jones saw its biggest one-day point drop in history at the time (-7.1%).
- **Aviation & Insurance:** These sectors were decimated. Airlines like Midway went bankrupt almost immediately.
- **India's Reaction:** The Sensex crashed nearly 13% in the week following the attacks. The uncertainty of a global war (War on Terror) led to massive FII (Foreign Institutional Investor) outflows.

# The 2004 Election 'Show': What Happened?

## Context & Shock Results

The market had fully priced in a victory for the Atal Bihari Vajpayee-led NDA government (the 'India Shining' campaign). However, the results were a massive shock: the Congress-led UPA emerged as the single largest combine, set to form a government with the support of Left parties.

## How much did Nifty fall?

Nifty 50: The Fall				
Date	Index	Fall (Points)	Fall (%)	Significance
May 14, 2004	Nifty 50	-135.10	-7.87%	Initial reaction to counting trends.
May 17, 2004	Nifty 50	-193.65	-12.24%	Black Monday: Trading halted twice due to circuit filters.
Intra-day Low	Nifty 50	—	~17.5%	At its worst point during May 17, the fall was even steeper before a partial recovery.

## The 'Buffett' Lesson from 2004

For those who panicked and sold on 17, it was a permanent loss of capital.

However, for the patient investor:

- **The Rebound:** Just one day later (May 18), the market began to stabilize as the UPA clarified its 'Common Minimum Programme' and named Dr. Manmohan Singh (the architect of 1991 reforms) as PM.
- **The Bull Run:** This 'crash' actually marked the beginning of one of India's greatest structural bull runs. From the lows of May 2004, the Nifty went on to more than triple by the end of 2007.
- **The Logic:** The 2004 crash was a 'sentiment-driven' event that did not change the underlying 'compounding machine' of the Indian economy. It proves that while politics creates volatility, earnings and economic growth drive long-term wealth.



# The Investor's 'Buffett' Logic: Survival of the Fittest

As a mentor of wealth-building, I always highlight that **crashes act as a filter.**

## The Filtered Winners



Amazon (\$100 to \$7)

- During the bust, Amazon's stock fell from \$100 to \$7. It looked like "damage" then, but it was actually a buying opportunity of a lifetime.
- In India, companies like Infosys and Wipro survived the 90% correction because they had real cash flows, while the "speculative" companies disappeared.



## Structural Shift



- The bust ended the "Growth at any cost" era and started the "Focus on FCF (Free Cash Flow)" era.

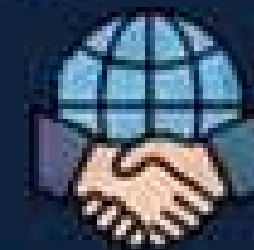


## India's Resilience



Outsourcing

- Post-9/11, India emerged as the "Back Office of the World."
- US companies, looking to cut costs after the recession, started outsourcing more heavily to India. The crisis actually accelerated the Indian IT boom.



# The 2000-2002 Lesson: The Ultimate Test & The Reward

**The Ultimate Test (2000-2002):  
Scams + Overvaluation + Geopolitical Shocks**



**Scams**  
(e.g., Harshad Mehta)



**Overvaluation**  
(Dot-Com)



**Geopolitical Shocks**  
(9/11)



**Resilience  
& Strategy**



**Result: Severe Market  
Correction & Panic**

**The Reward (2003-2007):  
Staying the Course in Quality with Moats**



**Quality Companies  
+ Economic Moats**



**Millionaires of  
the Bull Run**

**Result: Generational Wealth Creation  
& Market Leadership**

# Nifty 50 CAGR Return: Bull Run 2004-2007

# 34.2%

## Compound Annual Growth Rate

Period: January 2004 – December 2007



Source: NSE Data.

Note: Returns are approximate based on index values.

## 2007: The Global Financial Crisis & Indian Market Impact



Indian Markets (Sensex) - 2007-2008 Crash



- Jan '08: Sensex hits lower circuit
- Liquidity crunch & FII outflows
- Economic slowdown fears



# The “Final Peak” Statistics (The 2007-2009 Journey)

To understand the “damage,” you have to see where we started in the fall of 2007 and where we ended up in the trough of 2009.

## Nifty 50

- Peak (Jan 2008): ~6,300
- Bottom (Oct 2008/Mar 2009): ~2,500



Total 'Show' Damage: **-60%**

## S&P 500 (US)

- Peak (Oct 2007): 1,565
- Bottom (Mar 2009): 676



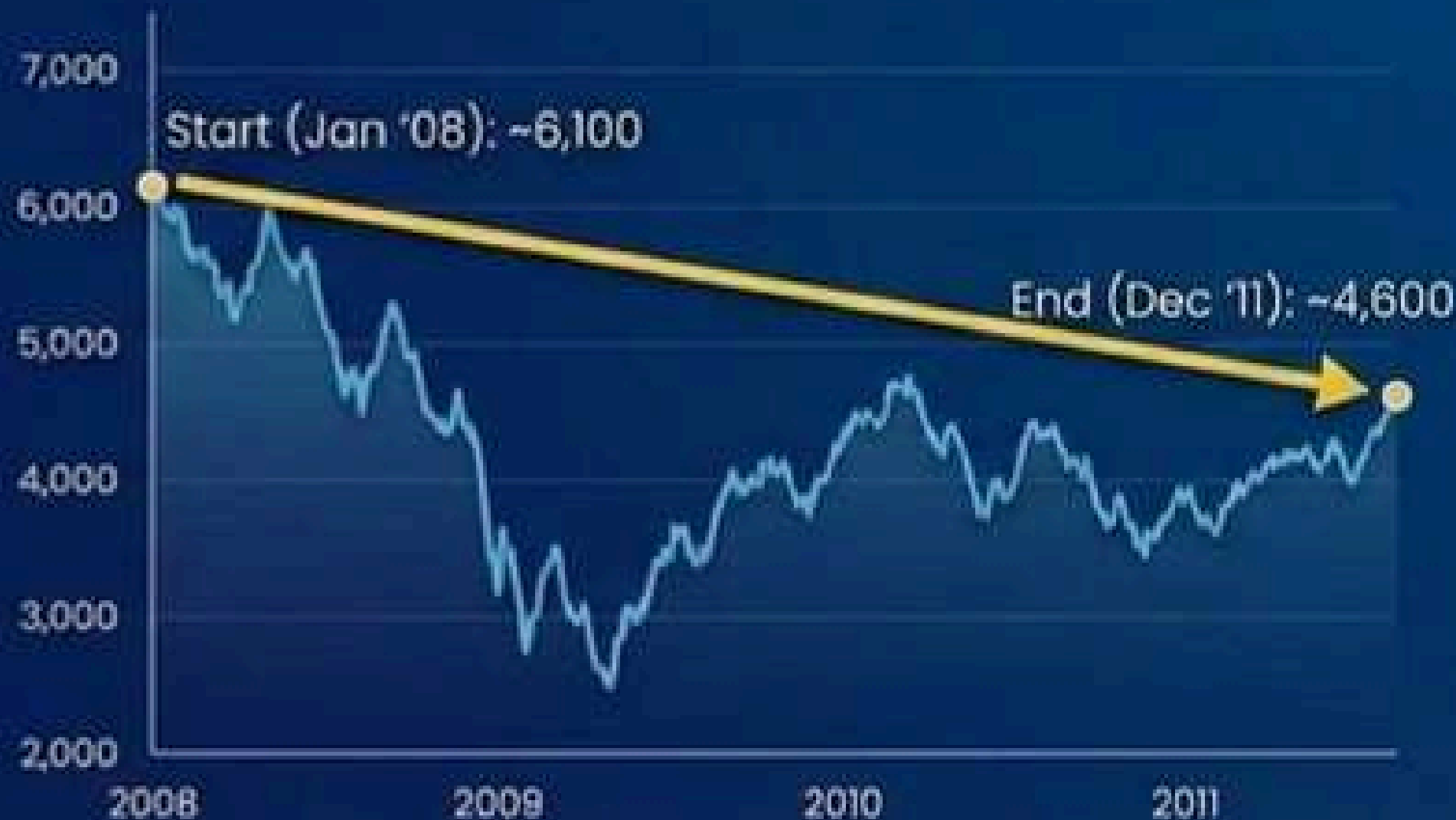
Total 'Show' Damage: **-57%**

# Nifty 50 CAGR Return: 2008–2011

# -0.8%

## Compound Annual Grow'th Rate

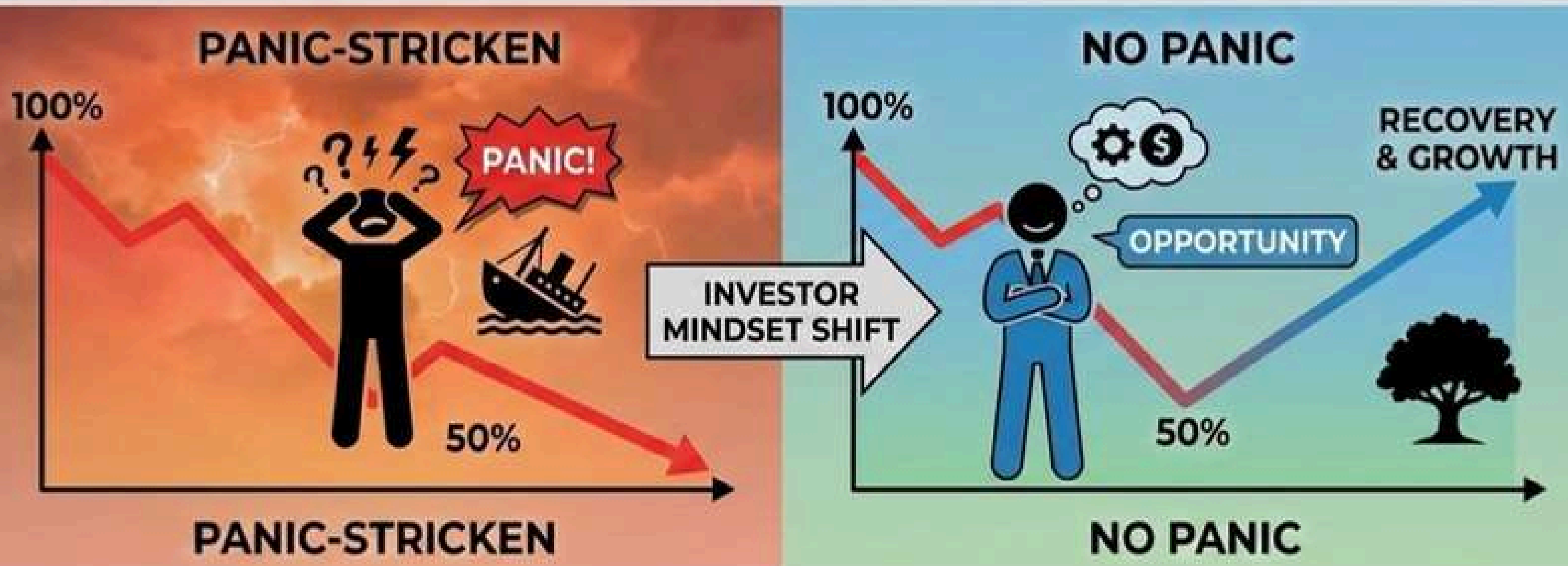
Period: January 2008 – December 2011



Source: NSE Data.

Note: Returns are approximate based on index values.

**“Unless you can watch your stock holding decline by 50% without becoming panic-stricken, you should not be in the stock market.”**



**WARREN BUFFETT'S TEST OF ENDURANCE**



# Nifty 50 Bull Run: 2011–2019

## From 4,000 to 12,000: A Period of Strong Returns



Source: NSE Data.

Note: Returns are approximate based on index values.



# The COVID-19 Crash Statistics (The 2020 Fall)

A rapid, unprecedented global sell-off triggered by the pandemic.

## Nifty 50

- Peak (Jan 2020): ~12,400
- Bottom (Mar 2020): ~7,500



Total 'Show' Damage: **-40%**

## Dow Jones (US)

- Peak (Feb 2020): ~29,500
- Bottom (Mar 2020): ~18,500



Total 'Show' Damage: **-37%**

# Nifty Bull Run: 2020–2024

**From 10,000 to 26,000: A Period of Explosive Growth**



Source: NSE Data.

Note: Returns are approximate based on index values.

# Nifty's 30-Year Journey: Resilience Through Major Falls (100 to 26,000)

Still The Return:  
~14-15% CAGR over 30 Years

From ~100 to ~26,000: A testament to long-term growth despite volatility.



# Impact of Investment Timing: Scenarios with ~14-15% Average CAGR

Comparing Returns for Peak Buyers, Fall Buyers, and SIP Investors, based on historical Nifty resilience.

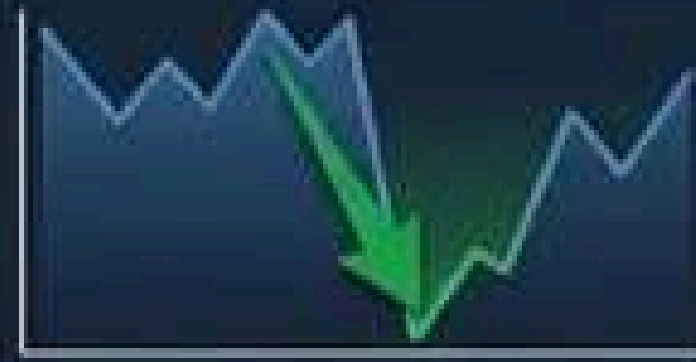
## 1. Bought at Peak (One-Time) ↓



Initial Investment at Market High.  
No Further Investment.  
Recovery is slower.

Estimated CAGR:  
**8-12%**

## 2. Bought During Falls (One-Time) ↑



Initial Investment at Market Low  
(Crash).  
No Further Investment.  
Captures maximum recovery.

Estimated CAGR:  
**18-22%**

## 3. Bought at Peak + SIP During Falls ↓ ↑



Initial Investment at Peak.  
Continued SIPs Lower Average Cost  
Benefits from dollar-cost averaging.

Estimated CAGR:  
**13-16%**

# THE PSYCHOLOGY OF MARKET CYCLES: WHY PEAKS & BOTTOMS FORM



**MARKET PEAKS:** Driven  
by Greed, Euphoria &  
Emerging Uncertainties



- **Excessive Optimism:** Belief prices will rise indefinitely.
- **High Valuations:** Prices disconnect from fundamentals.
- **Uncertainties Emerge:** Recession fears, falling profits, or low sales act as catalysts.
- **FOMO (Fear of Missing Out):** Late investors rush in.
- **Leveraged Buying:** Increased borrowing to amplify gains.



**MARKET BOTTOMS:** Driven  
by Fear, Capitulation &  
Uncertainty Resolution



- **Extreme Pessimism:** Belief prices will fall further.
- **Undervaluation:** Assets trade below intrinsic value.
- **Uncertainties Resolve:** Clarity on economic outlook, earnings troughs, or policy support.
- **Panic Selling:** Investors exit regardless of price.
- **Forced Liquidations:** Margin calls and distress selling.

Understanding these emotional extremes is key to navigating market cycles and finding long-term value.

# The Power of Consistency: 30-Year Continuous SIP

Investing a fixed amount regularly, regardless of market highs or lows, across the entire 30-year Nifty journey.



# Understanding Market Falls: A 30-Year Perspective & Future Outlook

## Historical Drivers (Last 30 Years)

Nifty's 30-Year Journey - Slide 46

-  **Dot-com Bubble (2000):** Tech overvaluation & burst.
-  **Global Financial Crisis (2008):** Subprime mortgages & banking collapse.
-  **European Sovereign Debt Crisis (2011):** Eurozone instability.
-  **COVID-19 Pandemic (2020):** Global lockdowns & economic standstill.
-  **Interest Rate Cycles:** Central bank tightening to combat inflation.
-  **Geopolitical Tensions:** Wars, conflicts, and trade disputes.

## Potential Future Triggers

-  **Geopolitical Instability:** Escalating conflicts (e.g., Strait of Hormuz), trade wars.
-  **Persistent Inflation & High Interest Rates:** Prolonged monetary tightening.
-  **Global Economic Slowdown/Recession:** Weakening demand in major economies.
-  **Unforeseen 'Black Swan' Events:** Pandemics, natural disasters, systemic shocks.
-  **Technological Disruption & Valuation Concerns:** AI bubble risks, rapid market shifts.
-  **Debt Crisis:** Sovereign or corporate debt defaults.

**Conclusion:** Market volatility is an inherent part of the financial cycle, driven by complex global factors. The Dhurandhar Strategy focuses on navigating these inevitable falls through resilience and disciplined investing.

# The Power of a 30-Year Nifty SIP: Surviving Crises, Building Wealth



# The "Buy & Forget" Experiment: Top 10 Companies (2000-2024)

A hypothetical look at long-term value creation and dividend income from a passive investment strategy.

## YEAR 2000: The Seed Capital (Initial Investment)



**\$100,000**

Total Investment  
(\$10k per company)

Top 10 Global Companies by  
Market Cap (approx. Q1 2000)

1. Microsoft
2. General Electric (GE)
3. Cisco Systems
4. Walmart
5. Exxon Mobil
6. Intel
7. NTT Docomo
8. Vodafone
9. Citigroup
10. Royal Dutch Shell

Strategy: Buy & Hold. No selling, no rebalancing.  
Dividends not reinvested (taken as income).



JAN 01, 2000

24 YEARS OF MARKET CYCLES  
(Dot-com bust, 2008 Crisis, COVID-19, etc.)



## YEAR 2024: The Harvest (Estimated Current Value & Income)



TOTAL PORTFOLIO VALUE (Est. Mid-2024)

**~\$550,000+**

Value driven by significant growth in some holdings (e.g., Microsoft, Exxon, Walmart) offsetting stagnation/decline in others (e.g., GE, Cisco, Citigroup).

ESTIMATED ANNUAL DIVIDEND INCOME (2024)

**~\$15,000 / Year**

Passive income stream generated from the mature, dividend-paying companies in the original portfolio. Yield on cost is substantial (~15%).

Conclusion: While individual fortunes varied greatly, a diversified basket of top-tier companies, held religiously for decades, could have multiplied capital over 5x and created a significant, growing passive income stream, proving the power of long-term compounding despite market volatility.



# The "Buy & Forget" Experiment: Top 10 Companies (2000-2024)

A hypothetical look at long-term value creation and dividend income from a passive investment strategy.

## YEAR 2000: The Seed Capital (Initial Investment)



**\$100,000**

Total Investment  
(\$10k per company)

Top 10 Indian Companies by  
Market Cap (approx. Q1 2000)

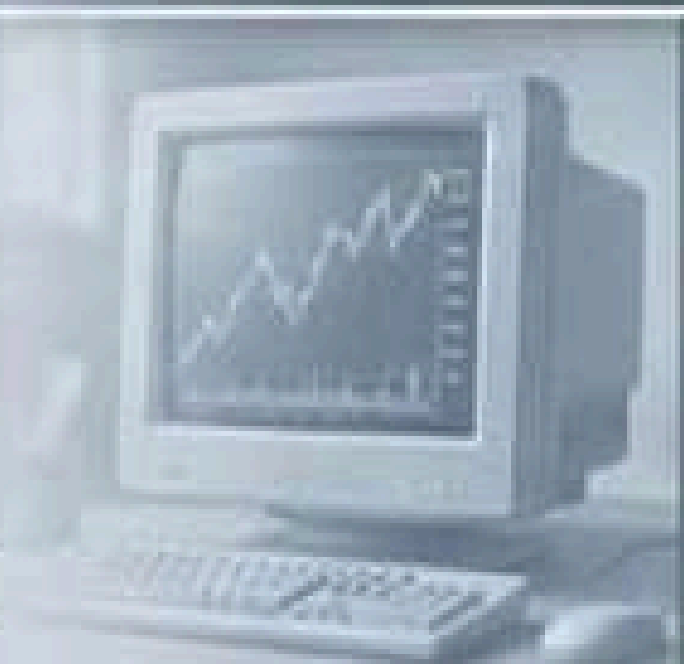
1. Infosys
2. Wipro
3. HDFC Bank
4. Reliance Industries
5. ITC
6. Larsen & Toubro
7. Tata Motors
8. Hindalco
9. State Bank of India (SBI)
10. ONGC

Strategy: Buy & Hold. No selling, no rebalancing.  
Dividends not reinvested (taken as income).



JAN 01, 2000

24 YEARS OF MARKET CYCLES  
(Dot com bust, 2008 Crisis, COVID-19, etc.)



## YEAR 2024: The Harvest (Estimated Current Value & Income)



TOTAL PORTFOLIO VALUE (Est. Mid-2024)

**~\$800,000+**

Value driven by exceptional growth in some holdings (e.g., Infosys, HDFC Bank, Reliance) offsetting slower growth in others (e.g., ONGC, Tata Motors).

ESTIMATED ANNUAL DIVIDEND INCOME (2024)

**~\$18,000 / Year**

Passive income stream generated from the mature, dividend-paying Indian companies in the original portfolio. Yield on cost is substantial (~15%).

Conclusion: While individual fortunes varied greatly, a diversified basket of top-tier Indian companies, held for decades, could have multiplied capital over 8x and created a significant, growing passive income stream, proving the power of long-term compounding despite market volatility.



# The Investor's Creed: Regular Investment & Diversification

## Regular Investing While Earning



THE BEST WEAPON TO:  
Mitigate All Risks & Create Lasting Assets

# CHAPTER - 2 WAR

17 months of low returns

> Iran-US tensions

# The 21<sup>st</sup> Century GDP Scoreboard (2000–2026)

This table shows the average annual real GDP growth across different “Era-defining” phases.

Region / Economy	2000–2010 (Globalization)	2011–2019 (The Tech Era)	2020–2022 (The Shock)	2023–2026 (The Resilience)
World	~3.9%	~3.5%	-3.1% (2020)	~3.1%
China 🇨🇳	~10.5%	~6.8%	~2.3%	~4.2%
India 🇮🇳	~7.4%	~6.6%	-6.6% (2020)	~7.2%
USA 🇺🇸	~1.9%	~2.3%	-3.4% (2020)	~2.1%
Euro Area 🇪🇺	~1.5%	~1.4%	-6.1% (2020)	

# Global Market Valuation & Logic: A Comparative View

Country	Key Index	2024 Avg P/E	Valuation Status	Market Logic
USA 🇺🇸	S&P 500	~24x - 26x	Expensive	Driven by "Magnificent 7" Tech and AI euphoria.
India 🇮🇳	Nifty 50	~21x - 23x	Fair to Premium	Reflecting 7% GDP growth and massive retail SIP flows.
Japan 🇯🇵	Nikkei 225	~15x - 17x	Reasonable	Corporate governance reforms sparked a massive "re-rating."
Indonesia 🇮🇩	IDX Composite	~13x - 15x	Attractive	Strong domestic consumption and "Nickel" commodity story.
S. Korea 🇰🇷	KOSPI	~10x - 12x	Cheap	The "Korea Discount" due to low dividends and corporate structure.
China 🇨🇳	CSI 300	~11x - 13x	Distressed Value	Real estate crisis and regulatory fears kept prices low.
Germany 🇩🇪	DAX	~12x - 14x	Value	Manufacturing heavy; sensitive to energy and export costs.

# Nifty 500 Financial Performance & Valuation (FY23-FY25)

Key financial metrics and valuation trends for the Nifty 500 index.

Metric	FY 23	FY 24	FY 25
GDP GROWTH % (NOMINAL)	14	12	10.1
Sales Growth %	21	8.3	7.2
Profit Growth %	6	29	8.3
Trail PE	21	25	24.6
Nifty 500 Price	15220	20255	22780

# Market Correction: Index-wise Fall

Index	Total Fall During Correction
Nifty 50	17.25%
LargeCap 100	18.87%
Midcap 150	23.30%
Smallcap 250	28.75%
Nifty 500	20.56%
Microcap 250	30.03%
SME	39.00%

# NIFTY 500: Sales & Profit Growth Trends (FY25 - H1 FY26)

Metric	FY25	Q1 FY26	H1 FY26
Sales Growth	7.2%	6.5%	7.3%
Profit Growth	8.3%	10%	16%

O: 6,729.50 H: 6,869.85 L: 6,650.40 C: 6,696.40 -7.00 (-0.12%)



# NIFTY 500: Sales & Profit Growth Trends (FY25 - 9M FY26)

Metric	FY25	Q1 FY26	H1 FY26	Q3 FY26	9M FY26
Sales Growth	7.2%	6.5%	7.3%	11.6%	8.6%
Profit Growth	8.3%	10%	16%	9%	14.0%

# Reporting Basis

Reporting Basis	Employee Cost Hike	EBITDA Margin Hit	Logic
Consolidated	<b>+18.7%</b> 	<b>-230 Bps</b> 	Reflects the full impact on the 'Factory Floor' and subsidiaries.



199.00 H22,941.30 L22,182.55 C22,713.10 +381.80 (+1.71%)

### RUSSIA\_UKRAINE: 10% & 19 Months



199.00 H22,941.30 L22,182.55 C22,713.10 +381.80 (+1.71%)

19,000.00  
18,000.00  
17,000.00  
16,000.00  
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Jul 2016 Jul 2017 Jul 2018 Jul 2019 Jul 2020 Jul 2021 Jul 2022 Jul 2023

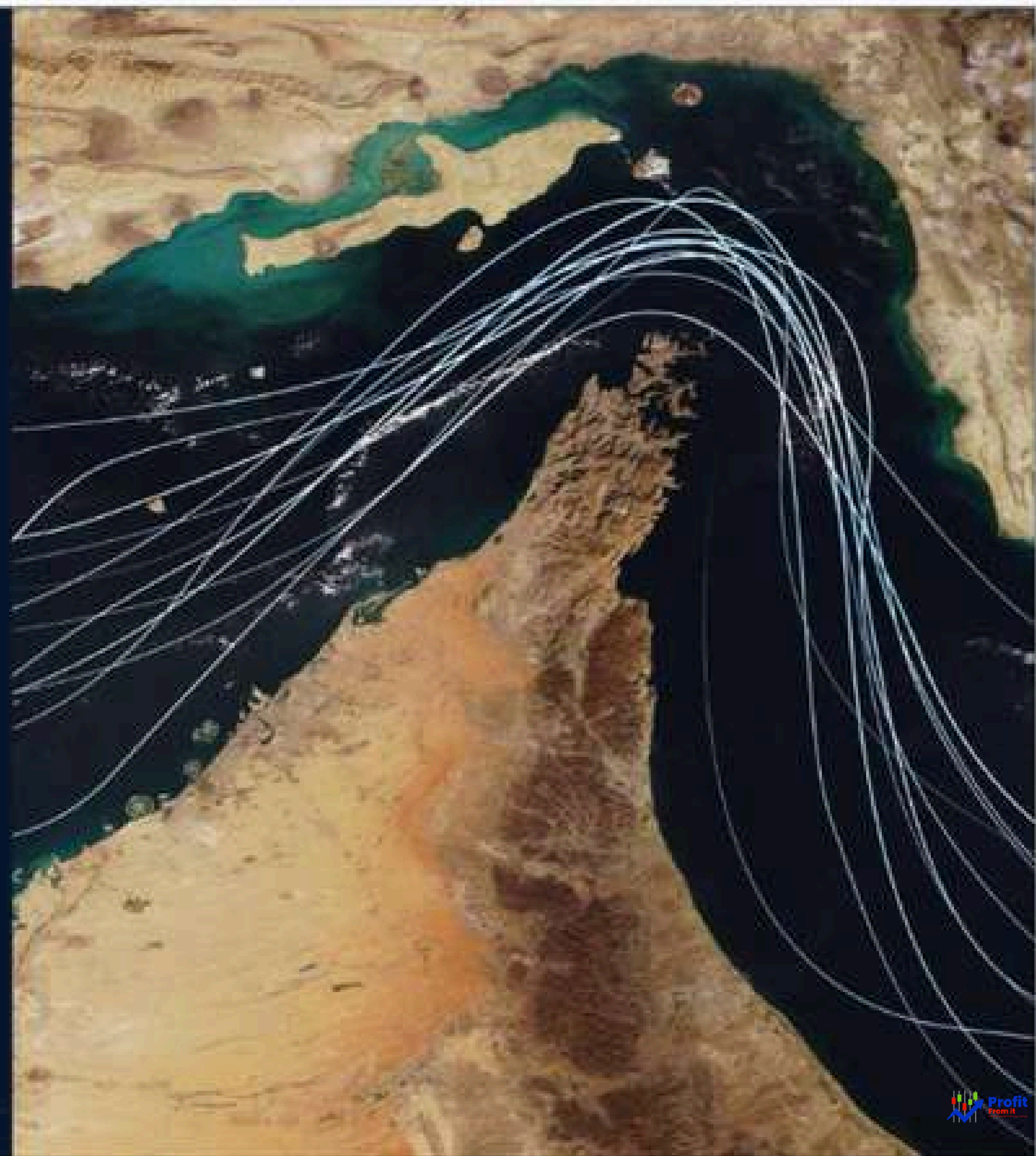
Profit From It

# GLOBAL CHOKE POINTS

## The Strait of Hormuz Factor

Disruptions in the world's most critical energy artery are no longer just price shocks; they are **National Security** catalysts.

Rising freight rates and redirected trade routes act as a permanent tax on global consumption, sustaining "sticky" inflation.



# STRAIT OF HORMUZ: GLOBAL & ASIAN TRADE FLOW

Daily Oil & LNG Transit Volumes (Approximate)

## GLOBAL RELIANCE



**~20-30%**

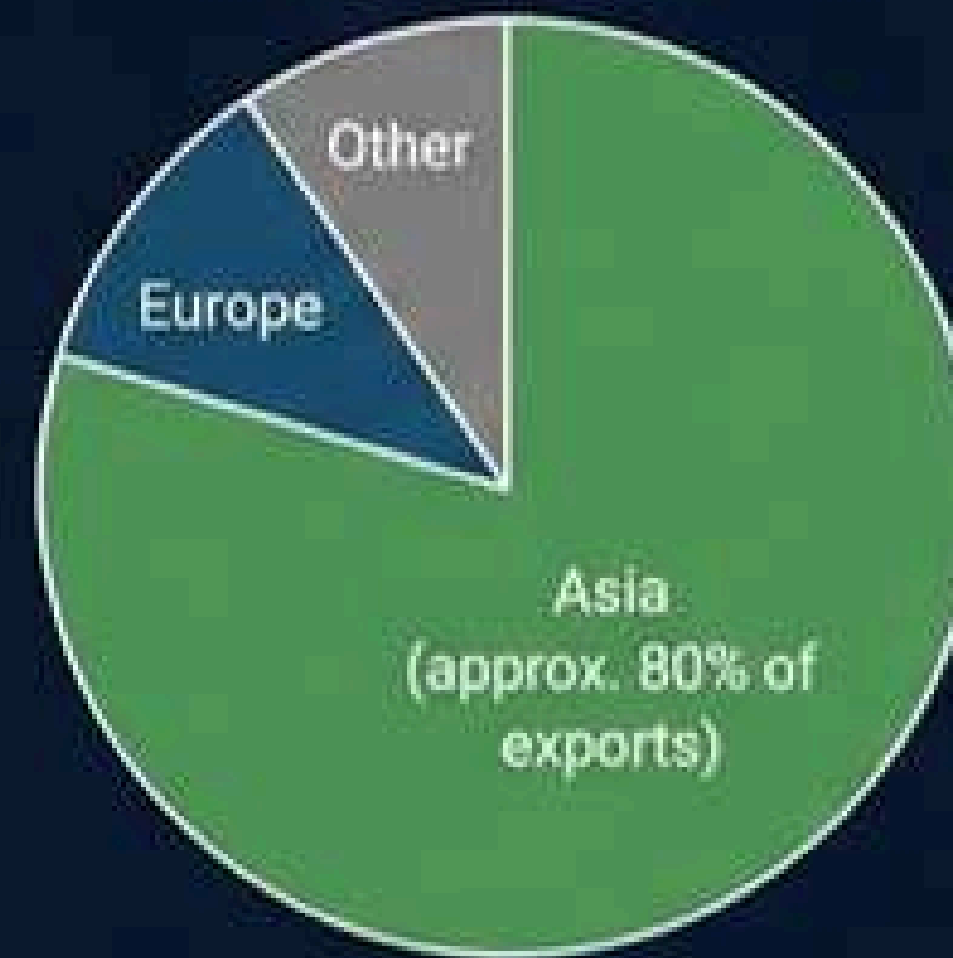
of World's Total Oil Consumption

**~25%**

of Global LNG Trade

- Critical for energy security
- Major impact on global prices

## ASIA'S DOMINANT SHARE



- Major Importers:  
China  
India  
Japan  
South Korea
- Highly vulnerable to disruptions

# ASIATIC CURRENCY WAR SENSITIVITY HEATMAP: APRIL 2026 Middle East Conflict Stress Test.

ASIAN CURRENCY	COUNTRY TYPE	WAR IMPACT LEVEL	LOGIC & TREND (Post-Conflict)
INDIAN RUPEE (INR)	Net Importer	HIGH	Hit by "Oil Tax." Depreciated toward ₹90-₹92 due to widening trade deficits and FPI outflows. 
JAPANESE YEN (JPY)	Net Importer	SEVERE	Japan imports 90% of its energy. Struggled near 155-160 levels as energy costs drain current account. 
S. KOREAN WON (KRW)	Mfg. Hub	HIGH	Sensitive to global trade bottlenecks. High energy needs for chip/auto mfg pushed Won lower. 
THAI BAHT (THB)	Tourism/Energy	MODERATE-HIGH	High fuel costs hurt tourism (expensive flights) and trade balance simultaneously. 
CHINESE YUAN (CNY)	Strategic Importer	MODERATE	PBOC manages "Slow Slide." China uses massive reserves and "Petroyuan" trades to buffer shock.
INDONESIAN RUPIAH (IDR)	Commodity Exporter	RESILIENT	While oil hurts, their exports of Coal and Nickel are surging in price, acting as natural hedge. 
VIETNAMESE DONG (VND)	Export Hub	MODERATE	Pressure from USD strength, but offset by companies moving factories to Vietnam.


## 3 CORE LOGICS DRIVING THE "ASIAN SLIDE":

 **Petro-Dollar Demand:** \$120 barrel forces local currency sales for USD, forced depreciation.

 **Safe Haven Vacuum:** FPI pulls "Emerging Asia" capital to US Treasuries/Gold.

 **Trade Rerouting Costs:** 150% freight surge eats into exporter net USD inflow.

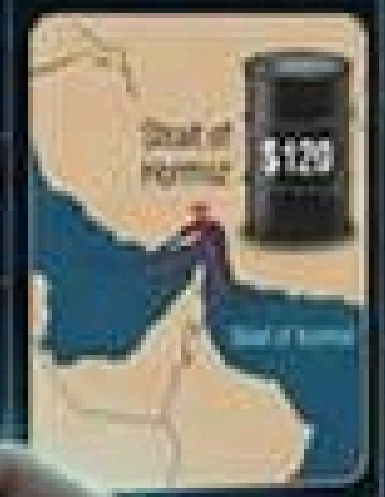
### MENTOR'S INSIGHT

**Investor Wit:** "In a war, the Dollar doesn't just represent a country, it represents a gallon of gas. Everyone needs gas, so everyone chases the Dollar." 

# CORRECTED ASIATIC STOCK MARKET SHOCK MARCH 2026 "WAR MONTH"

Full Month Performance (Peak-to-Trough) — Synthesis of Energy Crisis & Geopolitical Risk.

	Country	Main Index	Corrected March Fall (%)	The "War-Time" Logic:
1	India 🇮🇳	Nifty 50	-11.3%	<b>The Oil &amp; Labor Trap:</b> High crude + New Labor Code provisions hit consolidated margins.
2	Japan 🇯🇵	Nikkei 225	-13.8%	<b>Energy Bankruptcy Fear:</b> Japan's 90% import dependency made it the worst performer.
3	S. Korea 🇰🇷	KOSPI	-12.1%	<b>Supply Chain Paralysis:</b> Tech giants faced logistics nightmares for chip gases.
5	China 🇨🇳	CSI 300	-7.4%	<b>Managed Decline:</b> Heavy state intervention and strategic reserves use prevented a total meltdown.
6	Indonesia 🇮🇩	IDX Composite	-1.8%	<b>The Resource Hedge:</b> High Coal and Nickel prices offset global "Risk-Off."
7	Vietnam 🇻🇳	VN-Index	-9.5%	<b>Export Sensitivity:</b> As US demand softens, VN-Index...



### TACTICAL OBSERVATION BOX

11.3% fall (Price) vs. 11.8% Nominal GDP growth (Value).  
**The Gap is 23% in 1 month.**  
 (Uses the user's math)

### QUOTE BOX

**Investor Wit:** "The market has fallen 11.3%, but the economy grew 11.8%. This means the 'Price' has disconnected from the 'Value' by over 23% in a single month. In the history of the Nifty, such a 'Gulp in the Gap' has always been followed by a massive V-shaped recovery for the patient investors."



# March 2026: The US-Iran Conflict & Market Impact

Geopolitical Tensions Trigger Sharp Sell-Off

## Nifty 50 Index Performance (March '26)

Mar 1



Mar 31

**-11.3%**

**Nifty 50 Fall in  
Single Month**

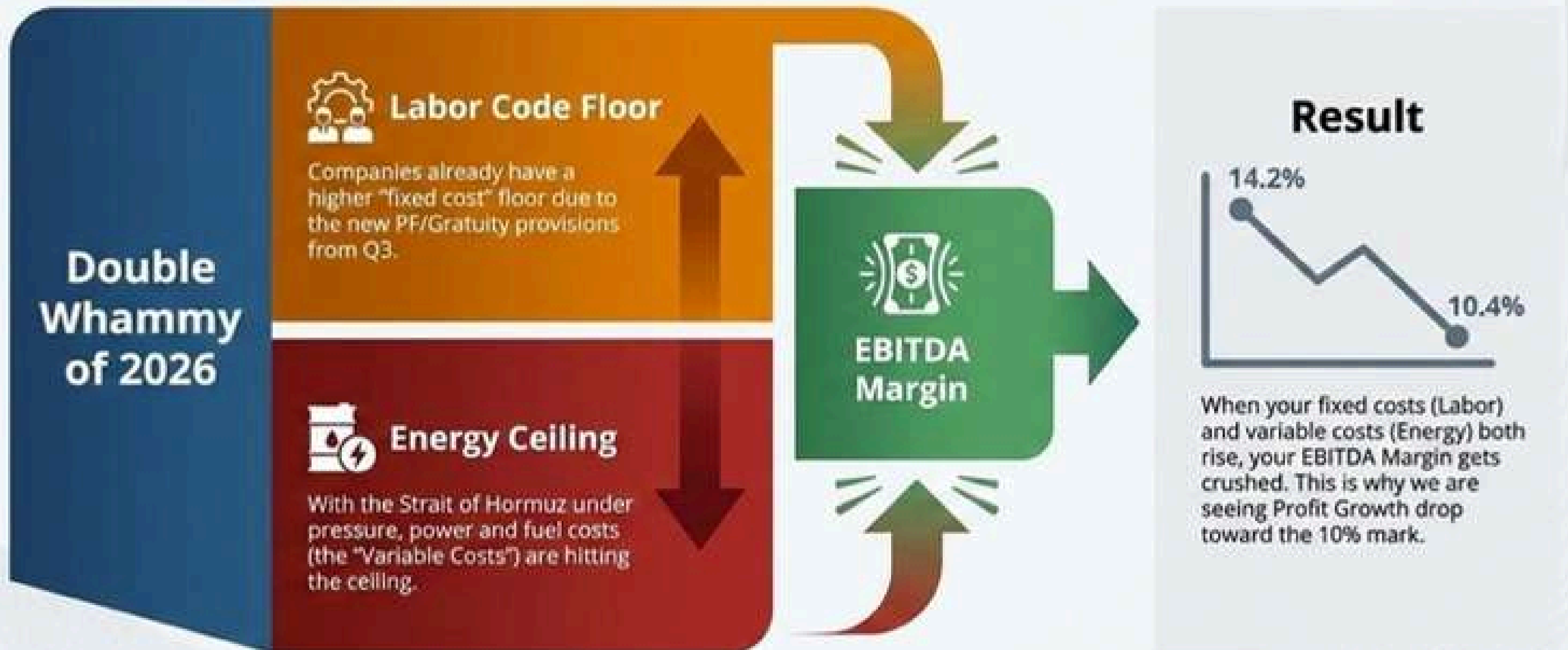
- US-Iran War Escalation Fears
- Global Uncertainty & Risk Aversion
- Significant Foreign Investor Outflows

# Updated Nifty 500 Estimates: The 'War-Time' Recalibration

When the 'Windshield' gets foggy due to war, we look at the Operating Leverage. In this scenario, Sales will stay artificially high (due to price hikes), but Profit will 'drag' as costs catch up.

Period / Metric	Pre-War Sales (Est)	War-Scenario Sales (Est)	Pre-War Profit (Est)	War-Scenario Profit (Est)
FY26 Q3 (Actual)	11.6%	11.6%	9.0%	9.0%
FY26 Q4 (Projected)	9.5%	13.2%	14.5%	7.5%
FY26 Full Year	10.0%	11.1%	14.2%	10.4%
FY27 (Forward)	9.0%	12.0%	15.0%	12.5%

# The “Profit Squeeze” (Falling from 14.2% to 10.4%)



# Dividend Growth Trends (YTD vs. Year-End): Impact of Geopolitics and Policy Changes

Comparison to Previous Year

YTD (Until January) Growth



More Dividend than Last Year

Year-End Projection



Lesser Dividend than Last Year

- War Headwinds
- Labor Code Updates

# The "23,000 Nifty" Logic: Pricing in the Delta

The market is a “Discounting Machine.” The reason Nifty has dragged to 23,000 is exactly this 4% delta in Profit Growth (14.2% pre-war vs. 10.4% post-war).

## The PE Re-adjustment:

- At 14% growth, the market was happy to pay 22x PE.
- At 10% growth, the market only wants to pay 18x-19x PE.

## Calculation:

➔  $23,000 \div 19x$  is much more sustainable than

➔  $26,000 \div 22x$  in an active war zone.



# Nifty 50: Key Metrics (EPS & PE)

<b>EPS_25</b>	<b>Trail_EPS</b>	<b>F_EPS</b>
1117	1138	1,233
<b>PE_25</b>	<b>TRAIL_PE</b>	<b>F_PE</b>
21.0	20.0	18

# Nifty 50: Current Market Price & Valuation

	CMP	CMP@FV	CMP@REWARD	CMP@RISK
INDEXNSE:NIFTY_50	22713	-13.0%	27.6%	-7.7%

## Key Financial Projections (EST)

YEAR	GDP	EPS	BOOK VALUE	FV @ EPS
EST_2025_26	4.5	1,233	7,521	24,978
EST_2029-30	6.1	1,941	10,793	39,304
EST_2030-35	8.9	3,421	16,951	69,267



*Investor Wit: "A US-Iran war is like a fever for the market. Sales growth is the high temperature, but Profit growth is the actual health of the patient. Right now, the patient needs a bit of rest (at 23,000) before the next marathon."*

# INDIA'S "BUFFETT INDICATOR" JOURNEY (FY2010 – FY2027)

Tracking the relationship between the Indian Economy (GDP) and Stock Market Valuation (Market Cap)

Fiscal Year	Nominal GDP (₹ Lakh Cr)	Market Cap (₹ Lakh Cr)	Ratio (%)	Valuation Sentiment
FY2010	65	61	94%	Modestly Overvalued (Post-2009 Recovery)
FY2015	125	101	81%	Fair Value (The Hope Rally)
FY2020	201	113	56%	Significantly Undervalued (COVID Bottom)
FY2021	198	204	103%	Overvalued (Liquidity Driven)
FY2024	295	~380	128%	Euphoria Zone (\$4 Trillion Milestone)
FY2026	357	416	116%	Cooling Down (Pre-War Highs)
FY2027 (Est)	396	422	106.5%	Healthy Consolidation (The 'War Drag' Effect)

# THE 2035 BLUEPRINT: INDIA'S \$8 TRILLION JOURNEY.

*Synthesis of Multi-Decade Compounding & Structural Moats.*

## INDIA'S COMPOUNDING ENGINE (FY27-FY35)

Starting Point (FY27 Est)	Avg Annual Nominal Growth	Compounding period	Formula	FY2035 Nominal GDP (Est)
₹396 Lakh Cr	~10.5% (6.5% Real + 4% Inf.)	8 Years	$396 * (1.105)^8$	~₹880 Lakh Crore

USD Equivalence (~\$7.8-\$8.2 Trillion, unambiguous World #3 Economy)

## FY2035 MARKET CAP: SCENARIO ANALYSIS

Scenario	Market Cap to GDP Ratio Logic	Resulting FY2035 Market Cap
Base Case	~105% - 110% (Sustainable, 'Healthy Consolidation')	₹925 - ₹970 Lakh Cr
Bull Case	~115% - 120% (Tech, DPI & SIP Dominance)	₹1,010 - ₹1,055 Lakh Cr.

## THE 2035 BLUEPRINT: INDIA'S JOURNEY

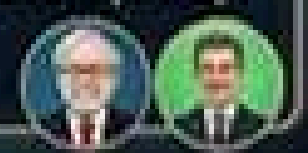
Fiscal Year	Nominal GDP (₹ Lakh Cr)	Market Cap (₹ Lakh Cr)	Buffett Indicator (%)	Logical Catalyst
FY2024	~295	~380	128%	Euphoria & Speculation (US-China Noise)
FY2027 (Est)	396	422	106.5%	Healthy Consolidation (War/Code Drag)
FY2035 (Est)	880	950	108%	Structural Dominance (SIP Flows & Formalization)

### HIGHLIGHT BOX

**MENTOR'S TARGET:**  
FY2035 Market Cap (Base Case):  
~₹950 Lakh Crore.

### QUOTE BOX

**Investor Wit for 2035:** "In FY2026, the market was running on fever and war noise. But by FY2035, the fever is gone. The market is now a seasoned marathon runner, backed by an ₹880 Lakh Crore engine and ₹400B annual hydration (SIPs). The target is a massive ₹950 Lakh Crore, and we are on track."



# The War: Changing Speed, Not Direction

**Revised FY26 Profit Growth Estimate: 11.2% (Healthy & Consolidated)**

**War & Energy Price Impact**



Economy paying a high price for energy.

**Revised Estimate:  
11.2%**

**Our Strategic Response:  
Staying the Course**

- Gaining market share in global manufacturing.
- Keeping SIPs active.
- Using 23,000 Nifty level to accumulate 'Efficiency Kings'.



# New Chapter

- Demanding Industries & Top Quality Companies

Year:

Q3\_2026

# Q3FY26 Earnings Review: A broad-based recovery

## NIFTY 50 NET SALES (EX-TATA MOTORS)

↑ **+12.5%** YoY

↑ **+6.8%** QoQ

Q3FY26 is  
11-quarter high



(ex-Tata Motors)

## BROADER NIFTY 500 REVENUE GROWTH

↑ **+11.1%** YoY

### MID- AND SMALL-CAPS EXPANSION

Double-digit  
Expansion



### IMPROVED BREADTH



## NIFTY 50 RECOVERY DRIVERS



1. FESTIVE  
DEMAND



2. GST  
ADJUSTMENTS



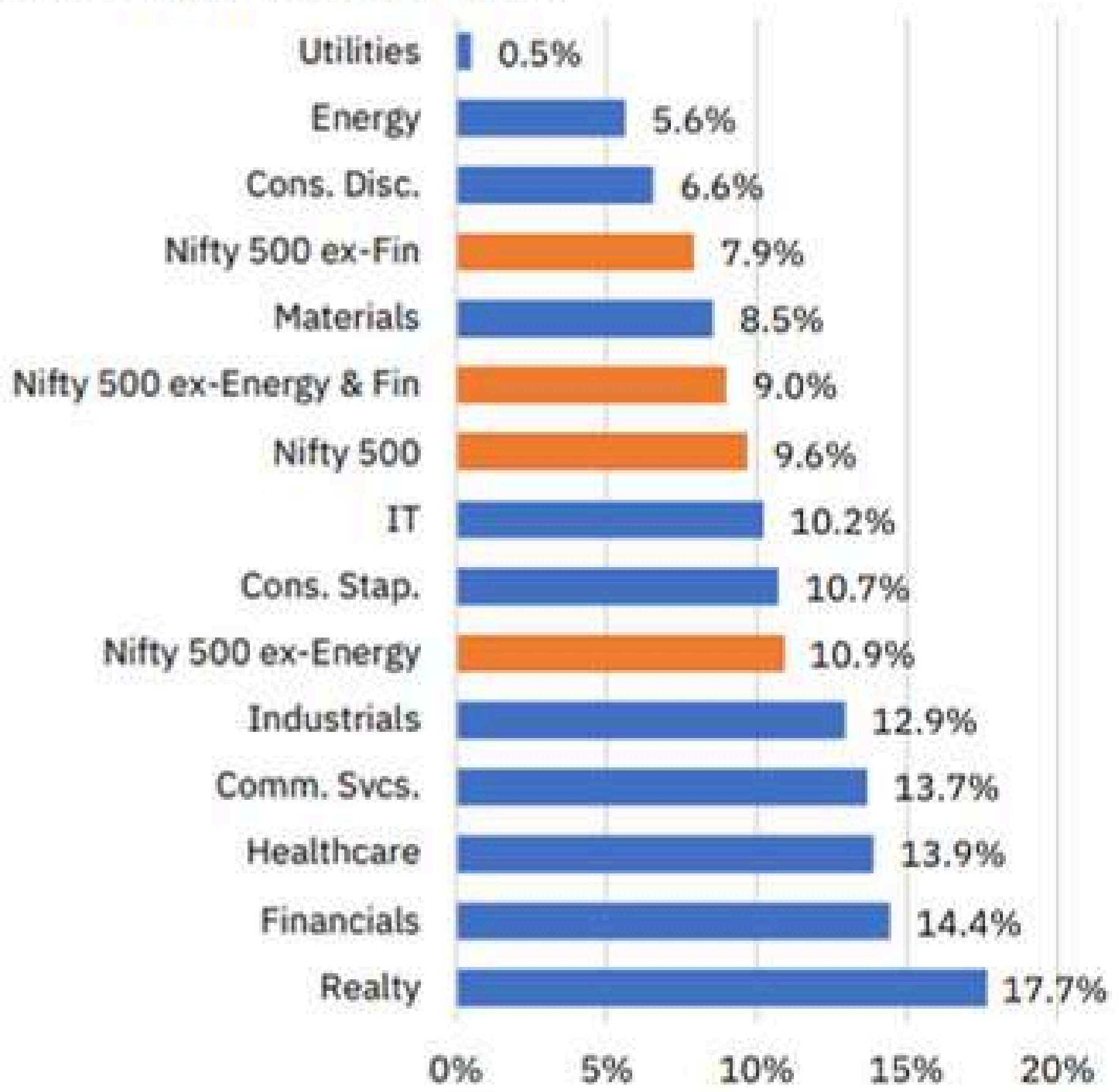
3. ROBUST  
CREDIT  
OFFTAKE



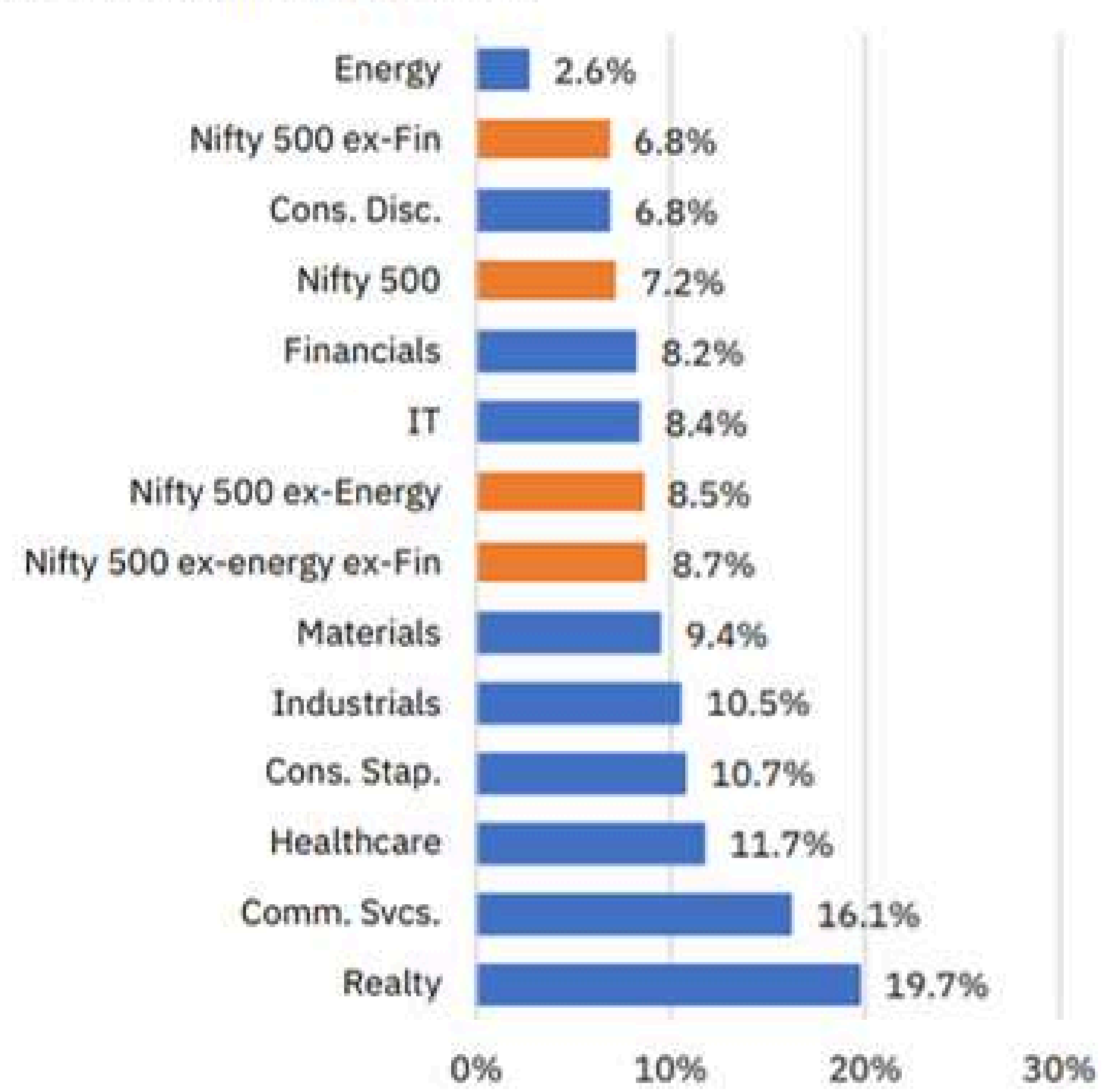
4. STRONGER  
REALISATIONS  
(MATERIALS & ENERGY)

(Illustrative data only)

**Figure 28: Sector-wise net sales YoY growth of Nifty 500 companies in Q3FY26**



**Figure 29: Sector-wise net sales YoY growth of Nifty 500 companies in 9MFY26**

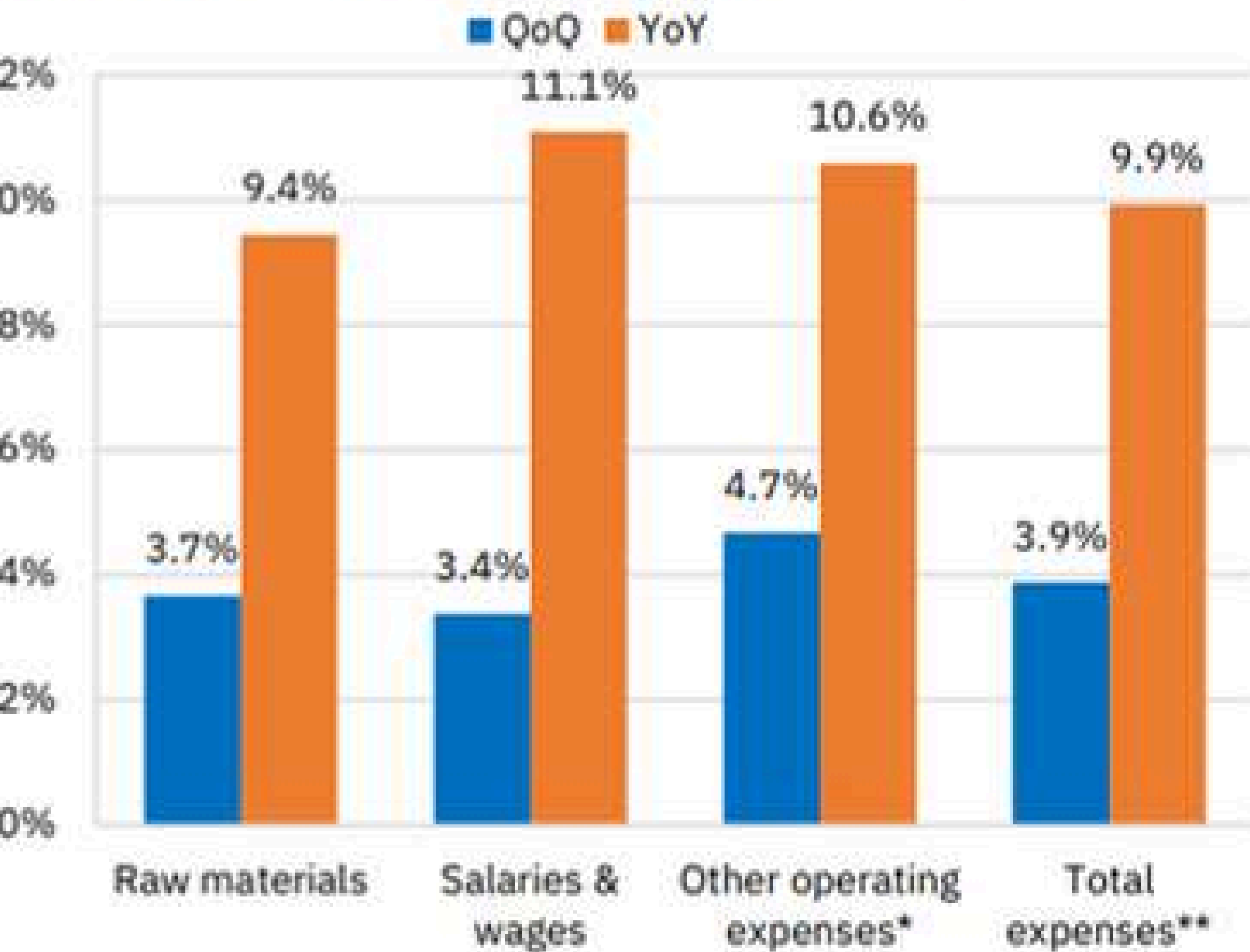


Source: CMIE Prowess, LSEG workspace, NSE EPR.

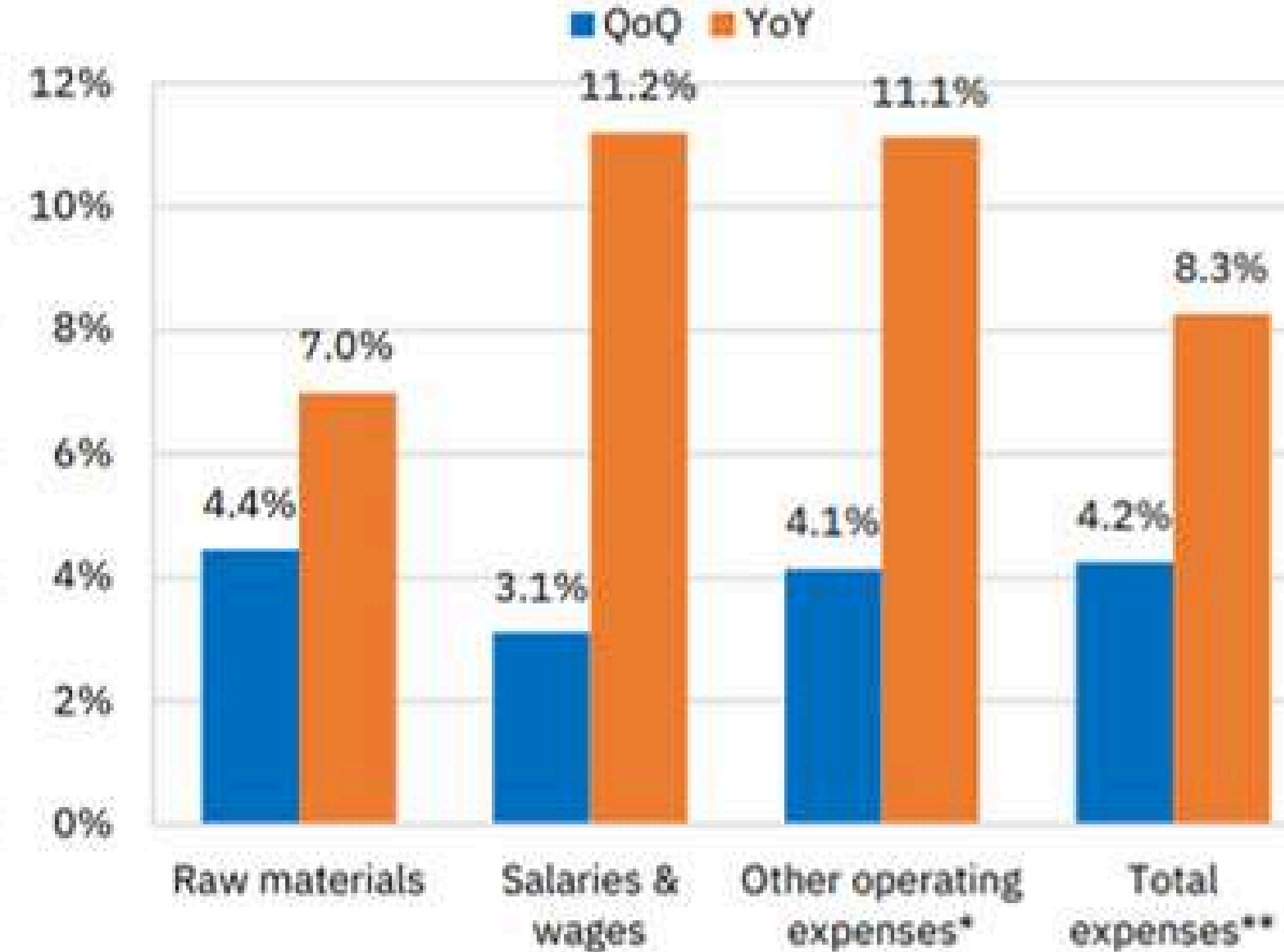
Note: 1. The above charts provide data for companies in the Nifty 500 index as on December 31<sup>st</sup>, 2025.



**Figure 35: Change in expenses for Nifty 500 companies excluding Financials in Q3FY26**



**Figure 36: Change in expenses for Nifty 500 companies excluding Financials (ex-Nifty 50) in Q3FY26**



Source: CMIE Prowess, LSEG workspace, NSE.

Note: 1. The above charts provides data for companies in the Nifty 500 index as on December 31<sup>st</sup>, 2025, and excludes Tata Motors Ltd. which underwent a demerger on October 1<sup>st</sup>, 2025.

\* Other operating expenses include selling, general & administrative expenses, rental expenses, and other operating costs.

\*\* Total expenses exclude interest expenses and depreciation.

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	11.7	5.9	4.3	21.0	22.5	14.4	1.34	20.5
Consumer Discretionary	8.3	(18.0)	19.1	5.5	(13.9)	(5.3)	1.72	-6.4
Consumer Staples	(1.7)	(2.1)	3.3	2.9	3.2	8.3	0.77	4.2
Energy	22.0	(5.7)	10.2	(1.4)	37.1	23.9	4.23	28.4
Financials	1.3	(1.9)	2.9	14.5	5.6	7.3	20.75	8.3
Health Care	(0.6)	6.9	(1.0)	15.5	13.5	12.9	0.98	11.0
Industrials	24.3	1.1	14.4	29.7	15.8	7.0	1.84	11.6
Information Technology	5.1	4.6	4.8	11.0	10.8	10.5	1.74	10.2
Materials	5.6	(1.1)	(2.7)	8.1	17.8	8.7	2.78	14.2
Real Estate	24.7	13.9	(2.7)	31.4	46.9	14.7	0.19	22.5
Utilities	(8.5)	0.3	(6.3)	3.1	4.7	7.3	1.82	5.8
<b>Nifty 500</b>	<b>4.7</b>	<b>(2.0)</b>	<b>4.0</b>	<b>11.8</b>	<b>9.6</b>	<b>8.9</b>	<b>38.16</b>	<b>10.4</b>
<b>Nifty 500 ex-Energy</b>	<b>3.1</b>	<b>(1.5)</b>	<b>3.3</b>	<b>13.5</b>	<b>7.1</b>	<b>7.3</b>	<b>33.93</b>	<b>8.5</b>
<b>Nifty 500 ex-Financials</b>	<b>9.3</b>	<b>(2.1)</b>	<b>5.4</b>	<b>8.6</b>	<b>15.0</b>	<b>10.9</b>	<b>17.41</b>	<b>13.0</b>
<b>Nifty 500 ex-energy ex-fin</b>	<b>6.1</b>	<b>(0.9)</b>	<b>3.9</b>	<b>11.8</b>	<b>9.5</b>	<b>7.3</b>	<b>13.18</b>	<b>20.5</b>
<b>Nifty 500 ex-fin ex-Tata Motors</b>	<b>9.3</b>	<b>0.0</b>	<b>4.9</b>	<b>9.4</b>	<b>18.3</b>	<b>13.6</b>	<b>17.27</b>	<b>15.6</b>

Source: CMIE Prowess, LSEG worksp

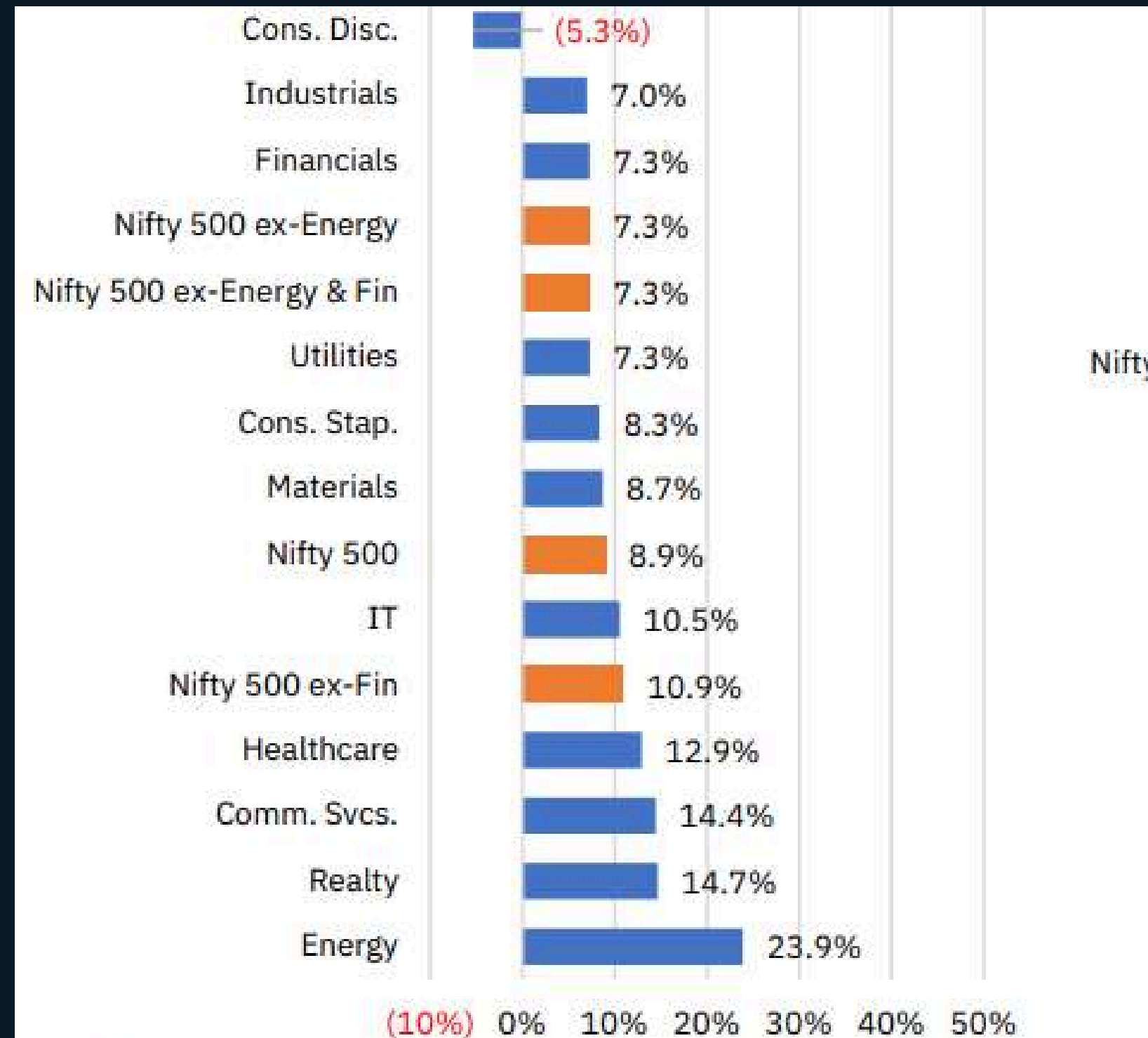
Notes: 1. The above table provides c

Sector-wise EBITDA growth of Nifty 500 companies

Sector	EBITDA Margin	QoQ change (bps)	YoY change (bps)
Communication Services	51.4	89	33
Consumer Discretionary	13.1	123	(165)
Consumer Staples	17.8	(12)	(39)
Energy	15.2	11	224
Financials	58.6	(121)	(392)
Health Care	26.3	(121)	(23)
Industrials	20.6	89	(115)
Information Technology	21.7	(0)	6
Materials	17.9	(39)	2
Real Estate	37.7	(686)	(99)
Utilities	33.2	(69)	209
<b>Nifty 500</b>	<b>30.2</b>	<b>(39)</b>	<b>(20)</b>

EBITDA margin of Nifty 500 companies in Q3FY26

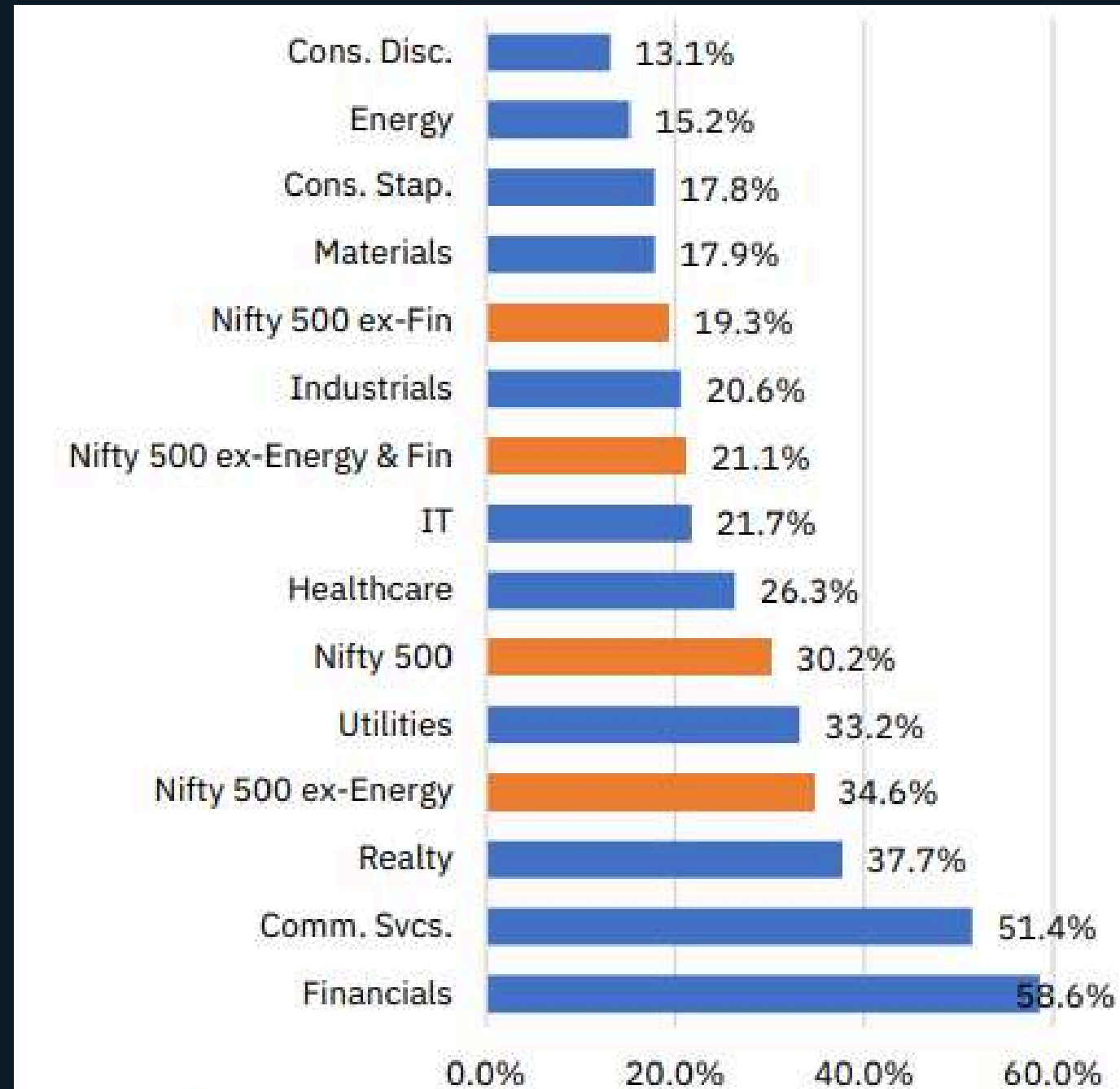
# Sector-wise EBITDA growth of Nifty 500 companies in Q3FY26



Source: CMIE Prowess, LSEG Workspace, NSE EPR

Note: 1. The above charts provide data for companies in the Nifty 500 index as of December

# Sector-wise EBITDA margin of Nifty 500 companies in Q3FY26



Source: CMIE Prowess, LSEG workspace, NSE EPR.

Note: 1. The above charts provide data for companies in the Nifty 500 index as on Dec

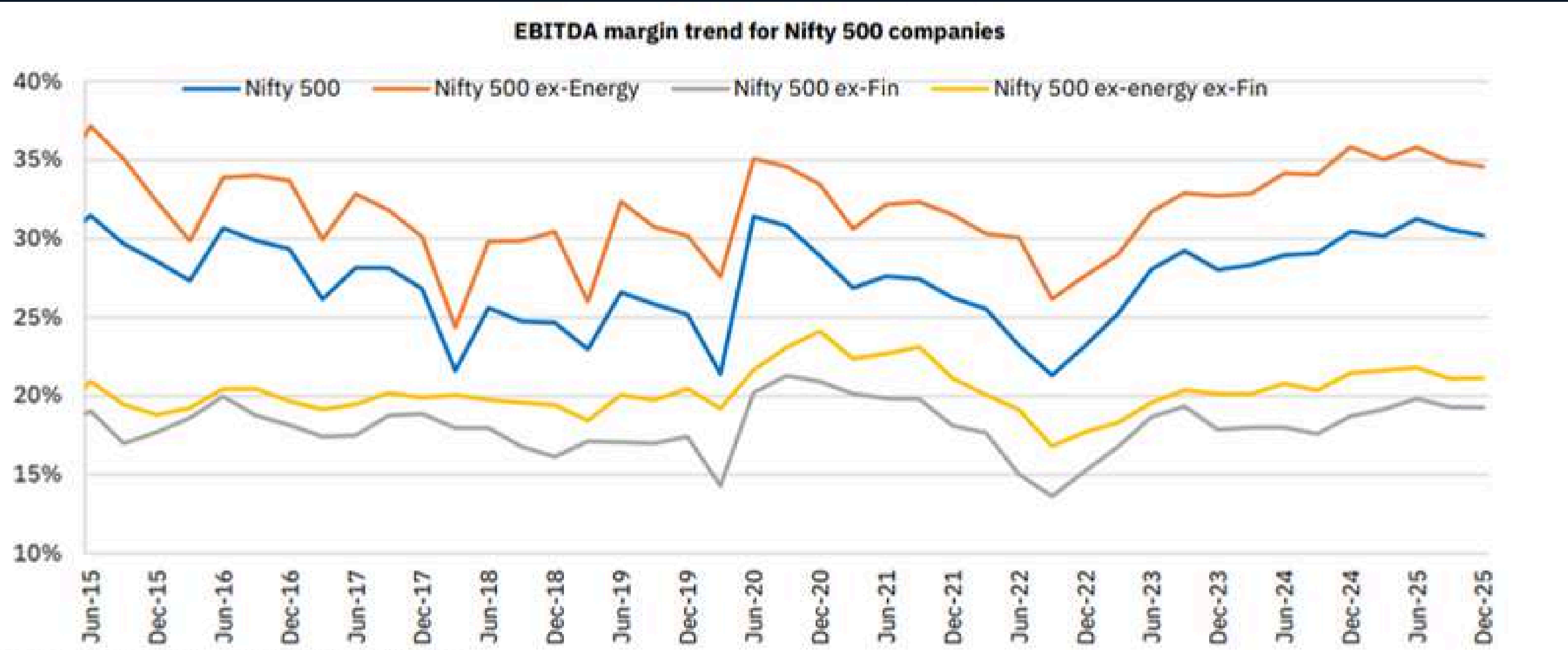
## Sector-wise EBITDA growth of Nifty 500 companies (ex-Nifty 50)

Sector	QoQ growth			YoY growth			9MFY26	
	Dec-24	Sep-25	Dec-25	Dec-24	Sep-25	Dec-25	(Rs lakh crore)	Growth (%)
Communication Services	5.5	4.0	4.9	10.4	7.9	7.2	0.44	8.2
Consumer Discretionary	9.3	3.9	11.9	8.1	11.0	13.6	0.80	10.8
Consumer Staples	2.3	(4.1)	5.1	8.6	7.7	10.7	0.37	7.0
Energy	60.1	7.7	25.3	(22.1)	139.6	87.4	1.41	83.3
Financials	1.9	(0.2)	3.2	14.6	6.4	7.8	10.99	8.4
Health Care	(3.1)	8.3	(0.3)	13.8	15.6	19.0	0.65	12.7
Industrials	25.6	5.8	11.3	40.0	15.1	2.6	0.99	9.6
Information Technology	3.8	8.9	8.4	21.4	21.6	27.0	0.39	26.2
Materials	11.1	(0.8)	(6.2)	19.7	13.2	(4.2)	1.58	7.0
Real Estate	24.7	13.9	(2.7)	31.4	46.9	14.7	0.19	22.5
Utilities	(12.3)	0.7	(16.2)	5.9	8.1	3.3	1.04	6.2
<b>Nifty 500</b>	<b>5.5</b>	<b>1.4</b>	<b>3.6</b>	<b>12.9</b>	<b>13.2</b>	<b>11.3</b>	<b>18.87</b>	<b>12.3</b>
<b>Nifty 500 ex-Energy</b>	<b>3.6</b>	<b>1.0</b>	<b>1.9</b>	<b>15.7</b>	<b>8.8</b>	<b>7.2</b>	<b>17.45</b>	<b>8.9</b>
<b>Nifty 500 ex-Financials</b>	<b>11.3</b>	<b>3.7</b>	<b>4.1</b>	<b>10.3</b>	<b>24.2</b>	<b>16.5</b>	<b>7.87</b>	<b>18.3</b>
<b>Nifty 500 ex-energy ex-fin</b>	<b>6.6</b>	<b>3.0</b>	<b>(0.2)</b>	<b>17.5</b>	<b>13.1</b>	<b>6.2</b>	<b>6.46</b>	<b>9.8</b>

Source: CMIE Prowess, LSEG Workspace, NSE EPR.

Note: 1. The above table provides data for companies in the Nifty 500 index as on December 31<sup>st</sup>, 2025 and excludes Nifty 50 companies.

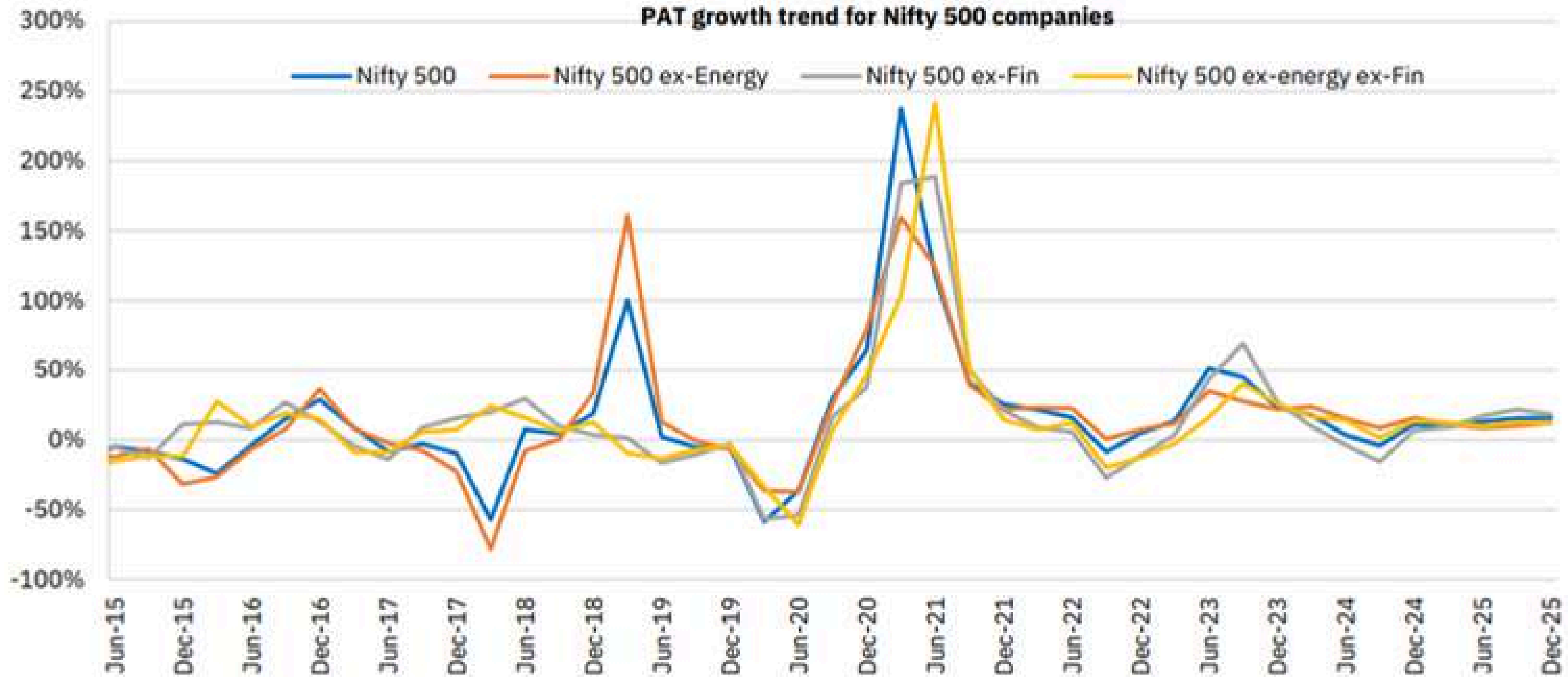
# Quarterly trend in EBITDA margin of Nifty 500 companies



Source: CMIE Prowess, LSEG Workspace, NSE EPR

Note: 1. The above chart includes companies in the Nifty 500 index as on end of respective quarters.

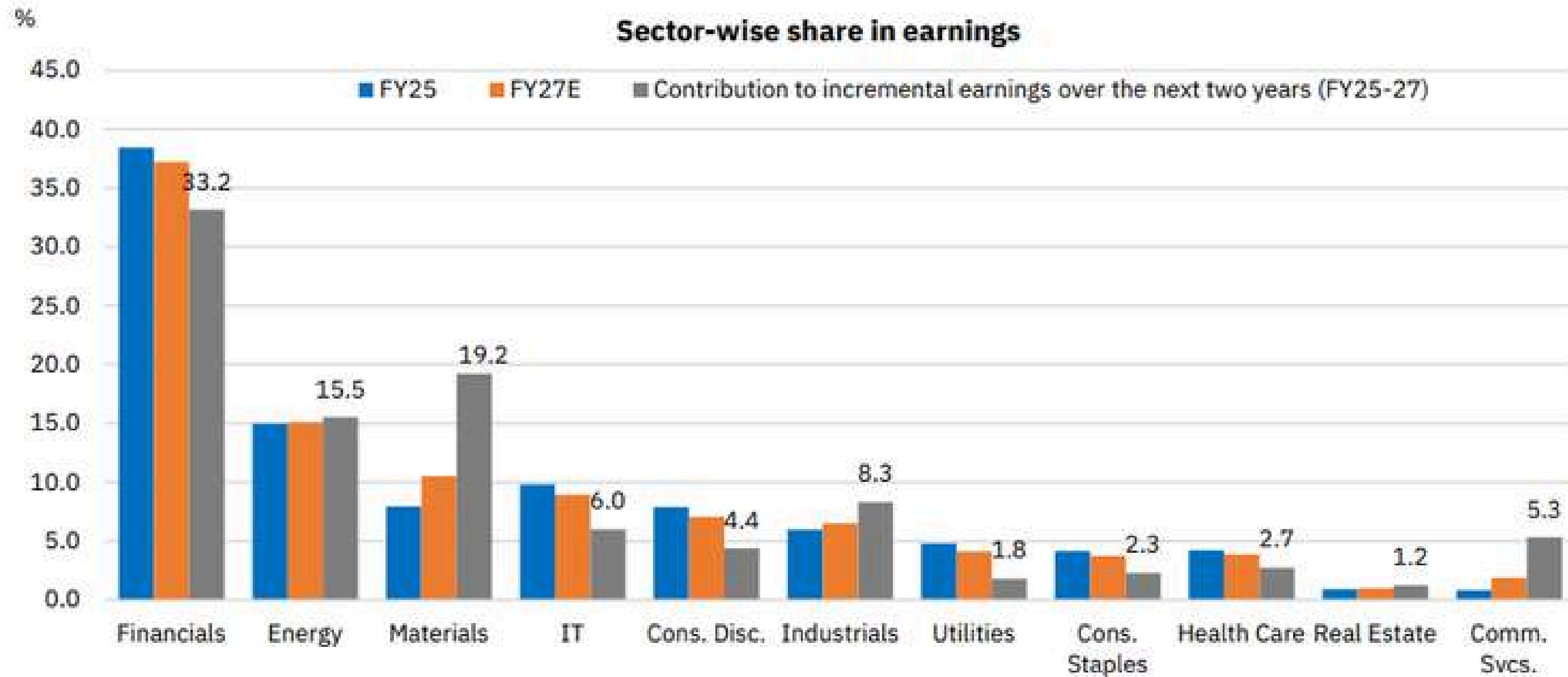
# Quarterly trend in Nifty 500 PAT growth (YoY)



Source: CMIE Prowess, LSEG Workspace, NSE EPR

Note: 1. The above chart includes companies in the Nifty 500 index as on end of respective quarters.

# Sector-wise share and contribution to earnings



Source: CMIE Prowess, LSEG Workspace, NSE EPR.

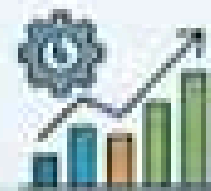
Note: Based on IBES earnings estimates of top 200 companies by one-year average market cap ending June 30<sup>th</sup>, 2025, covered by at least five analysts at any given point of time over the last one year. Data is as of February 27<sup>th</sup>, 2026.



# Focused Companies: Sales Growth & Profit Growth Performance (FY25 - FY26E)



## Sales Growth (%) by Fiscal Period



## Profit Growth (%) by Fiscal Period



# FY26 PERFORMANCE SNAPSHOT: BASKET GROWTH ANALYSIS (SALES & PROFIT)

COMPARATIVE REVIEW: 9M\_FY26 vs Q3\_FY26 ACROSS MARKET BASKETS



BASKET

NINE-MONTH (9M\_FY26) PERFORMANCE

THIRD QUARTER (Q3\_FY26) PERFORMANCE

SALES GROWTH (%)

PROFIT GROWTH (%)

SALES GROWTH (%)

PROFIT GROWTH (%)

14.06% S

11.94% P

16.27% S

-7.23% P

12.7% S

20.7% P

15.04% S

11.86% P

11.9% S

12.7% P

15.68% S

3.56% P

11.6% S

11.6% P

13.63% S

-14.98%

9.5% S

10.0% P

15.01% S

12.07%

7.66% S

13.92% P

8.74% S

1.96%

Gati Shakti

Atmanirbhar

Bharat Samriddhi

Naya Bharat

Bharat Artha

Bharat Urja



**Thank you  
very much**