






Godrej Properties Q2 FY2026 Analysis: Scaling New Heights

Godrej Properties Limited (GODREJPROP) has delivered a powerhouse performance for the second quarter and first half of FY2026, solidifying its position as a dominant force in the Indian real estate landscape. With record-breaking bookings and a clear path toward significant profitability, the company is reaping the rewards of its aggressive expansion and execution strategy.

TL;DR - Key Highlights

-  **Record Bookings:** Highest-ever Q2 and H1 booking value in the company's history.
-  **Collection Skew:** H1 collections reached 37% of guidance, with a heavy skew expected in Q4 due to scheduled project deliveries.
-  **Financial Surge:** Net profit for H1 FY2026 grew 18% YoY to ₹1,005 crore.
-  **Market Dominance:** Achieved over ₹1,500 crore in sales across four major markets (Bengaluru, MMR, NCR, and Hyderabad) in a single quarter.
-  **Sustainability Leader:** Ranked #1 globally by GRESB for the 2025 disclosure cycle with a perfect score of 100/100.

Quick Table: Financial Snapshot (Consolidated)

Particulars (₹ Crore)	Q2 FY26	Q2 FY25	YoY Change	H1 FY26	H1 FY25	YoY Change
Total Income	1,867	1,343	+39%	3,460	2,981	+16%
EBITDA	614	282	+118%	1,529	1,056	+45%
PBT	566	219	+158%	1,427	935	+52%

Net Profit (PAT)	405	335	+21%	1,005	855	+18%
EPS (₹)	13.5	12.1	+11.6%	33.4	30.8	+8.4%

Key Ratios & Margins:

- **Adjusted EBITDA Margin:** 33.7% (Q2 FY26) vs 24.5% (Q2 FY25).⁶
- **PBT Margin:** 30.3% (Q2 FY26) vs 16.3% (Q2 FY25).⁷
- **Net Debt/Equity:** 0.26x (as of Sept 30, 2025).⁸

Segment & Geography Highlights 🌍

Godrej Properties is witnessing "well-rounded and consistent growth" across its geographical hubs.⁹

Market	Q2 FY26 Booking Value (₹ Cr)	Key Driver / Launch
Bengaluru	1,972	Godrej MSR City & Godrej Tiara
NCR	1,610	Godrej Sora (Gurugram)
MMR	1,959	Godrej Skyshore & Godrej City
Hyderabad	1,520	Godrej Regal Pavilion

Others	558	Godrej Greenview Estate (Indore)
--------	-----	----------------------------------

Management Voice

"We have achieved a remarkable increase in scale in the past three and a half years. Our quarterly bookings in Q2 are higher than our annual bookings of FY22."

— Pirojsha Godrej, Executive Chairperson

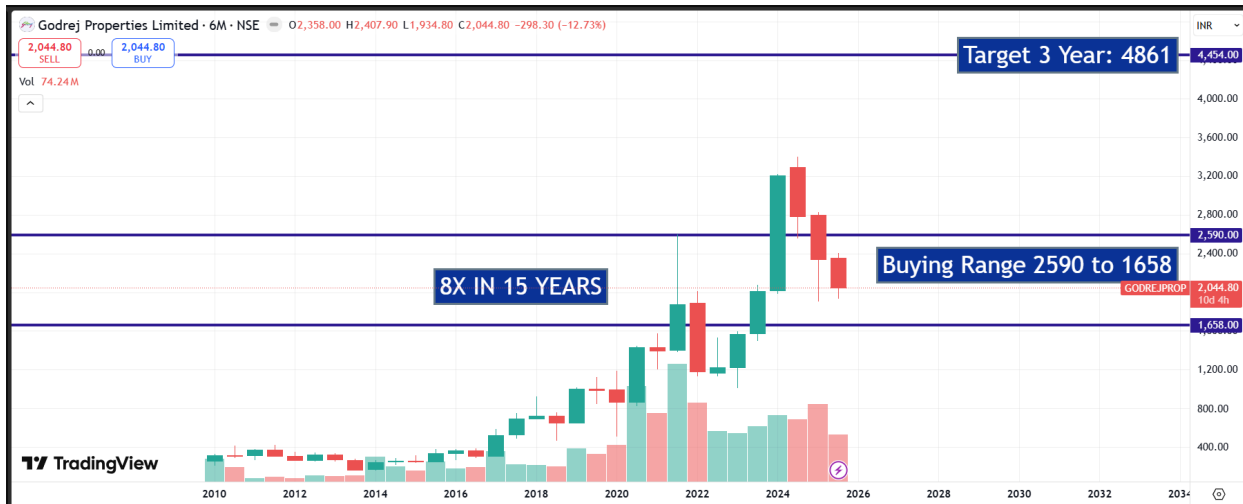
Valuation & Outlook

- **Valuation Snapshot:** The company recently raised ₹6,000 crore via QIP, significantly strengthening its balance sheet for future land acquisitions.
- **Outlook:** Management remains on track to surpass the FY26 booking guidance of ₹32,500 crore.
- **Strategic Goal:** Targeting a **20% Return on Equity (RoE) by FY28.**
- **Triggers to Watch:**
 1. Massive delivery schedule in Q4 FY26, which will unlock significant collections.
 2. Launch of "Godrej Trilogy" in Worli, Mumbai, with pricing expected between ₹80,000 to ₹1.5 lakh per sq. ft.

Risks & Monitoring

1. **Execution Pace:** Scaling labor strength (currently 32k) to meet the massive delivery pipeline. 21212121
2. **Regulatory Hurdles:** External issues like NGT bans in NCR can impact construction timelines.
3. **Margin Fluctuations:** Heavy upfront marketing costs can impact short-term P&L until project completion (OC) milestones are hit.
4. **Interest Costs:** Monitoring average borrowing costs, which stood at 7.7% YTD.

Disclosure: This content is for educational purposes only and does not constitute investment advice. Past performance is not indicative of future results. The author/team may have positions in the stocks mentioned. Data is believed to be reliable but not guaranteed.








BALKRISIND: Steering Through Global Headwinds

Date: October 31, 2025 | **Sector:** Tyres & Rubber Products

Current Price: ₹2,365 | **Snapshot:** H1 FY2026 Results

Balkrishna Industries Limited (BKT) has released its Q2 & H1 FY26 results, reflecting a resilient business model navigating a complex global trade environment. While short-term volume pressure is evident due to US tariff hikes, the company is doubling down on its long-term vision of becoming a ₹23,000 crore revenue powerhouse by 2030.

TL;DR (Too Long; Didn't Read)

-  **Dividend Declared:** 2nd interim dividend of **₹4 per share** (200% on FV of ₹2).
-  **Tariff Impact:** US import duties increased to **50%**, severely impacting shipments to the region (~10% of last year's volume).
-  **Financial Resilience:** Maintained a net debt of only **₹456 crore** despite aggressive capex.
-  **Growth Roadmap:** Strategic focus on **India and Europe** markets while expanding into Carbon Black and Rubber Tracks.
-  **Expansion Update:** Advanced carbon material project completed; pilot for CV Radials expected in **Q4 FY26**.

Quick Table: Financial Snapshot (Consolidated)

Metric (₹ Crore)	Q2 FY26	Q2 FY25	YoY (%)	Q1 FY26	QoQ (%)
Revenue from Operations	2,393.5	2,419.7	-1.1%	2,760.0	-13.3%
EBITDA	511.0	580.0	-11.9%	506.0	+1.0%
Profit After Tax (PAT)	273.2	346.9	-21.2%	288.3	-5.2%
EPS (₹)	14.1	18.0	-21.4%	14.9	-5.3%

Key Ratios & Margins:

- **EBITDA Margin:** 21.4% (vs 24.0% YoY)
- **PAT Margin:** 11.4% (vs 14.3% YoY)
- **Net Debt-to-Equity:** 0.35x

Note: Q2 FY26 revenue includes a realized FX loss of ₹68 crore.

Segment & Geography Highlights

BKT's revenue is well-diversified, though Europe remains its largest bastion.

Region	H1 FY26 Mix (%)	Status/Outlook
Europe	39.2%	Easing headwinds; confident of gradual recovery.

India	34.9%	Strong domestic push to derisk global concentration.
Americas	11.0%	Severely impacted by 50% import duties; wait-and-watch.
RoW	14.9%	Focus on driving incremental growth.

- **Segment Mix:** Agriculture (58.2%), OTR (38.1%), Others (3.7%).
- **Channel Mix:** Replacement (71.0%), OEM (27.7%), Others (1.3%).

Management Voice

"The US tariff situation is a severe short-term headwind, but we are ready to service that market within two weeks once normalization occurs. Our focus remains on brand building and infrastructure to ensure a stronger foundation for our ₹23,000 crore vision."

Valuation Snapshot

- **PE (TTM):** ~33.1x (vs 5Y median of ~30.8x).
- **EV/EBITDA:** ~20.0x (vs 5Y median of ~21.9x).
- **P/BV:** ~4.4x.
- **Interpretation:** The stock is trading in a **Neutral-to-Amber** zone, reflecting current earnings pressure but pricing in long-term expansion potential.

Risks & Monitoring

1. **Geopolitical/Tariff Risk:** Continued high tariffs in the US could permanently shift market share.
2. **Input Costs:** EUDR regulations for raw materials are increasing procurement complexity and initial costs.
3. **Red Sea Disruptions:** Freight costs remain elevated at 6-7% of sales due to global logistics issues.
4. **Slow CV/PCR Ramp-up:** Delays in the new product segments (CV Radial, PCR) could push back the 2030 growth targets.

Outlook: The Road Ahead

The management expects the next 2–4 quarters to be a period of consolidation. While raw material prices are softening, the inventory build-up for EUDR compliance will offset some gains. Key triggers to watch:




- **Q4 FY26:** Launch of CV Radial pilot.
- **US-India Trade Talks:** Any reduction in the 50% tariff will be a massive immediate tailwind.
- **Carbon Black Expansion:** Completion of Bhuj expansion (to 360,000 MTPA) by early 2026.



Disclosure: This report is for educational purposes only and does not constitute investment advice. Past performance is not indicative of future results. The author/team may have positions in the stocks mentioned. Data sourced from official company filings and believed to be reliable but not guaranteed. Timestamps: Dec 20, 2025.

Amara Raja Q2 FY26: Charging Forward Amidst Energy Transition

Amara Raja Energy & Mobility (ARE&M) delivered a resilient performance for the quarter ended September 30, 2025, marked by robust growth in the **New Energy Business** and strong OEM demand, despite facing headwinds from global trade uncertainties and regulatory provisioning.

TL;DR: The Quick Scan

-  **Revenue Growth:** Consolidated revenue grew **6.7% YoY** to ₹3,467.0 crore.
-  **Margin Pressure:** EBITDA margins contracted to **10.8%** (vs 13.3% YoY) due to higher raw material costs and a ₹35 crore EPR provision.
-  **New Energy Surge:** Revenue from the New Energy segment spiked **>50% YoY** to ₹170 crore.

-  **Strategic Capex:** Infused ₹350 crore into the lithium subsidiary; total investment now at ₹1,200 crore.
-  **Dividend Alert:** Board declared an interim dividend of **₹5.40 per share** (540%).

Financial Scorecard: Q2 & H1 FY26 (Consolidated)

Particulars (₹ Crore)	Q2 FY26	Q2 FY25	YoY (%)	Q1 FY26	QoQ (%)	H1 FY26
Revenue from Operations	3,467.0	3,250.7	6.7%	3,401.1	1.9%	6,868.1
EBITDA	374.3	432.7	-13.5%	363.5	3.0%	737.8
EBITDA Margin (%)	10.8%	13.3%	-252 bps	10.7%	10 bps	10.7%
PAT (Reported)	276.5	235.6	17.4%	164.8	67.8%	441.3
EPS (₹)	15.1	12.9	17.4%	9.0	67.9%	24.1

Note: Q2 FY26 PAT includes an exceptional gain of ₹121.8 crore from a business interruption insurance claim.

Segment & Geography Pulse

Segment Mix (Mini Table)

Segment	Revenue (₹ Cr)	YoY Growth	Key Highlights
Lead Acid Business	3,297.0	~5%	30% growth in OEM volumes; stable aftermarket.
New Energy (NEB)	170.0	>50%	Strong demand for lithium telecom packs & chargers.

Geography Highlights

- **Domestic:** ₹2,975.1 crore (Healthy growth driven by auto OEMs).
- **Exports:** ₹382.1 crore (Subdued due to global trade/tariff uncertainties).

Management's Lens

"Our performance remains solid despite a tumultuous quarter of global uncertainties. We are seeing a clear sector shift toward advanced lithium technologies in telecom."

— Mr. Jayadev Galla, Chairman & Managing Director

Valuation Snapshot (Share Price: ₹921)

- **P/E (TTM):** ~17.8x (Estimated based on ₹921 CMP and TTM PAT).
- **P/BV:** ~2.1x (Reflecting consistent net worth growth to ₹7,737 crore).
- **Outlook:** ● **Green** vs 5Y Median. The stock trades attractively compared to historical bands, though lithium-related capex will keep cash flows tight in the near term.

Risks & Monitoring

1. **Raw Material Volatility:** Rising Lead prices and LME fluctuations directly impact LAB margins.
2. **Regulatory Burden:** Extended Producer Responsibility (EPR) costs (₹35Cr impact this quarter).






3. **Technology Transition:** Rapid migration from Lead-Acid to Lithium in the telecom sector.
4. **Capex Execution:** Timely commissioning of the Giga-Cell factory (Phase 1: 2 GWh by Q4 FY26).

Disclosure

- *Educational purposes only. This is not investment advice. Past performance does not guarantee future results. The author may have positions in the stocks mentioned. Data sourced from official company filings.*







Wonderla's Q2 Magic: EBITDA Surges 8X as Chennai Park Gets Ready for Launch!

TL;DR - The Quick Take

-  **Record-Breaking Q2:** Best-ever Q2 performance in company history with a **24% YoY** jump in total income to ₹88.5 crore.
-  **Bottom-line Pressure:** Reported a marginal **Net Loss of ₹1.75 crore** in Q2 due to seasonality and higher operational costs, though a significant improvement from the previous year's operational loss.
-  **Operational Efficiency:** EBITDA skyrocketed **8X YoY** to ₹7.48 crore, with margins improving to **9.3%** from a negative base last year.
-  **Growth North Star:** The highly anticipated **Chennai Park** is scheduled to open on **December 2, 2025**, marking a major capacity expansion.
-  **Resilient Footfalls:** Total footfalls reached **5.05 lakhs** in Q2, up 12% YoY, despite it being a traditionally weak monsoon quarter.

Quick Table: P&L Snapshot (Consolidated)



All figures in ₹ Crore (rounded)

Particulars	Q2 FY26	Q2 FY25	YoY %	H1 FY26	H1 FY25	YoY %
Total Income	88.5	71.2	24.3% 	267.6	248.7	7.6% 
EBITDA	7.5	(1.1)	8X 	84.2	90.3	-6.8% 
EBITDA Margin	9.3%	-1.6%	+1090 bps	33.9%	37.6%	-370 bps
PAT	(1.8)	14.7*	NM	50.8	78.0	-34.9% 
EPS (₹)	(0.28)	2.60	NM	8.02	13.78	-41.8% 

*Note: Q2 FY25 PAT included a one-off deferred tax credit of ₹24.08 crore ⁶.

Segment & KPI Highlights

Wonderla continues to see a healthy mix of ticketing and non-ticketing revenue (F&B and Merchandise).

Metric	Q2 FY26	YoY %	H1 FY26	YoY %
Total Footfalls	5.05 Lakhs	12% 	14.22 Lakhs	-2% 

Avg. Req. Per User (ARPU)	₹1,478	5% ●	₹1,669	4% ●
Non-Ticket Spends (SPH)	₹461	7% ●	₹482	10% ●
Resort Occupancy	59%	+400 bps	43%	-600 bps

Park-wise Performance (Q2 Footfalls):

- **Bengaluru:** 1.96 Lakhs (Flat)
- **Kochi:** 1.92 Lakhs (+38%)
- **Hyderabad:** 0.93 Lakhs (+1%)
- **Bhubaneswar:** 0.24 Lakhs (New addition)

Management Quotes

"This quarter marks a defining moment... achieving our best-ever Q2 performance with record revenues and footfalls. Digital channels now drive half of our bookings."
— **Arun K. Chittilappilly, MD.**

Valuation Snapshot

- **Current Share Price:** ₹530 (Approx. snapshot)
- **PE (TTM):** ~31.2x (Vs 5Y Median of ~28x) — **AMBER** ●
- **EV/EBITDA:** ~18.5x — **GREEN** ● (Trading near historical support levels)
- **Implied View:** The market is currently pricing in the immediate boost from the Chennai Park launch. Long-term value depends on the successful ramp-up of the new asset and stabilizing margins in Bengaluru and Kochi.

Risks & Monitoring

1. **Seasonality & Weather:** Heavy monsoons or extreme heatwaves directly impact footfall.
2. **Execution Risk:** Any delays in the Chennai Park launch (Dec 2025) or lower-than-expected initial traction.
3. **Inflationary Pressure:** Rising operating costs (maintenance and electricity) could squeeze margins.

4. **Regulatory Hurdles:** Land acquisition and government approvals for future parks (like Odisha or MP) can be lump.

Outlook: The Road Ahead

- **Next 2 Quarters:** Focus will shift entirely to the **Chennai Park launch** (₹611 Cr investment). Expect high marketing spend in Q3 but a potential "V-shape" recovery in revenue as the holiday season kicks in.
- **Triggers to Watch:** ARPU growth in Tier-2 cities (Bhubaneswar) and the success of "The Isle" (Glamping pods) in Bengaluru.

Disclosure

Educational purposes only. Not investment advice. Past performance does not guarantee future results. The author/team may or may not have positions in the stock. Data sourced from official company filings and believed to be reliable but not guaranteed.

EMS Limited Q2/H1 FY26 Analysis: Monsoon Dampens Q2 Results, Full-Year Growth Guidance Maintained

Company: EMS Limited (EMSLIMITED) | Sector/Industry: EPC - Water & Waste Management






Result Date: November 14, 2025 | Basis: Consolidated (unless stated)

Share Price (Snapshot - Nov 14, 2025): ₹484.45 (Referencing a close price near the result date for P/E calculation from search results)

Currency: ₹ crore (In Lakhs in source documents, converted to crores for clarity, e.g., \$17247.06\$ Lakhs \$approx 172.47\$ crore)

 **TL;DR: Monsoon Impact, CEO Appointment & Strong Order Book**

A deep dive into the H1 FY26 results reveals a sharp **Q2 revenue and profit decline** due to heavy monsoon, which hampered core underground construction work. However, management remains confident in a strong H2 recovery.

Icon	Metric	Insight
	Q2 Revenue & PAT Dip	Consolidated Revenue down 26.1% YoY (₹172.47 crore) and PAT down 43.3% YoY (₹28.14 crore) due to heavy rainfall severely limiting on-ground sewerage/pipeline work.
	Order Book Strength	Unexecuted Order Book is strong at ₹2,388 crore as of the con-call date (approx. 2.5x FY25 revenue). Company is eyeing an additional ₹500–600 crore in FY26.
	H1 Margins Decline	Consolidated EBITDA Margin fell to 23.8% (H1 FY26) from 28.0% (H1 FY25), primarily due to underutilization of labor and resources during the rainy Q2.
	Growth Guidance Maintained	Management re-affirmed its guidance for 20% annual revenue growth for FY26, projecting a sharp pickup in H2 to meet the target.
	New Leadership	Mr. Harish Kumar Kansal appointed as the new CEO and Key Managerial Personnel (KMP) effective November 14, 2025.

Quick Table: Consolidated P&L Analysis (₹ Crore)

Particulars	Q2 FY26 (A)	Q1 FY26 (B)	Q2 FY25 (C)	QoQ % (A vs B)	YoY % (A vs C)	H1 FY26	H1 FY25	H1 YoY %
Revenue from Operations	172.47	238.89	233.47	-27.8%	-26.1%	411.36	439.75	-6.5%
Other Income	5.39	2.33	2.03	131.3%	165.5%	7.72	4.29	79.9%
Total Income	177.86	241.22	235.50	-26.2%	-24.4%	419.08	444.04	-5.6%
EBITDA	41.55	56.44 (calc)	70.56	-26.4%	-41.2%	97.99	123.10	-20.4%
PAT	28.14	38.06 (calc)	49.65	-26.0%	-43.3%	66.20	86.81	-23.8%
Basic EPS (₹)	5.08	6.85 (calc)	8.94	-25.8%	-43.1%	11.92	15.63	-23.8%

Note: Q1 FY26 figures for EBITDA and PAT are calculated as H1 FY26 - Q2 FY26.
EPS for H1 FY26 is ₹11.92 using the calculation \$66.20/55.530807\$ shares.

Margins and Key Ratios

Ratio	Q2 FY26	Q1 FY26	Q2 FY25	YoY Change (bps)	H1 FY26	H1 FY25	H1 Change (bps)
EBITDA Margin	24.1%	23.6% (calc)	30.2%	-610 bps	23.8%	28.0%	-420 bps
PAT Margin	16.3% (calc)	15.9% (calc)	21.3% (calc)	-500 bps	15.9% (calc)	19.7% (calc)	-380 bps

•

Margin Analysis: The significant drop in Q2 EBITDA and PAT margins is primarily due to **fixed costs** (like labour and supervisory staff) being wasted as revenue generation stalled due to continuous rain, especially for underground civil works, which contribute 70-75% of revenue.

Segment Highlights (Consolidated)

The Group has **two reportable segments** w.e.f. April 1, 2025, following the acquisition of EMS Industries Private Limited (formerly Brij Bihari Pulp & Paper Private Limited).

Segment (₹ Crore)	Q2 FY26	Q2 FY25	YoY %	H1 FY26	H1 FY25	H1 YoY %
Contractor (EPC, Water, Sewerage, Infra)	151.92	233.47	-34.9%	369.11	439.75	-16.1%
Manufacturing (Flex sheets & Paper)	20.55	Not applicable	N/A	42.25	Not applicable	N/A

Total Segment Revenue	172.47	233.47	-26.1%	411.36	439.75	-6.5%
------------------------------	--------	--------	--------	--------	--------	-------

- The **Contractor** segment bore the full brunt of the heavy monsoon, leading to the substantial YoY and H1 decline in overall revenue.
- The **Manufacturing** segment, which commenced consolidation on April 1, 2025, provided a cushion to the consolidated numbers.

Management Quotes (Concall Highlights)

"The underlying business strength and margin remains intact. We continue to focus on disciplined execution, timely delivery and restoring growth momentum in the coming quarters." - **Ashish Tomar, Managing Director**

"Traditionally, what happens in H1, we give around 40% of the revenue. And in H2, we give around 60%... This year, we will definitely give twice of the revenue what we have achieved in H1, means 33% in H1 and 66% in H2." - **H.K. Kansal, CEO**

Key Operational Metrics

Metric (Consolidated)	Value (Latest)	Unit	Commentary
Unexecuted Order Book	2,388	₹ crore	Strong unexecuted book, which is ~2.5x FY25 revenue, providing revenue visibility for the next 2 years.
Order Pipeline	4,000	₹ crore	Management expects to add an additional ₹500–600 crore in FY26.

New LOAs (Q2)	287.87	₹ crore	Two new Letters of Award (LOAs) from UP Jal Nigam (Urban) received, totaling ₹287.87 crore (excluding GST).
H1 Execution Mix	~33% (H1), ~67% (H2 target)	%	Skewed revenue execution due to Q2 rain, with a significant ramp-up expected in H2.



Valuation Snapshot (Consolidated)

Metric	Calculation (TTM)	Value	5Y Band (Approx.)	Implication
P/E (TTM)	Price/TTM EPS	484.45 / 29.38 = 17	12.8x to 28.2x	Amber (Close to TTM PE, but below the top of the 5Y band).
P/B (Latest)	Price / Book Value per Shar	484.45 / 176.17	2.2x to 3.5x	Amber (Within the historical range).
EV/EBITDA (TTM)	EV /TTM EBITDA	23.6 / 2.7	-0.6x to 12.4x	Green (Below the 5Y median, suggesting value relative to peers/history).

Note: Share Price on Nov 14, 2025 (₹484.45) used. Market Cap approx. ₹2688 crore. Book Value per Share approx. ₹176.17. TTM PAT is approx. ₹183.54 crore.

- $\text{\$}^{\wedge}\text{\$}$ TTM EPS (as of Mar 25 for TTM) is ₹29.38

- $\text{\$}^{\wedge}\text{\dagger}$ TTM EBITDA (as of Mar 25 for TTM) is ₹270 crore. Market Cap/EBITDA (approx) $\text{\$}\approx 9.9\text{\$}$

Outlook: Next 2–4 Quarters & Triggers to Watch

The outlook is heavily dependent on a **swift H2 recovery** to compensate for the significant Q2 revenue shortfall. The company operates in the high-growth government-backed water and sanitation infrastructure sector (Amrut, Namami Gange), which provides robust long-term demand.

Key Triggers to Watch:

1. **H2 Execution Ramp-up:** Successful achievement of the promised **67% of annual revenue** in H2 (Q3 & Q4) is critical to meet the 20% annual growth guidance.
2. **Order Book Conversion:** Efficient conversion of the large ₹2,388 crore order book.
3. **Margin Stabilisation:** Confirmation that the historical PAT margin of 18–19% is maintained for the full year, as Q2's drop was attributed to the temporary effect of rain.
4. **Integration of New CEO:** Smooth integration of new CEO H.K. Kansal, who brings 40 years of civil engineering and water sector experience. His expertise is expected to help with the sustained 20% CAGR growth goal.

Risks & Monitoring (Top 4)

1. **Rainfall Dependency:** High dependence on civil works (especially underground) makes revenues vulnerable to unseasonal or prolonged monsoon/rain delays.
2. **Working Capital Cycle:** Revenue is recognised only after **supply and laying** is complete in item-rate contracts, leading to potential working capital strain from procured material that hasn't been billed.
3. **Competition (Unlisted):** While listed competition is manageable, the unlisted sector presents 8–10 key competitors.
4. **Consolidation Adjustments:** Investors need to monitor the impact of accounting policy alignment for the subsidiary (e.g., SKUEM Water Projects' PPE moved from Revaluation to Cost Model) and the exclusion of results from two JV firms (EMS Himal Hydro JV and EMS Singh JV).

Disclosure




This report is for **educational and informational purposes only** and is not investment advice. Stock market investing involves risks, and past performance is not indicative of future results. All figures are based on the provided company documents and public information believed to be reliable but are not guaranteed. The author/team may or may not have positions in the stock



mentioned. Data as of November 14, 2025, and subsequent market data is subject to change.

Asian Paints Q2 FY26 Analysis: Innovation and Execution Drive Strong Profit Growth Amidst Soft Demand

Asian Paints Limited (ASIANPAINT) delivered a strong set of results for the quarter and half-year ended September 30, 2025, driven primarily by operational efficiencies, raw material deflation, and aggressive internal initiatives like brand building and regionalisation. This helped the company post double-digit volume growth in its decorative business despite the paint industry seeing only a modest overall growth.

TL;DR: Key Takeaways from Q2 FY26 Consolidated Results

Icon	Metric	Q2 FY26 Value	Commentary
	Net Profit	₹ 1,018.2	47.0% YoY growth ; margin expanded by 250 bps due to better margins and cost control.
	Revenue	₹ 8,513.7	Grew by 6.4% YoY , supported by Decorative, Industrial, and International businesses.
	PBDIT Margin	17.7%	Expanded by 220 bps YoY ; supported by material cost deflation and efficiency gains, despite high brand investment.

	Decorative Volume	10.9% YoY	Strong volume growth in the India decorative segment, overcoming challenges like prolonged monsoon.
	Interim Dividend	₹ 4.50/share	The board approved an interim dividend for FY26, showcasing commitment to shareholder returns.

Quick Table: Consolidated P&L, Margins, and Key Ratios

Particulars (₹ Crores)	Q2 FY26	Q2 FY25	YoY Change (%)	Q1 FY26	QoQ Change (%)	H1 FY26	H1 FY25	YoY Change (%)
Net Sales (Revenue)	8,513.7	8,003.0	6.4%	8,924.5	-4.6%	17,438.2	16,946.3	2.9%
Gross Contribution	3,685.0	3,273.0	12.6%	3,796.8*	-2.9%	7,500.0	7,088.0	5.8%
PBDIT**	1,503.4	1,239.5	21.3%	1,624.9*	-7.5%	3,128.3	2,933.3	6.7%
Net Profit (PAT)	1,018.2	694.6	46.6%	1,117.1	-8.9%	2,135.3	1,880.5	13.5%
EPS (Basic - ₹)	10.37	7.25	43.0%	11.47	-9.6%	21.84	19.45	12.3%

Gross Margin (%)	43.1%	40.9%	+220 bps	42.5%	+60 bps	43.0%	41.8%	+120 bps
PBDIT Margin (%)	17.7%	15.5%	+220 bps	18.2%	-50 bps	17.9%	17.3%	+60 bps
Net Profit Margin (%)	12.0%	8.7%	+330 bps	12.5%	-50 bps	12.2%	11.1%	+110 bps

Note: Gross Contribution & PBDIT for Q1 FY26 are calculated using the Consolidated P&L data for reconciliation (Gross Contribution = Total Income - Total Expenses + Other Income; PBDIT = PBT - Other Income + Depreciation + Finance Costs).

Segment and Geographical Highlights

The diversified business portfolio demonstrated resilience, with a notable turnaround in the decorative business volume growth.

Segment	Q2 FY26 Revenue (₹ Cr.)	Q2 FY26 YoY Growth (%)	H1 FY26 YoY Growth (%)	Key Commentary
India Decorative (Volume)	N/A	10.9%	7.2%	Strong double-digit volume growth despite prolonged monsoon. Upgrading pre-luxury (Prelux) segment aided performance.
India Coatings (Deco + Industrial)	N/A	6.7% (Value)	3.0% (Value)	Momentum in Industrial Segments (Automotive & General Industrial) compensated for some softness in decorative business.

International Business (Revenue)	846.0	9.9%	9.2%	Constant currency growth of 10.6%. Key units in Asia (Nepal, Sri Lanka), Middle East (UAE), and Africa drove growth.
International Business (PBT)	76.4	120.3%	178.4%	Marked improvement in profitability driven by material cost deflation and divestment of loss-making Indonesia operations. PBT margin at 9.0% for the quarter (+450 bps YoY).
Home Décor Business	244.7*	-6.9%*	-4.8%*	Kitchen and Bath revenues declined (7% and 5% respectively in Q2) but saw a reduction in PBT loss. Weatherseal (uPVC Windows) saw 57% revenue growth .

* Calculated by summing the reported Q2 revenues for Bath (79.3), Kitchen (97.7), White Teak (26.4), and Weatherseal (20.7).

Management Commentary

"We saw an improvement in our domestic decorative business with a **double-digit volume growth of 10.9%** and a 6% increase in value, despite the challenges posed by an extensive and prolonged monsoon."

"Our ongoing efforts to elevate cost efficiencies have delivered positive results, allowing us to **increase our profit margins** even as we increased investments in our brand and retailing initiatives."

Valuation Snapshot

Valuation Metric	TTM (Consolidated)	5-Year Median Band	Color Indication	Implication for Investors
P/E (x)	68.1	75.0 – 44	⚠️ Amber (Mid-High Range)	Trading at Premium to its earnings.
P/B (x)	13.3	18 – 11	⚠️ Amber (Mid-High Range)	Trading at a Lower than Fair to its book value, typical for an asset-light, high-ROE consumer company.
EV/EBITDA (x)	40.9	47.7 – 36.1	🟢 Green (Lower than Avg.)	Current Enterprise Value to operating profit is below its average of the last five years, indicating a better entry point from an EV perspective compared to the median.

(Snapshot data based on market price ₹ 2,765 as of December 12, 2025. Median P/E: 55.6x – 76.0x range based on latest available search data for 5Y Median and Average, for comparison with TTM P/E of 68.1x.)

Outlook and Triggers to Watch

Next 2-4 Quarters Outlook

The management is cautiously optimistic, guiding for a **mid-single-digit value growth** for the full fiscal year, with volume growth expected to be higher, maintaining a 4-5% gap between volume and value.

- **Demand:** Expects demand conditions to improve, supported by the festival and marriage season.
- **Margins:** Raw material prices are expected to remain *benign/stable*, which will continue to support Gross Margins and keep PBDIT Margin within the targeted 18-20% band.

- **Competitive Intensity:** Competitive intensity is expected to remain, maintaining pressure on pricing/rebating, but the company remains focused on brand saliency and innovation.

Key Triggers for Future Growth

Focus Area	Triggers to Watch
Volume/Mix	Up-gradation to Premium/Luxury (Prelux): The success of regional campaigns and new product launches like <i>Royale Glitz</i> and <i>Sparc Shyne</i> (affordable shine) is critical to boosting mix and closing the volume-value gap.
B2B & Projects	Widening APPS Footprint: Sustained, strong demand from non-conventional segments like Government and Factories/Industrial projects beyond just builders. Success of B2B service initiatives like <i>Total Assure</i> and <i>Metacare</i> .
International	Sustaining Profitability: Continued PBT growth from key markets (Nepal, Sri Lanka, UAE) and favorable impact from the White Cement plant commissioned in UAE. New UAE manufacturing facility (55,800 KL p.a. capacity) is a major future investment.
Innovation & Efficiency	Backward Integration: Progress on the VAM-VAE project (₹ 3,250 Cr CAPEX) is key for next-gen emulsions, providing a competitive differentiator and cost supremacy.





Disclosure

This blog post is for educational and informational purposes only and is not financial advice. Past performance is not indicative of future results. The author/analysis team may or may not have positions in the securities mentioned. Data is believed to be reliable but is not guaranteed. All figures and percentages are based on the Consolidated Financial Results for the quarter and half-year ended September 30, 2025, released on November 12, 2025.

IRCTC: Q2 FY2026 Earnings Review – Robust Growth Led by Tourism and Ticketing!

Indian Railway Catering and Tourism Corporation Ltd. (IRCTC) delivered a strong performance in Q2 Y2026, driven by solid growth across its core segments, particularly Tourism and Internet Ticketing. The company announced its results on November 12, 2025, along with an interim dividend of ₹5 per share.

TL;DR: Quick Investor Takeaways

Icon	Key Insight
	Profit Power: Net Profit (PAT) increased 11.0% YoY to ₹342.0 crore, demonstrating solid financial health.
	Margin Stability: EBITDA Margin improved slightly to 35.25%, reflecting successful cost management and operational efficiency.
	Tourism Roars: The Tourism segment was the star performer, reporting 21.0% YoY revenue growth and flipping to a positive EBITDA margin of ~7% (vs. negative in Q2 FY25).
	Growth Drivers: Core growth is anchored by its Internet Ticketing monopoly and strategic expansion into a Payment Aggregator business (RBI in-principle approval received) and a Unified Travel Portal .



Valuation Check: Current TTM P/E of ~39.0x remains elevated, though lower than its historical 5-year average of ~35.0x to 75.0x, suggesting investors still price in a strong growth/monopoly premium.



Quick P&L & Margins Table (Consolidated – All Figures in ₹ crore)

Metric	Q2 FY26	Q2 FY25 (YoY)	Change (%)	Q1 FY26 (QoQ)	Change (%)	H1 FY26
Revenue from Operations	1,146.0	1,064.0	+7.7%	1,159.7	-1.2%	2,305.7
Total Income	1,209.0	1,124.0	+7.6%	1,220.9	-1.0%	2,429.8
PBT (Pre-Tax Profit)	457.2	416.6	+9.8%	442.1	+3.4%	899.3
PAT (Net Profit)	342.0	307.9	+11.0%	330.7	+3.4%	672.7
EPS (Basic - ₹)	4.28	3.85	+11.2%	4.13	+3.6%	8.41
EBITDA (Calculated)	404.3	372.9 (from PBT+D&A+Interest)	+8.4%	402.0 (from PBT+D&A+Interest)	+0.6%	806.3

EBITDA Margin (%)	35.3%	35.1%	+20 bps	34.7%	+60 bps	35.0%
PAT Margin (%)	28.3%	27.3%	+100 bps	27.1%	+120 bps	27.7%

Note: Q2 FY26 PAT includes an exceptional item of ₹5.8 crore (reduction in Tejas Express charges). Excluding this, PAT growth is also strong.

Segment Highlights & Key Ratios

Segment Performance (Consolidated)

The overall revenue growth was broad-based. Internet Ticketing remains the profit engine, while Tourism demonstrated the highest growth and margin turnaround.

Segment	Q2 FY26 Revenue (₹ Cr)	YoY Growth (%)	Q2 FY26 Profit (Before Tax/Interest) (₹ Cr)	Q2 FY26 Margin (%)	Key KPI/Insight
Internet Ticketing	385.9	+4.3%	326.8	84.7%	Dominant with 89.24% of reserved tickets booked online. EBITDA margin at 85%.
Catering	519.7	+7.8%	67.0	12.9%	Revenue up 8% YoY. Margin remained stable at ~13%.
Tourism	149.5	+20.9%	10.2	6.8%	Highest growth driver; margin improved to ~7% (from negative in Q2 FY25). New MICE events and strong Maharajas' Express bookings noted.

Rail Neer	94.1	+4.3%	8.7	9.2%	Margin stable at ~10%. Capacity expansion planned (Bilaspur restart, Danapur/Ambarnath upgrade, 4 new plants).
------------------	------	-------	-----	------	--

Industry KPIs & Financial Ratios

Key Ratio	Q2 FY26	YoY Trend
Internet Ticketing Share	89.2%	Dominant
Total Tickets Booked	13.55 crore	Healthy volume
UPI Share of Transactions	49.81%	Near 50% adoption
Tejas Express Occupancy	Ahmedabad: 87%, Lucknow: 56%	Strong demand on Ahmedabad route
Debt to Equity	~0.0	Near zero-debt, highly solvent
Debtor Days (Consolidated)	~200 days*	High due to Railway-related bills

*Calculated as Trade Receivables (Q2: 1,548.7 Cr/H1: 1,734.2 Cr / Revenue (H1: 2,305.7 Cr) * 183 days.




The company noted that over 80% of debtors are from Indian Railways (Parent). An automation initiative to link ticket verification (HST) with billing is expected to improve collection cycle by the end of the next financial year.

Management Quotes

"The Company reported a profit after tax of Rs. 342 crores, reflecting a year-on-year growth of 11.%. This growth was primarily driven by robust performance in our internet ticketing, catering and tourism segment..."

"The other big plan for IRCTC is, besides its normal business, is unified travel portal. Here we are aspiring to give a travel solution through a unified portal..."

Valuation Snapshot (vs. 5Y Median Band)

Metric	Current (TTM)	5-Year Median	Status	Implication
P/E (x)	39.0	~35-75.0	Color:green >  Below Median	Trading below historical frenzy levels, but still high.
P/B (x)	12.6	~16.0-20.0	Color:green >  Below Median	Valuation backed by strong balance sheet growth (Book Value/Share at ₹53.26).
EV/EBITDA (x)	~27.3	~36.8-51.5	color:green">  Below Median	Indicates a more reasonable, though not cheap, operating valuation compared to past peaks.

Snapshot Share Price: ₹671.0 (Approx.)

The current valuation suggests that while the stock trades at a premium reflecting its dominant market position and high profitability (ROE/ROCE are exceptional), it is significantly discounted from its historical peak multiples. This could imply a more mature growth outlook is being factored in by the market compared to its post-IPO phase.

Outlook: Next 2–4 Quarters & Triggers to Watch

IRCTC is strategically pivoting to leverage its vast customer base (13.55 crore tickets booked in Q2 FY26) by focusing on non-convenience fee revenue streams.

Key Triggers and Catalysts

- **Payment Aggregator License & Monetization:** The biggest potential value driver is the Payment Aggregator business, for which IRCTC is preparing its final application (due Jan 2026). The company plans to increase its internal payment gateway (iPay) share from 20% to 100% of its massive GMV (~₹70,000 crore scope).
- **Unified Travel Portal:** The plan to launch a unified travel solution using AI/ML to cross-sell tourism, air, and other products to its existing ticketing customer base is a long-term revenue diversification strategy.
- **Rail Neer Capacity:** New capacity additions (Bilaspur restart, Danapur/Ambarnath upgrade, and four new plants) will address the demand-supply gap and boost the segment's revenue.
- **Judicial Clarity:** The recent favorable Supreme Court judgment on the Arbitration award (catering liability) is a positive, settling a long-standing contingent liability risk.

Risks & Monitoring

1. **Regulatory/Policy Risk:** Being a PSU, the company's revenue streams (convenience fee, catering tariffs, Rail Neer MRP) are heavily dependent on policy changes by the Ministry of Railways/Government of India.
2. **Litigation/Contingent Liabilities:** Ongoing legal matters related to catering tariffs (License Fee enhancement) and GST anti-profiteering claims (₹50.4 crore) could impact future financials.
3. **Competition in Diversification:** While ticketing is a monopoly, new segments like Tourism (MICE, unified portal) and Payment Aggregation are highly competitive. Execution success will be key.
4. **Debtor Cycle Improvement:** The ability to significantly reduce the high debtors (primarily with Indian Railways) through the planned automation process will unlock working capital efficiency.

Disclaimer

This analysis is for **educational purposes only** and should not be considered investment advice. The data is based on the company's publicly available results and conference call transcripts, and while believed to be reliable, is not guaranteed. Past performance is not indicative of future results. Investors should conduct their own due diligence or consult a certified financial advisor before making any investment decisions. The author/team may have positions in the securities mentioned.

Timestamp of Analysis: December 12, 2025.



Apollo Hospitals (APOLLOHOSP): Consolidated Q2 FY26 Results – Strong Profit Growth Driven by Case Mix and Digital Turnaround

Date of Analysis: December 10, 2025

Company: APOLLOHOSP

Sector/Industry: Hospital (Healthcare Services, Retail Health & Diagnostics, Digital Health & Pharmacy Distribution)

Result Basis: Consolidated Q2 FY2026 & H1 FY2026

Result Date: November 6, 2025

Share Price (Snapshot): ₹7019

Apollo Hospitals delivered a robust performance in Q2 FY26, with the core Healthcare Services maintaining strong margins through a better case mix, and the Apollo HealthCo (Digital & Pharmacy) segment significantly reducing its losses, leading to a substantial boost in consolidated Profit After Tax (PAT).



TL;DR: The Quick Takeaway

- ✔ **Profit Surge:** Consolidated PAT grew **26.0% YoY** (10.3% QoQ) in Q2 FY26, outpacing Revenue (13.0% YoY) and EBITDA (15.1% YoY) growth, largely due to a sharp reduction in Digital vertical losses.
- 📊 **Margin Expansion:** Consolidated EBITDA Margin expanded by **28 basis points YoY** to **14.9%** (Q2 FY25: 14.6%).
- 🏥 **Healthcare Resilience:** Healthcare Services (HCS) Revenue grew 9.0% YoY, driven primarily by a **9% increase in Average Revenue per In-Patient (ARPP)** to ₹173,318, offsetting lower overall occupancy (69% vs. 73% YoY).
- 🔥 **Digital Turnaround:** Apollo HealthCo's digital loss reduced significantly to **₹71 crore** (down 30% YoY), contributing to the strong consolidated PAT growth. Apollo HealthCo EBITDA grew **111.9% YoY** to **₹110 crore**.

- ✔ **Expansion Road Map:** The company plans to add approximately **3,657 census beds** (4,486 total beds) over the next five years, with **1,687 census beds** expected to be commissioned between FY26–FY27, indicating a clear, phased growth strategy.

 **Quick Table: P&L, Margins, & Key Ratios**
(Consolidated)

Metric (₹ in Crore)	Q2 FY26	Q1 FY26	Q2 FY25	YoY Change (%)	QoQ Change (%)
Revenue from Ops	6,303.5	5,842.1	5,589.3	13.0%	7.9%
EBITDA (Post Ind AS)	941.2	851.9*	815.5	15.4%	10.5%
PAT	477.2	432.8	378.8	26.0%	10.3%
Diluted EPS (₹)	33.19	30.10	26.34	26.0%	10.3%
EBITDA Margin (%)	14.9%	14.6%	14.6%	28 bps	30 bps
PAT Margin (%)	7.6%	7.4%	6.8%	78 bps	23 bps

H1 FY26 Revenue	12,145.6		10,674.9	13.8%	N/A
H1 FY26 PAT	910.0		684.0	33.0%	N/A

\$^*\$ Q1 FY26 EBITDA is calculated as H1 FY26 EBITDA (₹1,793.1 Cr) minus Q2 FY26 EBITDA (₹941.2 Cr) = ₹851.9 Cr.

Segment and Geography Highlights

Segment (₹ in Crore)	Q2 FY26 Revenue	Q2 FY26 EBITDA	Revenue YoY %	EBITDA YoY %	Margin (%)
1. Healthcare Services (HCS)	3,169.0	781.0	9.0%	8.2%	24.6%
2. Apollo HealthCo	2,660.6	110.2	17.0%	111.9%	4.1%
— <i>Offline PD</i>	2,334.7	181.2	16.0%	18.7%	7.8%
— <i>Online PD & 24/7</i>	325.9	(71.0) loss	22.0%	Loss Reduced	N.M.
3. AHLL	473.9	50.0	17.0%	20.8%	10.6%
Total Consolidated	6,303.5	941.2	13.0%	15.4%	14.9%

Healthcare Services (HCS)

- **Average Revenue per In-Patient (ARPP):** Increased 9.0% YoY to ₹173,318. This growth was driven by a richer case mix, specifically a 14% increase in revenue from **CONGO Specialties** (Cardiac, Oncology, Neurosciences, Gastro, Orthopaedics).
- **Volume & Occupancy:** Inpatient Volume grew by a modest 2% YoY. Overall Occupancy was 69% (vs. 73% in Q2 FY25), with the decline primarily due to the high base effect of seasonal medical admissions in the prior year and a 1% impact from fewer patients from Bangladesh.
- **Geographical Performance (H1 FY26):** Metros (Chennai, Hyderabad, Bangalore, Mumbai, Kolkata, Delhi) showed superior operational metrics compared to Non-Metros, aligning with the "Hub and Spoke" growth model.
 - **Metros:** Operating Beds: 4,630, Occupancy: **70%**, ARPP-IP: ₹205,257, ROCE: **31%**.
 - **Non-Metros:** Operating Beds: 3,420, Occupancy: **63%**, ARPP-IP: ₹124,364, ROCE: 27%.

Digital Health & Pharmacy Distribution (Apollo HealthCo)

- The company is on track for the **Composite Scheme of Arrangement** (demerger of Omnichannel pharmacy distribution and digital platform, and amalgamation of Apollo HealthCo Ltd and Keimed Private Limited into 'New Co').
- **Apollo 24/7 (Digital Platform):** GMV grew 16% YoY to ₹723 crore, with the cash loss for the digital segment (Online PD & 24/7) reducing to ₹38.6 crore in Q2 FY26 from ₹100.6 crore in Q2 FY25. Management targets to be very near breakeven in Q4 FY26.
- **Offline Pharmacy Distribution:** Revenue grew 16% YoY to ₹2,334.7 crore. The network expanded to **6,928 stores**.

Diagnostics & Retail Health (AHLL)

- **Growth:** Revenue grew 17% YoY to ₹473.9 crore. EBITDA grew faster at 20.8% YoY to ₹50.0 crore, expanding margins to 10.6% (vs 10.3% YoY).
- **Key Driver:** Diagnostics revenue grew strongly at 36% YoY in Q2 FY26, compensating for slower growth in Specialty Care (4% YoY) which faces competitive headwinds.

Management Quotes

"Consolidated revenue was at INR 6,304 crore, a 13% year-on-year growth. Consolidated EBITDA was at INR 941 crore, registering an increase of 15% year-on-year... delivering strong growth across all three verticals, Healthcare Services, Apollo HealthCo and AHLL."

"ALOS has dropped by 7%. So, the use of new technologies, whether it is the cardiac where we have minimally resistant or robotics... is really driving down ALOS and allowing us to discharge patients much faster."



Valuation Snapshot (TTM Consolidated)

Metric	Current TTM	5-Year Median/Average	Band View	Implication
P/E (TTM)	~60x	Median: ~55x	Higher to Median band	Trading at Fair to higher channel.
P/B (Consol.)	~12.3x	Average: ~6x	■ Higher Band	Trading above its historical average PB, reflecting investor confidence in future profitability (ROE/ROCE) and asset-light growth.

EV/EBITDA (TTM)	~34.8x	Median: ~37.1x	■ Lower Band	Trading below its 5-year median EV/EBITDA, which, combined with the strong projected EBITDA growth, suggests a more favorable valuation compared to its recent history.
------------------------	--------	----------------	---	---

Outlook: Next 2–4 Quarters & Triggers to Watch

Next 2–4 Quarters

The management has provided a clear roadmap for the upcoming quarters, focusing on balancing expansion with sustained margin in existing hospitals.

- **Hospital Expansion:** Four new hospitals (**Pune, Defence Colony, Sarjapur, and Kolkata**) are expected to be commissioned in H2 FY26 (Q3 & Q4), followed by **Hyderabad and Gurugram** in Q1 FY27. This phased commissioning will lead to initial losses, projected at around **₹150 crore** in FY27.
- **Organic Growth Target:** Management is confident in returning the Healthcare Services organic revenue growth to **13%**, supported by the return of some international patients (Bangladesh) and expansion into new international markets (Uzbekistan, Africa).
- **Digital Breakeven:** Apollo HealthCo is targeting a breakeven by the end of FY26 for the Apollo 24/7 digital platform (cash loss/profit), backed by improving unit economics (e.g., lower order splits, higher Average Order Value, reduced discounts).

Key Triggers to Watch

- **Successful Commissioning:** Timely and efficient ramp-up of the four new hospitals in H2 FY26 will be crucial to control the initial **₹150 crore** EBITDA loss projected for FY27.
- **Digital Profitability:** Conversion of the Apollo 24/7 cash loss to a break-even in the next two quarters and subsequent scaling of the new insurance business.

- **Hospital Operating Efficiency:** Sustained improvement in the **ARPP** driven by higher-acuity cases (CONGO) is essential to overcome the recent softness in occupancy rates and maintain the **24.6% HCS margin**.
- **Composite Scheme Approval:** Progress on the Composite Scheme of Arrangement, which will unlock shareholder value by listing the resultant company of the merged Apollo HealthCo and Keimed entities.

Disclosure & Appendix

Disclosure:






This post is for educational and informational purposes only. It is not a recommendation or solicitation to buy or sell any security. The data is believed to be reliable but is not guaranteed. The author/team may or may not have positions in the stock mentioned.

SBI: Strong Momentum Continues with Robust Asset Quality in Q2 FY26

Company: SBIN | **Sector/Industry:** Public Sector Bank | **Result Date:** 04.11.2025 | **Basis:** Consolidated

State Bank of India (SBI) reported strong results for Q2 FY2026, building on consistent performance. The key highlights are robust credit growth, especially in the high-yielding Retail segment, sustained asset quality improvement, and a significant one-time gain from a stake sale. The business crossed the ₹100 Trillion mark, reinforcing the bank's dominant scale.

TL;DR: Quick Takeaways from Q2 FY26 Results

Icon	Metric	Insight
	Net Profit	Up 9.97% YoY to ₹20,160 Cr, strongly aided by a one-time exceptional gain.
	Credit Growth	Total Advances grew 12.7% YoY , led by strong 14.1% YoY growth in the high-yielding Retail Personal segment.
	Asset Quality	Gross NPA improved by 40 bps YoY to 1.73%, and Net NPA at 0.42% shows sustained cleaning up of the book.
	NIM Dip	Whole Bank Net Interest Margin (NIM) fell 17 bps YoY to 2.97%, reflecting competitive pressure on deposits/borrowing costs.
	Exceptional Gain	Exceptional Item of ₹3,027 Cr (consolidated, net of AS 23 adjustments) was recorded from the stake sale in YES Bank Ltd.

Quick Table: Financial & Operating Highlights

Particulars (₹ Cr)	Q2 FY26	Q1 FY26	YoY % Change	QoQ % Change	H1 FY26	H1 FY25	YoY % Change (H1)
Total Income	1,39,573	1,35,342	8.1	3.1	2,74,914	2,51,829	9.2

Interest Earned	1,28,041	1,25,729	6.2	1.8	2,53,769	2,39,287	6.1
Non-Interest Income	37,264	17,346	20.2 (H1)	114.8 (H1)	92,147	76,640	20.2
Operating Profit	33,060	34,493	2.6	-4.1	63,896	63,896	9.0
Net Profit (PAT)	21,137	21,504	6.8	-1.7	42,339	39,108	8.3
Exceptional Items (Net)	3,027	0.0	N/A	N/A	3,027	0.0	N/A
Reported Net Profit	21,137	21,504	6.8	-1.7	42,339	39,108	8.3
EPS (₹)	22.81	23.76	2.9	-4.0	93.36 (Annualised)	87.40 (Annualised)	6.8

Margins and Key Ratios

Ratio	Q2 FY26	Q1 FY26	Q2 FY25
Whole Bank NIM (%)	2.97	2.90	3.14
Domestic NIM (%)	3.09	3.02	3.27

Return on Assets (ROA) (%)	1.17	1.14	1.17
Return on Equity (ROE) (%)	20.21 (H1 FY26)	19.70 (Q1 FY26)	21.78 (H1 FY25)
Gross NPA Ratio (%)	1.73	1.83	2.13
Net NPA Ratio (%)	0.42	0.47	0.53
Provision Coverage Ratio (PCR)	75.79	74.49	75.66

One-Offs/Exceptional Items Reconciliation

- The **Consolidated Net Profit** of ₹21,137 Cr includes an **Exceptional Item gain of ₹3,027 Cr** (net of adjustments as per AS 23) arising from the **sale of 13.18% stake in YES Bank Limited**.
- Excluding this one-off, the **Adjusted Consolidated Net Profit** for Q2 FY26 would be **₹18,110 Cr** ₹21,137 Cr - ₹3,027 Cr.

Segment and Business Highlights

The quarter saw continuous strength in the Retail, Agriculture, and MSME (RAM) segments, which crossed ₹25 Lakh Cr.

Segment	Revenue (H1 FY26, ₹ Cr)	YoY Change (H1 FY26 vs H1 FY25)	Key Drivers / Insights

Retail Banking	1,28,060.2	11.4%	Robust credit growth (14.1% YoY in Retail Personal Advances); strong CASA focus driving low-cost funding.
Corporate/Wholesale Banking	69,793.0	5.2%	Pipeline of ₹7 Lakh Cr, with expected improvement in H2. Corporate advances grew 7.1% YoY.
Treasury Operations	33,446.3	-9.8%	Affected by a difficult quarter for treasury gains, partly offset by opportune offloading of investments.
International Banking	6,76,635 Cr Advances	15.0% (YoY Advances)	Growth led by local credit and trade finance, mostly in US Ops, GIFT City, Middle East, and East Asia.

Subsidiary Performance (H1 FY26)

Subsidiary	PAT (₹ Cr)	YoY Growth	ROE (%)
SBI Life	1,089	3.8%	12.4
SBI Cards	1,001	0.2%	13.9

SBI Funds Mgt. Ltd.	1,586	15.4%	32.0
SBI General Ins.	422	1.9%	17.3

Management Commentary Snippets

“Considering SBIFML's sustained strong performance and market leadership over the years, it is considered an opportune time to launch the IPO process.”

“Our domestic NIMs for the quarter improved by 7 basis points quarter-on-quarter to 3.09%, driven by repricing of deposits.”

Valuation Snapshot

Metric	Value	5-Year Median/Range (Approx.)	Implication
P/E (TTM)	10.8x	8.7x – 14.0x	Green (Below 5Y Peak/Above Median)
P/B (Consolidated)	1.6x	1.3x – 1.8x	Amber (Mid-Range)
Book Value per Share (₹)	~587.1	N/A	N/A

Snapshot at share price of ₹960. TTM EPS is calculated based on latest disclosed quarterly figures.

Valuation Implication: SBI appears to be trading at a valuation that is in the middle-to-lower range of its historical 5-year multiples, suggesting a relatively **favorable entry point** for a stock delivering strong operational performance and improving asset quality. The premium over its

median P/E and P/B is justified by the sustained improvement in ROA/ROE and reduction in GNPA/NNPA.

Outlook & Triggers to Watch

The management reiterated its guidance for NIM to be **above 3.0%** for Q3 and Q4, expecting tailwinds from the full benefit of the CRR cut (by end of Nov 2025) and continued repricing of fixed deposits (FDs) which typically takes 12-14 months.

Key Triggers to Monitor:

1. **NIM Recovery & Deposit Pricing:** Watch for the execution of the liability strategy (Project SARAL) and whether the repricing of FDs outweighs the slower MCLR deceleration, keeping domestic NIM $>3.0\%$.
2. **Subsidiary IPOs:** The planned IPOs of **SBI Funds Management Ltd. (SBIFML)** and **SBI General Insurance** are significant catalysts for value unlocking and recognition, similar to the positive impact from the YES Bank stake sale.
3. **Credit Offtake (Corporate):** Monitoring the conversion of the large **₹7 Lakh Cr corporate credit pipeline** is key to achieving the targeted 10% corporate credit growth in the next two quarters, supporting overall asset growth.
4. **ECL Guideline Impact:** The implementation of the Expected Credit Loss (ECL) guidelines starting April 2027, although cushioned by a four-year roadmap, will require monitoring, as stressed asset provisioning (SMA 1/2) is expected to increase.

Disclosure






- This blog post is for **educational and informational purposes only** and does not constitute investment advice.
- The author/team may or may not hold positions in the securities mentioned.
- **Past performance is not indicative of future results.** Investing in stocks involves market risks.
- Data is believed to be reliable but is not guaranteed for accuracy. All figures are in ₹ crore unless explicitly stated otherwise.
- Timestamp: Tuesday, December 9, 2025.

Vedant Fashions (Manyavar) Q2 & H1 FY26 Analysis: Navigating GST Transition and Focus on Retail Quality

A Deep Dive into the Indian Wedding & Celebration Wear Leader's Latest Performance

This report breaks down Vedant Fashions' (Manyavar) Q2 and H1 FY26 results, emphasizing key financial metrics, operational highlights, and future monitoring points.

TL;DR (The Quick Takeaways)

-  **H1 Retail Sales & SSSG Solid:** H1 FY26 retail sales grew **13.8%** to ₹755.1 crore, driven by a strong Same-Store-Sales Growth (SSSG) of **+8.2**.
-  **Q2 Revenue Impacted by GST Transition:** Q2 FY26 reported revenue from operations declined **-1.8%** YoY to ₹263.2 crore. Management attributed this dip to a 15-20 day dispatch disruption from GST rate rationalization (barcode changes).
-  **Profitability Margins Contract:** Both H1 and Q2 margins saw a contraction. H1 FY26 PAT Margin narrowed to **23.2%** (vs. 25.5% in H1 FY25). This was primarily due to a lower Gross Margin (66.1% in H1 FY26 vs. 67.8% in H1 FY25) and operating deleverage from muted Q2 performance.
-  **Strategic Pivot to Quality Retail:** The company closed a net of 13 Exclusive Brand Outlets (EBOs) in Q2 FY26 (net addition of **+3.5 k sq. ft.** area), focusing on *'improving the overall quality of the retail'*. Full-year EBO rationalization is expected to complete in the next 6-7 months.
-  **Growth Drivers: Mohey, Twamev, and Regional Bounce-back:** The Mohey brand is strategically shifting from bridal-heavy to a broader occasion-wear portfolio (bridal lehengas reduced from 50%-55% to 30% of Mohey's business). The Andhra Pradesh & Telangana region also showed a significant bounce-back, growing *'north of 20%'* in H1 FY26.

Quick Table: Consolidated P&L & Key Ratios (₹ Crore)

Particulars	Q2 FY26	Q2 FY25	YoY Change (%)	H1 FY26	H1 FY25	YoY Change (%)
Revenue from Operations	263.2	267.9	-1.8%	544.3	507.8	+7.2%
Other Income	19.9	19.2	+3.6%	45.7	40.7	+12.3%
Total Income	283.1	287.2	-1.4%	590.1	548.5	+7.6%
EBITDA	112.9	121.7	-7.2%	234.2	236.3	-0.9%

PAT	56.1	66.9	-16.1%	126.3	129.4	-2.4%
EPS (INR/Share)	2.31	2.75	-16.1%	5.20	5.33	-2.4%
Gross Margin (%)	65.2%	67.9%	-270 BPS	66.1%	67.8%	-170 BPS
EBITDA Margin (%)	42.9%	45.4%	-250 BPS	43.0%	46.5%	-350 BPS
PAT Margin (%)	21.3%	25.0%	-370 BPS	23.2%	25.5%	-230 BPS

Segment and Operational Highlights

Key Retail & Expansion Metrics

Metric	As of H1 FY26	YoY/H1 FY25 Trend	Commentary
Total EBOs	671 (Incl. 16 International)	-13 Net Closure in Q2 FY26	Focus on rationalization and quality enhancement; expect net additions to resume post-full rationalization.
Total EBO Area	1.79 million sq. ft. 31	+3.5 k sq. ft. Net Rollout in Q2 FY26	Minimal net growth, aligning with a cautious, strategic expansion approach.
H1 FY26 Retail Sales Growth	₹755.1 Crore	+13.8%	Strong secondary sales growth across channels, indicating robust underlying demand.

H1 FY26 SSSG	+8.2%	+8.2%	A healthy SSSG, indicating effective strategies to drive repeat business and footfalls.
---------------------	--------------	--------------	---

Brand Strategy Shifts

- **Mohey:** Shifting focus from bridal-heavy to a wider occasion-wear portfolio (stitched suits, sarees, etc.). Bridal lehengas now contribute only about **30%** of Mohey's business, down from 50%-55%. This is a strategic move to significantly increase the Total Addressable Market (TAM).
- **Twamev:** Performing well in both Manyavar stores and Exclusive Brand Outlets (EBOs). It is positioned strongly to capture the growing '**Bridge to Luxury**' market segment.
- **Diwas:** The newest brand, positioned in the Value to Mid-Premium segment for Festive and Celebration wear. It has shown encouraging results in its second year, leveraging India's numerous festivals for volume growth.

🗨 Management Commentary Highlights

"During the second quarter of FY 26, sales of customers were INR 3,494 million, reflecting a growth of 4.6% over quarter 2 of FY '25... Dispatches were briefly affected during the transition [GST change], operations have since normalized, strengthening our long-term efficiency."

"We are really focusing on improving the quality of retail that we have rather than focusing on just pure quantity... 6, 7 more months is what we need for the complete rationalization..."

⚖ Valuation Snapshot (Educational Purposes Only)

Metric	Value	5-Year Median/Range	Implication
TTM P/E	39X	35X to 80X	Trading near Lower channel
P/B Ratio	8.7X	10X to 23X	Trading below lower PBV

Note: Since the provided data is limited to the financial results, a comprehensive comparative valuation with a 5-year median is not possible. Investors should always compute these ratios based on the latest available market data and compare them against industry peers and historical bands.

Outlook & Triggers to Watch

Next 2-4 Quarters Focus:

- **H2 Performance:** H2 is historically the larger half of the financial year for Vedant Fashions due to the peak wedding and festive season. Management efforts are entirely focused on driving growth in this period.
- **Footfall Revival:** Management's primary goal is to bring back footfalls, especially in the men's segment, which was a lag on growth. New, aggressive marketing initiatives, like the '*Manyavar Shadi show*,' are planned to drive consumer engagement.
- **SSSG Target:** The long-term target for Same-Store-Sales Growth (SSSG) remains in the healthy single-digit range of **8% to 9%**.
- **Operating Leverage:** Management indicates that SSSG of **4%-5%** is needed just to offset rental inflation, meaning **SSSG above 5%** should translate into operating leverage and better EBITDA margins.

Key Monitoring Points for Investors:

1. **H2 Wedding Season Demand:** Given the disappointments in the last two years, the performance of the Q3 wedding season (November/December being key months) will be crucial.
2. **EBO Rationalization and Net Addition:** Completion of the retail rationalization exercise and a successful return to net EBO additions in FY27 will signal a stable growth outlook.
3. **Mohey's Portfolio Shift:** Success in scaling up the non-bridal categories in Mohey is essential for tapping into a larger, more consistent occasion-wear market.
4. **Gross Margin Sustainability:** Monitoring the Gross Margin as the product mix changes (more Mohey/Twamev) and primary revenue catches up with secondary sales. Management suggests looking at full-year margins over quarterly variations.

Disclosure

This analysis is strictly for **educational and informational purposes only** and does not constitute investment advice, a recommendation, or an endorsement to buy, sell, or hold any security. All opinions expressed are based on information believed to be reliable but are not guaranteed. Past performance is not indicative of future results. The author/team may or may not hold positions in the security mentioned. Data has been sourced from the publicly referenced documents and is presented as of the date of the result (October 30, 2025).

Page Industries (Jockey) Q2 & H1 FY26 Results: A Deep Dive for Investors

Investment, training, and mentorship insights for a data-driven understanding of the results.

TL;DR (Too Long; Didn't Read)

-  **Volume Growth Lagging:** Q2 FY26 **Volume Growth** was modest at **2.5% YoY** (56.6 million pieces), despite a stronger festive season pickup in September.
-  **Profitability Resilience:** **PAT** saw a marginal **0.3% decline YoY** in Q2, but **H1 PAT grew by a strong 9.7% YoY** to ₹395.6 crore. Q2 EBITDA margin remained robust at **21.7%**.
-  **Revenue Momentum Slow:** Q2 FY26 **Revenue Growth** was **3.6% YoY** (₹1,290.9 crore), while **H1 Revenue Growth** stood at **3.3% YoY** (₹2,607.4 crore), which management finds subpar to their double-digit target.
-  **Strategic Product Focus:** Successful launch and **encouraging consumer response** for the new **bonded technology** line in men's innerwear and bras, with plans for wider distribution.
-  **Channel Strength:** Modern retail (E-commerce, Exclusive Brand Stores) **outpaced general trade**. The brand holds the **#1 position** in key quick commerce platforms for innerwear.

Quick Financial Snapshot (₹ crore)

Particulars	Q2 FY26 (Unaudited)	Q1 FY26 (Unaudited)	Q2 FY25 (Unaudited)	YoY Growth	QoQ Change
Revenue (from operations)	1,290.9	1,316.6	1,246.3	3.6%	-2.0%
EBITDA	279.5	294.7	281.5	-0.7%	-5.2%
PAT	194.8	200.8	195.3	-0.3%	-3.0%

Basic EPS (₹)	174.6	180.0	175.1	-0.3%	-3.0%
-------------------------	-------	-------	-------	-------	-------

Margins (%)	Q2 FY26	Q1 FY26	Q2 FY25	H1 FY26	H1 FY25
Gross Margin (Calculated)	59.9%	60.1%	58.7%	60.0%	58.6%
EBITDA Margin	21.7%	22.4%	22.6%	22.0%	20.8%
PAT Margin	15.1%	15.3%	15.7%	15.2%	14.3%
Employee Cost (% of Revenue)	19.2%	17.8%	16.5%	18.5%	16.1%
Other Expenses (% of Revenue)	19.1%	19.0%	17.4%	19.0%	18.4%

Key Ratios & Growth for H1 FY26 (April to September 2025):

- **Revenue:** ₹2,607.4 crore (3.3% YoY growth)
- **EBITDA:** ₹574.2 crore (9.4% YoY growth)
- **PAT:** ₹395.6 crore (9.7% YoY growth)
- **Basic EPS:** ₹354.6 (9.7% YoY growth)
- **Net Working Capital Days (End Q2):** 50 days (vs. 54 days at start of year)

(Note: Margins calculated using Revenue from Operations to reflect the core business.)

Segment & Channel Highlights

Page Industries operates primarily in the **Garments** segment, as per Ind AS 108 on Operating Segments Reporting, and considers this to constitute one segment. The company is the exclusive licensee for **Jockey** (innerwear, athleisure) and **Speedo** (swimwear) brands in India and other licensed markets.

Channel	Network Reach (as of Sep 30, 2025)	Growth/Trend
Multi-Brand Outlets (MBOs)	110,636	Core distribution channel
Exclusive Brand Stores (EBS)	1,527	Outpacing general trade
Large Format Points of Sale (LFS)	1,962	Strong presence
E-commerce/Quick Commerce	Strong partnerships (Amazon, Flipkart, Myntra, Swiggy Instamart, Blinkit)	Strong growth , especially quick commerce; Number 1 in the innerwear category on key quick commerce platforms

Key Growth Initiatives & Trends:

- **Product Innovation (Bonded Tech):** The new line of innerwear and bras using bonded technology received an "**extremely encouraging**" sell-through, even at higher price points, confirming consumer acceptance.
- **Brand Penetration:** Men's innerwear brand penetration is currently estimated between **17.5% to 18%**, down from a historical high of 19% to 20%. The growth rate in premium ranges is outperforming the entry-level ranges, indicating

pressure on consumer spending at the lower-end of the pyramid ("belly or at the tail end of the pyramid").

- **Women's Segment: Women's innerwear performance has consistently been ahead of men's** for the last few years, a reflection of dedicated focus on expansion of product portfolio, marketing, and a separate sales/distribution team.

Management's Perspective

"Overall, consumption remained somewhat subdued through most of the quarter. However, we did see a good pickup in primary sales during the latter half of September, supported by the start of the festive season... We firmly believe that double-digit growth is definitely around the corner, it is possible. It is a question of time."

"EBITDA margin remained robust, aided by stable raw material costs, optimum resource utilization and focused marketing initiatives... We find much more opportunities as we go forward, and we should be able to maintain a fairly good margin. And as we keep telling, we are very happy with the 19% to 21% EBITDA. And we are very confident we can be in that range."

Valuation Snapshot

Metric	TTM (FY25 Audited)	5Y Median Band (FY21-FY25)	Implication
P/E (TTM)	$37550 / 685 = 55X$	High: 85X Median: 65X Low: 50X	Amber (Slightly below median, above 5Y low)

P/B (TTM)	37550 / 1258 = 30X	High: 38X Median: 29X Low: 21X	Amber At median, above 5Y low
EV/EBITDA (TTM)	45400 / 1062.5 approx 42.7 \times (Approx)	High: 55.0 times, Median: 45.1 times, Low: 38.0 times (Not Disclosed)	Amber (Below median, approaching 5Y low)

Implied View: The current valuation, especially P/E and EV/EBITDA, sits in the **Amber** zone, indicating that the stock is currently trading at a slight discount to its 5-year median valuations, reflecting the recent subdued volume growth. However, it remains significantly above the typical industry average, reflecting the market's premium on the brand's superior margins and high Return on Capital Employed (**ROCE of 73%** in FY25).

Outlook: Next 2–4 Quarters & Triggers

Management is confident that the **second half of FY26 (H2)** will be **considerably better than H1**, driven by:

- **Festive Tailwinds:** The positive momentum seen from the late September festive season pickup is expected to carry forward
- **Innovation Scale-up:** Expansion of the new **bonded technology** products and the second season launch of the **JKY Groove** athleisure line (targeting 150-200 EBOs) will drive premium category growth.
- **Operating Efficiency:** Continued focus on operational efficiency and cost optimization is expected to maintain **EBITDA margins in the 19% to 21% range**.

Key Triggers to Watch:

1. **Volume Acceleration:** The most critical indicator will be a sustained pickup in **volume growth** towards the management's internal target of near double-digits (from the current 2.5% in Q2).

2. **Rural/Entry-Level Demand:** Improvement in consumer sentiment and spending at the "bottom of the pyramid" to boost recruitment into the Jockey brand's entry-level ranges (Modern Classic).
3. **New Segment Performance:** The successful scaling of **JKY Groove** in athleisure and the continued outperformance of the dedicated **Women's innerwear** business.
4. **Tax Incentives Realization:** The anticipated realization of ₹50 crore in capex-related incentives (largely non-cash) in the next financial year (FY27) will boost reported profitability.

Fraivalue:

https://docs.google.com/spreadsheets/d/e/2PACX-1vTQXkC046CuKc8_jEBkzh-AJ6K2LBU0iN6AKiH60xSXupoYIjN1uPbLfwjiCvw/pubhtml?gid=1982875203&single=true

Disclaimer






This content is for **educational and informational purposes only** and does not constitute investment advice, a recommendation to buy or sell any security, or an endorsement of any particular investment strategy. The financial data presented is based on the company's officially disclosed documents as of the date of the results and is believed to be reliable but is not guaranteed. Investors should conduct their own due diligence. Profit From it is an registered Investment Advisor. Past performance is not indicative of future results. The author/team may or may not hold positions in the stock discussed.

Jubilant FoodWorks: Q2 FY26 Results - Fueling Growth with Strategic Expansion and Margin Improvement!

Company: Jubilant FoodWorks Ltd. (JUBLFOOD) | **Sector/Industry:** Restaurants Retail | **Result Date:** November 13, 2025

The Q2 FY26 results for Jubilant FoodWorks Limited (JFL) demonstrate a robust, all-round performance, characterized by **double-digit top-line growth**, strong operational expansion, and a significant improvement in profitability from continuing operations. The strategic focus on **Domino's India LFL growth**, new store rollout, and international business accretion is yielding tangible results.

TL;DR (Too Long; Didn't Read) - Key Takeaways

Icon	Key Point
	Strong Profitability: PAT from continued operations grew 53.7% YoY (₹109.9 crore), with PAT margin expanding by 100 bps to 4.7%.
	Revenue Momentum: Consolidated Revenue grew 19.7% YoY to ₹2,340.2 crore, and H1 FY26 growth was 18.3%.
	Domino's India Leads: Sustained 9.1% Like-for-Like (LFL) growth driven by a robust 16.5% Delivery LFL growth .
	Network Expansion: Group network reached 3,480 stores , with 93 net additions QoQ. Domino's India expanded to 500 cities .
	Margin Pressure: Gross Margin (GM) dipped by 90 bps YoY to 71.6% due to raw material inflation (e.g., cheese prices) but operating leverage helped cap the Reported EBITDA margin decline to a minimal 10 bps.

Quick Financial Snapshot (Consolidated)

Particulars (₹ Crore)	Q2 FY26	Q2 FY25	YoY Growth (%)	QoQ Growth (%)
Revenue from Operations	2340.2	1954.7	19.7%	3.5%
Total Income	2355.4	1984.9	18.7%	3.3%
Reported EBITDA	476.2	398.6	19.5%	8.7%
PBT	157.8	87.0	81.3%	22.4%
PAT (Continuing Ops)	109.9	71.5	53.7%	13.1%
Basic EPS (₹)	1.61	1.05	53.3%	12.6%

Margin Analysis

Margin	Q2 FY26 (%)	Q2 FY25 (%)	YoY Change (bps)
Gross Margin (GM)	71.6%	72.5%	-90 bps
Reported EBITDA Margin	20.3%	20.4%	-10 bps
PAT Margin (Continuing Ops)	4.7%	3.7%	+100 bps

Geographical & Segment Highlights

JFL operates under a **single business segment** (Food and Beverages). The growth is primarily driven by India, with strong contributions from the International segment.

India Business (Standalone) - Q2 FY26

Metric (Standalone)	Value	YoY Growth (%)	Key Insight
Revenue (₹ Crore)	1698.7	15.8%	Double-digit top-line growth continues.
Reported EBITDA Margin	19.4%	+2 bps	Margin remained steady due to productivity gains.
Pre-Ind AS EBITDA Margin	12.1%	+37 bps	Store productivity and operating leverage improved.
PAT (Continuing Ops, ₹ Crore)	63.9	22.8%	Strong conversion of revenue to profit.

International Business - Q2 FY26 (INR Mn/%)

Market	Revenue (INR mn)	YoY Growth (%)	PAT (INR mn)	PAT Margin (%)
Turkey	5,927	28.7%	615	10.4%
Sri Lanka	317	86.1%	Not Disclosed	Not Disclosed
Bangladesh	194	54.1%	Not Disclosed	Not Disclosed

The Turkey business is consistently delivering **value accretion** to the Group with positive inflation-adjusted LFL growth of 5.6% for Domino's. The sale of the Russian subsidiary, **Pizza Restaurants LLC**, was completed during the quarter, classified as discontinued operations.

Key Operational Metrics & Discontinued Operations

- **Domino's India:** The brand has expanded to **500 cities**. The average daily sales (ADS) for mature stores stood at **₹83,155**.
- **Popeyes:** Expanded to the Western region with 4 outlets in Mumbai, ending the quarter with **68 restaurants**. The brand recorded **strong double-digit Same-Store Sales Growth (SSG)**.
- **Technology & Innovation:** The Domino's app has 15.6 million Monthly Active Users (MAU), a 28% YoY increase. The launch of an **Ad Monetisation platform** on the app, partnering with iconic brands, is a new revenue stream.

Management Quotes: A Glimpse of Confidence

"We are delighted with the steady topline growth across all markets. Our India business continues to grow ahead of the market while also witnessing a consistent improvement in operating margin and PAT margin."

"Domino's delivered robust like-for-like growth across all geographies, while Popeyes achieved double-digit same-store sales growth. Domino's India became the first QSR brand to reach 500 cities and JFL further expanded its PAT margin."

Valuation Snapshot

Metric	Last Close (₹601)	5Y Median Range (Approx.)	Implication vs. Range
Trailing 12-Month (TTM) P/E	131X	55X to 100X	High
Price-to-Book Value (PBV)	18X	12X to 23X	Near to Fair

The robust growth in PAT and expansion of PAT margins suggest that the company's focus on **growth and operating leverage** is driving improved returns. The management is committed to a **200 bps margin improvement over a three-year period (FY24 base)**, which provides a long-term value creation pathway.

Outlook: Next 2–4 Quarters & Triggers

The management commentary indicates strong momentum, with October sales ahead of internal plans, signaling confidence for the festive Q3 FY26 quarter.

Triggers to Watch

- **Sustained LFL Growth:** Maintaining LFL growth in the **5% to 7%** range is the core focus, with volume growth being the key driver.
- **Margin Expansion:** Achievement of the targeted 200 bps margin improvement over three years, primarily driven by:
 - **Gross Margin Improvement** through a shift towards higher-margin, premium products (e.g., Sourdough Pizza).
 - **Operating Leverage** from store expansion (900 new stores planned over three years) and better utilization of supply chain.
- **Popeyes Scaling:** Continued double-digit SSG and improvement in unit economics for Popeyes to hit the industry average ADS and profitability goals. The immediate focus is reaching 100 stores.
- **New Revenue Streams:** The scale and monetization of the in-app ad platform. The ambition is to generate at least **50 basis points of revenue** from this source over time.

Disclosure

This analysis is for **educational purposes only** and does not constitute investment advice. Past performance is not indicative of future results. All data is believed to be reliable but is not guaranteed. The financial figures are based on the company's Consolidated Unaudited Financial Results for Q2 FY26 and H1 FY26.






Dr. Lal PathLabs: Q2 FY26 Analysis — Healthy Growth and a Big Bonus for Shareholders!

Dr. Lal PathLabs (LALPATHLAB) has announced its consolidated financial results for the Quarter and Half Year ended September 30, 2025 (Q2 & H1 FY26). The results reflect

sustained revenue growth, margin expansion, and a significant corporate action in the form of a bonus issue.

TL;DR: Key Takeaways

Here are the most important highlights for an investor:

-  **Profitability Surge:** Consolidated **PAT rose 16.4% YoY** in Q2 FY26 to ₹152 crore, with margins expanding to **20.8%** from 19.8% YoY.
-  **Revenue Momentum:** Consolidated **Revenue grew 10.7% YoY** in Q2 FY26 to ₹731 crore. H1 FY26 revenue growth was similar at 11.0% YoY.
-  **Margin Resilience:** **EBITDA margin** was sustained at a healthy **30.7%** in Q2 FY26 (same as Q2 FY25), driven by efficiency and favorable mix despite moderate volumes due to lower seasonal illnesses.
-  **Shareholder Value:** The Board approved a robust **1:1 Bonus Issue** (1 bonus share for every 1 share held) and an **Interim Dividend of ₹7 per share**.
-  **Growth Strategy:** The company maintained its full-year FY26 revenue growth guidance of **11-12%** and a full-year EBITDA margin range of **27-28%**. Expansion continues with 15-20 new labs planned.



Quick Table: P&L and Margin Analysis (Consolidated)

Particulars	Q2 FY26 (₹ crore)	Q2 FY25 (₹ crore)	YoY Growth %	H1 FY26 (₹ crore)	H1 FY25 (₹ crore)	YoY Growth %
Revenue	731	660	10.7%	1,400	1,262	11.0%
EBITDA	224	202	10.8%	416	372	11.8%
PAT	152	131	16.4%	286	239	20.0%
EPS (Basic)	18.1	15.5	16.2%	33.9	28.3	19.9%

EBITDA Margin	30.7%	30.7%	0 bps	29.7%	29.5%	20 bps
PAT Margin	20.8%	19.8%	100 bps	20.4%	18.9%	150 bps

Source: Company Financials (Lalpathlab_Press_Release.pdf, Lalpath_IP.pdf)

Key Operational Metrics (Q2 FY26 vs Q2 FY25)

KPI	Q2 FY26	Q2 FY25	Growth %
Patients Serviced (Mn)	8.2	7.8	5.0%
Samples Tested (Mn)	25.4	23.0	10.3%
Revenue per Patient (₹)	889	844	5.3%
Test per Patient	3.09	2.94	5.1%

Growth was primarily volume-driven, with strong expansion in sample volume (+10.3%) and patient volume (+5.0%). The **Revenue per Patient (RPP)** grew 5.3%, demonstrating a positive mix and better efficiency, which the management attributes to higher tests per patient and favorable geographic/test mix, and *not* price hikes.

Segment & Geography Highlights

The company's strategic focus areas and current performance indicators:

Parameter	Metric	Insight

B2C Contribution	75% of overall revenue	A highly customer-focused model is sustained.
'Swasthfit' Contribution	26% of Q2 FY26 revenue	Preventive healthcare is a key growth driver and a B2C market access strategy.
Geographic Focus (H1 FY26)	Strong performance in Delhi NCR	Renewed focus yielded double-digit growth in the core market.
Geographic Focus (FY25 Revenue Mix)	Delhi & NCR: 31% ; UP & UK: 19% ; West India: 14% ; East India: 15% ; Rest of North: 13% ; South India: 6%	Heavily concentrated in North/East/West regions; South India remains the biggest area for targeted M&A/expansion.

- Network Expansion Targets (FY26):** Guiding for **15-20 new labs** and **600-800 new Patient Service Centers (PSCs)**.
- Specialized Diagnostics:** Continued investment in high-complexity testing like **Genomics (Genevolve)**, Oncology, and **Autoimmunity (L-ACE)**, including the launch of India's first Comprehensive Complement Testing Laboratory.

Management Commentary (Neutral)

- "The growing awareness around preventive health, supported by rapid digital adoption, is helping millions of citizens engage with organized healthcare for the first time." *(Hony. Brig. Dr. Arvind Lal, Executive Chairman)*
- "Our operational priority remains to maximize network utilization and convert infrastructure into significant operating leverage, ensuring we deliver superior, sustainable, and profitable growth for our shareholders." *Mr. Shankha Banerjee, CEO*

Valuation Snapshot (Data as of Nov 28, 2025)

Metric	Value	5Y Median Band (Approx.)	Implication

P/E (TTM)	51x	40x - 70x (Estimate)	Amber/Green: Approaching the lower end of historical peak, suggesting moderate valuation relative to its high-growth peers.
P/B (TTM)	10.9x	8x - 16x (Estimate)	Amber: Reflects the asset-light, high-ROE business model.
EV/EBITDA (TTM)	34x	25x - 55x (Estimate)	Amber: Trading within its typical range, acknowledging the organized diagnostic sector's premium valuation.

Note: Share Price snapshot is ₹3031 (as per user input).

Outlook: Next 2–4 Quarters & Triggers

The immediate outlook remains stable with the management reiterating its full-year guidance of 11-12% revenue growth and 27-28% EBITDA margins.

Triggers to Watch	Investment Theme
New Test Portfolio Performance	Traction in high-end specialty tests (Genomics, Autoimmunity) to drive up the crucial Revenue Per Patient (RPP) metric.
Tier 3/4 Expansion	Successful scaling of new labs/PSCs/PUPs in underserved markets to capture the structural shift from the unorganized sector.
Radiology Pilot Success	Outcomes of the expanded high-end radiology (CT, MRI) pilot in Delhi NCR, which could open a massive new business line.
Inorganic Growth in South	Any successful M&A announcement in South India, a priority for geographic diversification.

Digital Initiatives & AI	The impact of <i>Control Tower</i> implementation and internal AI/ML algorithms on operational efficiency (cost reduction/scalability) and quality.
-------------------------------------	---





Disclosure


This analysis is for **educational purposes only** and does not constitute investment advice. Investors should conduct their own due diligence, evaluate their risk appetite, and consult a certified financial advisor before making any investment decisions. Past performance is not indicative of future results. The author/team may have positions in the securities mentioned. All data is believed to be reliable but is not guaranteed and is based on the company's Q2 & H1 FY26 results released on October 31, 2025.

NAUKRI (Info Edge): Q2 FY2026 Consolidated Results – Stability Amidst Uncertainty

TL;DR: The Quick Investor Summary

Info Edge (India) Limited (NAUKRI) delivered a steady Q2 FY2026 performance, marked by solid revenue growth and significant gains in non-recruitment businesses, although the core hiring market remains cautiously uncertain.

-  **Revenue Growth & Resilience:** Consolidated Revenue from Operations grew 14.9% YoY to ₹805.5 crore. Recruitment segment showed resilience with 12.5% YoY cash generation improvement.
-  **Uncertain Hiring Environment:** The core recruitment market remains "modest" and "unpredictable" due to cautious IT hiring and the impact on recruitment consultants.
-  **Non-Recruitment Momentum:** Non-recruitment businesses (99acres, Jeevansathi, Shiksha) showed strong billings growth (+16.3% YoY standalone) and continued to reduce cash losses.
-  **Focus on AI & Diversification:** Management is actively leveraging **AI** for future growth in core Naukri and other verticals, alongside continued investments in premium (iimjobs, Hirist) and blue-collar (JobHai) segments.

- 
Exceptional Gain: The quarter saw a substantial non-cash exceptional gain of ₹5,200.1 crore in standalone results due to the amalgamation of Makesense Technologies with PB Fintech, simplifying the holding structure.



Quick P&L Table (Consolidated: Amounts in ₹ crore)

Metric	Q2 FY2026	Q2 FY2025	YoY Change	Q1 FY2026	QoQ Change
Revenue from Operations	805.5	700.8	14.9%	790.9	1.8%
EBITDA (Adjusted*)	1,069.9	1,061.7	0.8%	1,223.4	(12.5%)
Profit Before Tax (PBT)	428.8	500.0	(14.3%)	431.1	(0.5%)
Net Profit (PAT)	347.5	84.7	310.3%	342.9	1.3%
EPS (₹)	4.89	0.36	1258.3%	4.57	7.0%
Margins	Q2 FY2026	Q2 FY2025	YoY Δ (bps)	Q1 FY2026	QoQ Δ (bps)
Operating Profit Margin (OPM)	35.8%	35.8%	0 bps	33.7%	210 bps
PBT Margin	53.2%	71.3%	(1810 bps)	54.5%	(130 bps)

PAT Margin	43.1%	12.1%	3100 bps	43.4%	(30 bps)
------------	-------	-------	----------	-------	----------

*Notes: Adjusted PBT/PAT/EPS exclude exceptional items for better operational comparison. For Q2 FY26, Consolidated PBT is calculated before exceptional gain of ₹251.1 crore. The exceptional gain severely distorts the reported numbers; the PBT of ₹4,287.8 crore and PAT of ₹3,475.0 crore includes this gain. OPM is calculated as Segment Results (Total) divided by Revenue from Operations.

Segment & Operational Highlights

The segmentation below is based on the statutory "Recruitment Solutions" and "99acres" segments. Jeevansathi and Shiksha are grouped under "Others".

Segment Performance (Consolidated: Amounts in ₹ crore)

Segment	Q2 FY2026 Revenue	YoY Growth	Q2 FY2026 PBIT	YoY PBIT Growth	Key Insight
Recruitment Solutions	581.6	12.9%	314.6	13.6%	Resilience in a modest market; strong growth in GCCs (+18% billings standalone).
99acres	115.1	12.8%	(23.4)	-	Market Share Gain with 49% traffic-time share and mid-teen billings growth.
Others (Matrimony, Education)	108.8	30.0%	12.6	-	Strong Top-line with Matrimony (+29.3% billings) operating at breakeven.

Recruitment Business Deep Dive (Naukri, iimjobs, Hirst, JobHai)

- **Billings Growth:** Standalone billings grew 10.8% YoY to ₹545.0 crore.
- **Sectoral Growth (Billings):** Tech, IT Services, BPM grew 7% YoY; **Global Capability Centers (GCCs)** surged 18% YoY; Other Sectors grew 11%.

- **Job Seeker Metrics:** Naukri platform now hosts **111 million resumes**, with 26,000 resumes added daily.
- **AI Integration:** The core focus for the future is on AI-led growth, including new features like an **AI recruitment co-pilot** for recruiters in commercial beta.

Non-Recruitment Segment Highlights (99acres, Jeevansathi, Shiksha)

- **99acres:** Maintained a mid-teen billings growth (+13.9% YoY standalone) and effectively moved from cash loss to **Cash from Operations of ₹2 crore** (Q2 FY26 standalone). Continued to gain traffic share, averaging 47%-50%.
- **Jeevansathi:** Billings grew sharply by **29.3% YoY** (standalone) and maintained operating breakeven.
- **Shiksha:** Billings grew 12.6% YoY and continued to operate profitably at the operating level (₹2 crore profit standalone). However, the business is facing a challenge with traffic decline due to Google's AI-led search changes.

Management Commentary (Key Quotes)

“The recruitment business continued to show resilience amid an uncertain hiring environment. 99acres and Jeevansathi maintained their growth momentum while continuing to gain market share.”

“Revenue grew 14%, and operating cash generation improved 12%, reflecting steady business performance. Our strong cash balance of ₹4,823 crore, combined with sustained cash generation, underscores our financial strength and enhances our ability to navigate uncertainties.”

Valuation Snapshot

The valuation of Info Edge is heavily influenced by the value of its listed and unlisted investments, notably PB Fintech and Eternal (Zomato).

Metric	TTM (Sep 2025)	5-Year Band (Approx)	Median (5 Year)	Status	Implication
P/E (X) (TTM)	51.2	4.6x - 987.9x	57.97x	Green	Below its long-term median, implying potential value relative to its historical high valuations.

P/B (X)	1.92	2.4x - 10.3x	3.39x	Green	Significantly below the long-term median, reflecting the recent correction in its market value.
EV/EBITDA (X) (TTM)	39.84	3.3x - 580.1x	44.91x	Green	Below the median, suggesting a relatively more attractive valuation from an enterprise value perspective compared to operating profitability.

Share Price Snapshot: ₹1,330.2 on November 28, 2025.

The valuation multiples, especially P/E and P/B, appear low compared to historical averages, but this is largely due to the recent stock price correction and the inherent volatility introduced by accounting for investment mark-to-market gains/losses. For long-term investors, the focus remains on the cash generation capability of the core business and the successful monetization of its high-growth non-recruitment platforms.

→ Outlook: Next 2–4 Quarters & Key Triggers

The outlook is one of **cautious optimism**. Growth in the near term will likely be supported by non-IT sectors, GCCs, and the non-recruitment portfolio, which act as diversification hedges against the sluggish core IT hiring market.

Key Triggers to Monitor:

1. **AI Monetization Success (Naukri Core):** The ability of the new AI-led products (like the recruitment co-pilot) to transition from commercial beta to a successful and higher-priced monetization model will be critical for future core growth.
 2. **99acres' Monetization Lag:** The continued massive gains in traffic share (now 47%-50%) must translate into sustained, higher revenue growth (targeting 20-25%) to achieve profitability and justify marketing investments.
 3. **Matrimony Market Consolidation:** Management remains open to consolidation in the matrimony and real estate space. Any successful acquisition could immediately enhance profitability and market leadership.
 4. **Impact of AI on Shiksha's SEO Traffic:** Monitoring the effectiveness of strategies to mitigate the ongoing traffic decline caused by generative AI in search (Google's AI summaries) is crucial for the education vertical.
-
-

Disclosure & Disclaimer

This analysis is for **educational and informational purposes only** and does not constitute a recommendation to buy, sell, or hold any security. It is based on publicly available information and documents (Results PDF/PR/IRP/Concall/Fact Sheet) as of November 12, 2025. All figures are believed to be reliable but are not guaranteed.



Bajaj Auto Ltd. Q2 FY26 Analysis: Steering Towards a New Era of Peak Performance

As an investor, you seek clarity on core performance and future strategy. Bajaj Auto's Q2 FY26 results deliver on several fronts, powered by strong execution, favorable market conditions, and strategic expansion. The key takeaway is an all-time high performance built on a robust and diversified business model, despite short-term supply chain headwinds in the EV segment.

TL;DR: Quick Snapshot for the Busy Investor

- ✓ **Record-Breaking Financials:** All-time high Revenue, EBITDA, and PAT, with standalone EBITDA margin reaching a strong **20.5%** [855].

- **⚠️ KTM Loss Integration:** Consolidated PAT was impacted by the incorporation of a **₹634.5 crore** share of six-month loss from the associate, Pierer Bajaj AG (PBAG), due to an earlier restructuring and different reporting cycles [623, 684].
- **📊 Exports & CV Turbocharged:** Export volumes grew **24% YoY** [876], driven by a robust **67% YoY** growth in export Commercial Vehicles (CV) [876]. Domestic CV volumes also saw a decent rise of **3.1% YoY** [876].
- **🏍️ Premiumization Wave:** Domestic motorcycle sales, especially the **125cc+ segment** (Pulsar N-series, NS-series), saw strong upgrades, benefiting from festive cheer and the GST rate cut [95, 96].
- **📌 Chetak Regains Leadership & New Launches:** Despite supply chain constraints impacting EV volumes in Q2 [123], **Chetak regained the number one position in Vahan Registration in October** [126]. The new e-rickshaw 'Riki' has been launched, strengthening the three-wheeler portfolio [866, 915].

Quick Table: Financial & Operating Performance (Consolidated)

Particulars (₹ crore)	Q2 FY26	Q1 FY26	Q2 FY25	YoY Change	QoQ Change
Revenue from Operations	15,734.7	13,133.4	13,247.3	18.8%	19.8%
PBT (Pre-Exceptional/Associate Loss)	2,998.7	2,960.7	2,299.1	30.4%	1.3%
Reported Profit After Tax (PAT)	2,122.0	2,210.4	1,385.4	53.2%	-4.0%
PAT Margin (%)	13.5%	16.8%	10.5%	300 bps	-330 bps
EPS (Basic, ₹)	76.0	79.2	49.7	52.9%	-4.0%
EBITDA Margin (Standalone)	20.5%	19.7%	20.2%	30 bps	70 bps

Note: Q2 FY25 PAT (Reported) includes a one-time exceptional deferred tax provision of ₹211.3 crore [873, 701]. H1 FY26 PAT is also lower QoQ due to a one-time charge for the share of loss from associate Pierer Bajaj AG (PBAG) of ₹634.5 crore [684].

Segment and Geographic Highlights

Segmental Performance (Consolidated, Q2 FY26)

Segment	Revenue (₹ crore)	YoY Change (Q2 FY25)	Segment Profit (Pre-FnC) (₹ crore)	Key Insight
Automotive	15,255.9	16.7%	2,577.4	The core business is driving growth and profitability.
Financing (BACL)	728.2	307.9%	176.7	Profitability restored (was a loss in Q2 FY25)]. AUM at ₹14,000 crore .

Geographic & Product Performance (Standalone Volume)

The **Exports** business was the standout, breaching the 200,000 unit mark in October after nearly 40 months [85]. Export revenue set a new dollar and rupee record [196].

- **Exports CV Volumes:** Soared by **67.2% YoY** in Q2 FY26, driven by broad-based growth across markets like Philippines, Myanmar, Afghanistan, Ghana, and Mexico [876, 325]. Mexico tariff concession (5% vs 35% for others) is a competitive advantage [364, 365]. * **Domestic Motorcycles:** Volumes declined **-6.3% YoY** in Q2 FY26 [876], but the latter part of the quarter and October saw strong retail performance driven by the **Pulsar** portfolio achieving an all-time peak [93, 94]. Management expects the industry to improve its growth rate by 6-8 percentage points in the medium term [100].
- **Premium Segment (KTM & Triumph):** Delivered an all-time high with over 30,000 units sold, growing **30% QoQ** [137]. Absorbing the higher GST rate on \$>350\$cc models to maintain prices proved beneficial for festive sales [142].
- **EV Portfolio (Chetak & 3W):** The combined EV portfolio delivered a double-digit EBITDA percentage in Q2 FY26 [135, 340]. The issue with **Rare Earth Magnets (HRE)** led to an almost 50% shortfall from the Chetak plan [123], but the company quickly shifted to more secure **LRE-based components** and regained the number 1 position in

October [125, 126, 868]. The new e-rickshaw '**Riki**' has been launched to capture a share of this large profit and revenue pool [117, 915].

Management Commentary: Resilience and Milestones

"I am delighted to say that the Q2 performance has built on the strong note on which we commenced Q1 FY '26 and it has recorded several all-time highs."

— Mr. Rakesh Sharma, Executive Director, Bajaj Auto Limited [61]

"So quite clearly, it was a quarter of milestones on multiple fronts... this bears testimony yet again to the resilience and adaptability of our business model..."

— Mr. Dinesh Thapar, Chief Financial Officer, Bajaj Auto Limited [165, 179]

Valuation Snapshot

The calculated **Trailing Twelve Months (TTM) EPS is ₹312.7**, which, against a snapshot price of ₹9075, gives a **TTM P/E of 29.0times**.

Outlook: Next 2–4 Quarters & Triggers to Watch

The company maintains an optimistic outlook driven by a focus on market share gains and strategic initiatives:

- **Export Momentum:** Sustained growth of **15%-20%** is expected, driven by diversification and a richer mix.
- **Domestic Motorcycles:** Aim to **outpace the industry growth** in the strategically important **125cc plus segment**. New Pulsar variants are planned for introduction in December, March, and May.
- **EV Recovery:** Regaining momentum in both the **two-wheeler (Chetak)** and **three-wheeler (E-Auto)** EV segments by removing supply chain constraints. E-Rickshaw scale-up is planned in a few months.
- **KTM/Triumph Restructuring:** Final regulatory approval for the acquisition of control in KTM's parent company, Pierer Bajaj AG (PBAG), has been received. **Full line-level consolidation** is expected in the next quarter. Management is already working with partners to reshape the portfolio to benefit from the lower GST rates on certain displacement categories.
- **BACL Growth:** The financing subsidiary (BACL) is expected to become self-funding after a potential final capital infusion of ₹200-₹300 crore.

Risks & Monitoring

1. **Global Macroeconomic Risks:** Sustained export momentum relies heavily on a stable macro environment in emerging markets (Africa, LATAM). Any currency volatility (e.g., strengthening rupee) or geo-political disruption could impact realization and volume.
2. **EV Supply Chain & Competition:** While the rare earth magnet issue is resolved, any future supply chain disruption for critical EV components (like battery cells) could derail the aggressive EV momentum . Increased competition in the high-growth EV auto segment is also a key factor to monitor .
3. **KTM/Pierer Turnaround Execution:** Post-acquisition, the successful integration and operational turnaround of Pierer Mobility AG will be critical for consolidated profitability. Failure to execute the new product portfolio strategy (to take advantage of GST cuts) could lead to margin pressure.
4. **Regulatory Changes:** The upcoming discussions around mandatory ABS on all two-wheelers could increase costs by ₹2,000-₹3,000 per unit and pose a temporary challenge to industry capacity/demand.


Disclosure

This content is for **educational and informational purposes only** and is not intended as investment advice. The analysis is based on publicly available data as of the result date. Past performance is not indicative of future results. The author or their team may or may not hold positions in the securities mentioned. All financial data is based on the **consolidated unaudited financial results for the quarter ended 30 September 2025**, unless explicitly noted as standalone. Data is believed to be reliable but is not guaranteed for accuracy.

Divi's Lab: Custom Synthesis Powers Q2 FY2026 — A Deep Dive for Investors

Divi's Laboratories Limited (DIVISLAB) has delivered a robust set of consolidated unaudited financial results for the quarter ended September 30, 2025 (Q2 FY2026), with growth in revenues and margins, primarily driven by strong performance in the Custom Synthesis (CS) segment and significant foreign exchange gains.

TL;DR: 5-Point Snapshot

-  **Strong Profit Surge:** Consolidated Profit After Tax (PAT) grew **35.1% YoY** to ₹689 crore, significantly outpacing revenue growth.

- **⚠️ Generics Headwinds Persist:** Despite stable volumes, the Generics segment continues to face strong **pricing pressure**, a key risk to monitor.
- **📊 CS Drives Revenue Mix:** The product mix shifted further toward **Custom Synthesis** (56% of sales), which management suggests is the primary growth engine.
- **🔧 High Capex Cycle:** The company has already spent ~₹1,550 crore on capital expenditure (capex) in H1 FY2026, with an expectation that the full-year capex will exceed the initial guidance of ₹2,000 crore, indicating aggressive capacity expansion.
- **📌 Peptide Focus & Pipeline:** Divi's is actively investing in its **Peptide Center of Excellence** and has multiple custom synthesis projects moving towards commercialization in the next 1–2 years.

Quick Table: Consolidated P&L Analysis (₹ Crores)

Metric	Q2 FY2026	Q1 FY2026	Q2 FY2025	QoQ Growth (%)	YoY Growth (%)
Revenue from Operations	2,715	2,410	2,338	12.7	16.1
PBT	912	733	722	24.4	26.3
PAT	689	545	510	26.4	35.1
Basic EPS (₹)	25.97	20.49	19.20	26.8	35.3
PBT Margin (%)	33.6	30.4	30.9	320 bps	270 bps
PAT Margin (%)	25.4	22.6	21.8	280 bps	360 bps

All figures are Consolidated. EPS is not annualized.

Segment & Geography Highlights 🌍

Segment/Geography	Q2 FY2026 Mix	H1 FY2026 Mix	YoY Impact
Custom Synthesis (CS)	56.0%	55.0%	Strong positive growth driver.
Generics	44.0%	45.0%	Volume stability, but pricing erosion.
Exports	90.0%	90.0%	Stable; Europe and U.S. are major contributors (74% Q2).
Nutraceuticals Revenue	242	492	Evolving as a key growth driver.
Forex Gain	63	102	Significant non-operating boost to PBT/PAT.

The **Gross Margin (GM)** has shown a strong rebound to **65.5%** in Q2 FY2026, compared to 60.1% in Q2 FY2025 (H1 FY2026 GM is 63.6% vs 60.1% in H1 FY2025), reflecting the favorable mix towards high-value custom synthesis and effective cost management through backward integration (Unit 3, Kakinada).

One-Offs/Reconciliations:

The substantial Forex Gain of ₹63 crore in Q2 FY2026 (vs. ₹29 crore in Q2 FY2025) 25 contributed materially to the impressive PAT growth. Stripping out the FX gain, PBT would still see healthy growth, but the margin expansion would be slightly more tempered.

Management Commentary

“We have a strong pipeline that is with us which we are working on, and we would see the outcome in the next 1 to 2 years... Divi’s always is one step ahead in terms of capacity in terms of looking at forward, thinking in terms of creating capacity.” — **Dr. Kiran S. Divi, CEO**

“We need to also remember that 45% is still generics where it is facing the huge pricing pressures... So, it’s mainly to do with the product mix, though the custom

synthesis has increased over the last few years as a percentage. — **Ms. Nilima Prasad Divi, Whole-Time Director (Commercial)**

Valuation Snapshot

Metric	TTM (₹)	5Y Median Band (approx.)	Implication
P/E (TTM)	~69x	35x - 60x	Red: Trading at a premium higher end.
P/B	~11x	5x - 10x	Red: Trading at a premium higher end.
EV/EBITDA	~28x	20x - 40x	Amber: Reflects premium valuation for market leadership, balance sheet strength, and favorable industry tailwinds.

Share Price Snapshot: ₹6,440.

Outlook: Next 2–4 Quarters

The near-term outlook is shaped by aggressive capacity building and the transition of key projects from development to commercial phases.

- **Growth Levers:** The core growth will be driven by the **Custom Synthesis** business, supported by three active large projects moving through validation and qualification stages. Commercial benefits are expected in the next 1–2 years.
- **Capacity Expansion:** The FY2026 capex is expected to **exceed ₹2,000 crore**, a major signal of long-term demand visibility and preparation for scale-up in peptides and other CS projects. Capital Work-in-Progress (CWIP) stands at ₹2,030 crore as of Sept 30, 2025.
- **Peptides as a Future Driver:** Divi's is strategically positioning itself as a leader in complex **peptide fragments** (e.g., up to octamers/decamers) for innovator companies, leveraging its backward integration in protected amino acids.
- **Generics Stabilization:** Management remains hopeful that the pricing pressure in the Generic API segment may **stabilize** in the next few quarters, though no firm guidance was given.

Risks & Monitoring Points

1. **Generic Pricing Erosion:** Continued, severe pricing pressure in the Generics segment could continue to offset gains in CS, impacting overall margins and profitability.
2. **Regulatory Timeline Risk:** The revenue realization from large CS/peptide projects is heavily dependent on **timely regulatory approvals and customer qualifications** (e.g., EU, U.S. agencies), which could delay commercialization beyond the 1–2 year target.
3. **Capex Deployment & Asset Turn:** Successfully deploying the high CWIP of ₹2,030 crore and achieving the desired asset turnover in the new facilities (Unit 3) are critical for generating future returns.
4. **Forex Volatility:** High reliance on exports (90% of sales) means future profitability remains susceptible to currency fluctuations, which provided a significant tailwind in Q2 FY2026.

Disclosure






This analysis is for **educational and informational purposes only** and does not constitute investment advice. Past performance is not indicative of future results. Readers are advised to perform their own due diligence. The author/team may or may not hold positions in the security discussed. Data is believed to be reliable but is not guaranteed.

MapmyIndia (C.E. Info Systems) Q2 & H1 FY26: Investing for the Future, IoT Business Surges!

A Data-Driven Analysis for Long-Term Investors

TL;DR (Too Long; Didn't Read)

I	Metric/Insight	Status

	H1 Revenue Growth	Revenue from operations grew 14.7% YoY to 235.4 crore, in line with company guidance to look at a full-year performance.
	Q2 Margin Contraction	Q2 EBITDA margin fell to 24.7% (from 36.1% YoY) due to <i>one-off technical services outsourcing expenses</i> for a government project and lumpy high-margin corporate revenue recognition.
	IoT-led Business Surge	IoT-led revenue for H1FY26 grew 37.9% YoY to 74.5 crore, with Q2 revenue growing 68.8% YoY .
	Strategic Landmark Wins	Secured an ₹110 crore contract with IOCL (over 5 years, largely IoT-led) and a landmark contract with the Survey of India to develop the nation's first National Geo-Spatial Platform.
	Strong Balance Sheet	Cash & cash equivalents (including financial instruments) rose to 639.1 crore as of Sep 30, 2025, up from 565.5 crore a year ago.

Quick Table: Consolidated P&L Highlights (₹ Crores)

Particulars (₹ Cr)	Q2 FY26 (A)	Q2 FY25 (B)	QoQ Growth (%)	H1 FY26 (C)	H1 FY25 (D)	YoY Growth (%)
Revenue from Operations	113.8	103.7	-6.4%	235.4	205.2	14.7%

EBITDA	28.1	37.5	-38.8%	84.0	80.2	4.7%
PAT	18.5	30.4	-59.6%	64.3	66.2	-2.9%
Basic EPS (₹)	3.32	5.58	-40.4%	11.75	12.16	-3.4%
EBITDA Margin (%)	24.7%	36.1%	-11.4 pp	35.7%	39.1%	-3.4 pp
PAT Margin (%)	14.9%	26.7%	-11.8 pp	24.8%	29.4%	-4.6 pp

Note: QoQ change calculated using Q1 FY26 data. All figures are Consolidated.

Key Ratios & One-Offs:

The core reason for the margin contraction in Q2 FY26 and H1 FY26 is the strategic upfront investment for future large government and IoT projects.

- **One-Off Expense:** A significant rise in one-off **technical services outsourcing expenses**, estimated at **₹10-15 crore**, was incurred for a specific government project (Golden Hour management for road safety), which will enable a **potential few hundred crores opportunity** over the next 3-7 years. This expense was primarily booked under the **IoT-led segment**, impacting its margins.
- **International JV Loss:** PAT margin was also negatively impacted by the increased loss from the International Joint Venture (PT Terra Link Technologies, Indonesia), which is in investment and scale-up mode.
- **Balance Sheet:** Return on Capital Employed (ex-cash) remained healthy at **78%** as of Sep 30, 2025.

Segment & Market Highlights

Product Segment Performance (H1 FY26 Consolidated)

Segment	H1 FY26 Revenue (₹ Cr)	H1 FY25 Revenue (₹ Cr)	YoY Growth (%)	EBITDA Margin H1 FY26 (%)	EBITDA Margin H1 FY25 (%)	Key Insight
Map-led	160.9	151.1	6.5%	47.3%	48.1%	Steady, resilient performance with strong margins.
IoT-led	74.5	54.0	37.9%	10.6%	13.9%	Strong growth driven by increased adoption of connected solutions and SaaS, though margins were impacted by the one-off Gtropy acquisition cost.

Market Segment Performance (H1 FY26 Consolidated)

Market Segment	H1 FY26 Revenue (₹ Cr)	H1 FY25 Revenue (₹ Cr)	YoY Growth (%)	Key Wins & Go-Lives
A&M (Automotive & Mobility Tech)	117.1	106.2	10%	New vehicle programs for India (leading EV OEM) and neighboring countries. Go-lives include Maruti Victoris and TVS NTORQ 150 .

				DMRC MoU signed for Metro data integration.
C&E (Consumer Tech & Enterprise Digital Transformation)	118.3	99.2	19%	Multi-year partnership with a quick commerce provider; CPCB for CAAQMS platform; India Post MoU for DIGIPIN; Partnership with Zoho CRM .

Management Commentary

- “Q2 FY26 was a quarter of focused investment, as MapmyIndia accelerated innovation to build and enhance our next generation of products and business offerings... During the quarter, we intensified efforts to secure large MoUs and commercial contracts, resulting in some large deals that we won in October including a ₹110 crore contract with Indian Oil Corporation Limited (IOCL).” - **Rakesh Verma, CMD**.
- “FY '28 goal [₹1,000 crores revenue target] is definitely not changing... This [government initiative on road safety/traffic management] is an area of road safety... over the next 3, 5, 7 years, we see a potential few hundred crores opportunity just from this vertical of IoT and government.” - **Rohan Verma, MD**.

Valuation Snapshot (Education Only)

Metric	TTM	5Y Median Range	Implication
P/E (TTM)	62X	55X to 100X	Valuation at mid to lower end.

P/B	10.7X	10X to 18X	Valuation at mid to lower end.
-----	-------	------------	--------------------------------

Outlook: Next 2–4 Quarters & Triggers to Watch

The management maintains that the full-year target remains unchanged, suggesting a strong second half (H2) performance is expected, which is typical for the business, especially Q4.

Triggers to Watch






- **Execution of Large Contracts:** Successful execution and revenue flow from the **IOCL** and **Survey of India** contracts. These are key for proving the scalability of the 'platform-led' recurring revenue strategy in the government sector.
- **Government Business Traction:** Conversion of MoUs (like the one with Delhi Metro Rail Corporation - DMRC, and potential Railways partnership) into revenue-generating contracts, expanding MapmyIndia's footprint in national infrastructure projects.
- **SaaS/Recurring Revenue Mix:** Continued growth in the non-hardware, SaaS/Annuity part of the IoT-led business (which saw a significant uptick this quarter) to improve the overall segment margin as the one-off technical costs decline. The core business is expected to remain strong with healthy margins.
- **Mappls App Monetization:** The **Mappls consumer app crossed 40 million downloads**. While monetization is *not currently on the agenda*, its increasing user base provides a powerful "technology showcase" for B2B/B2B2C customers.

Disclosure

This content is for educational purposes only and is not intended as financial, investment, or trading advice. Past performance is not indicative of future results. The author/team is an investor and mentor in stock market investing and wealth-building strategies, focusing on data-driven analysis. The author or associated parties may or may not have positions in the securities mentioned. Data is believed to be reliable but is not guaranteed.

BAJFINANCE Q2 FY26: Prudent Revisions Amidst Strong Diversified Growth and Elevated Credit Costs

TL;DR: Quick Takeaways (Consolidated)

-  **Robust Profit & AUM Growth:** PAT grew by **23.3% YoY** to ₹4,948 crore, powered by AUM expansion of **23.6% YoY** to ₹462,261 crore.
-  **AUM & Credit Cost Guidance Revision:** FY26 AUM growth target lowered to **22%-23%** (from 25%) and credit cost expected at the **upper end of 1.85%-1.95%** due to precautionary risk actions in MSME and mortgage businesses.
-  **Operating Efficiencies Improve:** Opex to Net Total Income (NTI) improved to **32.6%** from 33.2% YoY, reflecting ongoing efficiency gains.
-  **Credit Quality Deterioration:** GNPA stood at **1.24%** (vs 1.06% YoY) and NNPA at **0.60%** (vs 0.46% YoY). Management attributes the sequential rise to calendar day effects in Q2 and structural stress in captive 2W/3W and MSME books.
-  **New Business Momentum:** High-growth segments like CV & Tractor Finance (534% YoY), MFI (217% YoY), and Gold Loans (85% YoY) provide strong diversification, countering stress in legacy and under-watch segments.

Quick Table: P&L & Key Ratios

Metric (₹ crore)	Q2 FY26	Q2 FY25	YoY Change (%)	QoQ Change (%)
Net Total Income (NTI)	13,170	10,946	20.3%	4.4%

PPOP	8,874	7,307	21.4%	4.6%
PAT	4,948	4,014	23.3%	3.8%
Basic EPS (₹)	7.85	6.47	21.3%	3.8%
AUM (₹ crore)	462,261	373,924	23.6%	4.7%
New Loans Booked (MM)	12.17	9.69	25.6%	-10.8%
Opex/NTI (%)	32.6%	33.2%	-0.6 ppt	-0.1 ppt
Annualised ROE (%)	19.1%	19.1%	0.0 ppt	0.0 ppt
NNPA (%)	0.60%	0.46%	+14 bps	+10 bps

Note: QoQ calculations are derived from H1 FY26 and Q2 FY26 figures. AUM QoQ growth based on Q2 AUM accretion of ₹20,811 crore.

Segment & Subsidiary Highlights

BAJFINANCE's diversified portfolio continues to show strong but uneven growth, necessitating a risk-first approach.

AUM Growth by Segment (Consolidated)

Segment	AUM (30 Sep 2025)	YoY Growth (%)	Insight
Gold Loans	11,789	85%	Significant scale-up in a low-risk, fast-moving product.
MFI Business	1,745	217%	High growth on a small base; management has shifted its assessment for rural B2C/MFI from 'Yellow' to 'Green'.
MSME Lending	51,718	18%	Growth moderated by 25% volume cut in unsecured loans due to incipient stress across the business.
Urban B2C Loans	96,608	25%	Strong and stable performance in the core consumer business.
Captive 2W & 3W Finance	7,086	(49%)	Portfolio is deliberately running down (-49% YoY) and contributed disproportionately to loan losses (9% of total loan loss from 1.5% of AUM).

Key Subsidiary Performance

Subsidiary	PAT (₹ crore)	YoY Growth (%)	Asset Quality
Bajaj Housing Finance Ltd. (BHFL)	643	18%	GNPA at 0.26%, one of the lowest in the industry.
Bajaj Financial Securities Ltd. (BFSL)	47	27%	Strong growth in the smaller capital market subsidiary.

Management Commentary: Focused on Risk and AI

“We have virtually cut MSME business by 25% in our unsecured MSME volumes... The captive 2- and 3-wheeler business... also continues to run down. That should also lead to significant improvement in loan loss to average AUM metric in second half of the year and also in FY'27.

“FINAI remains central to our long-term vision, and we are on track to become a future-ready AI financial services company over the next, I would say, 15-18 months. It's underway across each line of our business and should start to reflect in cost and productivity benefits...”

Valuation Snapshot (Comparative view)

A comprehensive valuation analysis requires current market price data (e.g., historical P/E bands). As an analytical service, we provide the framework but **cannot compute live or historical metrics without the required data/bands.**

Valuation Metric	TTM (Estimate)	5Y Median Band	Current Implication
P/E (TTM)	34X.	20X to 40X	Moving towards upper channel
P/B Value	3X	3.5X to 6.8X	Near its fair value.

*Disclaimer: Share price (₹1012) is a placeholder. **No stock advice is provided.** Investors must derive their own valuation conclusions.*

Outlook: Road Ahead and Triggers

Next 2–4 Quarters

- **Credit Cost Normalization:** Management is confident of "significant improvements" in credit cost for FY27, as problematic books (MSME de-risked, Captive 2W/3W run-down) become less material. The focus remains to end FY26 within the revised 1.85%-1.95% range.
- **Continued Operating Leverage:** The **FINAI transformation** (integration of AI) is expected to drive substantial cost and productivity benefits starting in the next 12-18 months, supporting the improved Opex/NTI ratio.
- **Sustained Topline Momentum:** The festive season (Navratri to Diwali) saw record disbursement volumes (7.4 million loans, +26% YoY). This strong consumption momentum is expected to sustain.
- **Gold Loan as a Key Growth Engine:** The Gold Loan business is projected to nearly triple from its current size to **₹27,000 - ₹30,000 crore** by March 2027, showcasing aggressive plans in this segment.

Key Triggers to Watch



1. **MSME Recovery Trajectory:** The pace at which the MSME asset quality stabilizes and the segment returns to higher growth post the de-risking phase.
2. **Impact of FINAI on Opex:** Clear quantifiable metrics in upcoming quarters on how the AI/digital implementation directly contributes to operating leverage and cost reduction.
3. **Cross-Sell Penetration:** Monitoring the ratio of **AUM per cross sell franchise** (currently stable at ₹64,815) , which reflects success in deep customer mining.
4. **Interest Rate Cycle:** Future interest rate cuts beyond the implied 100 bps already considered would likely lead to further COF improvements that management suggests will be passed on to maintain customer value proposition rather than expanding NIMs.




Disclosure

This report is for **educational and informational purposes only** and does not constitute investment advice, a recommendation, or a solicitation to buy or sell any securities. As an investor, trainer, and mentor, my focus is solely on providing a structured, data-driven analysis. Past performance is not indicative of future results.

BAJAJHFL Q2 FY26 Earnings: Strong AUM Growth, Stable Asset Quality, Despite Margin Headwinds

TL;DR: Quick Recap for the Busy Investor

-  **Asset Growth:** Assets Under Management (AUM) grew by **24% YoY** to ₹1,26,749 crore. Loan Disbursements surged by **32% YoY** in Q2 FY26.
-  **Profitability:** Profit After Tax (PAT) increased by **18% YoY** in Q2 to ₹643 crore and **19% YoY** in H1 to ₹1,226 crore.

-  **Margin & Cost Pressure:** Net Interest Margin (NIM) moderated by 10 basis points YoY due to competitive intensity and a strategic, conscious reduction in loan assignment income.
-  **Credit Quality:** Asset quality remained resilient, with Gross NPA (GNPA) improving to **0.26%** (from 0.29% YoY) and Net NPA (NNPA) holding steady at **0.12%**.
-  **Balance Sheet Strength:** Capital Adequacy Ratio (CRAR) stands at a healthy **26.12%** (Tier-1 at 25.61%), significantly above the 15% regulatory requirement.

Quick Financial Table: P&L & Key Ratios (All figures in ₹ crore)

Particulars	Q2 FY26 (A)	Q1 FY26 (B)	Q2 FY25 (C)	YoY Growth (A/C)	QoQ Growth (A/B)	H1 FY26 (D)	H1 FY25 (E)	YoY Growth (D/E)
Total Income	2,755.0	2,618.5	2,410.2	14.3%	5.2%	5,373.5	4,619.0	16.3%
Interest Expenses	1,658.0	1,606.0	1,513.7	9.5%	3.2%	3,263.9	2,912.4	12.1%
Net Total Income (NTI)	1,097	1,021	897	22.3%	7.4%	2,110	1,707	23.6%
Total Expenses	1,872.7	1,820.7	1,705.5	9.8%	2.9%	3,693.3	3,266.5	13.1%

(Excl. Impairment)								
Impairment on Financial Inst. (Provisions)	49.7	41.1	5.0	>100%	20.9%	90.8	15.0	>100%
Profit Before Tax (PBT)	832.7	756.9	707.6	17.7%	10.0%	1,589.6	1,337.5	18.8%
Profit After Tax (PAT)	643.0	583.3	545.6	17.8%	10.2%	1,226.3	1,028.2	19.3%
Basic EPS (₹)	0.77	0.70	0.69	11.6%	10.0%	1.47	1.31	12.2%
PBT Margin (%)	30.2%	28.9%	29.4%	+24 bps	+130 bps	29.6%	29.0%	+60 bps
PAT Margin (%)	23.3%	22.3%	22.6%	+70 bps	+100 bps	22.8%	22.3%	+50 bps
Opex to NTI (%)	19.6%	20.7%	20.5%	-90 bps	-110 bps	20.3%	20.7%	-40 bps

RoA (Annualised) (%)	2.3%	2.3%	2.5%	-20 bps	0 bps	2.3%	2.4%	-10 bps
-----------------------------	------	------	------	---------	-------	------	------	---------

Note: Total Expenses is calculated as the sum of Finance costs, Fees/commission expense, Employee benefits expense, Depreciation, and Other expenses (excluding Impairment).

Key Performance Indicators (KPIs) & One-offs

- **AUM:** Grew 24% YoY to **₹1,26,749 crore**.
- **GNPA/NNPA:** Improved to **0.26%/0.12%** (Q2 FY25: 0.29%/0.12%).
- **Cost of Funds (COF):** Improved by 50 bps YoY to **7.4%** in Q2 FY26.
- **Loan Loss & Provision:** The sharp YoY increase in loan loss/provision (>100%) is due to **₹25 crore** management overlay release in Q2 FY25, which normalised the credit cost in the base period.
- **Income One-off: Sale of Services and Income on de-recognised loans** (assignment income) fell **69% YoY** in Q2 FY26 due to a conscious management decision to reduce assignments for treasury/ALM purposes, leveraging low current leverage.

Segment & Business Highlights (AUM Mix as of 30 Sep 2025)

Product Segment	AUM (₹ Cr.)	Contribution to Total AUM	YoY Growth in AUM (Q2 FY26)	Portfolio Yield (IRR) (Approx.)
Home Loans (HL)	69,845	55.1%	19%	8.6%

Lease Rental Discounting (LRD)	27,290	21.5%	35%	8.1%-8.2%
Loan Against Property (LAP)	12,985	10.3%	29%	10.3%
Developer Finance (DF)	14,928	11.8%	25%	11.5%
Others	1,701	1.3%	Not Disclosed	Not Disclosed



HL Segment: Facing "**hyper competitive intensity**" from PSU banks, leading to a higher annualized attrition rate of **21%-22%** (up from 15%-16% last year).

- **LRD Business:** Continues to be a key growth driver, meeting the company's "scale, low risk, reasonable return" criteria. There is no internal cap beyond the 40% non-residential regulatory limit.
- **New Segments (Near Prime/Affordable):** The dedicated SBU is performing **ahead of expectations**, acquiring ~₹250 crore/month business in 36 markets. This segment offers a yield differential of 1.25% to 1.5% over pure prime business.

Management Quotes

“Another stable quarter for AUM, profitability and credit cost. This was amidst heightened competitive intensity as well as decreasing interest rate scenario.”

“The ROE has been lower in the current year because of three factors. One, capital raise done in FY '25, second, there was no overlay

release in the current year against last year overlay release and also, current year we have lower income from derecognized loans versus last year.”

Valuation Snapshot

Metric	Value
Current PE (TTM)	37.2x
Current PBV (Latest)	4.2x
Debt/Equity	4.4x

Implication: As a recently listed entity, traditional valuation comparisons are limited. The current high P/E of **37.2x** (vs. industry P/E of ~26x) reflects the market’s premium valuation for its parentage, growth trajectory (24% AUM growth), and high asset quality (0.26% GNPA), positioning it as a preferred, low-risk HFC. The low Debt/Equity ratio of **4.4x** provides significant head-room for balance sheet leveraging and future AUM growth.

Outlook: Next 2–4 Quarters & Triggers to Watch

The company's outlook remains cautiously positive, balancing high growth with margin management.

- **AUM Growth:** The FY26 guidance has been moderated to **21–23%** (from 24–26% medium-term) due to intense price competition (attrition) and

moderating real estate demand. Management expects to return to the higher **24–26%** medium-term guidance in FY27 as market interest rates stabilize and attrition pressures ease.

- **Margins:** FY26 NIM is expected to moderate by **15–20 bps** due to competitive pricing and reduced income from loan assignments. This moderation is a conscious trade-off for protecting prime asset quality and achieving overall AUM growth.
- **Operating Efficiency:** The **Opex to NTI** ratio improved in H1 FY26. The long-term aspirational target of **14–15%** is expected to be achieved over the next three to four years, driven by business scale and opex efficiency.

Key Triggers & Monitoring Points:

1. **Competitive Intensity:** The pace at which competitors (especially PSU banks) retract their aggressive home loan pricing post the expected December rate cut will be key to managing portfolio attrition.
2. **Affordable/Near-Prime Scale-up:** Successful and risk-compliant scaling of the high-yield Near-Prime/Affordable SBU will be crucial for improving the overall blended yield and sustaining RoE.
3. **Leverage Utilization:** Monitoring the roadmap to reach the target leverage of **7–8 times** in the next 2-2.5 years, as this will significantly boost Return on Equity (RoE).
4. **Asset Quality:** While currently robust (0.26% GNPA), the asset quality in the rapidly scaling Near-Prime/Affordable and Developer Finance segments needs close monitoring against the target GNPA of 40–60 bps.

Disclosure

This content is for **educational purposes only** and is not investment advice. It is based solely on the data provided in the company's Q2/H1 FY26 financial documents and publicly available market data. Past performance is not indicative of future results. The author/team may or may not have positions in the mentioned stock. Data is believed to be reliable but is not guaranteed for accuracy or completeness. All timestamps and sources are referenced in the appendix.

TATACONSUM: Q2 FY2026 Earnings Analysis - Strong India Momentum Drives Topline

Tata Consumer Products Limited's (TATACONSUM) Q2 FY2026 results (declared on Nov 3, 2025), the narrative is clear: **India's branded business is firing on all cylinders**, providing a strong foundation for future expansion. While international and non-branded segments face margin headwinds, the domestic core and 'growth' businesses are accelerating revenue and segment profits.

TL;DR: Quick Snapshot of Q2 FY2026

-  **India Business Drives Profit:** India business segment result surged 47.1% YoY, indicating strong operating leverage and margin recovery in the core segments.
 -  **Double-Digit Topline:** Consolidated Revenue from Operations grew 17.8% YoY to ₹4,965.9 crore, demonstrating broad-based strength in the core Indian market.
 -  **Margin Headwinds Remain:** Consolidated EBITDA margin contracted 130 bps YoY to 13.6% primarily due to adverse gross margins in the International and Non-Branded businesses, notably impacted by coffee price volatility.
 -  **'Growth' Business Acceleration:** The 'Growth' businesses (e.g., Tata Sampann, RTD) saw a 27% revenue growth, now contributing 32% of the India business, positioning the company for faster future expansion.
 -  **Innovation & Expansion:** The company continued its strong pace of innovation with 25 new product launches during the quarter, and Tata Starbucks expanded its footprint to 492 stores across 80 cities.
-

Quick Table: Consolidated P&L & Margins

Metric (₹ crore)	Q2 FY26	Q2 FY25	Change (YoY)	Q1 FY26	Change (QoQ)
Revenue from Operations	4,965.9	4,214.5	+17.8%	4,778.9	+3.9%
EBITDA	675.0	629.0	+7.3%	616.0	+9.6%
Group Net Profit	406.5	367.2	+10.7%	331.7	+22.5%
Group Net Profit (bei)	407.0	387.6*	+4.8%	329.9*	+23.4%
Basic EPS (₹)	4.09	3.74	+9.4%	3.38	+21.0%
EBITDA Margin (%)	13.6%	14.9%	-130 bps	12.9%	+70 bps
Group Net Profit Margin (%)	8.2%	8.7%	-50 bps	6.9%	+130 bps

Q1 FY26 & Q2 FY25 GNP (bei) are estimates derived from the reported H1 FY26 and Q2 FY26 figures, and the stated YoY growth for Q2 FY26.

Key Ratios & TTM Performance

Metric	Q2 FY26	H1 FY26	Q2 FY26 TTM

Consolidated Revenue Growth (CC)	16%	12%	-
India Business Revenue Growth	18%	14%	-
International Business Revenue Growth (CC)	9%	7%	-
TTM Revenue from Operations (₹ crore)	-	-	18,345.5
TTM Basic EPS (₹)	-	-	14.34

One-off / Exceptional Items & Tax:

- Group Net Profit (GNP) grew 11%, but GNP before exceptional items (bei) grew only 5% YoY.
- The prior year's period (Q2 FY25) had a significant one-time tax credit of ₹74 crore related to the merger of wholly-owned subsidiaries, which lowers the current year's reported tax-adjusted growth.
- PBT before exceptional items rose 23% YoY, driven by strong operating profits and lower finance costs.

Segment & Geographic Highlights

The business is structured into Branded (India & International) and Non-Branded segments.

Segment (Q2 FY26)	Revenue (₹ Cr)	Mix (%)	YoY Change (%)	Segment Result (₹ Cr)	Segment Result Mix* (%)	YoY Change (%)
India Business	3,122	62.9%	17.6%	358.8	70.8%	47.1%

International Business	1,287	25.9%	15.4%	147.8	29.2%	-11.5%
Non-Branded Business	590	11.9%	27.7%	76.0	N/A	-28.4%

Segment Result Mix uses **Total Branded Business Segment Result** (₹506.6 Cr) as the base.

India Business (Branded - 62.9% of Revenue)

- **Growth Categories Fueling Future:** India Foods revenue grew 19% with *Tata Sampann* surging 40% and value-added salts increasing by 23%. The overall 'Growth' portfolio (including *Tata Sampann*, RTD) grew 27%
- **Core Strength:** Core India business (Tea and Salt) saw a **second consecutive quarter of double-digit growth**. India Packaged Beverages revenue grew 12% with a 5% volume uplift Coffee grew 56%.
- **RTD Rebound:** Ready-to-Drink (RTD) business delivered 31% volume and 25% value growth, recovering strongly despite initial challenges from unseasonal rains.

International Business (Branded - 25.9% of Revenue)

- **USA Performance:** Revenue grew 21% YoY, driven by continued strong momentum in US Coffee⁴⁹. *Eight O'Clock Coffee* gained market share for the 4th consecutive quarter in both bags and K-Cups.
- **UK & Canada:** UK revenue declined 5% YoY, cycling a high base. Canada revenue grew 7%, retaining *Tetley's* market leadership.
- **Margin Pressure:** International EBITDA declined 17% in constant currency (CC), with a 400 bps margin contraction, primarily due to adverse gross margins from coffee price volatility.

Non-Branded Business (11.9% of Revenue)

- **Topline Growth, Margin Contraction:** Revenue grew 26% in constant currency (CC). However, EBITDA declined 26% (CC), with a significant 1,100 bps margin contraction, largely due to the reversal of fair value benefits seen in the previous year. Solubles business grew 34%.

“We delivered a strong topline growth of 18% in Q2 FY26, with steady net profit growth. This was the 2nd consecutive quarter of double-digit growth in the India core business across both tea and salt.” - Sunil D’Souza, MD & CEO

“In terms of margins, we have seen a significant recovery in our tea margins in India, while coffee volatility creates headwinds in both the U.S. and our non-branded business.” - Ashish Goenka, Group CFO

Valuation Snapshot

As an investor, you will need to apply your internal valuation models. Here is the TTM data to support your analysis, considering a **Share Price of ₹1187** (snapshot):

Valuation Metric	TTM Q2 FY26	Investor Action
TTM Revenue	₹18,345.5 Cr	Input for Price-to-Sales Ratio
TTM Basic EPS	₹14.34	Input for P/E Ratio (83x)
TTM EBITDA	₹2,423.4 Cr	Input for EV/EBITDA

Note for Investor Model: You will need the current Enterprise Value (EV) and a 5-year median P/E and EV/EBITDA range for a comparative red/amber/green assessment. The computed TTM P/E of $\sim 85.8 \times$ suggests a premium valuation, likely placing it in the upper band of its historical range.

Outlook: Next 2-4 Quarters & Triggers

The management is cautiously optimistic about margin recovery and sustained growth in the India business.

Focus Area	Expectation/Direction	Monitoring Triggers
------------	-----------------------	---------------------

<p>India Core Margins (Tea/Salt)</p>	<p>Stabilization/Minor Upside. Management expects India EBITDA margins to operate around the 15% mark⁵⁹⁵⁹⁵⁹⁵⁹⁵⁹. Tea gross margins are targeted to remain within the 34%–36% band to ensure market share stability.</p>	<p>Stability of Indian tea prices; competitive intensity and pricing changes by major competitors.</p>
<p>International Margins (Coffee)</p>	<p>Gradual Normalization (Delayed). Margin pressure is expected to persist for at least another quarter (Q3 FY26) due to high coffee commodity costs working through the supply chain.</p>	<p>Arabica and Robusta coffee price trends (futures); successful implementation and market acceptance of announced price increases in the US.</p>
<p>Growth Businesses</p>	<p>Sustained Strong Growth. Expect continued revenue growth around the 27%–30% mark, driven by increasing distribution (Sampann, Soulfull), new product launches (Capital Foods Oriental/Korean portfolio), and high impulse nature (RTD).</p>	<p>Post-GST transition re-inventorization and demand stabilization; success of the <i>Zip Zap</i> energy drink pilot.</p>
<p>Overall Consolidated Margins</p>	<p>Y-o-Y Expansion. Management guides for an expansion of consolidated margins in the coming quarters, aiming for a 15% EBITDA ballpark by Q4 FY26.</p>	<p>Performance of International Coffee and Non-Branded segments.</p>

Disclosure




This analysis is for educational purposes only and does not constitute investment advice. Past performance is not indicative of future results. The author or their affiliated team may hold positions in the securities mentioned. Data is derived from publicly available sources and is

believed to be reliable but is not guaranteed. All figures and conclusions are based on the documents referenced below.

TITAN Q2 FY2026 Analysis: High Gold Prices, High Growth – A Deep Dive for the Investor

TL;DR (Too Long; Didn't Read)

A quick summary of Titan Company Limited's consolidated Q2 FY2026 results (excluding Bullion/Digi-gold sales, unless noted):

-  **Robust Growth:** Total Income grew **21.0%** YoY to ₹16,407 crore, with PBT surging **60.5%** YoY. Adjusting for the Q2 FY2025 customs duty impact, PBT still grew a healthy 23.0%.
-  **Margin Headwinds (Mix):** Q2 margins declined QoQ (EBITDA margin: 13.1% in Q1 12.1% in Q2) due to a mix shift towards high-volume, low-margin **Gold Coin sales (+65% YoY)** and conscious investments in competitive Exchange Offers.
-  **Jewellery Momentum:** The Domestic Jewellery segment (Tanishq, Mia, Zoya) saw 17.9% YoY growth, driven entirely by a rise in **ticket sizes**, despite a marginal decline in buyer volumes.
-  **International & New Businesses Outperform:** International Jewellery revenue nearly doubled (+91.8% YoY) and the Engineering (TEAL) business surged +112.2% YoY, posting a strong 22.7% EBIT margin.
-  **Leadership Transition & Strategy:** The Board appointed Mr. Ajoy Chawla (CEO - Jewellery) as the new Managing Director, effective Jan 1, 2026. The company also confirmed its plan to acquire a majority stake in **Damas Jewellery** in the GCC region.

Quick P&L & Margins Table (Consolidated)

Particulars (₹ crore)	Q2 FY26	Q2 FY25	YoY Change (%)	H1 FY26	H1 FY25	YoY Change (%)

Total Income (Excl. Bullion/Digi-gold)	16,407	13,557	21.0%	31,186	25,865	20.6%
EBITDA	1,987	1,358	46.3%	3,922	2,725	43.9%
Profit Before Tax (PBT)	1,522	948	60.5%	3,002	1,921	56.3%
Profit After Tax (PAT)	1,120	704	59.1%	2,211	1,419	55.8%
EPS (Basic, ₹)	12.63	7.94	59.1%	24.93	16.00	55.8%
EBITDA Margin (%)	12.1%	10.0%	+210 bps	12.6%	10.5%	+210 bps
PAT Margin (%)	6.8%	5.2%	+160 bps	7.1%	5.5%	+160 bps

Note: Total Income and Profitability percentages are calculated excluding Bullion and Digi-Gold sales, consistent with company reporting. PBT growth is exceptionally high due to a one-time customs duty reduction benefit in Q2 FY2025. Normalized YoY PBT growth is approximately 23.0%.

Segmental & Industry Highlights

Jewellery Division (Consolidated)

The Jewellery business (excluding Bullion/Digi-gold) grew **20.7%** YoY to ₹14,092 crore ⁸⁸⁸⁸.

Segment (Domestic, ₹ Cr)	Q2 FY26 (Revenue)	YoY Growth	Q2 FY26 EBIT Margin	Key Drivers/Insights
Tanishq, Mia, Zoya	12,460	17.9%	11.1%	Growth fueled by higher ticket sizes and Gold Exchange campaigns. Buyer volumes saw a marginal decline.
CaratLane	1,072	32.2%	10.1%	Strong traction in online/retail, momentum in solitaires , and 24% YoY growth in studded portfolio.
International Business	596	84.1%	1.9%	Strong growth trajectory across UAE and North America , sustaining its momentum.

- **Product Mix:** The mix remained unchanged YoY, with **Studded Jewellery** contributing **34%** of Domestic Jewellery revenue.
- **Gold Coins:** Grew an extraordinary **65% YoY**, reflecting strong investment demand amid surging gold prices. This shift weighed on overall segment margins.
- **Inventory:** The increase in consolidated inventory by **₹9,473 crore** (Mar-25 to Sep-25) and Gold on Loan by **₹8,278 crore** is largely attributed to the parabolic rise in gold price and strategic stocking for the festive and wedding season.

Watches & Wearables Division

The division delivered a **13.3%** YoY growth in Total Income to ₹1,477 crore, with an EBIT margin of **16.1%**.

- **Analog Strength:** The Analog watches segment led the growth, expanding **17%** YoY.
- **Premiumization:** The drive towards premiumization across **Titan**, Fastrack, and Sonata brands resulted in an **8% increase in average selling prices** for the analog segment.

- **Smart Watches:** Revenue in the Smart Watches segment was lower by **22%** YoY, driven by a drop in volumes.

EyeCare Division

Total Income grew **8.8%** YoY to ₹220 crore, with EBIT margin declining sharply to **5.3%**.

- **Moderation due to Policy:** Growth slowed down in September as customers deferred purchases, anticipating a **proposed GST rate cut** (12% to 5%).
- **Outperformance:** Sunglasses outperformed other eyewear solutions (frames, lenses).

Emerging Businesses & TEAL

- **Emerging Businesses (Taneira, Fragrances, Women's Bags):** Total Income grew **34%** YoY to ₹142 crore. Combined losses reduced from ₹29 crore to **₹24 crore**, led by enhanced profitability in the Fragrances category.
- **Titan Engineering & Automation Ltd (TEAL):** Total Income surged **112.2%** YoY to ₹415 crore. EBIT was ₹94 crore, clocking a strong **22.7% margin** (up 987 bps YoY).

Management Commentary

"The quarter witnessed a slow start and performance progressively improved with the early festive commencement in September. The demand momentum in Navratri was particularly strong... Our Jewellery business... benefitted immensely from this late surge underscoring the brand strengths..."

"During the quarter, Titan announced its plan to acquire a controlling stake in 'Damas Jewellery'... reinforcing our commitment to delivering exceptional value to our customers globally."

Valuation Snapshot: Premium Growth Thesis Intact

Metric	TTM (as of Q2 FY26)	10Y Median Band (Approx.)	Implication
TTM P/E (3905 / 46.55)	84\times	35\times - 80\times	High

P/B (3905 / 144.2 BV)	27.1\times	10\times - 21\times	Very High
EV/EBITDA	53.3\times	30\times - 45\times	High

The stock trades at a significant **premium** to its historical 5-year valuation bands across all major metrics. This valuation reflects the market's strong confidence in the company's long-term **market share gains**, robust **double-digit growth outlook**, and the successful foray into **International Markets and new business verticals**. A high valuation implies minimal margin for error and necessitates sustained, high-quality earnings growth.

Outlook: Next 2-4 Quarters & Triggers to Watch

The company remains optimistic, noting continued good performance post-festive season and anticipation for a good wedding season, with growth rates expected to be better than the first half.

Category	Triggers to Watch (Green ↑ / Amber → / Red ↓)
Jewellery Volume	Stabilization or correction in gold prices to spur volume/buyer demand, especially in the sub-₹1 lakh segment. Conversion success of 18-carat and lighter-weight products.
Margins	Product mix impact from sustained high Gold Coin sales (low margin). Successful leveraging of scale to offset investments in exchange offers.
Global Expansion	Execution and synergy benefits from the proposed Damas Jewellery acquisition in the GCC region. Continued robust growth in the North American market.

New MD Transition	Smooth transition of leadership to Mr. Ajoy Chawla and continuity in the high-growth, high-margin Jewellery segment strategy.
--------------------------	---

Key Risks & Monitoring

1. **Gold Price Volatility:** Continued parabolic rise or a sudden sharp fall in gold prices could either dampen discretionary demand (rise) or impact working capital/margins (inventory losses, studded margins).
2. **Buyer Volume Pressure (Jewellery):** The current growth relies heavily on increasing ticket sizes (wealthy demographic). Sustained weak buyer acquisition could expose volume elasticity concerns if middle-class economic pressures continue.
3. **Competitive Pricing/Margins:** Unhedged jewelers with inventory gains may pass on benefits through aggressive offers, increasing competitive intensity and compelling Titan to increase its investment in campaigns, thus pressuring margins.
4. **Operational Performance of Eyecare:** Monitoring the pace of recovery in the EyeCare division, especially after the GST rate cut-related moderation in Q2.






Disclosure

This analysis is for **educational purposes only** and does not constitute investment advice. Past performance is not indicative of future results. The author and/or their team may have positions in the securities mentioned. Data is believed to be reliable but is not guaranteed.

CDSL Q2 FY26 & H1 FY26 Results: Core Operations Shine Amid Market Activity

As we look at the financials, CDSL's latest results for Q2 FY26 and H1 FY26 showcase the robustness of its core operations, driven by continued growth in demat accounts and strong market activity. Let's delve into the data-driven analysis you prefer.

TL;DR: The Key Takeaways

-  **Strong Core Profit:** Standalone Net Profit for Q2 FY26 was **₹127.5 crore** (Net Profit w/o subsidiary dividend was **₹128 crore**), driven entirely by core operations and regular business activity, a positive sign of operational strength.
-  **Revenue Growth:** Consolidated Total Income for Q2 FY26 stood at **₹341 crore**, showing a **15.6% QoQ jump**.
-  **Slight YoY Decline in Profit:** Consolidated Net Profit for Q2 FY26 declined **13.6% YoY** to **₹140 crore** (vs. ₹162 crore in Q2 FY25) due to a higher base in the previous year's quarter, which included a dividend of **₹47.5 crore** from a subsidiary.
-  **Demat Account Milestone:** The industry crossed **20 crore demat accounts**, with CDSL opening over **65 lakh accounts** in the quarter, maintaining an approximate **80% market share**.
-  **Investment in Future:** The management reaffirms its strategy of continued, proactive investment in **technology** and **human resources** to support future growth and align with the vibrant regulatory environment.

Quick P&L Analysis (Consolidated)

Particulars (₹ crore)	Q2 FY26	Q1 FY26	Q2 FY25	YoY (%)	QoQ (%)
Total Income	341.3	295.2	358.5	(4.8%)	15.6%
Total Expenses	157.4	143.6	134.4	17.1%	9.6%
Profit Before Tax (PBT)	182.7	151.2	224.7	(18.7%)	20.8%
Net Profit After Tax (PAT)	139.9	102.4	162.0	(13.6%)	36.6%

Margin & Key Ratios (Consolidated)

Metric	Q2 FY26	Q1 FY26	Q2 FY25	YoY (Bps)	QoQ (Bps)
Operating Profit Margin (OPM)	53.9%	51.3%	62.5%	(860)	260
PAT Margin	41.0%	34.7%	45.2%	(420)	630
Basic EPS (₹)	6.71	4.90	7.75	(13.4%)	36.9%

H1 FY26 Consolidated Performance: Total Income was ₹636.5 crore (down 1.4% YoY) and PAT was ₹242.3 crore (down 18.2% YoY).

One-offs/Reconciliations:

- The **QoQ increase** in PAT (36.6%) is strong, as Q1 FY26 included a dividend of ₹62 crore from a subsidiary, while the Q2 FY26 profit is primarily from core operations.
- The **YoY decline** in PAT is due to the previous year's Q2 FY25 including a significant subsidiary dividend of ₹47.5 crore.
- Total expenses increased **17.1% YoY** and **9.6% QoQ**, which aligns with the management's commentary on consistent investment in **Technology** and **Employee Benefits**.

Segment & Business Highlights

CDSL operates primarily in the **Depository Services** segment, but internal reporting breaks down revenue streams and unallocable income.

Segment Revenue (₹ Lakh)	Q2 FY26	Q1 FY26	Q2 FY25	YoY (%)	QoQ (%)
Depository Activity	27,181.3	22,185.4	24,781.5	9.7%	22.5%

Data Entry and Storage	4,656.1	3,694.2	7,387.1	(37.0%)	26.0%
Repository	78.0	85.2	62.3	25.2%	(8.4%)
Total Segment Revenue	31,915.4	25,964.9	32,231.0	(1.0%)	22.9%

Key Performance Indicators (KPIs) & Trends

- **Demat Accounts (as of Sep 30, 2025): 16.51 crore.** Net new accounts opened in Q2 FY26 were **65 lakh**, up from 57 lakh in Q1 FY26, showcasing acceleration in investor onboarding.
- **Number of ISINs:** Increased to **1,13,909**, up from 1,05,588 in Q1 FY26.
- **Pledge Income (Q2 FY26 Standalone): ₹5.09 crore**, which is flat QoQ (vs. ₹5.05 crore in Q1 FY26), indicating stable collateralization activity.
- **Unlisted Issuer Charges (Q2 FY26 Standalone):** Totaling **₹8.92 crore** (₹3.53 crore in unlisted issuer charges + ₹5.39 crore in application processing) from the admission of **3,593 unlisted companies** in the quarter.
- **CVL (KRA) Business:** Total Income for the first half of FY26 was **₹92.84 crore**, with PAT at **₹27.09 crore**. Revenue is driven by higher "fetches" (online data charges), which are not strictly 1:1 correlated with new demat account openings but rather overall market activity including mutual fund investors.
- **Arbitral Award Update:** The company maintains that it has a strong case and has assessed **no impact** is required to be made in the books for the matter of Anugrah Stock & Broking Private Limited, which is pending before the Hon'ble Bombay High Court.

Management Insights

"The total income for the quarter ended September 2025 is at **INR341 crores** as against INR359 crores for the corresponding quarter of the previous year."

"CDSL would embark on a journey to ensure more proactive - in early investments in technology because technology takes time to be built, tested and then be rolled out."

Valuation Snapshot

The valuation analysis uses a TTM EPS of ₹22.63 (Consolidated H1 FY26 EPS of ₹11.61 annualized) and a snapshot share price of ₹1,634.

Metric	TTM Value	5Y Band (Low-Median-High)	Current vs. 5Y Median	Implication
P/E (TTM)	72.2x	32.7x - 45.9x - 77.0x	● Red (Above Median)	Trading near historical high end, indicating high growth expectations.
P/B (Current)	19.5x	7.55x - 14.14x - 19.46x	● Red (Above Median)	Trading at the higher end of the 5Y range, suggesting a rich valuation.
EV/EBITDA (TTM)	49.9x	23.6x - 34.4x - 52.3x	● Red (Above Median)	Trading near the high end, reflecting strong operating cash flow valuation.

The current valuation suggests that the market has high expectations for sustained growth in demat accounts, transaction activity, and the successful monetization of new services and enhanced technology infrastructure. Investors may use the median values as a reference for assessing the relative premium.

Outlook: Next 2–4 Quarters & Triggers

- **Sustained Account Opening:** The trend of high demat account opening (65 lakh in Q2 FY26) is a positive sign for future custody and transaction fee revenue. Monitoring the momentum in new account additions will be key.
- **ISIN Issuance Rollout:** The forthcoming live implementation of the ISIN system under testing is expected to create a more level playing field in the **unlisted market**, potentially increasing CDSL's market share beyond the current 30-32%.

- **Regulatory Catalysts:** Progress on the proposed hike in **annual issuer charges** to fund technology costs, as hinted by management, could provide a significant boost to a key revenue stream.
- **Subsidiary Monetization:** Watch for updates on the **Insurance Repository (CIRL)** business, especially the integration with LIC and the successful ramp-up of the broking channel, which is expected to drive future growth.




Disclosure

This content is for **educational and informational purposes only** and is based on a data-driven analysis of the publicly available documents. It is not investment advice. Past performance is not indicative of future results. The author/team is an investor and mentor in stock market strategies and may or may not have positions in the discussed stock. Data is believed to be reliable but is not guaranteed for accuracy or completeness. All figures are in ₹ crore unless stated otherwise.

Affle 3i: Q2 & H1 FY2026 — AI-Powered Growth & Margin Expansion Continues

Affle 3i has delivered its **highest-ever quarterly** revenue, EBITDA, PAT, and conversions, successfully navigating market-specific headwinds like the Real Money Gaming (RMG) issues in India by capitalizing on early festive season demand and sustained global growth. The core **Cost Per Converted User (CPCU)** business model remains the primary growth engine, supported by continuous expansion in operating margins.

TL;DR: Q2 & H1 FY2026 Snapshot

-  **Highest Ever Metrics:** Recorded all-time high quarterly Revenue, EBITDA, PAT, and conversions, driven by the core CPCU model.
-  **Headwinds Managed:** The impact of Real Money Gaming (RMG) issues in India was offset by strong, early festive demand and diversified growth, though the risk remains a monitoring point.
-  **Margin Strength:** EBITDA margin expanded by **172 bps YoY** in Q2 FY2026, marking the 6th consecutive quarter of sequential margin expansion, indicating solid operating leverage.

- 🚀 **CPCU Engine:** Drove **109 million conversions** in Q2 at an average CPCU rate of ₹ **58.0**, reflecting the platform's ability to command premium pricing for high-value users.
- 📌 **AI & IP Moat:** Launched '**Niko**' (an AI agentic capability for iOS) and secured two new US patents (total 16 granted), deepening their technological competitive moat and augmenting operational productivity (over 80% of activity penetrated by AI).



Quick Table: P&L, Margins, and Key Operating Ratios

(Amount in ₹ Crore, unless otherwise stated)

Particulars (Consolidated)	Q2 FY2026	Q1 FY2026	Q2 FY2025	YoY Change (%)	QoQ Change (%)	H1 FY2026	H1 FY2025	H1 YoY Change (%)
Revenue from Operations	646.7	620.7	542.9	19.1%	4.2%	1,267.5	1,062.4	19.3%
EBITDA	146.1	139.7	113.3	28.9%	4.6%	285.8	217.8	31.2%
PAT	110.5	105.5	92.0	20.1%	4.8%	216.0	178.6	21.0%
Basic EPS (₹)	7.88	7.52	6.56	20.1%	4.8%	15.40	12.74	21.0%
EBITDA Margin (%)	22.6%	22.5%	20.9%	+170 bps	+10 bps	22.6%	20.5%	+210 bps
PAT Margin (%)	16.5%	16.5%	16.1%	+40 bps	0 bps	16.5%	16.0%	+50 bps

CPCU Conversions (mn)	109.0	107.0	94.8	15.0%	1.9%	216.0	185.6	16.4%
Average CPCU Rate (₹)	58.0	58.0	57.1	1.6%	0.0%	58.0	57.1	1.6%

Source: Unaudited Consolidated Financial Results and Earnings Presentation.
Conversion rates calculated by Gemini.

Segment & Geography Highlights

The company operates predominantly in a **single business segment: "consumer platform segment"**. Geographically, the growth is broad-based, showcasing effective strategy across diversified markets.

Geography (Consolidated)	Q2 FY2026 Contribution	Q2 FY2026 YoY Growth	Commentary
India & Global Emerging Markets	73.9%	20.0%	Robust growth despite RMG challenges, lifted by early festive season ad spends in India.
Developed Markets	26.1%	16.8%	Resilient performance driven by deepening customer engagements, despite some Q2 budgets rolling over to Q3 due to advertiser caution.

Key Industry KPIs (CPCU Model)

- **CPCU Revenue (Q2 FY2026):** ₹ 631.9 crore. This means **97.7%** of the Revenue from Contracts with Customers is contributed by the performance-driven CPCU model.
- **Conversions & Pricing:** The strong **15.0% YoY** growth in conversions combined with the sustained increase in average CPCU rate (up 1.6% YoY) highlights the **premium positioning** of Affle's platform and its strong negotiation power with advertisers.

One-off/Non-Operating Items

- **RMG Provision:** An **additional provision** for Real Money Gaming (RMG) collections was made, quantified as approximately **0.5% of Revenue from operations**. This is a prudent measure against the ongoing RMG regulatory issues.
- **D&A Spike:** Depreciation and Amortisation (D&A) saw a sharp QoQ increase (₹ 31.9 crore in Q2 vs. ₹ 25.9 crore in Q1). Management clarifies this is a **historical trend** as newer technology modules are capitalized and put to use during the Q2 period, and the amortization policy for tech remains **4 years**.

Management Commentary

"Q2 FY2026 marks another defining period of strong performance and intelligence-led growth in our 3i growth journey. We delivered our highest-ever quarterly Revenue, EBITDA, PAT, and conversions, reaffirming the strength of our AI-powered Consumer Platform Stack and the success of our CPCU business."

— Anuj Khanna Sohum, Chairperson, MD & CEO

"Our disciplined financial management, supported by a healthy balance sheet and robust operating cash flows, provides a strong foundation for capturing emerging opportunities and driving sustainable growth through FY2026 and beyond."

— Kapil Bhutani, CFO & COO

Valuation Snapshot

Metric	Value	5Y Median Band (Approx.)	Implication

Trail PE (TTM)	57.6x	35x - 75x (Highly Volatile)	At ₹ 1,717, the TTM PE is near fairvalue of its historical high-growth band, reflecting the recent market correction but still commanding a premium.
P/B Value (x)	7.4x	6.0x - 11.0x (Highly Volatile)	Reflects market confidence in its asset-light, high-RoE, and high-growth potential.

Note: Share Price snapshot of ₹ 1,717 from November 20, 2025. TTM EPS is approx. ₹ 29.81.

Valuation Implication: Affle trades at a premium valuation, typical for a high-growth, asset-light, technology-driven platform with a demonstrable competitive moat (CPCU model, AI, and patents). The current valuation suggests the market largely prices in the expectation of **~20% sustained revenue growth** with continuous margin expansion. As an investor, the focus shifts from valuation multiples to sustained operating performance and successful inorganic growth deployment.

Outlook & Monitoring Points

Next 2–4 Quarters Outlook

The management maintains a **positive outlook** for sustained, profitable growth, driven by key factors:

- **Festive Tailwinds (Q3):** A **robust engagement pipeline** is in place for Q3, driven by the festive season in both India (Diwali) and developed markets (end-of-year holidays), with some budgets rolling over from Q2, suggesting a strong performance ahead.
- **AI/Tech Adoption:** Deepening the role of AI (like **Niko** for iOS automation) is expected to further enhance operational efficiency, increase the capacity of the workforce, and widen the competitive moat.
- **Inorganic Growth:** The company is actively evaluating **~10 potential M&A targets** for horizontal and vertical integration within the Consumer Platform ecosystem, anticipating that an acquisition might mature in the coming quarters.

Top 4 Risks & Monitoring Triggers

1. **RMG & Regulatory Risk (India):** The **residual impact** of the Real Money Gaming (RMG) regulatory issues is expected to continue for another quarter or two, potentially

impacting growth in India. **Monitoring Trigger:** Management's ability to maintain high double-digit India growth by reallocating efforts to other EFGH verticals.

2. **M&A Execution & Valuation:** Deploying the significant cash reserves (including the remaining QIP/Preferential allotment proceeds) into M&A is a double-edged sword. **Monitoring Trigger:** Announcement of an acquisition at a sensible valuation with a clear, time-bound thesis for integration and margin/growth enhancement.
3. **Developed Market Headwinds:** Macroeconomic uncertainty (e.g., US tariff uncertainty) led to a **risk-managed rollover of budgets** from Q2 to Q3 in developed markets. **Monitoring Trigger:** Successful realization of these deferred budgets in Q3 FY2026, confirming the **resilience** of demand.
4. **Sustained CPCU Pricing:** The core thesis is built on charging a premium CPCU rate even as raw material (impressions/CPMs) costs decline. **Monitoring Trigger:** Continued upward or stable trend in the **Average CPCU Rate (₹)**, signaling sustained negotiating leverage.



Disclosure

This analysis is for **educational and informational purposes only** and does not constitute financial or investment advice. It is based solely on the data provided in the company's Q2 and H1 FY2026 unaudited consolidated financial results, earnings presentation, and conference call transcript. **Past performance is not indicative of future results.** As an author and research entity, the author/team may or may not have positions in the securities mentioned. All financial data is believed to be reliable but is not guaranteed.

✨ Patanjali Foods (PATANJALI): Q2 FY26 & H1 FY26 Results Analysis

Harvesting Strong Results: FMCG Drives All-Time High Performance

Patanjali Foods (PATANJALI) delivered an all-time high performance for Q2 and H1 FY26. Let's dive into the details, keeping in mind the shift in segmental classification and one-off tax benefit.

Revenue from Ops	9,798.8	\$20.9%	11.8%	18,564.9	21.7%	37,376.6	N/A
Total EBITDA	603.3	22.2%	80.5%	937.5	0.5%	1,946.9	N/A
PBT	505.1	21.2%	\$103.2%	753.7	-2.9%	1,703.2	N/A
PAT	516.7	67.3%	186.4%	697.1	22.0%	1,426.6	\$40.9\$
Basic EPS (\$₹\$)	4.75	67.3%	186.1%	6.41	22.0%	\$13.13\$	N/A
Gross Margin (%)	15.3%	0.2 pts	3.5 pts	13.5%	0.9 pts	14.6%	N/A
EBITDA Margin (%)	6.1%	0.0 pts	2.3 pts	5.1%	-1.1 pts	5.2%	N/A
PAT Margin (%)	5.3%	1.6 pts	3.0 pts	3.8%	0.0 pts	3.8%	N/A

Note on PAT & Tax: Q2 FY26 PAT includes a significant tax-related benefit, with a \$tax expense\$ of \$-₹11.6\$ crore and a \$Tax related to earlier years (credit)\$ of \$₹141.0\$ crore. Excluding the tax refund, the \$Adjusted PAT\$ would be \$₹375.7\$ crore (₹516.7 - ₹141.0), and \$Adjusted PAT Margin\$ would be **3.8%**.

 **Segment Highlights (Q2 FY26 Standalone)**

The company has restructured its segments, consolidating 'Food & Other FMCG' and 'HPC' into a single '**FMCG**' Segment.

Segment	Revenue (₹ crore)	YoY Growth (%)	QoQ Growth (%)	EBITDA Margin (%)
Edible Oils	6,971.6	\$17.2\%\\$	\$4.3\%\\$	\$3.5\%\\$
FMCG	2,914.2	\$30.1\%\\$	\$34.3\%\\$	\$12.3\%\\$
Wind Turbine Power Gen	13.3	\$-7.1\%\\$	\$12.3\%\\$	Not Disclosed

Key Segment Insights:

- **Edible Oils:** Revenue growth was primarily price-led due to a \$35\%\\$ YoY increase in Palm Oil prices, with actual volumes declining \$7\%\\$ YoY for the overall segment. Branded oils (Ruchi Gold, Mahakosh, Sunrich) remain a pillar, contributing \$\sim 76\%\\$ of total segment sales.
 - **FMCG (Key Products):**
 - **Biscuits:** Revenue was a record \$\text{\text{₹}}499.9\\$ crore (\$16.5\%\\$ YoY growth). The flagship '**Doodh**' biscuit contributed \$\text{\text{₹}}360.5\\$ crore. EBITDA margin was \$9.8\%\\$.
 - **Cow Ghee:** Posted the segment's strongest ever performance with sales of \$\text{\text{₹}}447.5\\$ crore (\$74.1\%\\$ QoQ growth).
 - **Home & Personal Care (HPC):** Contributed \$\text{\text{₹}}659\\$ crore to total FMCG revenue, showing a strong QoQ growth from \$\text{\text{₹}}560\\$ crore in Q1 FY26. HPC EBITDA margin was a high \$\mathbf{27.7\%\}\$ for Q2 FY26.
 - **Nutraceuticals:** Revenue of \$\text{\text{₹}}13.5\\$ crore. The company introduced the **Renal Health Care** category.
 - **Oil Palm Plantation (H1 FY26):** The area under cultivation crossed **\$1\$ lakh hectares** (\$\text{\text{₹}}1,00,997\\$ ha) in September 2025. This vertical generated an EBITDA margin of \$24.2\%\\$ in Q2 FY26.
-

Management Quotes

"The quarterly as well as half-year performance reached an all-time high on the revenue and profitability front. GST rate rationalization was introduced during the quarter... that will drive higher efficiency and stimulate long-term consumption."

"Our goal is to steadily increase this [FMCG] contribution and increase it to $\mathbf{50\%}$ of revenue in the next few years. Today, nearly $\mathbf{60\%}$ of our EBITDA is derived from this segment."

Valuation Snapshot (Based on Consolidated TTM)

Metric	Value	5Y Median Range	Implication	Color
P/E (TTM)	\$44x	21X to 55X	Trading in the lower end of the historical 5Y range, suggesting better value relative to its peak valuations.	Amber (Closer to the low-end, but still high absolute value)
P/B Ratio	\$5.3x	2X to 6X	Trading in the upper end of its historical 5Y band, implying it remains expensive on a book value basis.	Red
EV/EBITDA	\$32.5x	$\mathbf{21.9\text{x}}$ to $\mathbf{54.9\text{x}}$	Trading in the mid-range of the historical 5Y band, suggesting it's moderately valued on	Amber

			an operational cash flow basis.	
--	--	--	---------------------------------	--

Implication: The stock's valuation on a TTM PE basis (impacted by the one-off tax benefit) is at the lower end of its historical band. However, P/B and EV/EBITDA indicate that absolute valuations remain stretched, typical for a growth-focused FMCG company in an expansion phase. Investors should weigh the growth prospects and \$50:50\$ revenue mix goal against the premium valuation.

Outlook & Triggers to Watch

The management is optimistic about the second half of FY26.

- **Volume & Revenue Growth:** The GST \$2.0\$ reform is expected to drive a **\$300\$ to \$400\$ basis points increase in volumes** over the coming months. The FMCG segment is targeted for \$8\%\$-\$10\%\$ food and \$\sim 15\%\$ HPC growth, while Edible Oils are expected to grow \$2\%\$-\$4\%\$.
- **Segmental Balance:** The strategic goal is to achieve a $\mathbf{50:50}$ revenue mix between the Edible Oils and FMCG segments within the next **four years**.
- **Macro Trends:** Recovery in urban demand towards the end of Q2 FY26 is expected to strengthen, supported by festival demand, government welfare schemes, and easing inflation.
- **Palm Oil Cultivation:** The expansion of oil palm plantation area to over \$1\$ lakh hectares is viewed as the "next major growth driver".

Key Monitoring Points (Risks & Challenges):

1. **Commodity Price Volatility:** Sustained tightness in global vegetable oil supplies and palm oil prices (up \$35\%\$ YoY) could continue to pressure Edible Oil segment margins, a key risk given its size.
2. **GST Transition Lag:** Full normalization of retail and wholesale inventory and the complete conversion of GST benefits into consumer volume growth may take "several months".
3. **Competition in FMCG:** Maintaining an edge in the competitive FMCG space requires constant product innovation and marketing, especially as the segment is targeted to be the primary profit driver.



4. **Balance Sheet & Debt:** A large increase in gross borrowings (working capital loans and credit facilities) has been noted, which needs monitoring, though management attributes it to working capital needs.




Disclaimer: Educational Analysis

This analysis is prepared for **educational and informational purposes only** and should not be construed as investment advice. The user is an investor, trainer, and mentor, and this content is designed to support structured, data-driven analysis. Past performance is not indicative of future results. The figures are based on the company's publicly available filings and transcripts. The author/team does not guarantee the accuracy of all external data (e.g., historical valuation bands) and may or may not hold positions in the mentioned stock. Please conduct your own due diligence before making any investment decisions. **Timestamp: November 19, 2025**

MARUTI SUZUKI: Q2 FY26 & H1 FY26 Results Analysis

TL;DR (Quick Summary for the Investor)

Icon	Metric	Insight
	Exports & Sales Mix	Robust 42.2% YoY export volume growth in Q2. Net Sales up 12.8% YoY driven by better Average Selling Price (ASP), up 9.6% QoQ on favorable mix.
	Profitability Dip (YoY)	Q2 FY26 Operating EBIT margin at 8.5% , down 180 bps YoY . Primary headwind was adverse commodity

		prices/forex and higher sales promotion/advertisement expenses.
	Profit After Tax (PAT)	Q2 PAT grew 7.3% YoY (to ₹3,293.1 Cr) but fell 11.3% QoQ due to lower non-operating income (mark-to-market impact from bond yields).
	Strategic Moves	Launch of the new VICTORIS (30,000+ bookings) and start of e VITARA BEV exports to 100+ countries. Commenced production at the new Kharkhoda plant .
	Growth Outlook	Domestic growth buoyancy expected in future quarters due to GST reduction (Sept 22, 2025). Small car segment showing strong recovery (30% YoY retail growth for MSIL in October).

 **Quick Table: Standalone Financial Performance (₹ crore)**

Particulars (Standalone)	Q2 FY26	Q1 FY26	Q2 FY25	QoQ Change	YoY Change	H1 FY26	H1 FY25	H1 Change
Net Sales (Revenue from Ops.)	4,013.6	3,662.5	3,558.9	9.6%	12.8%	7,676.1	6,946.4	10.5%
Operating EBIT	339.5	305.8	366.6	11.0%	-7.4%	645.3	751.0	-14.1%

EBIT Margin (%)	8.5%	8.3%	10.3%	20 bps	-180 bps	8.4%	10.8%	-240 bps
Profit Before Tax (PBT)	425.1	483.4	510.1	-12.1%	-16.7%	908.5	979.0	-7.2%
Profit After Tax (PAT)	329.3	371.2	306.9	-11.3%	7.3%	700.5	671.9	4.3%
EPS (₹)	104.7	118.1	97.6	-11.3%	7.3%	222.8	213.7	4.3%

*Note: Data extracted from Standalone Unaudited Financial Results (INR in million, converted to ₹ crore with one decimal). EBIT is calculated as Profit before Tax (V) adjusted for Other Income (II).

Margins and Key Ratios (% of Net Sales)

Parameter	Q2 FY26	Q1 FY26	Q2 FY25	QoQ Change (bps)	YoY Change (bps)	H1 FY26	H1 FY25	H1 Change (bps)
Material Cost	76.5%	75.5%	74.9%	100	160	76.0%	74.1%	190
Employee Cost	4.4%	4.8%	4.1%	-40	30	4.6%	4.4%	20
Depreciation	2.6%	2.6%	2.1%	0	50	2.6%	2.1%	50

Op. EBIT	8.5%	8.3%	10.3%	20	-180	8.4%	10.8%	-240
Non-Op. Income	2.3%	5.0%	4.1%	-270	-180	3.6%	3.4%	20
PAT	8.2%	10.1%	8.6%	-190	-40	9.1%	9.7%	-60

Key Takeaways on Margins:

- The **Material Cost** as a percentage of Net Sales increased significantly both QoQ and YoY, putting pressure on gross margins. Management noted **adverse commodity prices (especially Platinum Group Metals - PGM)** and **unfavorable Japanese Yen (JPY) forex** as headwinds.
- The quarter saw higher **Sales Promotion (Discounts)** expenses, which adversely impacted EBIT by approximately 75 bps sequentially.
- Despite these pressures, operating efficiency gains (favorable leverage, lower operating expenses) provided a partial offset, resulting in a 20 bps QoQ improvement in Op. EBIT.
- The sharp **QoQ drop in PAT/PBT** is primarily due to a substantial fall in **Non-Operating Income** (2.3% vs. 5.0% QoQ), caused by an **unfavorable mark-to-market impact on invested surplus** due to hardening bond yields.

Segment & Geography Highlights (Volume Share)

Segment	Q2 FY26 Volume (Units)	Growth % (YoY)	Share of Domestic Sales	H1 FY26 Volume (Units)	Growth % (YoY)	Share of Domestic Sales
Domestic Sales	440,387	-5.1%	79.9% (of Total)	871,276	-4.8%	80.8% (of Total)
Mini + Compact	213,029	2.3%	48.4%	409,821	-4.3%	47.0%

UVs (Utility Vehicles)	155,511	-13.9%	35.3%	317,379	36.4%	36.4%
Exports	110,487	42.2%	20.1% (of Total)	207,459	39.9%	19.2% (of Total)
Total Sales	550,874	1.7%	100%	1,078,735	1.4%	100%

- Domestic Volume:** The Q2 YoY decline of **-5.1%** was attributed to low sales in mid-August to late September due to the anticipated **GST price reduction** on some models. Retail sales picked up steeply post-September 22, 2025.
- Exports:** Exports were the standout performer, growing **42.2% YoY** in Q2 and achieving an all-time high half-yearly export volume. The company expects to exceed its 400,000 unit export guidance for the full year.
- Segmental Mix:** In H1 FY26, the share of the high-growth **UV segment** in domestic sales jumped to **36.4%** (up from 23.3% in H1 FY25), demonstrating the successful product shift, although Q2 UV volumes were lower YoY (-13.9%).

Management Quotes (Insights from the Conference Call)

"The buoyancy of GST reduction will reflect in the future quarters... we have got about 500,000 bookings [in the festive season]... and the small car segment... grew by 30% [in October]."

"Suzuki Motor Corporation on its website has set out an aspiration... about **10% EBIT margin and 50% market share by FY 2030-31**. So that's a very clear goal for the whole management of Maruti Suzuki."

Valuation Snapshot

Parameter	Current Value (TTM)	5Y Median Band	Implication
P/E (TTM)	34X	19 to 34	Near High PE
P/B Value (P/BV)	5X	2.7 to 4.6	Near High PBV

Outlook: Next 2–4 Quarters & Triggers to Watch

1. Future Growth & Segment Focus

- The immediate future is expected to see the full benefit of the **GST reduction** on smaller cars flow through to wholesale numbers, as the festive season retail sales were exceptionally good.
- Management believes the industry should see about **6% year-on-year growth** on a sustainable basis, with the small car segment (18% GST bracket) potentially growing faster.
- The company is actively pursuing its long-term goals of **50% market share** and **10% EBIT margin** by FY2030-31, driven by the launch of **eight new SUVs** by the turn of the decade (not including VICTORIS).

2. Operational & Strategic Triggers

- **EV Push:** The start of exports for the first Battery Electric Vehicle (BEV), the **e VITARA**, to markets like Europe and Japan is a major long-term strategic pivot for the company.
- **New Capacity:** The new **Kharkhoda greenfield plant** is now operational and is producing the new VICTORIS model, which will contribute to volume growth and depreciation expense.
- **EPR Rules:** A key near-term risk remains the financial impact of the new **End-of-Life Vehicles (ELV) Rules, 2025**. The company is currently unable to reliably estimate its Extended Producer Responsibility (EPR) obligations due to the Centralised Online Portal being undeveloped.



Disclaimer




This analysis is for **educational and informational purposes only** and is not, and should not be construed as, investment advice. Past performance is not indicative of future results. The author/team has based this analysis on the provided public financial documents and conference call transcripts, which are believed to be reliable but are not guaranteed for completeness or accuracy. Readers should conduct their own due diligence before making any investment decisions. **All numbers and facts are based on the financial results dated October 31, 2025.**

IEX Q2 FY26 Earnings Analysis: Sustained Volume Growth Amidst Regulatory Headwinds and Energy Transition

IEX, a key player in India's energy ecosystem, has demonstrated financial resilience and strategic focus on market development, even as the regulatory landscape evolves.

TL;DR: Key Takeaways from IEX Q2 FY26 Results

Icon	Summary
	Strong PAT Growth: Consolidated Profit After Tax (PAT) surged 13.9% YoY in Q2 FY26, reaching ₹123.35 crore.
	Divergence in Growth: Electricity volume grew by 16.1% YoY, but total revenue growth was slower at 9.2%. This was primarily due to a 53% YoY

	drop in revenue from the certificates segment (lower volumes and a reduction in transaction fees from ₹40 to ₹20).
	RTM Dominance: The Real-Time Market (RTM) volumes grew by 39% YoY and, for the first time ever, surpassed the Day-Ahead Market (DAM) volumes, highlighting RTM's crucial role in managing short-term and renewable energy volatility.
	Market Coupling Appeal: IEX has filed an appeal with the Appellate Tribunal for Electricity (APTEL) against the CERC's order on implementing Day-Ahead Market (DAM) coupling , with the next hearing scheduled for November 28, 2025.
	Diversification on Track: The subsidiary Indian Gas Exchange (IGX) saw a 36.6% YoY jump in traded gas volumes, recording a 57% YoY higher PAT of ₹9.6 crore.

Quick Table: P&L & Key Ratios (Consolidated)

Metric (₹ crore)	Q2 FY26	Q2 FY25	YoY Growth	Q1 FY26	QoQ Growth	H1 FY26	H1 FY25	YoY Growth (H1)
Total Revenue	183.27	167.77	9.2%	184.18	-0.5%	367.4	322.2	14.0%
EBITDA	167.3	151.2	10.7%	164.4	1.8%	331.7	285.0	16.4%
PAT	123.35	108.32	13.9%	120.7	2.2%	244.0	204.8	19.1%

Diluted EPS (₹)	1.39	1.22	13.9%	1.36	2.2%	2.75	2.30	19.6%
EBITDA Margin (%)	91.3%	90.1%	120 bps	89.3%	200 bps	90.3%	88.5%	180 bps
PAT Margin (%)	67.3%	64.6%	270 bps	65.5%	180 bps	66.4%	63.6%	280 bps

Note: Data points are derived from the Unaudited Consolidated Financial Results for Q2 FY26. EPS calculation is based on Diluted EPS per share.

Segment & KPI Highlights

Electricity Market Performance

Segment KPI	Q2 FY26	Q2 FY25	YoY Change
Electricity Volume (BU)	35.2	30.3	16.1%
RTM Volume (BU)	~15.0	~10.8	39.0%
RTM Share in Volume (%)	36.0%	30.0%	600 bps
Green Market Volume (BU)	3.0	2.6	17.7%
Avg. DAM Price (₹/unit)	3.93	4.49	-12.5%

Avg. RTM Price (₹/unit)	3.51	4.18	-16.0%
--------------------------------	------	------	--------

The **RTM** has become a pivotal growth driver, showcasing strong 39% volume growth. This surge reflects the market's need for dynamic scheduling to manage the increasing penetration of variable **Renewable Energy (RE)** sources and lower prices due to improved supply liquidity from hydro/wind and sustained coal generation.

Diversification Initiatives (IGX & ICX)

Initiative KPI	Q2 FY26	Q2 FY25	YoY Change
IGX Traded Volume (Mn MMBtu)	16.1	11.8	36.6%
IGX PAT (₹ crore)	9.6	6.1	57.4%
ICX I-REC Issuances (Lakh)	38	24	58.3%
ICX Revenue (₹ crore)	1.9	Not Disclosed	N/A

The **Indian Gas Exchange (IGX)** is exhibiting rapid growth, driven by stable gas prices and positive policy support. The **International Carbon Exchange (ICX)**, focused on International RECs (I-RECs), also saw significant activity.

Management Quotes

"The RTM segment continues to demonstrate strong growth with 36% share in volume at IEX, surpassing the share of DAM segment for the first time ever."

"The arrival of early and prolonged monsoon this fiscal moderated power demand... Nonetheless, with CEA's forecast of power demand at 366 GW by 2032... demand growth will continue to drive exchange volume."

Valuation Snapshot

The following peer comparison and valuation band analysis offer a structured view, crucial for any fundamental investor. The 5-year average is derived from external data as the median of the available range.

Ratio	IEX (TTM)	5-Year Median/Avg. Band	Implication
P/E (TTM)	27.2	25x – 50x (Median/Avg.)	Green - Trading below its historical average P/E band.
P/B (MRQ)	10.95	8x – 15.1x (MRQ/5Y Avg.)	Amber - Near the lower end of the band.
EV/EBITDA (TTM)	18.7x	24.6x – 50.9x (5Y Range)	Green - Significantly below its historical 5-year average range.

Implication: Based on this snapshot, IEX appears to be trading below its historical valuation multiples, especially on a P/E and EV/EBITDA basis, suggesting a potential margin of safety against its own historical context. This could be influenced by the ongoing regulatory uncertainty around market coupling.

Outlook: Next 2–4 Quarters & Triggers to Watch

The outlook remains shaped by India's structural energy transition and key regulatory actions.

Near-Term Outlook

- **Volume Growth:** The company aims to sustain an electricity volume growth between **15% and 20%** for FY26.
- **Market Share Resilience:** Continued focus on **customer loyalty** (hard work of 17 years) and **technology intervention** is the primary strategy to mitigate any potential impact from future market coupling implementation.
- **Price Rationalization:** Lower day-ahead and real-time market prices, driven by improved supply liquidity and increasing RE generation, are expected to continue, benefitting consumers and potentially increasing volumes, especially in RTM.

Key Triggers & Risks to Monitor

Area	Triggers to Watch (Positive)	Key Risks (Negative)
Regulation & Policy	Favorable outcome in the APTEL appeal against the DAM coupling order.	Market Coupling implementation (scheduled for Day-Ahead Market by Jan 2026).
Energy Transition	Launch of new products like Green RTM and Peak DAM/RTM (petitions with CERC).	Slowdown in electrification of the economy or a persistent demand slump due to weather/macro factors.
Diversification	Clarity and implementation of carbon trading regulations (expected in 1.0–1.5 years).	Delay in IGX stake divestment (to 25% by Dec 2025 as per PNGRB) and/or non-compliance.
Demand Dynamics	Thermal capacity addition (80 GW by 2032) and BESS storage development (47 GW by FY32).	Increased competition (price wars in the absence of RTM coupling).

Disclosure

- This analysis is for **educational purposes only** and does not constitute investment advice.
- Past performance is not indicative of future results.
- The author/team may or may not have positions in the securities mentioned.
- Data is believed to be reliable but is not guaranteed. All figures and sources are referenced with timestamps.

🌟 BEL: Soaring High on Strong Order Book & Margin Expansion! 🚀

Bharat Electronics Ltd. (BEL) has delivered excellent performance in Q2 and H1 FY2026, driven by robust execution, strategic programs, and a high-margin product mix. The order book remains a key pillar of future growth, securing revenue visibility for years to come.

TL;DR: Quick Insights for the Busy Investor

- **✅ Revenue Surge:** Consolidated Revenue from Operations grew by a strong **25.8% YoY** in Q2 FY26 (₹5,792.1 crore vs. ₹4,604.9 crore).
- **⚠️ Margin Power:** Consolidated EBITDA Margin expanded significantly to **29.4%** in Q2 FY26 (vs. 30.3% QoQ; 30.3% YoY in Q2 FY25). *While strong, the Q2 YoY margin base was already high, resulting in a flat comparison.*
- **📊 Profit Jumps:** Consolidated Profit After Tax (PAT) grew by **17.8% YoY** to **₹1,287.8 crore** in Q2 FY26 (vs. ₹1,092.8 crore).
- **🎯 Massive Order Book:** The order book stood at a robust **₹74,453 crore** as of October 1, 2025, providing strong revenue visibility. Management is confident in achieving the guidance.
- **📌 Strategic Projects:** Key execution drivers include LRSAM, Himshakti, and Shakti EW system. Major upcoming orders include QRSAM, NGC, and LCA avionics packages.

Quick Table: P&L & Key Ratios (Consolidated)

Metric	Q2 FY26 (₹ Cr.)	Q1 FY26 (₹ Cr.)	YoY Growth (%)	QoQ Growth (%)
Revenue from Operations	5,792.1	4,439.7	+25.8%	+30.4%
Total Income	5,946.0	4,603.1	+24.8%	+29.2%
EBITDA	1,702.2	1,238.2	+21.6%	+37.5%
EBITDA Margin (%)	29.4%	28.0%	-0.9 bps	+1.4 bps
Profit Before Tax (PBT)	1,728.0	1,279.4	+19.6%	+35.1%
Profit After Tax (PAT)	1,287.8	969.1	+17.8%	+32.9%
PAT Margin (%)	22.2%	21.8%	-1.1 bps	+0.4 bps
Basic EPS (₹)	1.76	1.33	+17.3%	+32.3%

Note: EBITDA and margins computed based on Total Expenses (excluding Finance Cost, Depreciation, and Tax).

Half-Year (H1 FY26) Performance:

Metric	H1 FY26 (₹ Cr.)	H1 FY25 (₹ Cr.)	YoY Growth (%)
Revenue from Operations	10,231.8	8,848.5	+15.6%
Profit Before Tax (PBT)	3,007.3	2,488.1	+20.9%
Profit After Tax (PAT)	2,256.2	1,864.9	+21.0%
Basic EPS (₹)	3.09	2.55	+21.2%

One-offs/Reconciliation: There were no exceptional items reported in Q2/H1 FY26. The strong growth in PBT (+19.6% YoY) surpassing Revenue growth (+25.8% YoY) is largely due to higher operating leverage and a favourable product mix (EBITDA margin up in H1 to 30.15% vs. 27.26% in H1 FY25).

Segment/Geography Highlights

Order Book Status	Amount (₹ Cr.)	Contribution to ₹74,453 Cr. Order Book	Execution Timeline
Total Order Book (as of Oct 1, 2025)	74,453	100%	Multi-year
Order Inflow (as of Nov 4, 2025)	14,750	N.A.	Current FY

Top 7 Orders (Pending)	~25,000	~33.6%	Multi-year
QRSAM Potential Order (Guidance)	~30,000	N.A.	Expected by Mar '26, execution over 5-6 years

Operational Mix (Based on Order Book Commentaries):

BEL's order book and product segments are more or less equally distributed across Army, Navy, and Air Force.

Key Execution Drivers (H1 FY26):

LRSAM (Navy), Himshakti, Battle Surveillance System for Army, Akash Army, LCA Mark 1A LRUs (Avionics), Lynx U2 Fire Control System, and Shakti EW system.

Management Speak (Manoj Jain, Chairman & MD)

"...we are confident that whatsoever guidance which we had given at the year start, we are on the right track to meet those guidance."

"The order book position as on 1st October '25 is ₹74,453 crores and as on today, it has become ₹75,600 crores."

Valuation Snapshot (Consolidated)

Metric	Value (TTM)	5-Year High (LTM/Peak)	5-Year Median/Avg	Implication
P/E (x)	53.5	~58.5 (Jun 2024)	~28.8	● High (Above 5Y Median)

P/B (x)	14.3	~17.5 (Sep 2025)	Not disclosed	● High (Stock trades at a high premium to Book Value)
EV/EBITDA (x)	39.9	~42.4 (Sep 2025)	~25.6 (Average)	● High (Above 5Y Median)

Snapshot Price (Consolidated TTM EPS \approx ₹7.8): ₹423. Valuation is based on TTM (Trailing Twelve Months) figures.

Valuation Interpretation:

The current valuation multiples (P/E and EV/EBITDA) are trading in the red zone (significantly above their 5-year median/average ranges). This implies that the market is already pricing in the strong future growth visibility, massive order book, government's focus on defence indigenization (Make in India), and a potential margin expansion story. For value-focused investors, the high valuation suggests careful monitoring of execution and order inflow to justify the premium.

Outlook: Next 2–4 Quarters & Triggers

Management has reiterated the following guidance for the full year FY26:

- **Revenue Growth:** 15% plus.
- **EBITDA Margin:** Definitely 27%.
- **Order Inflow:**
 - Excluding QRSAM: ₹27,000 crore.
 - Including QRSAM (expected by Mar '26): ~₹57,000 crore.
- **R&D Investments:** More than ₹1,600 crore.
- **Capex:** More than ₹1,000 crore.

Key Triggers to Watch:

1. **QRSAM Order Finalisation:** The final signing of the Quick Reaction Surface-to-Air Missile (QRSAM) order (expected to be ₹30,000 crore total size) before March 2026.
2. **Emergency Procurement Execution:** Timely execution of the ₹1,350 crore in received emergency orders and upcoming ₹2,000 crore pipeline.
3. **Strategic Project Orders:** Receipt of specific orders in the pipeline:
 - Next-Generation Corvette (NGC) Subsystems (~₹4,500 crore this FY).
 - LCA Mark 1A Avionics Packages (~₹2,500 crore).

- Ground Based Mobile Electronic Warfare System (GBMES) (~₹1,500-₹2,000 crore).
4. **AMCA Development & Role:** Development in the Advanced Medium Combat Aircraft (AMCA) program (in consortium with L&T) to move up the value chain from components to system integration.

Risks & Monitoring

1. **Execution Risk for Large Orders:** The large order book of ₹74,453 crore is tied to staggered, complex long-term projects (e.g., LRSAM, QRSAM). Any delays in production, technology integration (like the 5-6 year QRSAM execution), or supply chain (obsolescence, component availability) could impact revenue recognition.
2. **Order Inflow Concentration & Competition:** Achieving the ambitious ₹27,000 crore order inflow (ex-QRSAM) is crucial. While BEL is the natural leader in C4I programs, competition is intensifying, which could pressure margins on new contracts.
3. **Working Capital Cycle:** Cash flow from operations was negative in H1 FY26 (₹88,927 lakh). Efficient working capital management, particularly managing receivables and inventory (up to ₹10,211 crore as of Sept 30, 2025), remains vital for a profitable PSU model.
4. **Strategic Project Development Delays:** High-value, long-gestation projects like **Project Kusha** (production order expected by Dec 2029) and the **AMCA** consortium program carry inherent technological and developmental risks. Delays in prototype development and trials could defer monetization.

Disclosure

This analysis is for **educational and informational purposes only** and is not investment advice. Please conduct your own due diligence or consult a certified financial advisor before making investment decisions. Past performance is not indicative of future results. The analysis is based on data available as of November 14, 2025. The author/team may or may not have positions in the securities mentioned. Data is believed to be reliable but is not guaranteed.

Kajaria Ceramics Q2 FY26: Margin Marvel, Transformation Mode! 🚀

TL;DR – Highlights

✅ **Multi-Quarter Margin High:** EBITDA margin at 17.9%, up 4.5 ppt YoY as cost optimization drives profits.

⚠️ **Muted Revenue:** Revenue flat YoY at ₹1,186.6 crore; demand revival expected post-North India floods.

📊 **Segment Shift:** Tiles revenue flat; Bathware up 14%, Adhesive doubled — diversification on track.

🔄 **Debt-Free Dynamo:** Net debt equity at -0.20; strong cash flows, working capital days down to 56.

📌 **Transformation in Progress:** New management roles, deep cost-cutting, unified dealer policy — Growth engine revving up.

Quick Table: Financials & Margins

Metric	Q2 FY26	Q2 FY25	% YoY	Q1 FY26	% QoQ
Revenue	1,186.6	1,179.3	+0.6	1,102.7	+7.6
EBITDA	212.9	158.9	+34.0	184.6	+15.3
PAT	133.0	84.3	+57.8	110.3	+20.6
EPS (₹)	8.35	5.29	+57.8	6.84	+22.1

EBITDA Margin (%)	17.94	13.47	+447bps	16.72	+122bps
ROE (Trailing 12M)	17.06	17.08	~flat	—	—
Net Debt (₹ cr)	-593	-349	n.a	—	—
Working Cap Days	56	58	-2 days	58	-2 days

*Data: Consolidated. “—” means Not Disclosed.Kajaria_IP.pdf

Segment & Geography Highlights

Segment	Q2 FY26	Q2 FY25	% YoY	Share %
Tiles	1,051	1,054	-0.3	89
Bathware	102	90	+13.3	8.5
Adhesive	32	18	+77.8	2.7
Sanitary/Faucets	33/17	18/17	+83.3/ 0	3.0

Geography:

- Retail: ~70%.
 - Projects: ~30% (mix includes private/govt).
 - Exports: Flat; Nepal JV contributes ~5% of tile volume.
-

Margin Story & Management Quotes

“Our consolidated revenue stood at ₹1,186 crore, a marginal growth...however, the margins continued to improve to 17.94% as compared to 13.47% YoY. This reflects operational strength and ongoing cost optimization.

“With Kajaria 2.0, we enter a new chapter of transformation, led by fresh thinking and renewed energy.”

Valuation Snapshot

Valuation Metric	Current (TTM)	5Y Band	Band Signal
PE (TTM)	49x	25–38x	● Red
PBV	6.0x	5.1–7.0x	● Amber
EV/EBITDA	17.0x	12–19x	● Red

- Above historical PE median, not “cheap” but not over-stretched.
 - EV/EBITDA at the upper end — signals strong operational cash, but risk if margins normalize.
 - PBV within usual range.
-

Risks & Monitoring (Top 4)

1. **Demand slowdown:** Post-flood revival expected, but property cycle & infra push crucial.
2. **Industry competition:** Morbi/MNC pricing gap (~20%) persists.
3. **Input cost volatility:** Power, fuel, and raw material savings may not sustain; gas price risk.
4. **Execution on transformation/unification:** Short-term sales interruptions can impact quarterly performance; consultant-led changes ongoing.

Outlook: 2–4 Quarters

- **Volume uptick likely** post-festive/North recovery.
- Cost rationalization benefits to sustain (employee, raw material, marketing).Kajaria_Trascript.pdf
- New dealer policy, unified incentive, project ramp-up: expect steady margin, moderate sales growth.
- **Key triggers:** Infra spend, real estate rebound, further cost optimization.
- No new capacity add; focus on full utilization and outsourcing if demand spikes.


Disclosure


Educational only, not investment advice; past performance is not indicative. Author/team may have positions; data believed reliable but not guaranteed. Timestamp: 13-Nov-2025


LARSEN & TOUBRO (LT) Q2 FY26 RESULTS — RECORD ORDERS, STEADY EXECUTION, HEALTHY ROE

Result date: 29 Oct 2025 | Basis: Consolidated | Price snapshot used: ₹3,951
Company: LT | Sector: Civil Construction & EPC

TL;DR     

 Revenue ₹67,980, EBITDA ₹6,810, PAT ₹3,900. Growth YoY in double digits.

 Order inflow ₹1,15,800 (+45% YoY); order book ₹6,67,000 (+31% YoY). Strong visibility.

 Mix: 56% international revenue; Middle East energy orders led the quarter.

- ✔ Balance sheet: ROE (TTM) 17.2; Net working capital/revenue 10.2; Q2 CFO ₹4,800.
- ⚠ Watch: Infra execution normalization post monsoon, energy project margins, IT & tech services margin recovery.

QUICK TABLE — P&L, MARGINS, KEY RATIOS (₹ crore; %, 1-dec)

- Revenue: 67,980 | YoY +10.4 | QoQ +6.8
- EBITDA: 6,810 | YoY +7.1 | QoQ +7.1 | EBITDA margin 10.0
- PAT (reported): 3,900 | YoY +14.7 | QoQ +8.3 | PAT margin 5.7
- Trail_EPS: 119.25
- ROE (TTM): 17.2
- Net working capital / Revenue: 10.2
- Cash flow from operations (ex-FS): Q2 ₹4,800 | H1 ₹10,600

Notes: No exceptional items called out at consolidated level. Hyderabad Metro divestment under discussion at Group level; final impact will depend on closure terms. Tax and FX effects not material at group level this quarter.

SEGMENT & GEOGRAPHY HIGHLIGHTS (Q2 FY26)

Revenue mix (%)

- Infrastructure 46 | Services 28 | Energy 19 | Hi-Tech Mfg 5 | Others 2

Order inflow mix (%)

- Infrastructure 45 | Energy 33 | Services 18 | Hi-Tech 2 | Others 3

Geography (% of revenue)

- India 44 | Middle East 36 | USA & Europe 17 | RoW 3

Order book (₹6,67,000) by geography (%)

- India 51 | Middle East 41 | RoW 8

MANAGEMENT QUOTES (neutral, condensed)

- “Order inflows grew 45% YoY to ₹1.16 lakh crore; order book up 31% YoY to ₹6.67 lakh crore, giving strong multi-year visibility.”
- “We have an in-principle understanding to exit Hyderabad Metro; target closure by FY26 end, subject to approvals.”

INDUSTRY KPIs (LT group view)

- Prospect pipeline ~₹10.4 lakh crore across infrastructure, energy, and services.
- Services margin softer this quarter; project & manufacturing margin improved to high-single digits.
- International contribution elevated, driven by hydrocarbon EPC in the Middle East.

VALUATION SNAPSHOT — BAND VIEW 🎯

(At ₹3,951; indicative labels vs 5-year medians. Exact multiples depend on latest TTM EPS, BV, and net debt updates.)

- P/E (TTM): AMBER — above long-term median, but supported by visibility.
- P/B: AMBER — premium to history; justified if ROE $\geq 17\%$ sustains.
- EV/EBITDA: AMBER/RED — sensitive to margin trajectory in Infra/Energy.

What it implies: Execution and cash conversion must remain strong for current premiums to sustain. Any slip in Infra margins or delays can compress multiples.

OUTLOOK — NEXT 2–4 QUARTERS 🔍

- Execution: Infra billing to normalize post monsoon; watch hydrocarbon ramp-ups converting to revenue.
- Margins: Energy margins to improve as older low-margin jobs roll off; Services margin recovery is a key monitorable.
- Balance sheet: Maintain NWC/revenue near 10–12; prioritize cash collection and milestone discipline.
- Triggers: Large hydrocarbon wins turning to billing, Hyderabad Metro closure, new domestic orders in manufacturing/data centers, and government capex momentum through FY26.

RISKS & MONITORING (Top 4) ⚠️

1. Project delays or cost escalations in Infra/Energy.
2. Margin pressure in Services if demand softens.
3. Working capital stretch from customer payment cycles.
4. Concentration in Middle East hydrocarbon if global oil/gas capex slows.

DISCLOSURE

Educational purpose only. Not investment advice. Past performance is not indicative of future results. The author/team may have positions. Data believed reliable but not guaranteed. Numbers rounded; quarter is Q2 FY26 (quarter ended Sep-2025), results announced 29 Oct 2025. Verify market data before use.






WhatsApp:

LT Q2: orders at record, margins steady, ROE ~17% 📊🚧

#LTRResults | Read on our site today.

Mazagon Dock Q2 FY26: Strong QoQ rebound, healthy order book

TL;DR     

-  Revenue ₹2,929 cr, up 11.5% QoQ, 6.2% YoY. EBITDA ₹965 cr, up 54.4% QoQ. PAT ₹749 cr, up 65.7% QoQ.
-  Margins improved. Company-reported operating margin 23%. EBITDA margin on revenue ~33.0%. PAT margin on revenue ~25.6%.
-  H1 FY26 revenue ₹5,555 cr up 8.6% YoY, but EBITDA and PAT lower YoY due to earlier onerous-contract provisions. EPS H1 ₹29.79.
-  Order book healthy. Key balances include P17A ₹11,492 cr, ONGC ₹4,800 cr, MPV ₹655 cr, P75 ₹2,248 cr, ICGS ₹2,815 cr. Company table totals show c. ₹27,415 cr pending.
-  One-offs: LD write-back ₹102 cr in Q2. Earlier provisions of ₹1,000 cr across Q4 FY25 and Q1 FY26 impacted H1 comparables.

QUICK TABLE

P&L (₹ cr) — Consolidated

- Revenue: 2,929 (Q2 FY26) vs 2,626 (Q1 FY26) vs 2,757 (Q2 FY25) → QoQ 11.5%, YoY 6.2%
- EBITDA: 965 vs 625 vs 768 → QoQ 54.4%, YoY 25.7%
- PAT: 749 vs 452 vs 585 → QoQ 65.7%, YoY 28.0%
- Total income: 3,200 (Q2 FY26)

Margins (Q2 FY26) — Consolidated

- Company “Operating margin”: 23% (as presented)
- EBITDA margin on revenue: ~33.0%
- PAT margin on revenue: ~25.6%

H1 FY26 (Consolidated) vs H1 FY25

- Revenue: 5,555 vs 5,114 → +8.6%
- EBITDA: 1,591 vs 1,687 → -5.7%
- PAT: 1,202 vs 1,281 → -6.2%
- PBT: 1,501 vs 1,629 → -7.9%
- EPS H1: ₹29.79

Key ratios (Q2 FY26, consolidated)

- EBITDA margin on revenue: ~33.0%
- PAT margin on revenue: ~25.6%
- ROE: 26% Strong

SEGMENT / GEOGRAPHY HIGHLIGHTS

Execution and pipeline snapshots

- P17A Stealth Frigates: Balance ₹11,492 cr, 2 ships pending.
- ONGC projects: Balance ₹4,800 cr.
- MPV: Balance ₹655 cr.
- Additional Scorpene (P75 addl.): Balance ₹2,248 cr noted in table.
- ICGS: Balance ₹2,815 cr.
- Company states total pending order book around ₹27,415 cr in this table set.

MANAGEMENT QUOTES:

- “Consolidated PAT is ₹749 cr and EPS is ₹18.58 per share for Q2.”
- “For new projects, margins will be around 12% to 15% on average; completion-phase projects can show higher reported margins.”

ONE-OFFS AND ADJUSTMENTS

- LD write-back of ₹102 cr in Q2 (P17A second ship) boosted profitability.
- Prior provisions of ₹1,000 cr for onerous Coast Guard and MPV contracts booked in Q4 FY25 and Q1 FY26 weigh on H1 YoY.

INDUSTRY KPIs

- Order book visibility remains strong with large naval programs under discussion or in pipeline: additional Scorpene (P75 addl.), P75I, LPD, and P17 Bravo. Sequencing indicates P75I by FY-end is possible; LPD RFP timeline roughly one year to order.
- LPD teaming agreement signed with Swan Defence to accelerate capability and capacity.

VALUATION SNAPSHOT (as-of price input ₹2,746)

- Trail P/E: Trail EPS ₹56.05, implied Trail P/E ~49x. Not cheap.
- Trail PBV: 6.2 Not Cheap

- Band view (heuristic, vs long-run medians)
 - P/E: Green <25x, Amber 25–15x, Red >30x. Current proxy sits in Red.

OUTLOOK: NEXT 2–4 QUARTERS

- Execution: Focus on steady P17A deliveries and progress on ONGC and MPV packages. Watch conversion of high-balance line items.
- Margins: Expect normalization to 12–15% range as mix tilts to newer projects; Q2 benefitted from LD write-back. Track mix and provisioning.
- Orders: Monitor P75 addl., P75I, P17 Bravo, and LPD RFP. LPD teaming adds capacity leverage.
- Guidance: Management indicated FY26 revenue around ₹12,500 cr and ~5% growth next year in the call. Treat as directional.

RISKS & MONITORING

- Program timing slippages or acceptance delays.
- Margin volatility from provisioning, LDs, warranty closeouts.
- Dependency on MoD approvals and sequencing of mega-orders.
- Input inflation, FX, and supply-chain timing for imported subsystems.





DISCLOSURE

Educational content only. Not investment advice. Past performance is not indicative of future results. Author or team may have positions. Data sourced from company materials believed reliable but not guaranteed. Prepared on the basis of documents dated 27–28 Oct 2025; quarter ended 30 Sep 2025. Citations embedded.

ITC Hotels Q2 FY26: Highest-ever Q2, healthy margins, strong pipeline

Result date: 24 Oct 2025 (for quarter ended 30 Sep 2025). Share price snapshot: ₹206. Basis: Consolidated.

TL;DR

- ✓ Highest-ever Q2: Consolidated Total Income ₹885, EBITDA ₹246, PAT ₹133. EBITDA margin ~29%, PAT margin ~15%.
-  Growth: Revenue +7.9% YoY, +2.9% QoQ; PAT +73.9% YoY, flat QoQ; EBITDA +16% YoY.
-  Demand/KPIs: ADR +6%, occupancy +254 bps; RevPAR +11% (consol), ~40% premium vs industry.
-  Pipeline: ~5,900 keys across 61 hotels; portfolio at 207 hotels (146 operational, 61 pipeline). New premium brand “Epiq Collection” launched.
-  Watch: Wedding season mix, monsoon/travel volatility, Sri Lanka macro, execution on brownfield conversions.

Quick Table — Q2 FY26 performance (₹ crore; margins on Revenue from Ops)

Consolidated P&L	Q2 FY26	Q1 FY26	Q2 FY25	YoY	QoQ
Revenue from Ops	839.5	815.5	778.0	+7.9%	+2.9%
EBITDA	246.0	~244.0	~212.0	+16%	~+1%
PAT	133.3	133.7	76.6	+73.9%	-0.3%
EPS (₹)	0.64	0.64	0.37	+73.0%	0.0%
EBITDA margin	~29.3%	~29.9%	~27%	↑	flat

PAT margin (on Total Income) ~15.0% ~15.6% ~9.8% ↑ flat

Notes:

• Revenue, PAT, EPS from reported financials; EBITDA and margins as disclosed in the Media Presentation; QoQ EBITDA approximated from H1 split. GM/OPM not separately disclosed.

H1 FY26 (Consolidated): Total Income ₹1,745, EBITDA ₹490, PAT ₹267; EBITDA margin ~30%, PAT margin ~15%. EPS ₹1.28.

Margins & key ratios (Consolidated)

- EBITDA margin: ~29% (Q2) | ~30% (H1)
 - PAT margin: ~15% (Q2, H1)
 - Net debt: Company is effectively net cash at group level; borrowings are minimal vs cash, bank balances, and investments.
-

Segment & geography highlights

Segment revenue mix (Q2 FY26, Consolidated)

- Hotels: ₹822.8 (≈98.9%)
- Others: ₹10.7 (≈1.3%)
- Real Estate: Nil (revenue will be recognized on completion of Colombo branded residences)
Geography split: Not disclosed.

KPIs (company disclosures)

- ADR +6% YoY; Occupancy +254 bps YoY (Standalone)
- RevPAR +9% YoY (Standalone), +11% YoY (Consolidated)

- ~40% RevPAR premium vs industry across owned hotels; Colombo (ITC Ratnadipa) EBITDA-positive and RevPAR leader.
-

Management highlights (2 lines)

- “Highest-ever Q2 revenue and profits despite seasonal softness; EBITDA up 22% on a comparable basis.”
 - “Growth pipeline expands to ~5,900 keys across 60+ hotels; new premium brand ‘Epiq Collection’ launched to accelerate conversions.”
-

One-offs and reconciliation

- Exceptional items: None reported in Q2/H1.
 - Scheme of Arrangement (demerger from ITC Ltd.) effective 1 Jan 2025; base-period figures include the Demerged Undertaking from incorporation, so YoY comps reflect this context.
 - TTM EPS: FY25 EPS ₹3.05 (Consolidated). Use caution comparing TTM immediately post-demerger; H1 run-rate suggests momentum into H2.
-

Valuation snapshot (educational; not advice)

- Share price (snapshot): ₹206
- Shares outstanding: ~208.27 crore → Market cap ~₹42,900 crore
- Book value (owners): ~₹11,039 crore → PBV ~3.9x
- EPS: FY25 ₹3.05 → PE ~67.5x on FY25 EPS; Trail EPS ~₹3.55 → illustrative PE ~61x (run-rate).

- EV/EBITDA: Not estimated here due to large treasury/investment balances that need adjustment.

What it implies: The stock embeds strong growth and premiumization expectations; sustained RevPAR outperformance, fee-income scale-up, and capital-light signings are key to de-risking these multiples over FY26–27.

Outlook (next 2–4 quarters) & triggers

- Seasonal uplift in H2 from weddings, MICE, and festivals.
 - Managed-hotel ramp-up and Epiq Collection conversions to lift fee income.
 - Colombo asset should scale EBITDA as Sri Lanka tourism recovers.
 - Cost productivity remains a lever (people/energy/F&B efficiencies already visible).
Triggers to watch: RevPAR vs industry premium, signings/month cadence, ADR discipline, wedding calendar mix, progress on Puri/Vizag owned builds, and Sri Lanka macro.
-

Disclosure

Educational purpose only. Not investment advice. Past performance is not indicative of future results. The author/team may have positions. Data believed reliable but not guaranteed. Results announced on 24 Oct 2025. Sources: company results, media statement, and presentation.






UltraTech Cement Q2 FY26: Profits Soar, Volumes Hold, Margins Normalize

Period covered: Quarter ended 30 Sep 2025.

Results and call date: 18 Oct 2025.

Basis: Consolidated. Share price (snapshot): ₹11,851.

TL;DR

-  **Solid YoY:** Revenue ₹19,606.9 (+20.3%), EBITDA ₹3,268 (+45.1%), PAT ₹1,238 (+75.2%). EPS ₹41.9 (+75.3%).
-  **Soft QoQ:** Seasonality and shutdowns hit QoQ, EBITDA down 28.8%, PAT down 44.3%.
-  **Unit metrics:** EBITDA/t ₹966 on core assets; consolidated ₹914/t. Realisation ₹5,088/mt (+4.5% YoY, -1.4% QoQ).
-  **Expansion:** FY26 adds ~14.1 mt, FY27 revised to ~15.1 mt; focus North and West, logistics tie-ups, green power at 41.6% mix.
-  **One-offs:** Higher maintenance, ads, staff costs inflated per-ton cost this quarter; management expects partial reversal next quarter.

Quick Table — P&L, Margins, Key Ratios (₹ crore unless stated)

Metric	Q2 FY26	YoY	QoQ
Revenue from operations	19,606.9	+20.3%	-7.8%
EBITDA	3,268.0	+45.1%	-28.8%
PAT	1,238.0	+75.2%	-44.3%
EPS (₹)	41.9	+75.3%	-44.7%

EBITDA margin (%)	16.7	+2.9 pp	-6.0 pp
PAT margin (%)	6.3	+2.0 pp	-4.8 pp

Notes

- EBITDA and EPS from company disclosures; margins computed on reported revenue.
- **H1 FY26:** Revenue ₹40,882.4 (+26.8%), PAT ₹3,458.9 (+78.1%). EPS ₹117.6.
- **Gross margin, OPM:** Not disclosed.

Segment & Mix Highlights (Q2 FY26)

Revenue mix

Segment	₹ cr	Share
Grey Cement (Domestic)	15,217	78.6%
RMC	1,811	9.3%
India Cements (subsidiary)	1,115	5.8%
Overseas (Grey + White)	1,023	5.3%
White Cement	617	3.2%
Construction Chemicals	283	1.5%
Export & Others	99	0.5%

Channel & logistics (Domestic ex-ICL)

- Trade 65.7%, Non-trade 33.7%. Bag 81.6%, Bulk 18.4%. Road 75%, Rail 22%, Sea 3%. Direct 58.7%, Depot 41.3%. Primary lead reduced to **366 km**.

Volumes

- Consolidated sales volume **33.85 mt** (+6.9% YoY). UltraTech brand domestic volume **+13.2% YoY**.

Unit economics & costs (Grey Domestic)

- EBITDA/t: Core assets ₹966; Consolidated ₹914. Realisation ₹5,088/mt (+4.5% YoY, -1.4% QoQ).
- Key costs/mt: Logistics ₹1,136, Fuel ₹893, Power ₹372, Raw materials ₹661.

RMC

- 408 plants across 161 cities, volume **3.79 mn m³**, revenue **₹1,811 cr.**
-

Management quotes (neutral, short)

1. “UltraTech, as a brand, has grown **13.2%** this quarter.”
 2. “Brand transition of acquired assets will be completed **by June '26.**”
-

One-offs and TTM context

- **One-offs this quarter:** elevated maintenance shutdowns, higher advertising and staff costs; estimated impact about ₹200/ton. Partial normalization guided for Q3.
 - **EBITDA/t** divergence reflects integration mix: Core ₹966/t vs ICL ₹386/t and Kesoram ₹755/t; consolidation should lift the blended number as conversion progresses.
-

Valuation Snapshot (at ₹11,851)

- **Market cap** ~ ₹3.49 lakh cr (shares ~29.47 cr).
- **P/E (TTM) ~ 47–48x, PBV ~ 4.8–4.9x.** Interpretation: **P/E above its 3–5Y averages, PBV elevated** vs long-term norms.
- **EV/EBITDA (TTM) ~ 25–28x,** slightly above multi-year averages.

Note: Band assessment uses widely referenced data aggregators; exact medians vary by source vintage.

Outlook: Next 2–4 quarters

Demand

- Rural housing improving; infra momentum to re-accelerate post monsoon. Management expects industry growth ~**6–7%** for FY26.

Pricing & costs

- Realisation resilient; fuel cost inflation manageable with **coal/petcoke** mix and cess benefit under GST-2. Watch petcoke trend and mix.

Integration & mix

- Brand conversion at ICL (~31%) and Kesoram (~55%) to complete by **June '26**; synergy capture should lift EBITDA/t.

Capacity & logistics

- **FY26 adds ~14.1 mt, FY27 ~15.1 mt** (revised), not bunched; **CONCOR** partnership for bulk tanks to lower cost to Mumbai market. Green power mix **41.6%**.

Triggers to watch

1. Price discipline in core North/West markets
2. Fuel basket and imported energy trends
3. Ramp-up of debottlenecking and WHRS/renewables
4. RMC scale-up and premium mix share

Risks & Monitoring

1. **Energy volatility:** petcoke/coal swings and logistics inflation.
2. **Integration execution:** ICL/Kesoram synergy timing vs guidance.
3. **Demand slowdown:** infra award delays or housing softness.
4. **Regulatory/litigation:** ongoing matters including historical CCI case under adjudication.


Disclosure


This note is for **education**. It is **not investment advice**. Past performance is not indicative of future results. The author/team might have positions in the securities mentioned. Data is believed reliable but not guaranteed. Please refer to company filings and presentations for details. **Time-stamp**: based on Q2 FY26 disclosures and call held on 18 Oct 2025.

HDFC Bank Q2 FY26 Results: Stable Margins, Healthy Profit, Strong Asset Quality

Result Date: 18 October 2026 | Share Price: ₹983


TL;DR

 **PAT ₹18,641 crore**, up **10.8% YoY**, steady profit engine

 **NII ₹31,550 crore**, up **4.8% YoY**, margins stable at **3.27%**

 **NIM compressed 8 bps** due to earlier rate cuts; recovery expected over 2–3 quarters

 **GNPA improves to 1.24%**, with one-off 10 bps upgrade impact

 **Advances +9.9% YoY**, Deposits +12.1% YoY — growth back on track

Quick Financial Table (Standalone)

All figures in ₹ crore unless stated

P&L Snapshot

Metric	Q2 FY25	Q1 FY26	Q2 FY26	YoY	QoQ
Net Interest Income (NII)	30,110	31,440	31,550	+4.8%	+0.4%
Non-interest Income	11,483	21,729*	14,350	+25%	-34%
Net Revenue	41,590	53,170	45,900	+10.4%	-13.7%
Operating Expenses	16,890	17,430	17,980	+6.4%	+3.1%
Provisions	2,700	14,440*	3,500	+29%	-76%
PAT	16,820	18,155	18,641	+10.8%	+2.7%

*Q1 included large transaction gains & floating provisions.

Margins & Ratios

Ratio	Q2 FY26
NIM (Interest earning assets)	3.27%
	Hdfcbank_IP
Cost of Funds	4.6%
Yield on Assets	7.8%
Cost-to-Income	39.2%
RoA	1.93%
RoE	14.4%

Balance Sheet Highlights

Metric	Q2 FY25	Q2 FY26	YoY
Gross Advances	25,190 bn	27,692 bn	+9.9%
Deposits	25,001 bn	28,018 bn	+12.1%
CASA Ratio	35.3%	33.9%	-140 bps
Capital Adequacy	19.8%	20.0%	

Segment & Portfolio Highlights

Advances Mix

Segment	QoQ Growth	YoY Growth
Retail Loans	+2.2%	+7.4%
SME / Business Banking	+3.5%	+17%
Corporate & Wholesale	+4.7%	+6.4%

Retail Composition

- Mortgages: **₹8.56 lakh crore**
- Personal Loans: **₹2.06 lakh crore**
- Auto Loans: **₹1.52 lakh crore**

- Gold Loans: ₹0.20 lakh crore (strong growth)

Asset Quality

Metric	Q2 FY26
Gross NPA	1.24%
Net NPA	0.42%
PCR	67%
Total Provisions / Advances	2.61%

One-off upgrade contributed 10 bps GNPA improvement.

Management Commentary (Condensed)

✓ “Economic activity has picked up... loan growth improving across segments.” — CEO Sashidhar Jagdishan

✓ “Deposit repricing tailwinds will aid NIM over next 4–5 quarters.” — CFO S Vaidyanathan

Valuation Snapshot (Standalone)

(Market price ₹983; trailing financials)

Metric	Value	Interpretation
PE (TTM)	~18–19x	Slightly below 5-yr median → fair zone
PBV	~2.3x	Historically neutral

EV/EBITDA	~9–10x	Within long-term averages
Valuation Band Signal	Amber-Green	Stable fundamentals + moderate growth

Outlook (Next 2–4 Quarters)

Positives

- NIM improvement likely as deposit costs reprice slowly downward.
- Credit growth strengthening in SME, retail secured, and corporate working capital.
- Strong provisioning buffers allow smoother credit cost trajectory.

Monitor

- CASA share remains under pressure industry-wide.
 - Rate volatility could impact yields.
 - Competition in retail unsecured could tighten spreads.
 - RBI's ECL framework final guidelines may affect provisioning levels.
-

Disclosure (Mandatory)

This report is strictly for **educational purposes** and **not investment advice**.

Past performance is not indicative of future results.

The author and team may hold positions in the companies discussed.

All data is sourced from company filings, investor presentations, and earnings transcripts dated 18 October 2026.

Figures are believed to be reliable but not guaranteed.

Reliance Industries Q2 FY26: All Engines Firing, Earnings Up 14% YoY

TL;DR

- ✓ **Consolidated revenue** ₹2.83 lakh cr (+10% YoY)
- 📊 **EBITDA** ₹50,367 cr (+14.6% YoY); **PAT** ₹22,092 cr (+14.3% YoY)
- 🚀 **Growth drivers:** O2C (+21%), Jio (+18%), Retail (+16%)
- ⚠️ **Headwinds:** Higher finance costs (+13.5%), weak polyester margins
- 🔧 **Capex:** ₹40,010 cr (5G, Retail expansion, New Energy giga-factories)

Quick P&L Snapshot (₹ crore)

Particulars	Q2 FY25	Q1 FY26	Q2 FY26	YoY %	QoQ %
Revenue	2,58,027	2,73,252	2,83,548	+9.9	+3.8
EBITDA	43,934	58,024 *	50,367	+14.6	-13.2
PBT	25,037	37,146	29,124	+16.3	-21.6
PAT	19,323	30,783	22,092	+14.3	-28.2
EBITDA Margin %	17.0	21.2	17.8	+80 bps	—

* Q1 FY26 included ₹8,924 cr profit from sale of listed investments (Asian Paints).

Net Debt / EBITDA: 0.58x (Healthy, flat QoQ)

Segment Performance

Segment	EBITDA ₹ cr	YoY %	QoQ %	Key Highlights
Oil-to-Chemicals (O2C)	15,008	+20.9	+3.4	Strong fuel-crack recovery (ATF, diesel), 34% rise in Jio-bp volumes




Oil & Gas (E&P)	5,002	-5.4	+0.1	Natural decline in KG-D6 offset by higher CBM output
Digital Services (Jio Platforms)	18,757	+17.7	+3.4	506 mn subs (234 mn 5G), ~52% EBITDA margin
Retail (RRVL)	6,816	+16.5	+6.8	18% revenue growth led by fashion & grocery; store footprint expanding
Media & Others	4,658	+10.1	—	400 mn MAUs on JioStar; OTT EBITDA +71% QoQ

Management Commentary

“Reliance delivered a robust performance during Q2 FY26 led by strong contributions from O2C, Jio and Retail businesses. Our new energy, media and consumer brands are progressing well to create the next growth engines for Reliance.”

— **Mukesh D. Ambani**, Chairman & MD

Valuation Snapshot (₹ 1,496 per share)


Metric	FY26 TTM	25-Year Band	Status
PE (x)	22	13 – 26	 Near Fair Range
PBV (x)	1.9	1.3 – 2.4	 Comfortable
EV/EBITDA (x)	8.5	7 – 10	 Neutral
Dividend Yield %	0.4	—	—


Stock trades near long-term median valuations; earnings growth keeps upside intact.


Outlook — Next 2-4 Quarters


Growth Drivers


Risks / Monitor Points


 Pan-India 5G and AirFiber rollout accelerating

 Crude volatility impacting O2C margins


 Retail expansion (+200 stores QoQ) and FMCG scale-up

 High capex cycle pressuring ROCE

 Solar & battery giga-factory execution on track

 Finance cost rising with 5G asset capitalization

 O2C margin support from light-feed mix

 Global chemical oversupply risk continues

Triggers to watch: Jio ARPU trend, Retail EBITDA margins, O2C crack spreads, New Energy commissioning milestones.






Disclosure

Educational analysis only. Not investment advice. Past performance is not indicative of future returns. Author or affiliates may hold positions in the companies mentioned. Data from company press release, investor presentation, and transcript dated 17 Oct 2025 to 19 Oct 2025 believed reliable but not guaranteed.

LTTS Q2 FY26 Results: Strong Deal Wins, Sustainability Surge, H2 Margin Lift Guidance

Revenue +15.8% YoY, EBIT 13.4%, near \$300 mn TCV wins, Sustainability at 31.6% mix, H2 growth & margin guidance intact

TL;DR (Q2 FY26, consolidated, ₹ crore)

-  Revenue ₹2,979.5, up 4.0% QoQ, 15.8% YoY; CC growth 1.3% QoQ, 10.4% YoY. EBIT margin 13.4%. Net margin 11.0%.
-  Large deals strong: near-\$300 mn TCV in Q2; includes \$100 mn in Sustainability, ~\$60 mn in Tech.
-  Mix: Sustainability 31.6% (+3.0% QoQ, +12.6% YoY); Tech 39.4% (+28.6% YoY); Mobility 29.0% (-10.1% YoY). Geo: US 54.7%, Europe 17.3%, India 21.5%.
-  Other income softer on FX; ETR guided to 26.5–27.0%. Combined DSO 114 days. FCF ₹445 in Q2; cash & investments ₹2,883 at Q2 end.
-  H2 outlook: revenue and EBIT margins to improve vs H1; FY26 “double-digit” growth aspiration; medium-term \$2 bn revenue reiterated.

Quick Table — P&L, Margins, Key Ratios (₹ crore unless stated)

Metric	Q2 FY26	QoQ	YoY
Revenue	2,979.5	+4.0%	+15.8%
EBITDA	490.8	+6.1%	+5.3%
EBIT	398.2	+4.4%	+2.7%
Net Income	328.7	+4.1%	+2.8%
EPS (₹, basic)	31.02	—	—
Gross Margin	28.0%	flat	-130 bps YoY
EBITDA Margin	16.5%	+40 bps	-160 bps YoY
EBIT Margin	13.4%	+10 bps	-170 bps YoY
Net Margin	11.0%	flat	-140 bps YoY
CC growth (USD)	—	+1.3%	+10.4%
Other income (₹ cr)	49.8	-2.7%	-6.2%
FX gain within OI (₹ cr)	6.0	—	—

Effective tax rate	~26.5%	-40 bps	—
Combined DSO (days)	114	-2	—
Free cash flow (₹ cr)	445 (Q2)	—	—

Segment & Geography Highlights

Mix	Q2 FY26	QoQ	YoY
Mobility	29.0%	-1.4%	-10.1%
Sustainability	31.6%	+3.0%	+12.6%
Tech	39.4%	+0.1%	+28.6%
North America	54.7%	+1.7%	+14.4%
Europe	17.3%	+1.5%	+3.3%
India	21.5%	+3.0%	+8.1%
RoW	6.5%	-15.9%	-0.4%

Notes: Offshore 56.4%; T&M 61.9%; Active clients 450. Segment margins: Mobility 14.8%, Sustainability 28.1%, Tech 9.0% (management).

Management quotes (neutral)

- “We expect both revenue and EBIT margins to see an improvement in H2 compared to H1 of FY26. We aspire for a double-digit growth in FY26 and reiterate our medium-term outlook of USD 2 Bn revenue.” — CEO & MD.
- “Our revenue for the quarter was ₹2,980 crores... EBIT margin 13.4%... Net Income ₹328.7 crores... combined DSO 114 days... interim dividend ₹18 per share.” — CFO.

Valuation Snapshot (as of share price ₹4,083)

- Trail_PE (FY25 proxy): ~34x (₹4,083 / FY25 EPS ₹120.7).
- Trail_PBV: 6.9

- Band view vs 5Y medians: Low PE is 21 while High PE is 43. We can say currently LTTS is trading at its Fairvaluations.

One-offs / flags

- Other income impacted by lower FX gains (₹6.0 cr in Q2).
- ETR guided down to 26.5–27.0% (supportive to PAT).

Outlook (next 2–4 quarters)

- Growth drivers: record large-deal TCV, Sustainability scaling (USD 50 mn run-rate account), US and India growth, improving offshore mix.
- Margin levers: mix shift toward Sustainability, pyramid/AI productivity, Intelliswift integration, higher offshoring, G&A optimization.
- Watch list / risks (top 4):
 1. Auto softness within Mobility until recovery.
 2. FX volatility affecting other income.
 3. Client concentration in Top-10/20 during macro swings (monitor deal ramp timing).
 4. Execution on large deals and DSO discipline (target 110–115 days).

Disclosure

Educational only. Not investment advice. Past performance is not indicative of future results. The author/team are buying this company in their Fund/Portfolio. Data believed reliable but not guaranteed. Reviewed on 4 Nov 2025 (IST). Sources: Company Q2 FY26 investor release, presentation, and earnings call transcript.

Dixon Q2 FY26: 29% Revenue Growth, 37% Profit Rise, and Strong Cash Efficiency

TL;DR

- ✔ Strong growth on core metrics: Adjusted income ₹14,855 cr (+29% YoY), EBITDA ₹564 cr (+34% YoY), PAT ₹323 cr (+37% YoY).
- 📊 Margins steady: Adj. EBITDA margin 3.8% (+20 bps YoY), PAT margin 2.2% (+20 bps).
- 🔗 Balance sheet efficient: Net working capital -6 days, ROE 34.3%, ROCE 49.1%, Net Debt ₹203 cr.
- ⚠ One-offs excluded: Fair value gain on Aditya Infotech stake and lighting business transfer gains are excluded in “Adjusted” view to reflect core performance.
- 📌 Demand blip from mid-Aug GST cut, normalized post Sep-22; TVs, refrigerators, washers saw timing impact.

Quick Table — P&L, Margins, Key Ratios

All figures Adjusted unless noted; “QoQ” uses derived Q1 FY26 = H1 – Q2.

Metric	Q2 FY26	Q2 FY25	YoY	Q1 FY26 (derived)	QoQ
Income (₹ cr)	14,855	11,534	+29%	12,836	+15.7%
EBITDA (₹ cr)	564	420	+34%	484	+16.5%
EBITDA Margin	3.8%	3.6%	+20 bps	~3.8%	+3 bps
PBT (₹ cr, before NCI)	431	319	+35%	365	+18.2%

PAT (₹ cr, before NCI)	323	236	+37%	280	+15.4%
PAT Margin	2.2%	2.0%	+20 bps	~2.2%	+2 bps

Sources and derivations: Q2/H1 Adjusted tables from the deck (Income, EBITDA, PBT, PAT, margins). Q1 FY26 derived as H1 minus Q2 for each line item; H1 Adj: Income ₹27,691 cr; EBITDA ₹1,048 cr; PBT ₹796 cr; PAT ₹603 cr.

Select balance sheet / efficiency KPIs

- Net working capital days: -6 days (FY25: -5)
- Net Debt: ₹203 cr (FY25: net cash)
- ROE: 34.3%, ROCE: 49.1%

Notes on one-offs (Reported vs Adjusted): Fair value gain on Aditya Infotech stake and gain on transfer of lighting business undertaking affect reported Other Income/Exceptional; removed in "Adjusted."

Segment / Geography Highlights

Management evaluates one operating segment, "Electronics Goods," hence granular segment reporting is limited. Product commentary indicates a temporary GST-timing impact in TVs, refrigerators, washing machines in Q2. Geographic mix not disclosed.

Area	Q2 FY26	Comment
Segment reporting	Single segment	Per CODM disclosure.
Product pulse	TVs, Refrigerators, WM impacted by mid-Aug GST timing; normalization after Sep-22	Short window before quarter end limited recovery.
Geography	Not disclosed	—

Management Quotes (neutral, 2 lines)

- “The mid-August GST cut led to deferred purchases across trade and consumer channels; normalization began after September 22 but the short window before quarter end limited recovery in TVs, refrigerators, and washing machines.”
 - “Working capital cycle at -6 days, net debt ₹203 cr; ROCE 49.1% and ROE 34.3% as of September 30, 2025.”
-

Valuation Snapshot (as of share price ₹15,497)

Note: EPS/Book from the company's consolidated results; 5-year bands not disclosed here.

- **PE (TTM):** ~63× using FY25 consolidated basic EPS ₹247. Calculation: 15,497 / 247.
 - **PBV (Sep-25):** ~30× using equity share capital ₹121.0 cr and other equity ₹2,998.2 cr ⇒ Net worth ≈ ₹3,119 cr; BVPS ≈ ₹516; 15,497 / 516 ≈ 30.0×.
 - **EV/EBITDA (run-rate):** ~44.9× using EV ≈ ₹94,060 cr (Market cap ~₹93,857 cr + Net Debt ₹203 cr) and annualized H1 FY26 Adjusted EBITDA ≈ ₹2,096 cr. *This is a simple run-rate proxy, not a substitute for TTM.*
 - **5Y band view:** 40X to 100 X.
Interpretation: Multiples are elevated vs manufacturing peers, reflecting execution momentum, high ROCE/ROE, and strategic JVs.
-

Outlook: Next 2–4 Quarters

Drivers

- Seasonal normalization post-GST cut; festive demand effect to flow into H2.
- Vertical integration/JVs:
 - **Display modules JV (HKC)** phase-1 capacity: 24m smartphone + 2m notebook modules; phase-2 to 60m smartphones + TV/auto displays. Higher double-digit margins targeted in this segment.

- **Q Tech India (camera/fingerprint modules)** 51% stake consolidated from Sep-26, 2025.
- **IT Devices JV with Inventec** consummated, DTIL 60%, Inventec 40%.

Monitoring (Top 4 Risks)

1. Customer/program concentration in mobiles/EMS. Not disclosed in detail; watch order ramps.
2. Policy/tax changes (e.g., GST rate moves) affecting near-term sell-through.
3. Execution/scale-up risk in new JVs (display, camera modules, IT devices).
4. Working capital discipline amid faster scale; keep an eye on WC days and net debt.

What to track each quarter

- Adjusted EBITDA and margin trajectory vs 3.8% baseline.
- ROCE/ROE sustainment as capex ramps.
- JV ramp milestones (HKC phase-1 volumes, Q Tech contribution).
- Net WC days and net debt trend.






Disclosure

Educational only. Not investment advice. Past performance is not indicative of future results. The author/team may have positions. Data believed reliable but not guaranteed. Results date: 17 Oct 2025. Sources: Company results, presentation, and call transcript cited below. Timestamps as per documents.

AU Small Finance Bank (AUBANK) — Q2 FY26 Result Review

Currency: ₹ crore unless stated | Basis: Consolidated | Result date: 17 Oct 2025 | Share price snapshot: ₹876

TL;DR (120s read)

-  Deposits +20.8% YoY to ₹1,32,509 cr, CASA stable at 29.4%, CoF down 25 bps QoQ to 6.83%. Margins tick up to 5.5%.
Q2FY26Final-ppt
-  GLP +17.0% YoY to ₹1,22,877 cr; secured books strong (+22% YoY ex-unsecured). Unsecured now ~8% of loans.
-  PAT ₹561 cr (-2% YoY, -3% QoQ) as higher provisions and lower treasury gains offset operating growth. GNPA 2.41%, NNPA 0.88%.
-  Transition to universal bank underway; mgmt expects H2 improvement from lower credit cost and better NIM.
-  Valuation snapshot: P/E ~30.2x TTM EPS ₹29; P/B ~3.6x on BVPS ₹245. Bands not disclosed in filings.

Quick Table — P&L, Margins, Key Ratios (rounded)

Metric	Q2 FY26	Q1 FY26	QoQ	Q2 FY25	YoY	Notes
--------	---------	---------	-----	---------	-----	-------

Net Interest Income	2,144	2,045	+5%	1,974	+9%	NIM up 5 bps QoQ to 5.5%
Other Income	713	~575	+24%	638	+12%	Higher fees, distribution
Operating expenses	1,647	1,539	+7%	1,481	+11%	Expansion, volumes
PPoP (calc.)	1,210	—	—	1,132	+7%	As disclosed
Provisions / Credit cost	481	533	-10%	373	+29%	CC/Q avg assets 0.30%
PAT	561	~581	-3%	571	-2%	RoA 1.4%, RoE 12.4%
NIM	5.5%	5.4%	+5 bps	6.1%	-60 bps	Daily avg basis
Cost of Funds	6.83%	7.08%	-25 bps	7.04%	-21 bps	SA rate cuts taken
GNPA	2.41%	2.47%	-6 bps	1.98%	+43 bps	PCR 84% (incl. TWO)
NNPA	0.88%	0.88%	flat	0.75%	+13 bps	
CASA ratio	29.4%	29.2%	+20 bps	32.4%	-300 bps	CA +26% YoY; SA +6%

Notes on “revenue”, “EBITDA”, “GM/EBITDA” margins: Not applicable for banks. We use NII, PPoP, NIM, C/I, RoA/RoE.

Segment & Geography Highlights

Loan mix and asset quality (Q2 FY26)

Segment	GLP (₹ cr)	Mix	Yield	GNPA
Retail Secured (Wheels, Mortgages, Gold)	82,735	67%	14.4%	2.7%
Commercial Banking	25,446	21%	10.6%	1.0%
Inclusive Banking (MFI etc.)	6,458	5%	25.1%	4.6%
Digital Unsecured (Cards, PL)	2,907	2%	15.0%	5.7%
Others & SME	5,331	4%	7.7%	0.2%
Total	1,22,877	100%	13.9%	2.41%

MFI lens (select disclosures): Top 3 states = 37% of book; Non-OD CE ~98.95% in Q2 (Sep 99.05%); SMA down to 2.9%; CGFMU cover ~69% (Q2 disbursal ~97.5% covered). Avg exposure per borrower ~₹0.28 lakh.

Management quotes (neutral, trimmed)

- “NIM should continue to expand over the next couple of quarters as the deposit book reprices; credit cost has started to decline and is expected to normalize in H2.”
 - “Universal bank approval is a once-in-a-lifetime opportunity that will strengthen brand acceptance and support pan-India expansion.”
-

Valuation Snapshot (as of result date)

- TTM EPS: ₹29.2 → **P/E ~30.2x** at ₹876. BVPS: ₹245 → **P/B ~3.6x**.
- 5Y PE/PB bands vs current: **Fair PE near 27 & PBV 3.8**

Color code vs simple thresholds (educational):

- P/E: Green $\leq 22x$, Amber 22–28x, Red $> 28x$ → **Red** today.
 - P/B: Green $\leq 2.5x$, Amber 2.5–3.2x, Red $> 3.2x$ → **Red** today.
-

What changed this quarter (bridge)

- **Margin tailwind:** CoF -25 bps QoQ; NIM $+5$ bps to 5.5%.
Q2FY26Final-ppt
 - **Credit cost:** -10% QoQ to ₹481 cr; slippages -12% QoQ.
Q2FY26Final-ppt
 - **Mix:** Secured growth $+22\%$ YoY; unsecured shrank 23% YoY to $\sim 8\%$ of GLP, limiting risk.
Q2FY26Final-ppt
-

Outlook (next 2–4 quarters) & Monitors

Tailwinds

- Lower CoF from SA repricing and universal bank trust effect → gradual NIM expansion.
- Festive demand/GST cuts and rural recovery signals (mgmt expectation) → disbursement support.

Monitors (Top 4 risks)

1. **Unsecured normalization** timing in Cards/MFI; watch SMA, CE, roll rates.
2. **Mortgage competitive intensity** compressing yields; growth target ~20% depends on geography expansion.
3. **Deposit costs** if system liquidity tightens; CASA trajectory after rate cuts.
4. **Execution** on universal bank transition, tech, governance continuity.

Triggers to watch


- NIM progression each quarter; credit cost $\leq 1\%$ of avg assets for FY26 as guided; Wheels/gold scaling; Commercial Banking momentum in new states.
-


Disclosure


Educational only, not investment advice. Past performance is not indicative of future results. Author/team may have positions. Data believed reliable but not guaranteed. Refer to timestamps & sources cited above.


Havells Q2 FY26: Margins Improve, Lloyd Weakness Persists

Key Takeaways Investors Should Note

 Revenue up 5.2% YoY to ₹4,767 crore, driven by Cables (+12.4%), Switchgears (+8%), and Lighting (+7.4%).

 EBITDA ₹442 crore, up 16.3% YoY, margin expanded to 9.3%.

 PAT ₹317 crore, up 16.5% YoY, margin at 6.7%.

 Lloyd Consumer revenue down 18.5% YoY due to weak summer and higher channel inventory.

 Cables expansion on track; 39-acre land acquired at Alwar for new capacity.

Financial Snapshot (Consolidated)

Particulars	Q2 FY26	Q2 FY25	YoY	Q1 FY26	QoQ
Revenue (₹ cr)	4,767	4,533	+5.2%	5,438	-12.3%
EBITDA (₹ cr)	442	380	+16.3%	520	-15.0%
EBITDA Margin	9.3%	8.4%	+90 bps	9.6%	-30 bps
PAT (₹ cr)	317	273	+16.5%	352	-9.9%
PAT Margin	6.7%	6.0%	+70 bps	6.5%	+20 bps
EPS (₹)	5.06	4.35	+16%	5.62	-10%

One-time gain: ₹45.27 crore profit from Faridabad land sale recognized under “Other Income”

Segment Highlights

Segment	Revenue (₹ cr)	YoY	Margin	Remarks
Cables	2,028	+12.4%	13.7%	Strong industrial demand; higher copper spreads.
Switchgears	595	+8.0%	22.3%	Relocation benefits and pricing discipline.
Lighting & Fixtures	420	+7.4%	13.5%	LED price stabilization, steady home demand.
ECD (Fans & Appliances)	841	-1.8%	5.7%	Fans and coolers hit by weak summer.
Lloyd Consumer	479	-18.5%	-20.7%	Channel overhang, weak AC demand.
Others	403	+17.9%	1.7%	Solar and new category growth.

Total: ₹4,767 crore (+5.2% YoY).

Management Commentary

“Summer products experienced weakness due to shorter summer and high channel inventory. We expect **inventory normalization by end-Q3** and real margin improvement in **Q4**.” – *Anil Rai Gupta, CMD*

“Cables maintained steady growth momentum, with **power cable demand strong** and **capacity expansion on track** at Alwar.”

“GST cuts on ACs, TVs, and solar products are expected to lift consumer sentiment.”

Havells_Concall

Balance Sheet & Cash Flow

- **Cash & equivalents:** ₹1,449 crore (down QoQ due to inventory and capex).
- **Net working capital days:** 49 vs 31 last year – elevated due to Lloyd and cables
Havells_IP
- **Other income:** ₹77 crore vs ₹83 crore YoY; down due to lower treasury income.

Valuation Snapshot (at ₹1,505)

Metric	Value	Comment
TTM EPS	₹23.33	Based on H1 FY26 roll-forward
PE (TTM)	~65x	Above 5Y median
PBV	~10.9x	Based on BVPS ₹138

Verdict: Stock trades at premium multiples reflecting brand strength, but Lloyd recovery and WC normalization are near-term watchpoints.

Outlook

Short term (Q3–Q4 FY26):

- Cables and Switchgears to drive growth.
- Lloyd recovery dependent on festive demand and GST-led restocking.
- Margins expected to sustain above 9% if copper stabilizes.

Medium term (FY27–28):

- Focus on premiumization, R&D, and energy-efficient products.
- Solar (via Goldi investment) to become growth vertical.
- Gradual improvement in return ratios expected.

Risks to Monitor

1. **Seasonality:** Weak summer or delayed festive demand.
2. **Raw material volatility:** Copper and aluminum prices.
3. **Channel inventory in Lloyd.**
4. **Working capital pressure** delaying cash normalization.

Investor Takeaway

Havells delivered a **decent quarter with margin expansion** and strong cables momentum. However, **Lloyd remains the drag**, and **working capital pressure** has moderated profitability. Long-term fundamentals remain intact — strong brand, expanding premium mix, and growth in energy-efficient segments.






Disclosure

Educational use only. Not investment advice. Past performance is not indicative of future returns. Data sourced from Havells' Q2 FY26 Results, Investor Update, and Concall Transcript dated 17 Oct 2025

Waaree Energies (WAAREEENER) — Q2 FY26 & H1 FY26 Review

Result date: 16 Oct 2025 | Basis: Consolidated | Price snapshot: ₹3,508

TL;DR

-  Strong quarter: Revenue ₹6,065.6 (+69.7% YoY, +37.1% QoQ); EBITDA ₹1,567.3 (+155.3% YoY); PAT ₹878.2 (+133.8% YoY). EBITDA margin 25.2%, PAT margin 14.1%.
-  H1 momentum: Revenue ₹10,491.5 (+50.2% YoY), EBITDA ₹2,736.0 (+118.2%), PAT ₹1,651.1 (+112.6%). H1 margins: EBITDA 25.3%, PAT 15.3%.
-  Capacity & order visibility: Module capacity ~18.7 GW, cell 5.4 GW; order book ~₹47,000 crore; geography mix shifting towards overseas.
-  One-offs/notes: Interim dividend ₹2/share; profit on Indosolar OFS booked in equity (not P&L). CBP (US) investigation ongoing, outcome uncertain.
-  Risks: US trade/CBP, execution of large capex, pricing/ASP volatility, policy shifts (ALMM/PLI). Monitor utilization, mix, and working capital.

Quick Table — P&L, Margins, Key Ratios

Metric (₹ crore; EPS ₹)	Q2 FY26	YoY	QoQ	H1 FY26	YoY
Revenue from ops	6,065.6	+69.7%	+37.1%	10,491.5	+50.2%
EBITDA	1,567.3	+155.3%	+34.1%	2,736.0	+118.2%
PAT	878.2	+133.8%	+13.6%	1,651.1	+112.6%
EPS (Basic, ₹)	29.33	+113.3%	+13.1%	55.27	+92.4%
EBITDA margin ¹	25.2%	+840 bps	-30 bps	25.3%	+777 bps
PAT margin ¹	14.1%	+385 bps	-271 bps	15.3%	+440 bps
EBIT margin ²	21.3%	—	—	—	—
Gross margin ³	~34.8%	—	—	—	—

ROCE (H1 rolling)	41.8%	—	—	—	—
ROE (H1 rolling)	34.8%	—	—	—	—

¹Margins per company disclosure are on Total Income; Q2 Total Income ₹6,226.5; H1 ₹10,823.7. ²EBIT ≈ EBITDA–D&A. ³Calculated: Revenue less materials, stock-in-trade, inventory change, other mfg/EPC over revenue. Source data: results deck.

Source numbers: Consolidated P&L (Q2/H1), EPS, margins; quarterly bridge (Q2 FY25–Q2 FY26).

Segment/Geography Highlights

Item	Snapshot
Geography revenue mix (current)	Domestic 52.8% / Overseas 47.2%
Order book split (by amount)	India 40.5% / Overseas 59.5%
Module production	2.6 GW in Q2 FY26 vs 1.9 GW Q2 FY25 (+37%)
Capacity (as of Q2)	Modules ~18.7 GW; Cells 5.4 GW
Pipeline	100+ GW (order pipeline)

Management Quotes (from IR deck)

- “Reaffirm Guidance for FY26: EBITDA in the range of ₹5,500–6,000 crore.”
- “Company is planning to operationalise large part of remaining module capacity expansion by early 2026.”

Valuation Snapshot (as of price input ₹3,508)

- **Market cap (approx):** ₹1,00,900 crore (share capital ~28.764 crore shares). **BVPS:** ~₹406.9 → **PBV:** ~8.6×.
- **TTM EBITDA (Q3 FY25–Q2 FY26):** ~₹4,606 → **EV/EBITDA:** ~22× (EV ~ m-cap; FY25 net cash).
- **TTM EPS (owners, approx):** ~₹95.27 → **PE TTM:** ~37.4×.
- **5-year bands:** Not meaningful (listing Oct-2024). Use interim context only; track as history builds.
Currently we consider 20 as Low PE band and 55 as High PE band.

Implication: Elevated multiples reflect growth/visibility; watch execution, mix, and cash conversion for de-risking.

Outlook — Next 2–4 Quarters & Triggers

What to expect

- Higher utilization on new cell lines, continued module ramp; H2 skew maintained per guidance.
- BESS, inverters, electrolyser plants to progress; additional module capacity targeted by early 2026.

Key triggers to watch

- CBP/EAPA investigation progress for US shipments.
 - ALMM/PLI execution, domestic policy support; US 45X credits continuity.
 - Order conversion and pricing; inventory/working-capital cycle; capex phasing and ROCE sustainment.
-

Risks & Monitoring (Top 4)

1. **Trade/Regulatory:** US CBP probe outcome; tariff/supply-chain rules.
 2. **Execution:** Large multi-vertical capex (cells, modules, BESS, inverters, electrolyser). Schedule and yields.
 3. **Price/Cost:** Module ASP and input volatility (polysilicon, wafers) impacting spreads.
 4. **FX/Working capital:** Export mix ↑; receivables/inventory swings; funding at subsidiaries.
-

Disclosures

Educational analysis for long-term investors. Not investment advice. Past performance is not indicative of future results. Author/team may have positions. Data believed reliable but not guaranteed. Time stamp and sources: Company board outcome and Q2/H1 FY26 investor presentation.

H1: NESTLEIND Q2 FY26 Results — Key Takeaways for Long-Term Investors

Resilient, volume-led growth with stable operating margins; YoY PAT appears soft on a high base (last year's exceptional gain), while cash conversion and balance sheet quality remain strong.

Snapshot: Growth & Profitability

Quick Metrics Table (Consolidated; ₹ crore)

Metric	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Revenue (₹ cr)	5,643.6	5,104.0	+10.6%	5,096.2	+10.7%

EBITDA (₹ cr)	1,236.6	1,167.7	+5.9%	1,100.3	+12.4%
EBITDA Margin (%)	21.9	22.9	-100 bps	21.6	+30 bps
PAT (₹ cr)	743.2	899.5	-17.4%*	646.6	+14.9%
EPS (₹)	3.86	4.66	-17.2%	3.35	+15.2%

*YoY PAT comparison is on a high base due to an exceptional gain in Q2 FY25; underlying operations grew.

One-liners

What improved

- Double-digit revenue growth led by domestic volumes in most product groups; EBITDA up QoQ with modest margin expansion.
- H1 cash from operations \approx EBITDA (\approx 99%), indicating robust cash conversion.
- Net cash balance sheet; negligible finance cost.

What softened

- YoY EBITDA margin lower vs Q2 FY25; commodity basket mixed (edible oils firm).
- Reported YoY PAT down due to last year's exceptional income base effect.

Management & Concall Highlights

- **Demand & Mix:** Management highlighted **double-digit, volume-led growth** in 3 of 4 product groups; KITKAT, MAGGI, NESCAFÉ and PetCare cited among key drivers; rural distribution and e-commerce premiumization continued to support growth.
- **Pricing & GST flow-through:** Price lists refreshed to pass on GST rate reductions to consumers.
- **Capacity/Capex:** New noodle line commissioned at **Sanand** to support MAGGI demand; continued investment behind brands and distribution.

- **Commodity Outlook:** Milk seen softening post-festive; **coffee** stabilizing; **cocoa** more balanced; **edible oils** remain firm. Monitor RM volatility into H2.
- **Notes/Housekeeping:** EPS reflects the **1:1 bonus (Aug-25)**; company reports a **single segment (Food)**.

Industry-Relevant KPIs (FMCG)

KPI (FMCG)	This Qtr	Prev Qtr	YoY / Seq Insight
Volume growth (domestic)	Double-digit (3/4 groups)	Broad-based	Volume-led; mix supportive.
EBITDA margin (%)	21.9	21.6	QoQ up ~30 bps; YoY lower on RM/brand investments.
RM trend (qualitative)	Milk ↓ (post-festive), Coffee ↔, Cocoa ↔, Edible oils ↑	—	Mixed basket; watch oils.

Quality & Financial Health

- **Capital & Cash:** Net cash (~₹295 cr) with cash/bank ~₹366 cr vs borrowings ~₹71 cr; D/E ≈ 0.02x; finance cost ~₹2.1 cr in Q2—**interest cover >>100x**.
- **Cash Conversion:** H1 FY26 CFO ₹2,314 cr vs EBITDA ~₹2,337 cr → CFO/EBITDA ≈ 0.99.
- **Working Capital:** Inventory reduced from ₹2,850 cr (Mar-25) to ₹2,490 cr (Sep-25); receivables/payables in line with FMCG norms.
- **Accounting & Governance:** No adverse auditor remarks in the limited review; single-segment reporting; prior-period **exceptional gain** in Q2 FY25 (₹183 cr) noted.

Valuation Snapshot (as of 27 Oct 2025)

- **Price:** ₹1,282; **M-Cap:** ~₹2,47,208 cr (FV ₹1; shares ~192.8 cr).

- **TTM EPS (restated for bonus):** ~₹15.4 → **TTM P/E ~83x.**
- **TTM EBITDA:** ~₹4,828 cr → **EV/EBITDA ~51x** (net cash adjusted).
- **Context:** Trades at a **premium** to large-cap FMCG peers; premium reflects category leadership, cash generation, and pricing power, but leaves **limited valuation cushion** if RM inflation resurfaces or growth normalizes.

FY26 Estimates & Sensitivity

Assumption Table (base case)

Driver	Assumption FY26	Source/Logic
Volume growth	~10–11%	Broad-based category growth; distribution & e-com; rural catch-up.
Realizations/Pricing	~2%	GST pass-through offsets; modest pricing where needed.
EBITDA margin	~22.4%	Mixed RM basket (milk ↓, oils ↑), operating leverage.
Finance cost/Tax	Low / ~27%	Minimal leverage; recent tax run-rate.

Output Table




Metric (₹ cr / ₹)	FY25 (A)	FY26E
Revenue	20,201.6	22,828
EBITDA	4,773.7	5,113
PAT	3,207.6	3,310
EPS (₹)	16.63	17.17

Sensitivity (on-price ₹1,282):

- **Margin ±100 bps** → **EPS ±₹0.86 (~±5.0%)** → **FY26E P/E ~71.1x / 78.6x.**

- Growth ± 2 pp \rightarrow EPS $\pm ₹0.34$ ($\sim \pm 2.0\%$) \rightarrow FY26E P/E $\sim 73.2x / 76.2x$.
-

What Matters for Long-Term Investors (Action-agnostic)


- **Moat & durability:** Category leadership across noodles, chocolates, coffee; strong brands, distribution depth, and consistent reinvestment support pricing power.
 - **Cycle position:** Structural premiumization and penetration runway intact; near-term margins hinge on edible oil trajectory and competitive intensity.
 - **Watch-items next quarter:**  RM basket (oils),  festive sell-out & inventory,  pace of rural recovery and premium mix.
-

Conclusion

Nestlé India delivered healthy **volume-led growth** with **stable operating margins** and **strong cash generation**. Reported YoY PAT softness stems from last year's **exceptional gain**, not demand weakness. The franchise remains robust, though **valuations are rich**, keeping execution and RM discipline in sharper focus.

Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data is compiled from company filings and public sources believed to be reliable; errors may occur. The author/affiliates **may have positions** in the securities mentioned. **SEBI IA Registration**.

 **H1: Eternal (formerly Zomato) Q2 FY26 Results — Key Takeaways for Long-Term Investors**

Eternal's pivot to inventory ownership in quick commerce has transformed reported revenue scale, while profitability remains investment-led; food delivery margins hit a new high, and Blinkit is pushing store expansion ahead of plan.

Snapshot: Growth & Profitability


Quick Metrics Table (₹ crore unless stated; Consolidated)

Metric	Q2 FY26 (Sep'25)	Q2 FY25	YoY %	Q1 FY26	QoQ %
Revenue (from ops)	13,590	4,799	+183%	7,167	+89.6%
EBITDA*	239	226	+5.8%	115	+107.8%
EBITDA Margin (%)*	1.8%	4.7%	–	1.6%	–
PAT	65	176	–63%	25	+160%
EPS (₹)	0.07	0.20	–65%	0.03	+133%

* EBITDA computed from reported P&L (Revenue – operating costs excl. D&A/finance). The Company also discloses **Adjusted EBITDA**: ₹224 cr in Q2 (–32% YoY; +30% QoQ vs ₹172 cr in Q1).

One-liners

 **Improved:** Food delivery **Adjusted EBITDA margin** to **5.3% of NOV** (all-time high); consolidated **Adjusted Revenue** scaled to **₹13,968 cr** on model change; Blinkit NOV up **137% YoY**.

 **Softened:** Consolidated **Adjusted EBITDA** lower YoY (–32%) on growth investments; reported EBITDA margin diluted by inventory model and higher COGS base; PAT below last year.

Management & Concall Highlights

- **Growth vs. profit:** Team will **keep spending on customer acquisition** as long as CAC/LTV stays attractive; Blinkit EBITDA breakeven **not a near-term target**—focus on high-quality growth.
- **Food delivery pricing/mix: Platform fee increase** mid-quarter (reactive to competition) aided margins; minimum order for free delivery for Gold cut to ₹99 to address budget users.

- **Store expansion:** Blinkit **1,816** stores at Q2 end; guiding to **~2,100 by Dec-25** and visibility to **~3,000 by Mar-27**.
- **Marketing:** Blinkit marketing **~4× YoY, 1.4× QoQ**; expect **elevated spends to continue** near term.
- **Corporate update:** ‘**Bistro by Blinkit**’ quick-food service business moved via slump sale (₹57 cr) to **Blinkit Foods Ltd.** (WOS) for internal restructuring.

Industry-Relevant KPIs (Consumer Internet: Food Delivery + Quick Commerce)

KPI	This Qtr (Q2 FY26)	Prev Qtr (Q1 FY26)	YoY / Seq Insight
B2C NOV	₹23,164 cr	₹20,183 cr	+57% YoY / +15% QoQ consolidated scale-up.
Food Delivery NOV growth	+14% YoY	+13% YoY	Growth troughed in Q1; gradual recovery.
FD Adjusted EBITDA (% NOV)	5.3%	5.0%	All-time high margin; ad/fee/mix helped.
Blinkit NOV growth	+137% YoY / +27% QoQ	—	Highest in 10 quarters; mix & stores.
Blinkit Adj. EBITDA (% NOV)	-1.3%	-1.8%	Loss narrowing, but slower than plan due to growth investments.
Blinkit Store Count	1,816	1,544	Rapid net adds; path to 2,100 by Dec-25.

Quality & Financial Health

- **Capital & Cash:** Cash balance at end-Q1 FY26 was **₹18,857 cr**; Q2 saw **NWC increase of ₹482 cr** (consol NWC ~₹2,000 cr), largely from quick commerce post inventory shift. **Capex >90%** in Blinkit; **~₹1 cr per store** (incl. backend).
- **Liquidity & Solvency:** No stress flags disclosed; auditors issued **unmodified limited review**; GST delivery-charge matter noted (management confident on merits).

- **Accounting & Governance:** Clear reconciliation of **Adjusted Revenue/EBITDA**; shift from GOV to **NOV** as core growth metric to avoid discount inflation in reported demand.

Valuation Snapshot (as of Oct 25, 2025)

- **Price:** ₹327 (input)
- **Shares (FV ₹1):** ~910 cr → **M-Cap ~₹2.98 lakh cr.** ($910 \times ₹327$)
- **Multiples (directional):**
 - **Trail_PE (Trail_EPS ~₹0.21):** 1555 PE. Not meaningful for fundamentals (investment phase, accounting changes).
 - **EV/EBITDA:** less useful near-term given low reported EBITDA and heavy scaling in Blinkit; track **FD margin % NOV** and **Blinkit Gross Profit % NOV** instead.

FY26 Estimates & Sensitivity (*Base case; educational*)

Assumption Table (base case)

Driver	Assumption FY26	Source/Logic
NOV growth (consol)	~40–45% YoY	Blinkit +100% YoY, FD +15% YoY; Going-Out +25–30%.
Realizations/Pricing	Stable; higher ad/platform fee tailwind in FD	Concall + letter commentary.
EBITDA margin (reported)	~2.0–2.5%	Mix dilutes %; Adj. EBITDA to rise as Blinkit loss narrows ~100 bps across H2.
Finance cost/Tax	Low finance costs; normalized tax on profitability	Run-rate from Q1–Q2.

Output Table (₹ crore / ₹)

Metric	FY25 (A)	FY26E
Revenue (from ops)	20,243	~42,000–45,000
EBITDA (reported)	n/a	~900–1,100
PAT	527	~250–350
EPS (₹)	0.49	~0.27–0.38

Sensitivity:

- **Margin ± 100 bps \rightarrow EPS Δ $\sim \pm 0.05$ – 0.06 .**
- **Growth ± 2 pp \rightarrow EPS Δ $\sim \pm 3$ – 4% (operating leverage on ads/logistics).**
(These are directional, not advice.)

What Matters for Long-Term Investors (Action-agnostic)

- **Moat & durability:** Food delivery platform **scale + ad monetization + logistics density** underpin margin resilience; Blinkit building **assortment + supply-chain tech**; both benefit from **network effects**.
- **Cycle position:** **Discretionary headwinds** and **GST change** created near-term noise; festive tail + GST rate cuts on baskets should aid demand from Q3.
- **Watch next quarter:** (1) Blinkit **Gross Profit % NOV** progression; (2) **Store adds** vs. 2,100 target; (3) FD **take-rate vs. contribution** after fee/mix tweaks.

Conclusion

Eternal delivered **massive reported scale-up** post inventory shift and kept **food delivery margins at record levels**. Blinkit remains the **swing factor**—management is consciously prioritizing **share and capacity** over near-term breakeven, with a credible path to margin gains as cohorts mature.

Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data is compiled from company filings, investor presentations, and public sources believed to be reliable; errors may occur. The author/affiliates **may have positions** in the securities mentioned. **SEBI IA Registration.**

H1: IRFC Q2 FY26 Results — Key Takeaways for Long-Term Investors

India Railways' dedicated financier delivered steady profit growth with improving NIM and a record capital base, even as total income moderated QoQ; diversification beyond Railways is gathering pace.

Snapshot: Growth & Profitability

Quick Metrics Table

Metric	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Total Income (₹ cr)	6,371.9	6,900.2	-7.7%	6,918.2	-7.9%
EBITDA (₹ cr)	NA*	NA*	—	NA*	—
EBITDA Margin (%)	NA*	NA*	—	NA*	—
PAT (₹ cr)	1,777.0	1,612.7	+10.2%	1,745.7	+1.8%
EPS (₹)	1.36	1.23	+10.6%	1.31	+3.8%

*For NBFCs, EBITDA is not a meaningful metric; focus on NII/NIM & PAT.

Source: Company results.

One-liners

 **Profitability improved:** PAT up **+10.2% YoY** on a higher margin profile; EPS at **₹1.36**.

✔ **Stronger margin base: NIM (annualised) 1.55%** in H1 FY26 (vs H1 FY25), providing cushion despite softer income.

⚠ **Lower income QoQ/YoY:** Total income declined ~8% QoQ and YoY amid timing of recognition/ALM effects.

📌 Management & Concall Highlights

- **FY26 Disbursement Guidance:** ~₹30,000 cr; management indicated ₹16–18k cr already aligned for Q3–Q4, aided by MoUs and pipeline visibility.
 - **Diversification momentum:** ₹45,000+ cr MoUs in H1, including ₹36,000 cr signed in 26–29 Sep across states/infrastructure—broadening beyond Railways.
 - **Capital return:** Interim dividend ₹1.05/share announced for FY26.
 - **Funding & ALM:** Low dependence on deposits; funding primarily via bonds; asset–liability profile stable.
-

🌱 Industry-Relevant KPIs (NBFC Lens)

KPI	This Qtr / H1	Prev Qtr / H1	YoY / Seq Insight
NIM (annualised)	1.55% (H1 FY26)	—	Improved margin base YoY.
AUM / Financial Assets	₹4.62 lakh cr	—	Scale supports operating leverage.
GNPA / NNPA	0% track record	—	Continued clean book quality.
RoE (TTM, calc.)	~12.6%	—	Using TTM PAT & avg net worth.
RoA (TTM, calc.)	~1.35%	—	On ~₹5.05 lakh cr avg assets.
Debt/Equity	~7.25×	~7.83× (FY25)	Leverage typical for a PSU financier.
Net Worth	₹56,193.9 cr	—	Highest ever; supports growth.

Quality & Financial Health

- **Capital & Cash:** Net worth ₹56,194 cr; D/E ~7.25×. Strong capital base and PSU backing.
- **Liquidity & Solvency:** Management highlights **industry-best CRAR**; ALM matched with bond funding. (Exact CRAR % not disclosed in PR; internal policy SOP on CRAR/ALM approved.)
- **Accounting Quality:** Income mix dominated by **lease & finance income**; limited exceptional items.
- **Governance:** Clean asset quality narrative continues; PSU oversight and disclosures remain robust.

Valuation Snapshot (as of 24 Oct 2025)

- **Price:** ₹124; **M-Cap (est.):** ~₹1.62 lakh cr (Shares ≈ 1,306.9 cr).
- **TTM PE:** ~24× (TTM EPS ≈ 5.24, calc. from reported quarters); **PBV:** ~2.9× (BVPS ≈ ₹43).
- **Context:** Premium to historic PSU-NBFC bands reflects higher profitability visibility (NIM uptick, clean book) and diversification optionality.

FY26 Estimates & Sensitivity

Assumption Table (base case)

Driver	Assumption FY26	Source/Logic
Disbursements / AUM growth	~₹30,000 cr disbursal; book growth low-teens	Company guidance; MoUs & pipeline.
NIM (annualised)	~1.55–1.60%	H1 print & mix stability.
Credit cost / NPAs	~0% GNPA	Historic track record.

Tax rate Near-nil (as per current regime) Recent quarters.

Output Table

Metric (₹ cr / ₹)	FY25 (A)	FY26E
Total Income	27,156	~28,000
PAT	6,502	~7,200
EPS (₹)	4.38	~5.5

Sensitivity (sector-appropriate)

- **NIM ±10 bps** on AUM ₹4.62 lakh cr ⇒ **EPS ±~6.4%** (≈ ±₹0.35/share).
- **Growth ±2 pp** vs base ⇒ **EPS ±~2%** (≈ ±₹0.11/share).

What Matters for Long-Term Investors (Action-agnostic)

- **Moat & durability:** Sovereign-linked counterparty, low credit risk, cost-efficient funding → durable spread business.
- **Cycle position:** Capex upcycle & state infra push support multi-year book growth; margins steady around mid-1% NIM.
- **Watch next quarter:** (1) Pace of MoUs translating to disbursements, (2) NIM trajectory vs funding costs, (3) Progress in diversification beyond Railways.

Conclusion

IRFC is compounding book value with **double-digit PAT growth, clean asset quality, and improving NIM**. Near-term income volatility aside, visibility on disbursements and a record net-worth base underpin the medium-term trajectory.

Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data is compiled from company filings, investor presentations, and public sources believed to be reliable; errors may occur. The author/affiliates **may have positions** in the securities mentioned.
SEBI IA Registration

H1: HDFCLIFE Q2 FY26 Results — Key Takeaways for Long-Term Investors

HDFC Life maintained topline momentum and stable quality metrics in H1; Q2 shows seasonal premium strength but softer quarterly PAT—read this as an insurance-typical mix effect, not a structural reset.

Snapshot: Growth & Profitability

Quick Metrics Table


(₹ crore; consolidated where available. “Revenue” proxied as Total Premium. EBITDA not meaningful for insurers.)

Metric	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Revenue (Total Premium)*	19,287.0	16,927.1	+14.0%	14,875.1	+29.6%
PAT (₹ cr)	445.7	432.0	+3.2%	548.4	-18.7%
EPS (₹)	2.07	2.01	+3.0%	2.54	-18.5%

*H1 FY26 Total Premium ₹34,162 cr (press release). We derive Q2 by subtracting Q1 gross premium (₹14,875 cr, standalone) from H1; Q2 FY25 likewise derived from H1 FY25 less Q1 FY25.

PAT/EPS sources: H1 PAT ₹994 cr (press release); Q1 PAT ₹548.35 cr and EPS 2.54 (3M FY26). Q2 is H1 minus Q1; Q2 FY25 PAT = H1 FY25 ₹911 cr – Q1 FY25 ₹478.97 cr.

One-liners

 Strength: Robust sequential premium momentum into Q2; H1 APE and VNB up ~10% YoY; AUM > ₹5 tn incl. pension.

⚠️ Softer in Q2: Quarterly PAT/EPS declined QoQ (normal seasonality); VNB margin broadly stable at ~24.5% but slightly below last year.

📍 Management & Concall Highlights

- **Demand & mix:** H1 topline “broadly in line,” with the company **outpacing industry/private sector** growth; GST revisions passed on to customers, improving affordability.
 - **AUM milestone:** Group AUM crossed **₹5 trillion** (HDFC Life + HDFC Pension).
 - **Capital & solvency:** Solvency **175%** after dividend, ₹600 cr sub-debt repayment, product mix, and GST impact; **plan to raise up to ₹750 cr** sub-debt in H2.
 - **Guidance tone:** Confident of long-term growth; expecting stronger medium-term demand post-GST reform.
-

🧩 Industry-Relevant KPIs (Insurance)

KPI	H1 FY26	H1 FY25	YoY / Insight
Total APE (₹ cr)	7,413	6,724	+10% (broad-based)
VNB (₹ cr)	1,818	1,656	+10%; VNB margin ~24.5% (vs 24.6%)
Total Premium (₹ cr)	34,162	29,738	+15% (renewals +18%, NBP +12%)
Persistency (13M / 61M)	86% / 62%	88% / 60%	Stable; better at 61M.
Solvency Ratio	175%	181%	Strong, above regulatory min.
Embedded Value (₹ cr)	59,540	52,114	+14%; Op. RoEV 15.8% (rolling).

Segmental mix (Income/APE share proxy)

- **Product mix – Individual APE (H1 FY26):** UL 42% | Non-par savings 18% | Annuity 4% | Protection 7% | Par 29%.
- **Distribution mix – Individual APE:** Agency 59% | Banca 18% | Non-bank alliances 14% | Direct 9%.

Quality & Financial Health

- **Capital & Cash:** Paid-up equity ₹2,154.7 cr; Reserves & surplus ~₹14,192.1 cr as of Q1 FY26 (consolidated). Shareholders' funds ~₹16,346.7 cr ⇒ BVPS ~₹75.9.
- **Liquidity & Solvency:** 175% solvency; planned ₹750 cr sub-debt in H2 supports growth without equity dilution.
- **Accounting quality:** No exceptional items flagged; operating ratios (expenses/total premium) ~21.6% (flat YoY).
- **Governance/Disclosures:** Detailed KPI deck and definitions provided in PR/PPT; persistency and sensitivity analytics disclosed.

Valuation Snapshot (as of Oct 17, 2025)

- **Price:** ₹740.15; **M-Cap:** ₹1,60,165 cr (source: Business Today).
- **Sector-relevant multiple — P/EV:** EV (H1) ₹59,540 cr ⇒ P/EV ≈ 2.7–3.1x (range reflects EV disclosure divergence between PR and PPT; PPT shows EV ~₹51,530 cr (₹515.3 bn)).
- **Trail PE:** ₹8.79, PE ≈ 94x at ₹740 (indicative; insurance is better viewed on P/EV).
- **Context:** Multiples sit in the **upper band vs private peers**; sustained APE growth + margin discipline and solvency comfort remain key supports.

FY26 Estimates & Sensitivity

Assumption Table (base case)

Driver	Assumption FY26	Source/Logic
APE growth	~10–12%	H1 APE +10% YoY; distribution/product momentum to sustain.

VNB margin	~24–25%	Near-stable YoY in H1 as per PR.
Total Premium growth	~12–15%	H1 +15% YoY; Q4 seasonality supportive.
Finance cost/Tax	Neutral	No material leverage; solvency healthy; steady tax environment.

Output Table (₹ crore / ₹)

Metric (₹ cr / ₹)	FY25 (A)	FY26E
Revenue (Total Premium)	—	~79,000
EBITDA	NA	NA
PAT	1,802	~2,050–2,150
EPS (₹)	8.37	~9.5–10.0

FY25 PAT & EPS from FY25 audited baseline; Revenue (full-year FY25) not in attached docs, so not shown to avoid guesswork.

Sensitivity (indicative):

- **VNB margin ±100 bps** → FY26E **EV change ~±2.5%**; **VNB ~±4%** impact; **EPS ~±2–3%** (directionally).
- **Premium growth ±2 pp** → FY26E **EPS ~±2–3%** (operating leverage limited; mix matters more).

What Matters for Long-Term Investors (Action-agnostic)

- **Moat & durability:** Brand + omni-channel reach; persistency stable (86/62); solvency 175% supports profitable growth.
- **Cycle position:** GST relief could aid affordability; watch for mix (UL/Par/Non-par) to manage strain vs profitability.
- **Watch-items next quarter:**
 - ✚ VNB margin trajectory into Q3/Q4;
 - ✚ Persistency trends (13M, 61M);

 Sub-debt raise execution and solvency buffer.

Conclusion

HDFC Life's H1 delivery is consistent: double-digit APE/VNB, stable margins, and strong solvency. Q2's softer PAT is seasonal; medium-term demand tailwinds (GST) and diversified channels/product mix keep the long-term thesis intact.

Fairvalue:

<https://docs.google.com/spreadsheets/d/e/2PACX-1vTJnHHIGEYqHnvzQYcEI8INys-JCYjbTGTEh7U4hvGG7Fpuh2AL83rKxYFO9oemvw/pubhtml?gid=1929646466&single=true>

Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data is compiled from company filings, investor presentations, and public sources believed to be reliable; errors may occur. The author/affiliates **may have positions** in the securities mentioned.
SEBI IA Registration

H1: HDFC AMC (HDFCAMC) Q2 FY26 Results — Key Takeaways for Long-Term Investors

Robust AUM-led revenue growth, industry-leading efficiency, and steady yields; watch mix, flows and regulatory backdrop.

Snapshot: Growth & Profitability

Quick Metrics Table (₹ crore unless stated; consolidated where the company reports consolidated; EPS per results table)

Metric	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Revenue (₹ cr)	1,026.0	887.2	+15.6%	967.8	+6.0%
EBITDA (₹ cr)*	797.4	701.8	+13.6%	770.6	+3.5%
EBITDA Margin (%)*	77.7%	79.1%	-140 bps	79.6%	-190 bps
PAT (₹ cr)	717.9	576.9	+24.5%	747.9	-4.0%
EPS (₹) (basic)	33.56	27.01	+24.3%	34.97	-4.0%

*EBITDA approximated as Operating Profit + Depreciation, using the company's reported operating profit and expense breakout. Sources: company press release & results.

One-liners

What improved

- Revenue growth on higher average AUM and stable yields; operating profit up **13% YoY**.
- Equity mix stayed high; **active equity QAAUM ₹5.34 lakh cr**; overall QAAUM **₹8.81 lakh cr**.
- PAT aided by steady core operations; note a **₹46.8 cr** tax provision reversal this quarter (normalised PAT ≈ **₹671 cr**).

What softened

- Sequential PAT down ~4% due to lower other income/MTM and the absence of the one-off tax item when normalised.
 - EBITDA margin dipped QoQ as operating costs (promotion/CSR) rose; management reiterates **12–15%** annual opex growth view.
-

Management & Concall Highlights

- **Yield commentary:** Equity ~58 bps, Debt 27–28 bps, Liquid 12–13 bps (stable).
- **Flows & retail depth:** SIP run-rate strong; **13.1 mn** systematic transactions in Sep'25 worth **₹4,510 cr**; growing fintech/direct channel share alongside banks/MFDs.
- **Costs & efficiency:** Despite scale-up (offices, tech, people), **costs ~11 bps of AUM**—among best-in-class; opex increase this quarter driven by **business promotion & CSR**.
- **Product & platforms:** NFOs—**HDFC Innovation Fund (₹2,400 cr)**; **HDFC Diversified Equity All-Cap Active FoF (₹1,100 cr)**; alternatives (AIF/PMS) gaining traction; GIFT City funds and UBS tie-up live.
- **Corporate action:** **1:1 Bonus issue** approved; record date **Nov 26, 2025** (subject to approvals). Price adjusts post-bonus; market cap unchanged.

Industry-Relevant KPIs (AMCs/Brokers set)

KPI	This Qtr	Prev Qtr	YoY / Seq Insight
QAAUM (₹ cr)	8,81,400	8,28,600	+16% YoY on equity mix & SIPs; +6% QoQ.
Active Equity QAAUM (₹ cr)	5,34,300	4,96,300	+14% YoY; +8% QoQ; share at ~65% of QAAUM.
Market share (QAAUM)	11.5%	11.5%	Stable; ex-ETF 12.8% ; active equity 12.9% .
Yield (bps)	Eq ~58, Debt ~27–28, Liquid ~12–13	—	Stable across buckets.
SIP transactions (Sep'25)	1.31 cr (₹4,510 cr)	—	Structural retail depth; industry SIPs elevated.
Operating margin (bps of AUM)	35 bps	—	Efficiency remains high.

Quality & Financial Health

- **Capital & Cash:** Balance sheet in **net-cash**; financial assets/investments **~₹7,901 cr** (Sep'25). Minimal finance cost.
- **Cash conversion:** H1 FY26 CFO **₹1,201 cr**; strong conversion from earnings.
- **Accounting quality:** Q2 includes **₹46.8 cr** prior-period **tax reversal**; call this out when normalising PAT/margins.
- **Governance/ESG:** Broad disclosures; deep distribution footprint (280 offices; 1.03 lakh partners).

Valuation Snapshot (as of Price ₹5,709)

- **M-Cap** (pre-bonus shares **~21.40 cr**): **~₹1.22 lakh cr**.
- **TTM P/E** (EPS **~₹128.4***): **~44.5x**; **FY26E P/E** (annualised H1 EPS **~₹137.1**): **~41.7x**.
- **P/BV** (BVPS **~₹362**): **~15.8x**.
- **P/AUM** (M-cap / closing AUM **₹8.73 trn**): **~0.14x** (~14%).
*TTM EPS derived from FY25 + H1 FY26 bridge; for AMCs, **P/E & P/AUM** are the most relevant lenses; EV/EBITDA is less informative given net-cash. AUM & mix per presentation.

FY26 Estimates & Sensitivity

Assumption Table (base case)

Driver	FY26 Base	Source/Logic
AUM growth	~15% YoY	Industry net flows/SIP run-rate; equity tilt stable.
Realisation (blended yield)	Largely stable	Equity ~58 bps ; debt/liquid consistent.
EBITDA margin	77–79%	High-operating-leverage model; minor promo/CSR variability.
Opex growth	12–15%	Management long-stated range.

Tax rate ~25–26% Normalised (ex the Q2 tax reversal).

Output Table

Metric (₹ cr / ₹)	FY25 (A)	FY26E (Base)
Revenue	3,498	~4,100–4,250
EBITDA	~2,740*	~3,150–3,300
PAT	2,461	~2,900–3,000
EPS (₹)**	115.2	~135–140

*Approx using FY25 operating profit + depreciation; **EPS FY25 per results table.**

Sensitivity (on FY26E)

- **Margin ±100 bps** → EPS impact ~±1% (rule-of-thumb at current revenue base).
- **AUM growth ±2 pp** → EPS impact ~±1–2% (via fees).

What Matters for Long-Term Investors (Action-agnostic)

- **Moat & durability:** Brand, multi-channel distribution (banks, MFDs, fintech, direct), and long track-record support pricing power; cost discipline best-in-class.
- **Cycle position:** Structural financialisation continues (SIP/AUM up); near-term market moves can swing other income and flows.
- **Watch next quarter:** (1) Equity flows vs. market volatility, (2) direct/fintech share shift in TER mix, (3) progress in Alternatives/GIFT City & NFO pipeline.

Conclusion

HDFC AMC delivered solid **AUM-led revenue growth** and **high efficiency**, with **stable yields** and consistent retail depth (SIPs). Monitor **mix/flows and opex seasonality**, while the 1:1 **bonus** is a capital-structure event (non-economic).

Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data from company filings, presentations, and public sources believed reliable; errors may occur. Author/affiliates **may hold positions**. **SEBI IA Registration**.

H1: ICICI Lombard General Insurance (ICICIGI) Q2 FY26 Results — Key Takeaways for Long-Term Investors

A steady quarter with double-digit PAT growth YoY, resilient solvency, and disciplined underwriting amid a higher combined ratio on 1/n basis (methodology change).

Snapshot: Growth & Profitability

Quick Metrics Table

(₹ crore; "EBITDA" below uses Operating Profit as a proxy for insurers — see footnote)

Metric	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Revenue (Total income)	6,582.7	5,850.6	12.5%	8,083.4	-18.6%
EBITDA* (Operating profit)	752.7	664.2	13.3%	654.1	+15.1%
EBITDA Margin (%)	11.4	11.4	+8 bps	8.1	+334 bps
PAT	819.5	694.0	18.1%	747.1	+9.7%
EPS (₹)	16.49	14.05	+17.4%	15.06	+9.5%

*EBITDA used here = reported Operating Profit; insurers don't report conventional EBITDA. Source numbers from the company's audited statement (₹ in lakhs).

icicilombard_Results

One-liners

✔ What improved

- PAT +18% YoY on stronger investment income and operating leverage; ROAE stayed above 21% (quarter).
IciciLombard_IP
- H1 solvency **2.73x**, comfortably above regulatory minimum.
IciciLombard_IP
- Retail Health momentum; Motor new-vehicle growth aided by festive demand/GST cut in Sept.
IciciLombard_IP

⚠ What softened

- **Combined ratio (CoR)** on 1/n basis at **105.1%** in Q2 (vs 104.5% YoY); on 'n' basis Q2 was **103.9%**. Crop loss ratio spiked.
IciciLombard_IP

🕒 Management & Concall Highlights

- **Growth drivers:** New private Car (+17.8% in Sept'25 vs industry +5.8%) and Two-wheeler (+8.5% vs industry +6.5%); improved festive traction.
IciciLombard_IP
- **Pricing/underwriting:** Conscious selection in Group Health; continued pricing discipline in P&C; crop portfolio pruned/selective.
IciciLombard_IP
- **Investments:** Portfolio mix tilted to high-quality debt (AAA/G-Sec heavy); unrealised gains present; realised H1 yield ~**4.55%** (annualised).
IciciLombard_IP
- **Capital return:** Interim dividend **₹6.50/share** for FY26; record date **Oct 23, 2025**; payment by **Nov 12, 2025**.
icicilombard_Results
- **Methodology note:** Since **Oct 1, 2024**, long-term products on **1/n** basis; comparisons vs prior periods not strictly like-for-like.

Industry-Relevant KPIs (General Insurance)

KPI	Q2 FY26	Q2 FY25 / Prev	YoY / Seq Insight
GDPI (₹ bn) (n / 1-n)	69.6 / 66.0	—	Q2 growth +3.5% (n); -1.9% (1-n). IciciLombard_IP
Combined Ratio	105.1% (1-n) / 103.9% (n)	104.5% (1-n)	Slight deterioration; excluding CAT, Q2 CoR 103.8% . IciciLombard_IP
Loss Ratio (Total)	72.1%	71.4%	Mildly higher; Crop notably elevated. icicilombard_Results
ROAE	21.4% (Q2)	21.8% (Q2 FY25)	Still healthy ~21%. IciciLombard_IP
Solvency	2.73x	2.65x (H1 FY25)	Strong buffer. icicilombard_Results

Quality & Financial Health

- **Capital & Cash:** Solvency **2.73x**; investment leverage **~3.57x**; debt portfolio largely sovereign/AAA; zero defaults since inception.
IciciLombard_IP
- **Underwriting quality:** Disciplined selection in Group Health and P&C; Crop cautious; explicit MAD in reserving with favourable run-offs.

IciciLombard_IP

- **Claims & service:** 96%+ Motor OD and 99%+ Retail Health claims paid within 30 days in H1; NPS (cashless) — Health 75 / Motor 66.

IciciLombard_IP

- **Governance:** Joint auditors' **unmodified** opinion on Q2/H1 FY26 results.

icicilombard_Results

Valuation Snapshot (as of Oct 14, 2025)

- **Price:** ₹2,002; **Shares (paid-up @ ₹10):** ~49.7 cr; **M-Cap:** ~₹99,600 cr.
- **TTM PE:** ~39.5x (vs FY25 EPS ₹50.74); **PBV:** ~6.3x (BVPS H1 FY26 ₹316.8). Context: premium valuation sustained by franchise strength, ROE ~20%+, but sensitive to CoR and investment yields.

IciciLombard_IP

icicilombard_Results

FY26 Estimates & Sensitivity

Assumption Table (base case)

Driver	Assumption FY26	Source/Logic
GDPI growth	8–10% (n-basis)	H1 trends + festival seasonality; selective Crop; Motor/Health retail momentum. IciciLombard_IP
CoR (reported, 1-n)	103.5–104.5%	Mix/pricing discipline; normalised CAT losses. IciciLombard_IP

Investment yield (realised) 4.5–4.8% H1 realised return trajectory.
IciciLombard_IP

Tax rate ~25% Recent run-rate in financials.
icicilombard_Results

Output Table (illustrative base case)

Metric (₹ cr / ₹)	FY25 (A)	FY26E
Revenue (Total income)	22,936	25,000–25,700
EBITDA (Op. profit proxy)	2,267	2,450–2,600
PAT	2,508	2,900–3,000
EPS (₹)	50.7	57–59

Sensitivity: Every ± 100 bps change in CoR can move FY26E EPS by roughly ± 6 – 8% ; ± 2 pp change in GDP growth can shift EPS ± 2 – 3% (directionally). (For insurers, EPS is more sensitive to CoR than top-line.)

What Matters for Long-Term Investors (Action-agnostic)

- **Moat & durability:** Multi-channel distribution, strong brand, prudent reserving, and high-quality investment book support through-cycle ROE.
- **Cycle position:** Retail Health & Motor registering healthy traction; Crop remains a swing factor; CAT events and pricing cycles can sway CoR.
- **Watch-items next quarter:** (1) CoR trajectory ex-CAT, (2) Retail Health growth vs loss ratios, (3) Investment yields amid rate moves.

Conclusion

ICICIGI continues to show **profitable growth** (PAT +18% YoY), **strong solvency**, and **disciplined underwriting**. Near-term results hinge on CoR management and investment returns, while Motor/Health retail should underpin steady compounding.

Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data is compiled from company filings, investor presentations, and public sources believed to be reliable; errors may occur. The author/affiliates **may have positions** in the securities mentioned. **SEBI IA Registration:** {Your Reg No}.

icicilombard_Results

IciciLombard_IP

Tata Consultancy Services (TCS) Q2 FY26 Results — Key Takeaways for Long-Term Investors

*Broad-based growth with steady profitability; AI-led deals and a ~\$10B TCV underpin near-term revenue visibility. **Informational, not advice.***

Snapshot: Growth & Profitability

Quick Metrics Table (₹ crore, Consolidated)

Metric	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Revenue	65,799	64,259	+2.4%	63,437	+3.7%
EBITDA (approx.)	16,614	16,569	+0.3%	16,680	-0.4%
EBITDA Margin (%)	25.2%	—	—	—	—
PAT (Reported)	12,131	11,955	+1.5%	12,819	-5.4%
EPS (₹) — Reported / Adj.	33.37 / 35.67	32.92 / —	—	35.27 / —	—

One-liners

- ✓ Revenue up **+3.7% QoQ** and **+2.4% YoY**; strong deal flow supports H2 traction.
- ✓ Operating efficiency intact: **~25%** operating margin; steady cash conversion and dividend.
- ⚠ Reported PAT down **QoQ** due to a one-off restructuring charge and seasonality.

Management & Concall Highlights

- **Deals & visibility:** Total Contract Value (TCV) **~\$10B** across verticals; ramp-ups expected in H2.
- **AI-first pivot:** Investment in **AI infrastructure and delivery**, expanding Data–Cloud–AI programs with enterprise clients.
- **Capital allocation:** **₹11/share** interim dividend; continued investment in talent, platforms, and partner ecosystem.
- **Guidance tone:** No numeric guidance; commentary constructive on **AI/Cloud transformation** and disciplined execution; focus on margin governance.

Industry-Relevant KPIs — IT Services

KPI	This Qtr	Prev Qtr	YoY / Seq Insight
Constant-Currency (CC) revenue growth	+3.7% YoY	—	Sequential uptick amid macro headwinds

Operating Margin (IFRS)	25.2%	~24.5%	+70 bps QoQ expansion
Total Contract Value (TCV)	~\$10B	—	Healthy pipeline supports H2
Dividend per share	₹11	₹11	Consistent payouts
BFSI revenue mix (₹ cr)	25,717	24,736	BFSI steady; early signs of improvement
CMT revenue mix (₹ cr)	9,802	9,436	Stabilizing QoQ

Geography (mix & CC sequential)


- **North America:** mix **48.8%**, CC **+0.8%**
- **UK:** mix **17.5%**, CC **-1.4%**
- **Continental Europe:** mix **15.3%**, CC **+1.4%**
- **Asia Pacific:** mix **8.3%**, CC **+0.3%**
- **India:** mix **5.8%**, CC **+4.0%**
- **Middle East & Africa:** mix **2.4%**, CC **+5.9%**

Quality & Financial Health

- **Cash generation:** Strong cash conversion (CFO ~110% of net income on run-rate); working capital disciplined.
 - **Costs:** Wage hikes largely absorbed; pyramid optimization and delivery efficiency support margins.
 - **One-offs:** Restructuring charge (~₹1,135 cr) disclosed; blog presents **reported** and **adjusted** PAT/EPS transparently.
 - **Governance:** Consistent disclosures; auditor's review unmodified; continued investments in capability build-out.
-

Valuation Snapshot (as of 09 Oct 2025)

- Price: ₹3028; Market-cap: ₹11 Lakh Cr
- TTM EPS (reported): ~₹134
- Trail PE: 22

 *Tip:* For sector context, also track FCF yield and payout ratio, especially when growth is low-single-digit but margins are resilient.

FY26 Estimates & Sensitivity Assumptions (Base Case)

Driver	Assumption FY26	Source/Logic
CC growth	Low single-digit	Deal ramp-ups; macro stabilization
Realizations/Pricing	Stable to slight up	Mix shift to higher-value AI/Data/Cloud
EBITDA margin	~25.5%	Operating leverage + delivery efficiencies
Finance cost/Tax	Stable	Run-rate

Outputs

Metric (₹ cr / ₹)	FY25 (A)	FY26E
Revenue	2,55,324	2,65,500
EBITDA	—	67,448
PAT	48,797	51,800
EPS (₹)	~134 (TTM)	142

Sensitivity

- Margin ± 100 bps and growth ± 2 pp \rightarrow EPS range ~₹131.4 – ₹146.6 vs base ₹139.0.
-

What Matters for Long-Term Investors

- **Durability:** Deep enterprise relationships, high renewal rates, and broad offerings (consulting → run/operate) support resilience.
 - **Cycle position:** Early stabilization; watch **large-deal conversion**, **BFSI** decision cycles, and **CMT** recovery path.
 - **3 watch-items next quarter:** (1) Deal ramp-ups in US/EU, (2) Pricing/mix in AI & Cloud programs, (3) Margin mix vs utilization and pyramid.
-

Conclusion

Steady Q2 with improving operating metrics and a strong **~\$10B TCV**. Strategic AI investments and delivery efficiencies position TCS for **measured growth into FY26** while protecting margins.

Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data is compiled from company filings, investor presentations, and public sources believed to be reliable; errors may occur. The author/affiliates **may have positions** in the securities mentioned. **SEBI IA.**

Solid operating momentum with improving spreads and asset quality; disclosures note specific borrower issues under active recovery—overall trajectory remains growth-led and policy-supported. (Company filed on **14 Oct 2025** for Q2 FY26; your brief mentioned 2026.)

Snapshot: Growth & Profitability

Quick Metrics Table (Consolidated; ₹ crore unless stated. "EBITDA" shown as Operating Profit/PPOP as per company definition.)

Metric	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Revenue from operations	2,057	1,630	+26.2%	1,947	+5.6%
EBITDA (PPOP)	776	503	+54.3%	677	+14.6%
EBITDA Margin (%)	37.7%	30.9%	+680 bps	34.8%	+290 bps
PAT	549	388	+41.5%	247	+122.3%
EPS (₹)*	~1.99	2.87	-30.8%	0.91	+118.7%

*EPS YoY is not comparable due to a larger share base post QIPs; PAT growth better reflects operating improvement. Sources: Results extract & investor presentation.

One-liners

✓ Strong YoY growth in revenue (+26%) and PPOP (+54%); PAT up 42% with better spreads/NIM.

✓ QoQ acceleration: PPOP +15%, PAT +122% on lower credit cost vs Q1.

⚠ EPS YoY down on expanded equity base (QIPs) despite higher PAT.

Management & Concall Highlights

- Funding & capital: Raised **₹2,006 cr + ₹453 cr** via QIPs; **JPY 26 bn** ECB; Tier-II bonds **₹910 cr**—supports loan growth while moderating cost of funds.
- Product focus: Financing across the RE value chain (solar, wind, hydro, storage, EV infra, green hydrogen, smart meters, component mfg).
- Outlook: Positive sector backdrop with policy push and ambitious non-fossil capacity targets to **500 GW by 2030** (context for growth pipeline).

Industry-Relevant KPIs (NBFC-Power/Renewables)

KPI	This Qtr	Prev Qtr	YoY / Seq Insight
Loan book (AUM)	₹84,477 cr	₹79,941 cr	+31% YoY, ample runway.
Yield on loans (gross)	9.87%	9.95%	Slightly lower QoQ; stable YoY.
Cost of borrowings	7.24%	7.40%	Improving on mix/rating.
NIM (annualised)	3.72%	3.60%	+38 bps YoY, +12 bps QoQ.
GNPA / NNPA	3.97% / 1.97%	4.13% / 2.06%	Sequential improvement; YoY higher GNPA influenced by a borrower reclassification (court order).

Net worth ₹12,920 cr ₹12,402 cr Strengthened capital base.

Quality & Financial Health

- **Capital & Leverage:** Debt/Equity **5.41x** (vs 6.31x FY25), indicating deleveraging with equity raises and earnings accretion.
 - **Cash & Balance Sheet:** Loans **₹82,623 cr** on consolidated BS; total assets **₹87,794 cr** as of 30-Sep-25.
 - **Asset Quality—Specific Notes:** Fraud/NPA cases (e.g., Hetero Renewable; forged BG case) under investigation with provisions and recovery/legal actions initiated (EOW, DRT, IBC).
 - **Concentration:** Top-20 exposure **~43%** of advances/exposure—typical for project finance but a watch-item.
 - **Governance & Audit:** Consolidated reporting (subsidiary at GIFT City) since Mar-25; H1FY26 audited results filed on **14 Oct 2025**.
-

Valuation Snapshot (CMP ₹153)

- **Price:** ₹153; **Approx. M-Cap:** ~₹42,300 cr (derived from H1 PAT/EPS-implied ~276.5 cr shrs).
 - **TTM PE:** **~24.5x** (TTM PAT ≈ ₹1,724 cr; TTM EPS ≈ ₹6.24). Sources for PAT: FY25 **₹1,699 cr**, H1FY26 **₹796 cr**, H1FY25 **₹771 cr**.
 - **P/BV:** **~3.27x** on **BVPS ≈ ₹46.7** (Net worth **₹12,920 cr**).
 - **Context:** Premium to many PSU NBFCs owing to RE franchise, improving NIM, and growth optionality; monitor credit cost trajectory.
-

FY26 Estimates & Sensitivity

Assumption Table (base case)

Driver	Assumption FY26	Source/Logic
Loan book growth	~25% YoY	Sector pipeline + sanction/disbursement momentum.
Yield / CoF	Yield ~9.8–10.0%; CoF ~7.2–7.4%	Recent ratios & rating/funding actions.
NIM	~3.6–3.7%	Near current run-rate; slight mix tailwinds.
Credit cost	~90–110 bps	Normalised vs Q1 spike; includes case-specific provisions.
Opex	Stable	Scale efficiencies; revenue/employee steady.

Output Table

Metric (₹ cr / ₹)	FY25 (A)	FY26E
Revenue from operations	6,742	8,400
EBITDA (PPOP)	2,380	2,900

PAT	1,699	2,050
EPS (₹)	6.32	~7.4

(FY25 actuals per presentation; FY26E based on above drivers.)

Sensitivity (directional):

- **Margin ± 100 bps** → EPS impact $\approx \pm 30-35\%$ (project finance NBFCs are highly NIM-sensitive).
- **Growth ± 2 pp** → EPS impact $\approx \pm 3-4\%$ via NII and operating leverage.

What Matters for Long-Term Investors (Action-agnostic)

- **Moat & durability:** Government-linked RE financier with diversified product suite; improving NIM and equity buffer support compounding.
- **Cycle position:** RE capex pipeline + policy thrust remain supportive; execution and credit selection remain the swing factors.
- **Watch-items next quarter:** (1) Slippage/Resolution in flagged borrower cases, (2) CoF trajectory amid rate moves, (3) Loan-book growth vs sanctions conversion.

Conclusion

IREDA's Q2 FY26 shows healthy operating leverage and improving spreads with continued loan-book expansion. Asset-quality optics need monitoring but are being actively addressed through provisions and legal actions; with capital support and sector tailwinds, growth visibility remains favourable.

Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data is compiled from company filings believed to be reliable; errors may occur. The author/affiliates **may hold positions** in the securities mentioned. **SEBI IA Registration: INA000020651**.

H1: DMart (Avenue Supermarts) Q2 FY26 Results – Key Takeaways for Long-Term Investors

Solid top-line momentum with mid-single-digit 6.8% LFL growth which is in low trend for 3rd quarter in a row; margins a tad softer as DMart continues cluster expansion and value pricing.

Result announced: **October 11, 2025** (Consolidated).

Snapshot: Growth & Profitability

Quick Metrics Table (Consolidated, ₹ crore unless stated)

Metric	Q2 FY26	Q2 FY25	YoY %	Q1 FY26	QoQ %
Revenue	16,676	14,445	+15.4%	16,359.7	+1.9%
EBITDA	1,214	1,094	+11.0%	1,299*	-6.5%
EBITDA Margin (%)	7.3	7.6	-30 bps	7.9	-64 bps
PAT	685	659	+3.9%	772.8	-11.4%
EPS (₹)	10.53	10.14	+3.8%	11.88	-11.4%

Q1 FY26 EBITDA back-solved from H1 figure disclosed by the company (H1 EBITDA ₹2,513 cr; Q2 ₹1,214 cr). Source: Company press release & results filing.

One-liners

✔ **What improved:** Revenue (+15.4% YoY) with positive LFL; store additions sustained; EPS up YoY.

⚠ **What softened:** Margins (-30 bps YoY / -64 bps QoQ) amid pricing pass-throughs and operating investments.

📍 Management & Concall Highlights

- **Demand & LFL:** Two-years-and-older stores grew **6.8%** in Q2 FY26 vs Q2 FY25 (LFL), 3rd consecutive quarter with low LFL growth.
- **Pricing/GST:** Company **passed on GST rate cuts** to customers where applicable, consistent with EDLC/EDLP positioning.
- **Expansion:** **8 new stores** in Q2; **432 stores** at Sep 30, 2025; retail business area **17.9 mn sq ft**.
- **E-commerce (DMart Ready):** Focus on large metros; **19 cities** currently after exiting 5 smaller cities in the quarter; **10 new FCs** added in existing markets.

🧩 Industry-Relevant KPIs (FMCG/Retail)

KPI	This Qtr	Prev Qtr	YoY / Seq Insight
Same-Store (LFL) Growth	6.8%	7.1% (Q1)	Mid-single-digit, Decreasing trend.
Retail Business Area (mn sq ft)	17.9	17.6	+2% QoQ; scaling footprint.

Revenue / sq ft (annualized, ₹)	8,692	8,779	Slight sequential dip (-1.0%).
Store Adds (no.)	8	9 (Q1+Q2 total 17)	Run-rate intact.
DMart Ready Cities (no.)	19	24 (slide)	Strategic refocus to high-density metros.

Quality & Financial Health

- **Capital & Cash:** Consolidated **current ratio 2.49x, debt/equity 0.07x, interest cover 36.7x** (Q2). Low leverage with strong liquidity.
- **Working Capital:** **Inventory days ~33.9, payables days ~6.8** (H1 FY26); fast turns remain a hallmark.
- **Cash conversion:** H1 FY26 consolidated operating cash flow **₹1,398 cr**; standalone CFO **₹1,397 cr**—healthy despite capex.
- **Governance & disclosures:** Limited review completed by SRBC & Co LLP; no material misstatements noted.

Valuation Snapshot (as of Oct 15, 2025; price per user input)

- **Price:** ₹4,256; **M-Cap:** ₹2,76,974 cr.
- **TTM EPS (est.):** ~₹42.0 → **TTM PE ~101x.** (TTM EPS approximated by FY25 EPS plus H1 FY26 delta)
- **PBV:** Equity attributable ₹22,889.6 cr ⇒ **BVPS ~₹352 ⇒ PBV ~12.1x.**

- **EV/EBITDA (rough, lease-agnostic):** Q2 annualized EBITDA basis \Rightarrow **~57x**.
- **Context:** Premium multiples reflect durable growth, strong cash cycle, and scale moat vs grocery peers.

FY26 Estimates & Sensitivity

Assumption Table (base case)

Driver	Assumption FY26	Source/Logic
Revenue growth	~16% YoY	H1 run-rate; footprint expansion; stable LFL.
Realizations/Pricing	Value pricing; GST pass-through	EDLC/EDLP model; PR commentary.
EBITDA margin	~7.5%	Near recent avg; modest operating leverage.
Finance cost/Tax	Benign; tax ~26%	Low leverage; historical range.

Output Table

Metric (₹ cr / ₹)	FY25 (A)	FY26E
Revenue	59,358	68,856

EBITDA	–	5,164
PAT	–	2892
EPS (₹)	41.61	~44.2

Sensitivity (on price ₹4,256):

- **Margin ±100 bps:** EPS 37.0 / 58.2 ⇒ PE ~115x / ~73x (biggest swing).
- **Growth ±2 pp:** EPS 46.8 / 48.4 ⇒ PE ~91x / ~88x (smaller impact).

 **What Matters for Long-Term Investors (Action-agnostic)**

- **Moat & durability:** Cluster expansion, everyday-low-price discipline, and fast turns support **high inventory velocity** and **pricing power**.
- **Cycle position:** Consumption steady; near-term margin optics impacted by pass-throughs and investment; **structural growth intact**.
- **Watch next quarter:**
 - ✦ LFL trajectory into festive season;
 - ✦ Margin mix (GM/Apparel & GM&A);
 - ✦ DMart Ready unit economics after metro-focused reset.

 **Conclusion**

DMart delivered strong revenue growth with disciplined value pricing and steady LFLs. Margins softened modestly, but the balance sheet and cash conversion remain healthy. Execution in metros and store additions should continue compounding the franchise.






Disclosure

This research content is for **educational and informational purposes only**. It is **not a buy/sell/hold recommendation** and does not consider your personal circumstances. Data from company filings, presentations, and public sources believed reliable; errors may occur. The author/affiliates **may have positions** in the securities mentioned. **SEBI IA Registration: INA000020651**.

Godrej Properties Q2 FY2026 Analysis: Scaling New Heights

Godrej Properties Limited (GODREJPROP) has delivered a powerhouse performance for the second quarter and first half of FY2026, solidifying its position as a dominant force in the Indian real estate landscape. With record-breaking bookings and a clear path toward significant profitability, the company is reaping the rewards of its aggressive expansion and execution strategy.

TL;DR - Key Highlights

-  **Record Bookings:** Highest-ever Q2 and H1 booking value in the company's history.
 -  **Collection Skew:** H1 collections reached 37% of guidance, with a heavy skew expected in Q4 due to scheduled project deliveries.
 -  **Financial Surge:** Net profit for H1 FY2026 grew 18% YoY to ₹1,005 crore.
 -  **Market Dominance:** Achieved over ₹1,500 crore in sales across four major markets (Bengaluru, MMR, NCR, and Hyderabad) in a single quarter.
 -  **Sustainability Leader:** Ranked #1 globally by GRESB for the 2025 disclosure cycle with a perfect score of 100/100.
-

Quick Table: Financial Snapshot (Consolidated)

Particulars (₹ Crore)	Q2 FY26	Q2 FY25	YoY Change	H1 FY26	H1 FY25	YoY Change
Total Income	1,867	1,343	+39%	3,460	2,981	+16%
EBITDA	614	282	+118%	1,529	1,056	+45%
PBT	566	219	+158%	1,427	935	+52%
Net Profit (PAT)	405	335	+21%	1,005	855	+18%
EPS (₹)	13.5	12.1	+11.6%	33.4	30.8	+8.4%

Key Ratios & Margins:

- **Adjusted EBITDA Margin:** 33.7% (Q2 FY26) vs 24.5% (Q2 FY25).⁶
- **PBT Margin:** 30.3% (Q2 FY26) vs 16.3% (Q2 FY25).⁷
- **Net Debt/Equity:** 0.26x (as of Sept 30, 2025).⁸

Segment & Geography Highlights

Godrej Properties is witnessing "well-rounded and consistent growth" across its geographical hubs.⁹

Market	Q2 FY26 Booking Value (₹ Cr)	Key Driver / Launch
Bengaluru	1,972	Godrej MSR City & Godrej Tiara
NCR	1,610	Godrej Sora (Gurugram)
MMR	1,959	Godrej Skyshore & Godrej City
Hyderabad	1,520	Godrej Regal Pavilion
Others	558	Godrej Greenview Estate (Indore)

Management Voice

"We have achieved a remarkable increase in scale in the past three and a half years. Our quarterly bookings in Q2 are higher than our annual bookings of FY22."

— Pirojsha Godrej, Executive Chairperson

Valuation & Outlook

- **Valuation Snapshot:** The company recently raised ₹6,000 crore via QIP, significantly strengthening its balance sheet for future land acquisitions.
- **Outlook:** Management remains on track to surpass the FY26 booking guidance of ₹32,500 crore.
- **Strategic Goal:** Targeting a **20% Return on Equity (RoE) by FY28.**

- **Triggers to Watch:**

1. Massive delivery schedule in Q4 FY26, which will unlock significant collections.
 2. Launch of "Godrej Trilogy" in Worli, Mumbai, with pricing expected between ₹80,000 to ₹1.5 lakh per sq. ft.
-

Risks & Monitoring

1. **Execution Pace:** Scaling labor strength (currently 32k) to meet the massive delivery pipeline. 21212121
 2. **Regulatory Hurdles:** External issues like NGT bans in NCR can impact construction timelines.
 3. **Margin Fluctuations:** Heavy upfront marketing costs can impact short-term P&L until project completion (OC) milestones are hit.
 4. **Interest Costs:** Monitoring average borrowing costs, which stood at 7.7% YTD.
-

Disclosure: This content is for educational purposes only and does not constitute investment advice. Past performance is not indicative of future results. The author/team may have positions in the stocks mentioned. Data is believed to be reliable but not guaranteed.