AXIS DIRECT

Daily Morning Note

17 November 2025

Indices	Current Value	% 1 D	% YTD
Sensex	84,563	0.1	8.2
Nifty	25,910	0.1	9.6
BSE Midcap	47,187	-0.0	1.6
BSE Small cap	53,131	0.1	-3.7

Sectors – Performance (BSE)

Telecom	3,160	0.6	10.9
FMCG	20,427	0.5	-1.7
Consumer Dur	62,294	0.4	-3.3
IT	35,414	-1.2	-18.0
Metal	34,754	-0.9	20.3
Tech	17,956	-0.7	-7.8

Nifty Gainers/Losers	CMP	% Chg
BEL	427	1.7
TRENT	4,391	1.5
SBIN	968	1.5
INFY	1,503	(2.5)
EICHERMOT	6,695	(2.3)
INDUSINDBK	848	(1.8)

FII Trading activities in Cash

	Date	Net	MTD
FII	14-Nov-25	-4,882	-5,141
DII	14-Nov-25	8,159	11,027

Figs. in Rs Cr.

Global Indices	Current Value	% 1 D	% YTD
Dow Jones	47,147	(0.7)	10.8
Nasdaq	22,901	0.1	18.6
DAX	23,877	(0.7)	19.9
Nikkei 225	50,287	(0.2)	26.0
FTSE 100	9,698	(1.1)	18.7
Hang Seng	26,461	(0.4)	31.9
Shanghai	3,989	(0.1)	19.0

Forex Rate			
INR/USD	88.7	-0.1	-3.5
INR/EUR	103.1	-0.1	-13.5
INR/GBP	116.7	-0.1	-7.9
INR/YEN (100)	57.6	-0.3	-5.1

Source: Bloomberg

Market Commentary

- **Asian markets** are trading lower as Japan reported a seasonally adjusted GDP contraction of 0.4% in the third quarter of 2025—its first decline in six quarters. The Nikkei, Shanghai Composite, and Hang Seng are down 0.36%, 0.40%, and 0.30%, respectively.
- **Indian indices** are expected to open in the Green. GIFT Nifty was trading at 26,005 compared to Friday's Nifty Futures close of 25,972.
- **U.S. markets** ended lower as Fed uncertainty continued. Tech strength partially offset weakness in the Dow, and traders preferred to stay on the sidelines ahead of key data. The Dow Jones fell 310 points, or 0.65%, to close at 47,147, while the Nasdaq was flat, rising 30 points or 0.13% to close at 22,900.

What's Inside:

- **Pick of the Week:** Affile 3i India (BUY)
- **Q2FY26 Result Updates:** Rainbow Children's Medicare (BUY), Inox Wind Ltd (BUY), Hero MotoCorp Ltd (BUY), VIP Industries Ltd (HOLD), Relaxo Footwears Ltd (HOLD), Max Healthcare Institute (First Cut), Archean Chemical (First Cut)
- **Top Conviction Ideas:** Banking, Financial Services & Insurance (BFSI), IT Services & Telecom

News in Focus

- **Divi's Labs:** The company's Telangana unit underwent a US FDA inspection from 10th to 14th November, which concluded with no Form 483 observations.
- **Aurobindo Pharma:** The company's arm received nine observations from the US FDA for its Rajasthan manufacturing unit.
- **Kotak Mahindra Bank:** The company's board will consider a share split on 21st November.
- **Bikaji Foods:** The government has approved the incorporation of the company's arm, Bikaji Foundation.
- **Dr Reddy's Labs:** The company's Andhra Pradesh unit completed a US FDA inspection conducted from 10th to 14th November, ending with zero observations.
- **Fabtech Tech:** The company secured an order worth Rs 69 Cr from one of the leading companies in Saudi Arabia.
- **Godawari Power:** The company will invest up to Rs 300 Cr in its arm, Godawari New Energy, to set up a 250 MWp solar power plant in Chhattisgarh.
- **Waaree Energies:** The company has commenced operations of two solar module line manufacturing facilities in Gujarat, with a combined annual capacity of 1,050 MW.
- **Hindustan Zinc:** The company has won the bid for the Tungsten and associated mineral block in Balepalyam, Kanaganapalle, covering a total area of 308 hectares.
- **Crest Ventures:** The company's board has approved raising up to Rs 100 Cr via NCDs.
- **L&T Technology Services:** The company has appointed Mritunjay Kumar Singh as its Chief Operating Officer.
- **Infibeam Avenues:** The company has received final authorisation from the RBI to operate as a payment aggregator.
- **Maruti Suzuki:** The company will recall 39,506 units of Grand Vitara manufactured from 9th December 2024 to 29th April 2025, to fix a gauge problem.
- **Ashoka Buildcon:** The company's Rs 288 Cr infra project with MMRDA has been cancelled due to administrative reasons, with revisions resulting in a 39% increase in deck area and overall cost escalation of 33.5%.
- **BEML:** The company has inked an MoU with an Andhra Pradesh government body, Delhi Metro Rail, and Umeandus Tech.
- **Caplin Point Laboratories:** The company's arm, Triwin Pharma SA DE CV, Mexico, has acquired land measuring 5.5 acres in the Municipality of Capulhuac.

PICK OF THE WEEK

15th November, 2025

Affle 3i Limited

Sector: IT Services

BUY

CMP	Target Price	Upside
1,726	1,900	10%

CMP as on 14th November 2025 | Time horizon: 6-9 Months

Why Affle 3i Ltd.

- Healthy Track Record
- Diversified presence across verticals and key geographies
- CPCU model offers a competitive edge

About the Company

Affle 3i Ltd is a global ad-tech company specializing in consumer intelligence and engagement solutions. It has built a strong presence in digital advertising with a conversion model through mobile devices.

Investment Rationale

A. Diversified Presence in High-Growth Categories

Affle is well diversified across 8-10 consumer categories, which include e-commerce, fintech, foodtech, entertainment, and travel, reducing its dependence on a single vertical, broadening its advertiser base with lower revenue volatility. The company aims to achieve 10x growth over the decade, supported by consistent organic performance, selective inorganic acquisitions, and deeper penetration in such high-growth verticals and emerging geographies.

B. Consistent Growth across Key Geographical Markets

India and Global Emerging Markets together accounted for 74% of the revenue, up 20% YoY. Moreover, Developed markets registered a 17% YoY growth, contributing 26% to overall revenue in Q2FY26 on account of higher digital penetration as advertisers continue to increase budgets towards performance marketing. Moreover, early festive spending gave an additional boost.

C. CPCU Model and Tech Moat Provide a Competitive Edge

Affle has positioned itself as a conversion-led, full-stack platform in the highly competitive and fragmented adtech space. Conversions grew at a 39% CAGR and CPCU pricing at a 9% CAGR between FY21–25. The company has recently strengthened its tech moat with two new US patents (taking the total to 16) and deepened AI integration through Niko and Opticks AI, with automation now enabling over 80% of operations.

Outlook & Valuation

- Management remains confident in achieving 20% sustainable revenue growth and maintaining 23% EBITDA margins in the coming years.
- We believe the company's Revenue/EBITDA/PAT to grow at a CAGR of 23%/23%/25% over FY25-28E, supported by its scalable CPCU model, strong strategic moat, and expansion into emerging markets.
- The company is currently trading at 40x/32x P/E multiple for FY27E/FY28E

Analyst Insights

- We recommend a **BUY** on the stock with a target price of Rs 1,900/share, implying an upside of ~10% from the CMP.

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Financial Summary

	FY26E	FY27E	FY28E
Net Sales (Rs Cr)	2,715	3,398	4,250
EBITDA (Rs Cr)	598	757	942
Net Profit (Rs Cr)	460	595	753
EPS (Rs)	33	42	54
PER (x)	60.9	40.5	32.0
EV/EBITDA (x)	44.0	34.0	22.7
P/BV (x)	8.5	7.5	5.6
RoE (%)	15.0	17.0	17.4

Market Data

No. of Shares	**14 Cr**
Market Cap (Rs Cr)	24,280
52-week High	2,187
52-week Low	1,221
PER(x)	58.0
BSE Code	542752
NSE Code	AFFLE

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Top Conviction Ideas: Tier I Banks

Stock	Reco.	TP	Recommendation Rationale
HDFC Bank Ltd.	BUY	Rs 1,170*	✓ **On Track to Accelerate Growth:** HDFCB's credit growth lagged systemic growth, driven by its conscious decision to reduce LDR. With the LDR now <100%, the bank will look to resume its growth journey, with FY26 pegged at par with systemic growth and a further acceleration going into FY27E, with growth ahead of systemic growth. HDFCB's growth will come from segments where the bank is comfortable lending without diluting its credit standards. The bank has also seen signs of growth revival in the SME segment. The management expects a healthy growth pick-up in the segment by leveraging its footprint and clientele. ✓ **NIM to Improve Hereon:** In Q2, the bank's NIMs contracted by 8bps QoQ, aided by a 20bps reduction in CoF, while the yield contraction was sharper at ~30bps QoQ. The management has indicated that a bulk of the asset repricing is behind, and NIMs should benefit from the downward repricing of TDs. The rate cut actions taken by the bank have been reflected in SA rates. However, given the longer duration of TDs, the repricing benefit has yet to fully reflect. However, the management is confident exiting FY26 with better NIMs vs Q2. We expect NIMs to improve to 3.8% over FY27-28E vs 3.6% in FY26E. ✓ **Focus on Granular Deposit Growth:** HDFCB's focus remains on building a granular retail-dominated deposit base, while exercising a pricing discipline. The bank will look to source granular deposits by leveraging its branch network and is comfortable growing at ~15% YoY on an average deposit basis in FY26. The bank will now particularly focus on mobilising CASA deposits by up-selling to its mortgage customers, as a savings account is attached to every home loan.

Note: Target Price is based on our Q2FY26 Result/Company Update Report

Top Conviction Ideas: Tier I Banks

Stock	Reco.	TP	Recommendation Rationale
Kotak Mahindra Bank Ltd.	BUY	Rs 2,575*	✓ **Unsecured Book Stress Ease; Credit Costs to Taper Over H2**: The stress in the unsecured portfolio has stabilised and is expected to gradually taper, driving credit costs lower. Credit costs in the MFI portfolio peaked in Q1 and declined in Q2. The management has also indicated that credit costs in the credit card and PL portfolios will improve in H2 versus H1. However, the stress in the retail CV segment remains elevated, and the bank expects higher credit costs in this segment to persist for another couple of quarters. Asset quality metrics in the secured segments (ex-retail CV) and corporate book continue to remain strong. Overall, credit costs are expected to continue their downward trajectory in H2. ✓ **Meaningful NIM Improvement to be Primarily Driven by Loan Mix Shift:** KMB's margins contracted by 11bps QoQ in Q2, mainly due to the full impact of the 50bps repo rate cut taken in Jun'25 and a portfolio mix shift toward retail assets. However, the extent of margin compression was significantly lower sequentially, supported by a sharp improvement in the CoF (down 31bps QoQ), driven by the full impact of the SA rate cut and TD repricing, which offset yield compression. Barring any further rate cuts, NIMs appear to have bottomed out in Q2 and are expected to resume their upward trajectory from H2 onwards, aided by TD repricing and CRR cut. The full benefit of the TD rate cut should be visible by Q4/Q1FY27. Thereafter, NIM improvement will be supported by an increasing mix of higher-yielding unsecured segments. ✓ **Growth Remains Healthy; Readying to Press the Unsecured Growth Pedal:** KMB remains committed to expanding its unsecured portfolio without compromising on asset quality. The credit card segment continues to be a key growth driver as the bank aims to scale the unsecured portfolio to ~15% over the medium term. KMB has revamped its credit card offerings and remains optimistic about growth resuming in the coming quarters. While the focus remains on ramping up growth in the unsecured book, KMB will continue to pursue steady growth in the secured retail and corporate portfolios. We expect KMB's overall credit growth to remain robust at ~17% CAGR over FY26–28E, supported by a gradual improvement in the unsecured portfolio mix.

Note: Target Price is based on our Q2FY26 Result/Company Update Report

Top Conviction Ideas: PSU Banks

Stock	Reco.	TP	Recommendation Rationale
State Bank of India	BUY	Rs 1,135*	✓ **Growth Buoyancy to Continue:** SBI's strong credit growth momentum is expected to sustain, driven by robust performance in (a) home loans (projected at 15-16% growth), (b) revival in Xpress Credit, and (c) improving growth traction in the corporate segment. The bank has visibility of meaningful acceleration in corporate growth, supported by a strong sanction pipeline of Rs 7.0 Tn, of which ~50% has already been sanctioned and is awaiting disbursement. The Xpress Credit segment has been a laggard, delivering muted growth. Some cannibalisation has been observed from the Xpress Credit book towards the gold loan portfolio, driven by lower rates and favourable gold prices. With strong growth visibility across segments, the management is confident of growing faster than the industry and has guided for credit growth of 12-14% for FY26 and endeavours to 2x the balance sheet every 6 years. We pencil-in healthy credit growth sustaining at ~13% CAGR over FY26-28E. ✓ **Confident on Maintaining Domestic NIMs at 3%:** In Q2, SBI's Domestic/Global NIMs expanded by 7bps QoQ each driven by effective liability management. The bank is taking conscious steps towards optimizing the CoF with reducing reliance on bulk deposits and focused efforts towards CASA mobilisation. The management expects tailwinds on NIMs in the form of CRR cut (benefit to flow through by Nov-end) and continued repricing of TDs to adequately offset the impact of MCLR repricing. Thus margins have bottomed out and should move with a positive bias over H2. ✓ **Comfortable RoA Delivery of 1%:** SBI's performance has been the best amongst the larger banks and the bank remains well-poised to sustain its performance supported by the management's focus on deepening liability franchise, allocating capital to higher RoRWA assets, maintaining a disciplined pricing approach and leveraging tech to drive operating efficiency. The bank is making concentrated efforts to contain Opex growth by focusing on improving productivity and maintaining C-I Ratio at <50% across cycles. Asset quality does not seem concerning at present and thus credit costs should stay under control. We expect consistent RoA/RoE delivery of 1-1.1%/14-16% over FY26-28E. The bank is also actively evaluating the listing of SBI MF and SBI GI..

***** Note: Target Price is based on our Q2FY26 Result/Company Update Report***

Top Conviction Ideas: Mid-Sized/Small Banks

Stock	Reco.	TP	Recommendation Rationale
Federal Bank	BUY	Rs 265*	✓ **NIMs Surprise; Improving Trajectory from Hereon:** FB's NIMs surprised, expanding by 12 bps, led by sharper improvement in CoD/CoF against yield compression, CRR cut aiding margins by 1 bps, and optimisation of other assets and liabilities by ~2 bps. NIMs also benefited as the bank's advances repriced on a T+1 basis, and a larger hit was taken in Q1. The management continues to prioritise NIM improvement through (a) Rebalancing the asset mix; (b) Shifting away from repo-linked loans (mix down to 49% vs ~50–52% YoY); (c) Realigning the liability mix with focus on CASA deposits, primarily CA deposits. The bank's focus is on growing the medium-yielding segments, which are expected to do a bulk of the heavy lifting in NIM improvement. ✓ **MFI Stress Peaks Out, Overall Asset Quality Not Worrisome:** Slippages in the MFI segment peaked in May'25 and have been on an improving trend MoM thereafter. The asset quality metrics in other segments continue to behave well. During Q2, the bank proactively made an accelerated provision of Rs 46 Cr towards a standard asset for connected entities in the retail segment. The management remains confident of containing credit costs within the guided range of 55 bps for FY26. FB also indicated that the **impact of the ECL provisions is not likely to be material**. ✓ **Strong RoA Delivery to Continue:** The bank's strategy reorientation under the new management is seeing green shoots across most key metrics. NIMs have started expanding earlier than expected and should continue their upward trajectory over H2. While growth has been muted in H1, the bank will look to capitalise on growth opportunities in select target segments as it intends to gradually accelerate profitable growth. Backed by expectations of impeccable strategy execution, we expect FB's RoA improvement to 1.2–1.4% over FY27–28E, supported by (1) healthy risk-adjusted credit growth; (2) margin improvement levers playing out with portfolio mix shift towards better-yielding segments and lower CoF; (3) strong deposit franchise with improving CASA mix; (4) strengthened fee income profile; (5) stable asset quality metrics keeping credit costs under control.

Note: Target Price is based on our Q2FY26 Result/Company Update Report

Top Conviction Ideas: Mid-Sized/Small Banks

Stock	Reco.	TP	Recommendation Rationale
Ujjivan Small Finance Bank	BUY	Rs 60*	✓ **H2 Credit Cost to be Meaningfully Lower:** The largest contributors to UJSFB MFI slippages were GJ, KA, and TN. The bank also witnessed stress flowing in from non-focus markets of KL and OR. The management indicated that the slippages in most of these states peaked in Mar'25, except KA, which peaked in Q2 and is gradually reverting to normalcy. The X-bucket CE in most of the states has normalised at 99.5%, including TN, KA, Western states (ex-GJ), Eastern states (ex-OR), and North. The collections in the SMA pool have seen an improving trend. Currently, the SMA pool stands at <2%, the lowest since Q1FY25. The bank has not seen adverse trends in the secured portfolio, and slippages have averaged Rs 50 Cr/quarter over the last six consecutive quarters. Thus, with incremental stress accretion in the MFI book declining and the secured book performing well, the management remains confident of credit costs tapering meaningfully in H2 and has reiterated its guidance of credit costs settling at 2.3-2.4% in FY26 vs. ~2.76% in H1FY26. ✓ **Growth Momentum to Build-up:** UJSFB's loan origination continues to witness strength, with disbursements across segments improving. The bank is also seeing demand pick-up in the MFI segment and remains optimistic of growth accelerating in H2, as UJSFB looks to exit FY26 with MFI book growth of 7-8%. Within the MFI book, IL will remain the growth engine in H2. The bank is also seeing strong traction in newer segments such as Gold, Micro-Mortgage, and Vehicles. UJSFB has retained its advances growth guidance of 20% for FY26, primarily driven by secured advances growing at ~35%. As the newer products scale up and UJSFB continues to push growth in secured advances in line with its aim to improve its mix to 65-70% over the next five years, we expect UJSFB to deliver a healthy credit growth of ~22% CAGR over FY26-28E. ✓ **NIMs to compress with portfolio shifting towards secured assets:** The bank intends to scale up the secured portfolio and expects it to constitute ~65-70% of the portfolio mix over the longer term. This will weigh on yields. However, (i) growth in better-yielding secured segments – Micro-mortgage, Gold, and Vehicle, (ii) faster growth in IL vs. GL, wherein yield differential is ~100 bps, and (iii) gradual downward repricing of deposits driving down CoF with further benefit accruing from the granting of a universal license should enable UJSFB to maintain margins at 7.6-7.8% over FY26-28E.

**** Note: Target Price is based on our Q2FY26 Result/Company Update Report***

Top Conviction Ideas: NBFCs

Stock	Reco.	TP	Recommendation Rationale
BAJAJ FINANCE LIMITED Bajaj Finance Ltd.	BUY	Rs 1,200*	✓ **Festive Cheer Spurs Growth:** BAF reported a robust festive season (Navratri – Diwali) business growth driven by a strong consumption-led growth. This was supported by the structural reforms in income tax and GST, lifting consumer sentiment and spurring consumption. The company disbursed a record 6.3 Mn consumer loans, recording a growth of 27% YoY in volume and 29% YoY in value terms. Overall disbursement volume during this period was 7.4 Mn loans, recording a growth of 26% YoY, compared to the previous festive period. During the same period, the company added 2.3 Mn new customers, with ~52% being NTC. BAF not only witnessed a surge in disbursements, but also a premiumization trend with consumers shifting to higher-quality products. ✓ **Growth Guidance Cut Due to Captive 2/3Wheeler and MSME:** BAF has been witnessing stress in the SME and Captive 2/3 Wheeler business (book running down). Taking corrective measures, BAF has cut 25% of its unsecured MSME volumes in the SME business and expects growth to settle at 10-12% in FY26. The management has guided for the worst to be behind by Q4FY26/Q1FY27, post which the company will look to resume growth in the segment. Resultantly, driven by slower growth guidance in the Mortgage business (BHFL) and the SME segment (collectively contributing 42% of the portfolio), the management has cut its growth guidance to 22-23% for FY26. However, the strong traction in the newer segments of Gold, New Car Financing, LAP, and Tractor loans should partially offset the impact of slowdown from these 2 segments. ✓ **Asset Quality to Improve**: BAF indicated that the increase in GNPA is a seasonal phenomenon; however, a higher contribution was from MSME (+6bps) and Captive business (+12bps). However, BAF has taken significant credit actions in the MSME business and expects credit costs to gradually taper over H2. The captive 2/3 Wheeler business has been running down and expects the contribution to credit costs to be meaningfully lower in H2 (vs 9% currently) and further lower in FY27. The portfolio quality in the other segments continues to remain pristine. The management has maintained its credit costs guidance of 185-195bps for FY26, with credit costs settling at the upper end of the guidance. However, with improvement in the troubled portfolios, BAF expects FY27 credit costs to be materially lower.

***Note: Target Price is based on our Q2FY26 Result/Company Update Report**

Top Conviction Ideas: NBFCs

Stock	Reco.	TP	Recommendation Rationale
Shriram Finance Ltd.	BUY	Rs 860*	✓ **Growth Outlook Strong:** SFL delivered healthy growth of 16/3% YoY/QoQ, primarily owing to improved growth in CVs (+14/4% YoY/QoQ) and strong growth in PVs (+22/5% YoY/QoQ), MSME (+26/5% YoY/QoQ) and Farm Equipments (+38/6% YoY/QoQ). The management remains optimistic about growth trends sustaining, driven by strong growth seen in Oct'25. SFL's H2 AUM growth is likely to be 200 bps over Q2 growth, driven by demand buoyancy in the 2-Wheelers and CV segment as the benefit of GST rate rationalisation flows in. In Q3, the 2-Wheelers and PV segment is expected to witness strong growth. We expect SFL to deliver a steady ~16% CAGR AUM growth over FY26-28E. ✓ **NIMs Improve as Excess Liquidity Eases:** SLF's 8 bps NIM improvement was aided by utilisation of excess liquidity, which currently stands at normalised levels, equivalent to 3 months (vs 5 months in Q1) of liability repayments. Furthermore, the company's incremental CoF stands at 8.07% vs the overall CoF of 8.83% (down 12 bps QoQ) in Sep'25. Thus, downward repricing of CoF should help support margins. The management has reiterated its exit-NIM guidance of 8.5%, while margins are likely to settle at 8.25-8.3% for FY26. SFL intends to maintain margins at current levels despite incrementally financing new vehicles, as margins are expected to be protected by declining CoF. SFL will look to optimise the mix of borrowings to maintain CoF. ✓ **Asset Quality Stable; Credit Costs to be Under Control:** The truck utilisation levels have been steady in rural and urban markets alike; however, certain geographies that witnessed excessive rainfall have seen temporary challenges, thereby delaying payments. In response, the company has accommodated some customer requests and offered relief measures. SFL remains cautious in the SME segment, with customers, especially manufacturers, facing headwinds due to US tariffs. So far in Oct'25, SFL has not seen an adverse impact of the tariffs and the rationalisation of GST rates has enabled SMEs to divert production towards domestic markets. SFL has been able to maintain stable asset quality and control credit costs in H1. We expect FY26 credit costs to settle at ~2.2% (+/-10 bps) and at similar levels over FY27-28E.

**** Note: Target Price is based on our Q2FY26 Result/Company Update Report***

Top Conviction Ideas: IT Services

Stock	Reco.	TP	Recommendation Rationale
LTIMindtree Ltd	BUY	Rs 6,400*	✓ **LTIMindtree Sees Steady Revenue and Margin Gains:** LTIMindtree has witnessed consecutive growth on a sequential basis, driven by robust deal wins, cost optimisation initiatives, and strategic investments in GenAI capabilities. The company reported in-line Q2FY26 results, with revenue at Rs 10,394 Cr and EBIT margin at 15.9%, reflecting early gains from operational efficiencies and offshore leverage. Net profit rose 10.5% YoY, despite lower other income sequentially. However, in CC terms, revenue grew by 4.4% YoY and 2.4% QoQ. ✓ **Robust Deal Wins and AI Initiatives Strengthen Growth Visibility:** LTIMindtree reported robust deal wins of $1.6 Bn in Q2FY26, up from $1.3 Bn in the prior year, reflecting sustained traction in large and transformation-led programs. The company focuses on vendor consolidation and AI-driven transformation engagements, strengthening its medium-term growth visibility. Management commentary on continued deal momentum into H2FY26 further underpins confidence in revenue acceleration ahead. ✓ **Deal Wins and Client Mining to Drive Revenue and EBIT Growth:** The company is well-placed to deliver and encourage growth, given its multiple long-term contracts with the world's leading brands. LTIMindtree anticipates seeing further improvement in YoY growth through H2FY26, aided by large deal wins, achieving its near double-digit growth YoY target. We believe the company's revenue and EBIT to grow at a CAGR of 9% and 13% over FY25-27E on the back of continued deal wins despite a stable macro-environment, driven by improved cross-sell, up-sell, mining of large clients across end-user industries and greater ability to bag larger deals.

•*Note: Target Price is based on our Q2FY26 Result Update Report*

Top Conviction Ideas: IT Services

Stock	Reco.	TP	Recommendation Rationale
Persistent Systems Ltd	BUY	Rs 6,160*	✓ **Strong Order Wins Enhance Revenue Visibility:** Persistent booked healthy order wins, the Total Contract Value (TCV) stood at $609 Mn, with new bookings at $351 Mn. Annual Contract Value (ACV) stood at $448 Mn, with new bookings contributing $254 Mn, consisting of a diversified mix of large and mid-sized deals, majorly in the BFSI, Software, Hi-Tech and Emerging Industries segments. Furthermore, the increasing share of new wins (across existing and new customers) in total TCV and ACV is expected to remain positive, resulting in revenue visibility in the long run. ✓ **Strong Vertical and Regional Growth Drives Performance:** On the segment front, growth was led by BFSI, which rose 30% YoY, followed by Software, Hi-Tech, and Emerging Industries, up 15.5% YoY, and Healthcare Life Sciences, which increased 6.6% YoY. The geographical performance contributed to growth across North America/Europe/India/ROW, which grew by 15.4%/37.9%/19%/19.8%, respectively. The management is focusing on new areas within healthcare services and BFSI, with an aim to deepen its presence across multiple sub-segments within these verticals. ✓ **AI Platforms Boost Engineering and Business Efficiency:** The company is pursuing an AI-led, platform-driven strategy focused on "AI for Technology" (enhancing engineering productivity), "AI for Business" (AI adoption and agentic AI development), and Enterprise Data Readiness for AI. It launched SASVA 3.0 last quarter, an AI-powered digital engineering platform that has delivered notable productivity improvements and was built using SASVA itself. ✓ **Confident Growth Amid High Valuation:** Even though the valuation remains expensive, its distinctive value proposition and ability to conclude important strategic deals amid an uncertain environment provide confidence in its execution capabilities. Management is confident of achieving its $2 Bn revenue target by FY27 through a mix of organic and inorganic growth, driven by acquisitions and core efficiencies.

•*Note: Target Price is based on our Q2FY26 Result Update Report*

Top Conviction Ideas: IT Services

Stock	Reco.	TP	Recommendation Rationale
Coforge Ltd	BUY	Rs 1,980*	✓ **Robust Performance Led by TTH and Emerging Verticals:** Coforge reported robust performance in Q2FY26, delivering sequential revenue growth of 4.5% QoQ in USD terms and 8.1%/5.9% QoQ in INR/CC terms, respectively. Growth was led by the TTH (Travel, Transportation & Hospitality) vertical, which rose 6.4% QoQ in USD terms, while emerging verticals such as healthcare, retail, high-tech, and manufacturing grew 5.9%. The Insurance and BFS verticals expanded by 1.8% and 4%, respectively, while the Government (outside India) vertical recorded modest growth of 0.4% QoQ in USD terms. ✓ **Robust Deal Wins Drive Order Book Growth:** The total order intake during the quarter stood at $514 Mn. The company signed five large deals during the quarter, which include three in North America (two in Insurance, one in Airline) and two in APAC. The executable order book for the next 12 months will be $1.6 Bn, up 26.7% YoY. ✓ **AI-First Strategy Strengthens Competitive Positioning:** The company reinforced its “AI-first” strategy, focusing on scaling enterprise-wide AI adoption by embedding AI into core delivery models. Proprietary platforms such as Code Insight AI are helping clients modernise legacy systems, while Coforge’s domain expertise continues to strengthen its competitive positioning in an evolving AI landscape. ✓ **Positive Outlook Supported by Deal Wins and AI Focus:** The company maintains a positive outlook, expecting recent deal wins to drive revenue growth. The management remains committed to setting new performance and capability benchmarks, aiming to be a leader in the evolving industry, especially with the pivot towards AI and maintaining the full-year EBIT margin guidance of 14%.

•*Note: Target Price is based on our Q2FY26 Result Update Report*

Top Conviction Ideas: Telecom

Stock	Reco.	TP	Recommendation Rationale
Bharti Airtel Ltd	BUY	**Rs 2,530***	✓ **Robust Q2 Performance with Double-Digit Net Income Growth:** In Q2FY26, Revenue was up 25.7% YoY and 5.4% QoQ to Rs 52,145 Cr, led by strong performance in India and Africa business. EBITDA grew 401 bps YoY and 41 bps QoQ to Rs 29,561 Cr. EBIT grew 51% YoY and 6.5% QoQ to Rs 16,379 Cr. Net income was up 108% YoY and 16.6% QoQ to Rs 8,651 Cr, driven by higher other income and lower interest expense (Est Rs 7,926 Cr). ARPU (Mobile Services) for the quarter stood at Rs 256 (9.9% YoY; 2.4% QoQ). Capex for the quarter stood at Rs 11,362 Cr. ✓ **Postpaid Growth and Network Expansion Drive Airtel Performance:** During the quarter, in the post-paid segment, Bharti Airtel continued to maintain net additions of 1 Mn customers in Q2FY26, bringing its total customer base to 27.5 Mn. Also, the company expanded its nationwide network by installing ~2.4K additional towers and ~20K mobile broadband stations to enhance customer experience. Smartphone data customer base increased by 22.2 Mn YoY and 5.1 Mn QoQ. ✓ **Google-Airtel Deal to Expand Nxtra Data Centre Capacity:** Bharti Airtel Ltd's partnership with Google in Visakhapatnam is a full composite deal. Nxtra (Airtel's subsidiary) will build the data centre, while Airtel Business will provide the fibre networks (connecting to Delhi and Mumbai) and build the cable landing station. Nxtra's current market share is 10-12%. The goal is to reach over 1 GW of capacity. ✓ **Airtel Well-Positioned for Sustainable Long-Term Growth:** From a long-term perspective, Bharti Airtel remains well-positioned for sustainable growth, backed by its strong digital services portfolio, disciplined capital management, and focus on high-value customer segments. The company expects gradual ARPU improvement, 4G/5G expansion, and B2B growth to drive long-term profitability. We remain optimistic about the company's future growth.

•*Note: Target Price is based on our Q2FY26 Result Update Report*

Relaxo Footwears Ltd - Q2FY26 Result Update; Hold; TP: Rs 450/share

Soft Quarter, Steady Recovery Expected; Maintain HOLD

Est. Vs. Actual for Q2FY26: Revenue – MISS; EBITDA – MISS; PAT – MISS

Changes in Estimates Post Q2FY26

FY26E/FY27E: Revenue: -3%/-3%; **EBITDA:** -9%/-9%; **PAT:** -11%/-13%

Recommendation Rationale

- **Soft Quarter:** Relaxo reported a sharp 7.5% YoY revenue decline, due to demand softness in the mass market segment and delayed purchases ahead of the implementation of GST 2.0. Meanwhile, general trade remained subdued during the quarter, as distributors and channel partners focused on clearing legacy inventory ahead of the transition. Management expects this softness to be temporary, with normalisation anticipated over the next few quarters as the channel replenishes stocks. Realisations declined by 3% YoY to Rs 151 per pair, while EBITDA margins expanded by 1 bps to 12.9%, supported by operational efficiencies, tight cost control, and backend process optimisation.
- **Demand Outlook:** Relaxo expects demand to strengthen over the next 2–3 quarters as its sales transformation and distribution expansion take hold. With GST-adjusted inventory now reaching the market, the company is targeting volume-led growth, a recovery in market share, and a steady improvement in profitability.

Sector Outlook: Cautious

Company Outlook & Guidance: We continue to adopt a wait-and-watch approach and maintain our **HOLD** rating on the stock.

Current Valuation: 52x Sep'27E EPS (**Earlier Valuation: 55x Mar'27E EPS**)

Current TP: Rs 450/share (**Earlier TP: Rs 520**)

Recommendation: With a 5% upside from the CMP, we **maintain our HOLD rating on the stock.**

VIP Industries Ltd - Q2FY26 Result Update; Hold; TP - Rs 415

Weak Quarter, Near-Term Challenges Drag Profitability

Est. Vs. Actual for Q2FY26: Revenue – MISS; EBITDA – MISS; PAT – MISS

Changes in Estimates post Q2FY26

FY26E/FY27E: Revenue: -5%/-9%; **EBITDA:** -16%/-12%; **PAT:** -23%/-23%

Recommendation Rationale

- **Weak Quarter:** VIP reported a 25.3% YoY revenue decline in Q2FY26, primarily driven by sluggish demand and a sharp correction in e-commerce secondary sales. Rising competition and aggressive discounting further impacted sales.
- **Margins Impacted:** EBITDA margin declined by 2,578 bps YoY to 26.2%, mainly driven by gross margin contraction of 1,445 bps YoY at 30.6%. Overall, the quarter was impacted due to weak demand; however, management continues to liquidate most of its aged stock, aided by the festive and gifting season.

Sector Outlook: Cautious

Company Outlook & Guidance: While VIP remains focused on long-term premiumisation, it continues to face near-term headwinds. **We therefore adopt a wait-and-watch approach and maintain our HOLD stance on the stock.**

Current Valuation: 38x Mar'27E EPS (Earlier Valuation: 38x Mar'27E EPS)

Current TP: **Rs. 415/share (Earlier Rs 490/share**)

Recommendation: With a 4% upside from the CMP, we maintain our **HOLD** rating on the stock.

DCB Bank Limited - Analyst Meet Update; BUY; TP - Rs 200

Gears Turning; Altitude Pending!

Changes in Estimates post Analyst Meet

FY26E/FY27E/FY28E (in %): NII: -1.8/-1.7/-2.7; **PPOP:** -3.5/-4.4/-5.9; **PAT:** -2.2/-1.8/-3.5

We attended the Analyst Meet hosted by DCB to understand the company's growth ambition as it shifts gears and builds momentum to steer strong and sustainable profitable growth while delivering a consistent RoA of 1%. The bank unveiled its aspiration to become a "Full-Service Banker" from being merely a "Lender or Service Provider", without altering its fundamentals and further strengthening and effectively leveraging its core capabilities.

Key Takeaways

- **Transitioning from "Lender" to "Full Service Banker" – the Opportunity Within:** DCB's aspirational sprint towards becoming a full-service provider compared to merely a lender is underpinned by the huge potential within its customer base, which to date remains untapped. **Presently, 76% of DCB's customers have only 1 product with the bank. Hereon, the banks' focus will remain on improving the wallet share of the customer while improving the product per customer, thereby ensuring better customer engagement and stickiness**. The bank will look to offer tailor-made solutions spread across lending, trade finance, and insurance instead of its current templated products. The **bank's SA customer base presents cross-sell potential,** as customers with **low balances and low bureau scores** represent a strong opportunity for **gold loans and secured credit cards**, thereby ensuring the bank mitigates risk with collateral. Those with **low balances but high bureau scores are suitable targets for TDs**, offering a way to deepen relationships. Additionally, by leveraging **UPI transaction flows**, the bank can capture greater float and enhance engagement. Overall, **what may appear as low-value or inactive accounts is in reality a hidden opportunity pool for profitable, risk-adjusted product penetration**.

- **The NiYo Opportunity:** The NiYo franchise has built a **0.5 Mn customer base**, but many remain lightly engaged with the bank. Currently, only **27% of NiYo customers who use the card abroad keep less than Rs 1,000** in their DCB SA accounts. However, DCB's NiYo cards have been instrumental in driving a meaningful share of the international card activity, accounting for **10.1% of all debit card** and **2.1% of total card (debit + credit + prepaid)** international spends in Jun'25. Currently, most NiYo customers primarily bank with larger private and PSU banks, and the management believes there is ample scope to pull these customers towards DCB to become liability customers, given the ~60bps deposit rate delta vs the comparable peers. Moreover, the **secured credit cards** present a strong liability-strengthening opportunity to deepen relationships and retain customers within the franchise.

- **Cost of Deposits Remains Focus:** DCB has managed its NIMs well and expects margins to have bottomed in Q2 and should improve hereon. The meaningful NIM improvement hereon will be driven by a favourable product mix shifting towards higher yielding LAP loans within the mortgage portfolio and focused efforts to reduce CoD. DCB has managed to move up the ladder in terms of average ticket size (ATS), without compromising on yields. The co-lending book has been a key growth driver in the recent quarters; however, the management alluded that it is not margin dilutive, but RoE accretive. Furthermore, **the bank does not intend to foray into the unsecured segment to bump up yields at the cost of diluting asset quality metrics**. This leaves DCB with only calibrating its CoD to further strengthen its NIM profile. At present, the gap between the CoD of the bank's comparable peers and DCB is fairly wide at 60bps. However, it has come down significantly from a peak of 127bps. Currently, DCB has one of the lowest rates for SA rates for balances < Rs 1 Lc at 1.5%; however, it is significantly higher for the Rs 25 Lc+ SA bucket (at 7%). **Going ahead, the bank will focus on mobilizing deposits at an optimal cost to narrow the cap in CoD between peer banks by at least another 10bps**. **The management has guided for continued TD repricing to play out over the next 3-4 quarters, driving NIM improvement to 330-340bps; however, it is still lower vs. its historical normalized NIM delivery of 365-375bps.**

Company Outlook

DCB remains well-positioned to deliver its aspirational RoA of 1% by FY27, supported by (1) improving NIMs, (2) a strengthening fee income profile, (3) gradual moderation in the opex ratio, driven by improved efficiency and productivity, and (4) range-bound credit costs. We expect DCB's RoA/RoE to improve to **1%/14-15% over FY27-28E**, compared with **0.9%/12.2% in FY26**. We temper down our growth estimates marginally, resulting in a 1-2% cut in our NII estimates over FY26-28E. The lower-than-expected improvement in Opex ratios is largely offset by the benign credit costs. However, we lower our EPS estimates by 2-4% over FY26-28E. **The stock has seen a sharp run-up post Q2 results with strong visibility on 1% RoA delivery, resulting in valuation catch-up. Sustained strong performance across key operating metrics and push to further improve RoA beyond 1%, closer to its closest peers, driven by improved operational efficiency and better-than-expected performance on NIMs, should drive further stock performance. We value the stock at 0.95x FY27E ABV to arrive at a target price of Rs 200/share, implying an upside of 14% from the CMP.**

Rainbow Childrens Medicare Ltd - Q2FY26 Result Update; BUY; TP: Rs 1,625/share

Steady Performance, Lower Seasonality; Maintain BUY!

Est. Vs. Actual for Q2FY26: Revenue – INLINE; EBITDA Margin – BEAT; PAT – MISS

Changes in Estimates Post Q2FY26

FY26E/FY27E: Revenue: -1.9%/-1.9%; **EBITDA**: -2.2%/-2.5%; **PAT**: -3.4%/-3.4%

Recommendation Rationale:

- **In Line Revenue Performance:** Rainbow delivered revenue broadly in line with expectations, growing 7% YoY and recovering 26% sequentially. The quarter was largely impacted by a lower incidence of vector-borne diseases, in line with broader industry sentiment. Revenue growth remained subdued as admissions related to seasonal infections were lower. IP discharges declined 1% YoY, while OP consultations and deliveries increased 6% and 7%, respectively.
- **Strong Sequential Margin Recovery:** The company reported an EBITDA margin of 33.5%, an expansion of 411 bps QoQ but a decline of 176 bps YoY. EBITDA stood at Rs 149 Cr, up 44% QoQ but flat YoY, reflecting strong operational leverage. It reported PAT of Rs 76 Cr, flat YoY.
- **ARPOB Driving Growth:** The Average Revenue Per Occupied Bed (ARPOB) stood at Rs 57,396, up 15% YoY but declined 9% QoQ in Q2FY26, reflecting continued improvement in case mix, pricing, and operational efficiency across the sector. Overall hospital occupancy was 52%, down from 60% in Q2FY25 but up from 40% in Q1FY26.

Sector Outlook: Positive

Company Outlook & Guidance Rainbow is well-positioned for sustained growth, with management guiding for a 20% consolidated revenue CAGR over the next 2–3 years, supported by the addition of 780 beds in the last two years and a strong pipeline of new units over the next 3–4 years. The newly appointed Group CEO is expected to strengthen execution and operational discipline. The business mix continues to improve, with tertiary and quaternary care contributing ~40% of H1FY26 revenue, and the IVF segment projected to grow 50% YoY in FY26 and maintain a 25% CAGR thereafter. New units such as Rajahmundry, Electronic City, and Hennur are expected to break even within 12–18 months, supporting profitable expansion. Management expects 8–10% organic growth from mature units, while margins in Tier-2/3 markets remain comparable to Tier-1 despite 25–30% lower pricing, reflecting strong brand equity. With Rs 100 Cr capex planned in H2FY26 and Rs 600 Cr over the next three years, Rainbow remains well placed to expand its footprint, uplift case mix, and sustain margin strength over the medium term.

Current Valuation: 23x EV/EBITDA H1FY28E

Current TP: Rs 1,625/share (Earlier TP: Rs 1,625/share)

Recommendation: We maintain our **BUY** recommendation on the stock.

AXIS DIRECT

Inox Wind Ltd - Q2FY26 Result Update; BUY; TP: Rs 190/share

Q2 Largely In Line with Consensus; H2FY26 Execution Under Focus

Est. Vs. Actual for Q2FY26: Revenue - BEAT; EBITDA - BEAT; PAT - BEAT

Change in Estimates post Q2FY26

FY26E/FY27E: Revenue: 0%/0%; **EBITDA:** 0%/0%, **PAT:** -22%/-4%

Recommendation Rationale

- **Largely In Line Q2:** EBITDA came in at Rs 228 Cr (up 32%/24% YoY/QoQ), in line with consensus and ahead of our estimates, driven by stronger-than-expected execution at 202 GW (vs. our estimate at 190 GW). EBITDA margin stood at 20% ahead of the 18-19% guidance.
- **Strong Orderbook and Sustained Visibility:** Orderbook stands at 3,235 MW (marginally up from 3,108 MW in Q1FY26), driven by 380 MW of inflows vs. 348 MW supplies in H1FY26. It received order inflows of 329 MW in Q2. The orderbook ensures 18-24 months of execution visibility and consists of 1.4 GW of equipment-supply and 1.8 GW of turnkey orders. Inox is securing long-term 1 GW+ of recurring annual orders through its Group IPP, which has hybrid RE installation plans of 3 GW+ annually, which provide visibility for 500-700 MW of annual orders over the next several years and the balance from other companies, where it is in the final stages of closing multiple framework agreements. These partnerships/framework agreements should ensure order stability.
- **Execution Pick-up in H2FY26 will be Critical:** Execution stood a 202 MW, up 44%/38% YoY/QoQ (6% beat). In H1FY26, execution stood at 348 MW (~30% of the 1,200 MW full-year FY26 target), requiring ~70%, i.e. 852 MW, to be executed in H2FY26 (Historically, ~65-70% of execution is skewed towards H2). Management reiterated its confidence to achieve the 1,200 MW guidance for FY26, citing its new Nacelle manufacturing facility in Kalyangarh has gone live, Cranes are being deployed across sites, and transformer manufacturing is being ramped up.
- **IGESL:** Inox Green is on track to become India's largest RE O&M company, with its portfolio now at ~12.5 GW (10 GW wind, 2.5 GW solar) following the acquisition of 6.5 GW of wind assets. These numbers will consolidate in FY27, expectedly driving a manifold increase in profitability compared to FY26. The company targets a 17 GW O&M portfolio within the next two years.

Sector Outlook: Positive

Company Outlook & Guidance: Management expressed confidence in achieving its execution guidance of 1.2/2 GW for FY26/FY27. Capex guidance for FY26 stands at Rs 200 Cr.

Current Valuation: 29x (from 30x) Sep'27E EPS (Roll forward from Mar'27)

Current TP: **Rs 190/share (Unchanged)**

Recommendation: We maintain our **BUY** recommendation on the stock.

Hero Motocorp Ltd - Q2FY26 Result Update; BUY; TP: Rs 6,245/share

EV Launches, Global Push & Margin Stability to Drive Growth

Est. Vs. Actual for Q2FY26: Revenue – BEAT; EBITDA – BEAT; PAT– BEAT

Change in Estimates post Q2FY26

FY26E/FY27E: Revenue: 0.8%/1.2%;**EBITDA:** 0.5%/2.6; **PAT:** 1.6%/2.5%

Recommendation Rationale

- **Market Momentum:** Hero's VAHAN market share increased to 31.6% in Q2FY26, marking a 12-quarter high with a 70 bps sequential gain. The recovery is being supported by strong traction in the Deluxe 100cc segment and renewed momentum in the 125cc scooter and motorcycle categories (Destini 125, Xoom 125, Xtreme 125). In the EV segment, market share rose 3% YoY in Q2FY26 and further increased to 5% in H1FY26, aided by the successful rollout of Glamour X.
- **EBITDA Margin Improvement Despite EV Investments:** Hero's ICE EBITDA margin expanded to 17.7% in Q2FY26, an improvement of 121 bps, driven by lower material costs, cost efficiencies, and a favourable product mix. The company continues to invest in brand building, new businesses, and new products, while overall margins improved 54 bps to 15.0% despite EV investments of approximately Rs 252 Cr. The recent PLI certification for VIDA V2 Pro is expected to support EV profitability.
- **Global Expansion:** The company's global business maintained its strong upward trajectory with dispatch growth of 77% during the quarter, nearly three times the industry growth, driven by Bangladesh, Nepal, Sri Lanka, and Colombia. Hero also entered the Europe and UK markets, expanding its footprint to 52 countries. Its Dow Jones Sustainability Index score improved to 75 in FY25 from 69 in FY24, underscoring the company's leadership in sustainable business practices. Over the medium term, Hero aims to scale its global operations to contribute ~10% of overall revenue and volumes, positioning exports as a key driver of growth and diversification.

Sector Outlook: Positive on 2W.

Company Outlook & Guidance: Hero has enhanced its premium offerings, which are supported by a strong framework for scaling up its premium business. Additionally, its global business and EV vertical are rapidly expanding, highlighting its continued growth potential. The management maintains a long-term EBITDA margin guidance of ~14-16%.

Current Valuation: 19x core FY28E EPS (earlier 20x on FY28 EPS), adding share in Ather Energy Ltd (38% holding in listed entity) and Hero Fincorp 1x at FY25 P/B.

Current TP: **Rs 6,245/share (Unchanged).**

Recommendation: We maintain our **BUY** rating on the stock on reasonable valuations.

Max Healthcare – Q2FY26 | First Cut

- Max Healthcare delivered a strong Q2FY26 performance, with net revenue, EBITDA, margins and occupancy ahead of our expectations. Growth was supported by sustained OBD traction, improving case mix and healthy international patient flow.

Revenue:

- Net revenue stood at Rs 2,580 Cr, up 21.4% YoY / 4.9% QoQ, and was 2.2% above our estimate of Rs 2,525 Cr. Growth was led by robust OBD momentum and a strong 25% YoY rise in international patient revenue.

EBITDA:

- EBITDA came in at Rs 677 Cr, up 24% YoY / 14.4% QoQ, beating our estimate of Rs 631 Cr by 7.3%. EBITDA margin improved to 26.2% (vs our estimate of 25%), driven by operating leverage and richer specialty mix, with existing units reporting superior margins.

Occupancy & ARPOB:

- Occupancy stood at a healthy 77%, supported by a 19% YoY increase in OBDs, indicating strong patient throughput across the network. ARPOB remained steady at Rs 77,300 (vs Rs 76,200 YoY / Rs 78,000 QoQ), reflecting stable case acuity and pricing discipline.

Profitability:

- Reported PAT was Rs 473 Cr, a 26% beat vs our estimate of Rs 376 Cr.
  However, reported PAT was boosted by a Rs 149 Cr favourable tax impact arising from the merger of CRL and JHL.
- Adjusted PAT stood at Rs 406 Cr, translating into an 8% beat on underlying profitability.
- We Currently have a BUY rating on the stock and we will revisit our estimates post the concall scheduled on 18th Nov, 2025 at 11.30 AM.

(Rs Cr)	Q2FY26	QoQ (%)	YoY (%)	Axis Est.	Variance %
Net Sales	2,580	4.9%	21.4%	2,525	2.2%
EBITDA	677	14.4%	24.0%	631	7.3%
EBITDA Margin	26.2%	218	55	25.0%	-
Net Profit	473	37.1%	35.5%	376	25.8%
EPS (Rs)	4.9	37.1%	35.5%	3.9	25.8%

Archean Chemical Industries Ltd Q2FY26 Result First Cut

Est. Vs. Actual for Q2FY26: Revenue: MISS; EBITDA: MISS; PAT: MISS

- Financial Performance: Consolidated revenue stood at ₹233 Cr, a decline of 3% YoY and 20% QoQ, missing our estimate by 34%. EBITDA stood at ₹63 Cr, down 16% YoY and 20% QoQ, falling short of our estimates by 38%. The EBITDA margin decreased to 26.85%, a drop of 423 bps YoY. The company's PAT was ₹29 Cr, an increase of 85% YoY, down 28% QoQ, as previous year PAT was impacted by one-time expenses.

- We Currently have a HOLD rating on the stock and we will revisit our estimates post the concall scheduled on 18th Nov, 2025 at 11.30 AM.

Key Financials (Consolidated)

(Rs Cr)	Q2FY26	YoY (%)	QoQ (%)	Axis Est.	Variance
Net Sales	233	-3%	-20%	351	-34%
EBITDA	63	-16%	-20%	100	-38%
EBITDA Margin	26.85%	-423bps	13bps	28.60%	-175bps
Net Profit	29	85%	-28%	40	-28%
EPS (Rs)	2.4	85%	-28%	4.7	-50%

Axis Intellect: Intraweek Stocks for the week 17th Nov 2025 to 24th Nov 2025

Name of Stock	Mcap	Sector
METRO BRANDS LIMITED	Mid Cap	Discretionary
GLOBAL HEALTH LIMITED	Small Cap	Healthcare
FORTIS HEALTHCARE LTD	Mid Cap	Healthcare
FIVE-STAR BUSINESS FINANCE LTD.	Small Cap	NBFC
LEMON TREE HOTELS LIMITED	Small Cap	Discretionary
ONE 97 COMMUNICATIONS LIMITED	Mid Cap	IT
SYRMA SGS TECHNOLOGY LIMITED	Small Cap	Industrials
INFOSYS LTD	Large Cap	IT
RAINBOW CHILDREN'S MEDICARE LIMITED	Small Cap	Healthcare
SIEMENS LTD	Large Cap	Industrials

Investment Picks

Company	Recommendation	CMP	Target Price	% Upside
Aarti Drugs Ltd	BUY	465	610	31.2
Aarti Industries Ltd	BUY	393	530	34.9
ACC Ltd	BUY	1,839	2,390	29.9
Affle 3I Ltd	BUY	1,726	2,200	27.5
Ambuja Cements Ltd	BUY	563	705	25.1
APL Apollo Tubes Ltd	BUY	1,766	2,100	18.9
Aptus Value Housing Finance India Ltd	BUY	291	405	39.3
Arvind Smartspaces Ltd	BUY	608	940	54.6
Astral Ltd	BUY	1,510	1,750	15.9
Automotive Axles Ltd	BUY	1,669	1,950	16.9
Avenue Supermarts Ltd	BUY	4,053	4,960	22.4
Bajaj Auto Ltd	BUY	8,845	9,765	10.4
Bajaj Finance Ltd	BUY	1,016	1,200	18.1
Bank of Baroda Ltd	BUY	286	325	13.5
Bharti Airtel Ltd	BUY	2,097	2,530	20.7
Birla Corporation Ltd	BUY	1,175	1,560	32.7
Britannia Industries Ltd	BUY	5,806	6,750	16.3
Can Fin Homes Ltd	BUY	885	985	11.3
Cera Sanitaryware Ltd.	BUY	5,620	7,900	40.6
Chalet Hotels Ltd.	BUY	884	1,120	26.7
CIE Automotive India Ltd	BUY	429	500	16.6
Cipla Ltd	BUY	1,532	1,700	11.0
Colgate-Palmolive (India) Ltd	BUY	2,175	2,570	18.1
CreditAccess Grameen Ltd	BUY	1371	1,685	22.9
Dabur India Ltd	BUY	525	590	12.4
Dalmia Bharat Ltd	BUY	2,032	2,550	25.5
Dhanuka Agritech Ltd	BUY	1,263	1,640	29.8
DOMS Industries Ltd	BUY	2,605	3,110	19.4
Embassy Office Parks REIT	BUY	416	490	17.9
Equitas Small Finance Bank Ltd	BUY	60	69	14.7
Ethos Ltd	BUY	2,851	3,170	11.2
Federal Bank Ltd	BUY	236	260	10.1
Fortis Healthcare Ltd	BUY	938	1,070	14.1
G R Infraprojects Ltd	BUY	1,111	1,420	27.8
Genus Power Infrastructures Ltd	BUY	332	430	29.6
Gland Pharma Ltd	BUY	1,831	2,170	18.5
Global Health Ltd	BUY	1,172	1,400	19.5
Gravita India Ltd	BUY	1,742	2,500	43.5
Greenply Industries Ltd.	BUY	297	385	29.7
H. G. Infra Engineering Ltd	BUY	892	1,255	40.7
Happiest Minds Technologies Ltd.	BUY	503	690	37.3
HDFC Bank Ltd	BUY	989	1,170	18.3
HealthCare Global Enterprises Ltd	BUY	736	850	15.5
Hero MotoCorp Ltd	BUY	5,534	6,245	12.8
ICICI Bank Ltd	BUY	1,373	1,650	20.2
Indian Hotels Company Ltd	BUY	720	835	15.9
Inox Wind Ltd	BUY	149	190	27.5
ITC Ltd	BUY	408	480	17.6
J.Kumar Infraprojects Ltd	BUY	616	775	25.8
JK Lakshmi Cement Ltd	BUY	822	1,030	25.3
JSW Energy Ltd.	BUY	529	705	33.4
Juniper Hotels Ltd.	BUY	245	270	10.0
K E C International Ltd	BUY	792	1,030	30.0
Kalpataru Projects International Ltd.	BUY	1,250	1,475	18.0

Investment Picks

Company	Recommendation	CMP	Target Price	% Upside
Kirloskar Brothers Ltd	BUY	1,734	2,330	34.4
Kotak Mahindra Bank Ltd	BUY	2,083	2,575	23.6
KPIT Technologies Ltd	BUY	1,219	1,350	10.7
Krishna Institute of Medical Sciences Ltd	BUY	665	795	19.5
L&T Technology Services Ltd	BUY	4,086	4,650	13.8
LTIMindtree Ltd	BUY	5,810	6,400	10.2
Lupin Ltd	BUY	2,055	2,400	16.8
Mahanagar Gas Ltd	BUY	1,285	1,540	19.8
Man Infraconstruction Ltd.	BUY	133	190	43.3
Maruti Suzuki India Ltd	BUY	15,708	18,170	15.7
MAS Financial Services Ltd	BUY	309	380	23.2
Max Healthcare Institute	BUY	1,102	1,450	31.6
Minda Corporation Ltd	BUY	602	690	14.7
Mold-Tek Packaging Ltd	BUY	659	850	29.0
Nestle India Ltd	BUY	1,270	1,410	11.0
Nippon Life India Asset Management Ltd	BUY	864	1,000	15.7
NLC India Ltd	BUY	255	310	21.6
NTPC Ltd	BUY	329	400	21.6
Pitti Engineering Ltd	BUY	900	1,335	48.3
Prestige Estates Projects Ltd	BUY	1,749	2,000	14.4
Prince Pipes and Fittings Ltd	BUY	313	400	27.7
Rainbow Children's Medicare Ltd.	BUY	1,339	1,625	21.4
Rites Ltd	BUY	246	280	13.7
Sansera Engineering Ltd	BUY	1,551	1,775	14.4
SBI Cards & Payment Services Ltd	BUY	874	1,035	18.4
Shree Cement Ltd	BUY	26,820	31,655	18.0
Signatureglobal (India) Ltd	BUY	1,112	1,400	26.0
Skipper Ltd	BUY	501	580	15.8
Star Cement Ltd	BUY	234	335	43.1
State Bank of India	BUY	968	1,135	17.3
Steel Strips Wheels Ltd	BUY	207	265	28.0
Tata Consultancy Services Ltd	BUY	3,112	3,460	11.2
Tata Steel Ltd	BUY	174	195	12.1
Tech Mahindra Ltd	BUY	1,444	1,620	12.2
Trent Ltd	BUY	4,392	5,100	16.1
TVS Motor Company Ltd	BUY	3,387	4,000	18.1
Ujjivan Small Finance Bank Ltd	BUY	52	60	15.9
UltraTech Cement Ltd	BUY	11,875	13,900	17.1
VA Tech Wabag Ltd.	BUY	1,409	1,930	37.0
Varun Beverages Ltd	BUY	459	565	23.0
Welspun Living Ltd	BUY	139	165	19.0
Westlife Foodworld Ltd	BUY	550	650	18.1

Trading Insights

Insight from trading volumes

Script	CMP	Total Volume (x1000)	Monthly Avg Volume(x1000)	% Change
ITC LTD	408	64,592	15,521	316.1%
GRASIM INDUSTRIES LTD	2,783	1,249	630	98.2%
HERO MOTOCORP LTD	5,539	990	528	87.3%
EICHER MOTORS LTD	6,695	759	408	85.9%
BAJAJ AUTO LTD	8,843	629	359	75.0%
ASIAN PAINTS LTD	2,906	2,550	1,524	67.3%
TATA STEEL LTD	174	39,619	27,192	45.7%

Insight from delivery

Script	CMP	Total Delivery Volume(x1000)	Monthly Avg Delivery Volume(x1000)	%Change
ASIAN PAINTS LTD	2,906	2,382	745	219.6%
INFOSYS LTD	1,503	15,675	6,511	140.8%
INDUSIND BANK LTD	848	4,523	2,251	101.0%
EICHER MOTORS LTD	6,695	486	243	100.0%
BAJAJ FINSERV LTD	2,066	1,220	619	97.1%
TATA STEEL LTD	174	22,260	12,201	82.4%
ICICI BANK LTD	1,373	14,264	9,134	56.2%

*CMP-Closing Market Price

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- Corporate Agent with Insurance Regulatory and Development Authority of India
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- Distributor for Mutual Funds with AMFI

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