

Weekly Earnings Wrap

WEEK - VI

(14th Nov'25 - 20th Nov'25)



Result Highlights of Q2FY26



UPGRADES

Company Name	Sector	Previous Reco	Current Reco
Dhanuka Agritech Ltd	Agro Chemicals	HOLD	BUY
HeidelbergCement India Ltd	Cement	SELL	HOLD
Navin Fluorine International Ltd	Chemicals	HOLD	BUY
Infosys	IT – Software	HOLD	BUY
L&T Technology Services Ltd	IT – Software	HOLD	BUY
LTIMindtree Ltd	IT – Software	HOLD	BUY
Tata Consultancy Services Ltd	IT – Software	HOLD	BUY
Gland Pharma Ltd	Pharmaceuticals	HOLD	BUY
Tata Steel Ltd	Steel	HOLD	BUY

KEY UPGRADES & DOWNGRADES - ARCHIVE Q2FY26



NO CHANGE

Company Name	Sector	Previous Reco	Current Reco
PI Industries Ltd	Agro Chemicals	HOLD	HOLD
National Aluminium Co	Aluminium	BUY	BUY
Automotive Axles Ltd	Auto Ancillaries	BUY	BUY
Endurance Technologies Ltd	Auto Ancillaries	HOLD	HOLD
Minda Corporation Ltd	Auto Ancillaries	BUY	BUY
Steel Strips Wheels Ltd	Auto Ancillaries	BUY	BUY
UNO Minda Ltd	Auto Ancillaries	HOLD	HOLD
CIE Automotive India Ltd	Auto Ancillary	BUY	BUY
Sansera Engineering Ltd	Auto Ancillary	BUY	BUY
Ashok Leyland Ltd	Automobile	BUY	BUY
Bajaj Auto Ltd	Automobile	BUY	BUY
Eicher Motors Ltd	Automobile	HOLD	HOLD
Escorts Kubota Ltd	Automobile	HOLD	HOLD
Hero MotoCorp Ltd	Automobile	BUY	BUY
Maruti Suzuki India Ltd	Automobile	BUY	BUY
TVS Motor Company Ltd	Automobile	BUY	BUY
AU Small Finance Bank Ltd	Banks	BUY	BUY
Bandhan Bank	Banks	HOLD	HOLD
City Union Bank Ltd	Banks	BUY	BUY
DCB Bank Ltd	Banks	BUY	BUY
Equitas Small Finance Bank Ltd	Banks	BUY	BUY
Federal Bank Ltd	Banks	BUY	BUY
HDFC Bank Ltd	Banks	BUY	BUY
ICICI Bank Ltd	Banks	BUY	BUY
IDFC First Bank Ltd	Banks	BUY	BUY
Kotak Mahindra Bank Ltd	Banks	BUY	BUY
State Bank of India	Banks	BUY	BUY
Ujjivan Small Finance Bank Ltd	Banks	BUY	BUY
Shriram Finance Ltd	BFSI - NBFCs	BUY	BUY
Bank of Baroda	BFSI – PSUB	BUY	BUY



NO CHANGE

Company Name	Sector	Previous Reco	Current Reco
Cera Sanitaryware Ltd.	Build Materials	BUY	BUY
Greenply Industries Ltd.	Build Materials	BUY	BUY
Prince Pipes and Fittings Ltd.	Build Materials	BUY	BUY
Pitti Engineering Ltd	Capital Goods	BUY	BUY
Kirloskar Brothers Ltd	Capital Goods	BUY	BUY
ACC Ltd	Cement	BUY	BUY
Ambuja Cements Ltd	Cement	BUY	BUY
Birla Corporation Ltd	Cement	BUY	BUY
Dalmia Bharat	Cement	BUY	BUY
J K Cements Ltd	Cement	HOLD	HOLD
Shree Cement Ltd	Cement	BUY	BUY
Star Cement Ltd	Cement	BUY	BUY
UltraTech Cement Ltd	Cement	BUY	BUY
Aarti Industries Ltd	Chemicals	BUY	BUY
Archean Chemical Industries Ltd	Chemicals	HOLD	HOLD
Camlin Fine Sciences Ltd	Chemicals	HOLD	HOLD
JK Lakshmi Cement	Chemicals	BUY	BUY
NOCIL Ltd	Chemicals	SELL	SELL
KNR Constructions	Construction & Engineering	HOLD	HOLD
Eternal Ltd	E-Commerce	HOLD	HOLD
KEC International	EPC Infrastructure	BUY	BUY
Bajaj Finance Ltd	Finance	BUY	BUY
Can Fin Homes Ltd	Finance	BUY	BUY
Cholamandalam Investment & Finance Company Ltd	Finance	BUY	BUY
CreditAccess Grameen	Finance	BUY	BUY
Manappuram Finance Ltd	Finance	HOLD	HOLD
MAS Financial Services Ltd	Finance	BUY	BUY
Nippon Life India Asset Management Ltd	Finance	BUY	BUY
SBI Cards & Payment Services Ltd	Finance	BUY	BUY
Britannia Industries Ltd	FMCG	BUY	BUY

KEY UPGRADES & DOWNGRADES - ARCHIVE Q2FY26



NO CHANGE

Company Name	Sector	Previous Reco	Current Reco
Colgate-Palmolive (India) Ltd	FMCG	BUY	BUY
Dabur India Ltd	FMCG	BUY	BUY
Hindustan Unilever Ltd	FMCG	HOLD	HOLD
Jyothy Labs Ltd	FMCG	HOLD	HOLD
Nestle India Ltd	FMCG	BUY	BUY
Varun Beverages Ltd	FMCG	BUY	BUY
Krishna Institute of Medical Sciences Ltd	Health Care	BUY	BUY
Rainbow Children's Medicare Ltd.	Health Care	BUY	BUY
Fortis Healthcare Ltd	Hospital	BUY	BUY
Global Health Ltd	Hospital	BUY	BUY
Max Healthcare Institute Ltd	Hospital	BUY	BUY
Chalet Hotels Ltd.	Hotels	BUY	BUY
Indian Hotels Company Ltd	Hotels	BUY	BUY
Juniper Hotels Ltd.	Hotels	BUY	BUY
Aptus Value Housing Finance India Ltd	Housing Finance	BUY	BUY
Gravita India Ltd	Industrial Minerals	BUY	BUY
G R Infraprojects Ltd	Infra/Cons	BUY	BUY
H. G. Infra Engineering Ltd	Infra/Cons	BUY	BUY
J.Kumar Infraprojects Ltd	Infra/Cons	BUY	BUY
PNC Infratech Ltd	Infra/Cons	HOLD	HOLD
PSP Projects Ltd	Infra/Cons	HOLD	HOLD
Ahluwalia Contracts (India) Ltd	Infra/Const	BUY	BUY
Rites Ltd	Infrastructure Developers & Operators	BUY	BUY
SBI Life Insurance Company Ltd	Insurance	BUY	BUY
Happiest Minds Technologies Ltd	IT	BUY	BUY
IndiaMART InterMESH Ltd	IT	HOLD	HOLD
Coforge Ltd	IT - Software	BUY	BUY
Cyient Ltd	IT - Software	HOLD	HOLD
HCL technologies Ltd	IT - Software	HOLD	HOLD
KPIT Technologies Ltd	IT - Software	BUY	BUY

KEY UPGRADES & DOWNGRADES - ARCHIVE Q2FY26



NO CHANGE

Company Name	Sector	Previous Reco	Current Reco
Persistent Systems Ltd	IT - Software	BUY	BUY
Tech Mahindra Ltd	IT - Software	BUY	BUY
Wipro Ltd	IT - Software	HOLD	HOLD
Zensar Technologies Ltd	IT - Software	HOLD	HOLD
Bata India Ltd	Leather	HOLD	HOLD
Relaxo Footwears Ltd	Leather	HOLD	HOLD
Hindalco Industries Ltd	Metals & Mining	BUY	BUY
JTL Industries Ltd	Metals & Mining	HOLD	HOLD
Coal India Ltd	Mining	HOLD	HOLD
Affle India	Miscellaneous	BUY	BUY
Mahanagar Gas Ltd	Oil & gas	BUY	BUY
Asian Paints Ltd	Paints/Varnish	HOLD	HOLD
Aarti Drugs Ltd	Pharmaceuticals	BUY	BUY
Aurobindo Pharma Ltd	Pharmaceuticals	BUY	BUY
Biocon Ltd	Pharmaceuticals	BUY	BUY
Cipla Ltd	Pharmaceuticals	BUY	BUY
Dr Reddy's Laboratories Ltd	Pharmaceuticals	HOLD	HOLD
HealthCare Global Enterprises Ltd	Pharmaceuticals	BUY	BUY
Lupin Ltd	Pharmaceuticals	BUY	BUY
Apcotex Industries Ltd	Plantation & Plantation Products	HOLD	HOLD
CCL Products (India) Ltd	Plantation & Plantation Products	BUY	BUY
Astral Ltd	Plastic products	BUY	BUY
Mold-Tek Packaging Ltd	Plastic products	BUY	BUY
V I P Industries Ltd	Plastic products	HOLD	HOLD
Genus Power Infrastructures Ltd.	Power Ancillaries	BUY	BUY
Skipper Ltd	Power Infrastructure	BUY	BUY
Arvind Smartspaces Ltd	Real Estate	BUY	BUY
Man Infraconstruction Ltd.	Real Estate	BUY	BUY
Oberoi-Realty-Ltd	Real Estate	HOLD	HOLD
Signatureglobal (India) Ltd.	Real Estate	BUY	BUY



NO CHANGE

Company Name	Sector	Previous Reco	Current Reco
Embassy Office Parks REIT	Real Estate Investment Trusts	BUY	BUY
Prestige Estates Projects Ltd	Realty	BUY	BUY
Aditya Birla Fashion & Retail Ltd	Retail	HOLD	HOLD
Avenue Supermarts Ltd	Retail	BUY	BUY
Ethos Ltd	Retail	BUY	BUY
Trent Ltd	Retail	BUY	BUY
V Mart Retail Ltd	Retail	BUY	BUY
Westlife Development Ltd	Retail	BUY	BUY
DOMS Industries Ltd	Stationery	BUY	BUY
APL Apollo Tubes Ltd	Steel	BUY	BUY
Steel Authority Of India Ltd	Steel	HOLD	HOLD
Bharti Airtel Ltd	Telecomm-Service	BUY	BUY
Welspun India	Textile – Home Textile	BUY	BUY
ITC Ltd	Tobacco Products	BUY	BUY
Kalpataru Projects International Ltd.	Transmission/Infrastructure	BUY	BUY
Inox Wind Ltd	Utilities	BUY	BUY
JSW Energy Ltd.	Utilities	BUY	BUY
NLC India Ltd	Utilities	BUY	BUY
NTPC Ltd	Utilities	BUY	BUY
VA Tech Wabag Ltd.	Water Supply & Management	BUY	BUY



UPGRADES

Company Name	Sector	Previous Reco	Current Reco
Tata Steel Ltd	Steel	HOLD	BUY



NO CHANGE

Company Name	Sector	Previous Reco	Current Reco
Endurance Technologies Ltd	Auto Ancillaries	HOLD	HOLD
Steel Strips Wheels Ltd	Auto Ancillaries	BUY	BUY
Sansera Engineering Ltd	Auto Ancillary	BUY	BUY
Eicher Motors Ltd	Automobile	HOLD	HOLD
Hero MotoCorp Ltd	Automobile	BUY	BUY
Archean Chemical Industries Ltd	Chemicals	HOLD	HOLD
KNR Constructions	Construction & Engineering	HOLD	HOLD
Rainbow Children's Medicare Ltd.	Health Care	BUY	BUY
Max Healthcare Institute Ltd	Hospital	BUY	BUY
H. G. Infra Engineering Ltd	Infra/Cons	BUY	BUY
PNC Infratech Ltd	Infra/Cons	HOLD	HOLD
Ahluwalia Contracts (India) Ltd	Infra/Const	BUY	BUY
Relaxo Footwears Ltd	Leather	HOLD	HOLD
HealthCare Global Enterprises Ltd	Pharmaceuticals	BUY	BUY
V I P Industries Ltd	Plastic products	HOLD	HOLD
Prestige Estates Projects Ltd	Realty	BUY	BUY
Inox Wind Ltd	Utilities	BUY	BUY



UPGRADES



Tata Steel Ltd

Strong Operational Performance in Tough Quarter

Recommendation: **BUY** | Reco Price: 177 | TP: 195 | Upside: 10%

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

Change in Estimates post Q2FY26:

FY26E/FY27E: Revenue 1%/2%; EBITDA: -10%/2%, PAT: -18%/2%

Recommendation Rationale

- Indian operations EBITDA** grew by 25%/16% YoY/QoQ, led by higher sales volume at 5.6 MT (up 9%/17% YoY/QoQ) as the KPO-II ramps up towards its rated capacity of 5 mtpa and completion of the relining of the BF-G. Adj. EBITDA/t in India stood at Rs 14,863/t, up 13% YoY (down 2% QoQ, 2% miss vs our estimate). The miss was led by a 10% QoQ rise in RM costs on higher production and higher purchases of rebars from NINL.
- Netherlands EBITDA/t expands but UK drags down overall Europe EBITDA/t** to \$8/t flat QoQ (vs. loss of \$75/t in Q2FY25). **Netherlands EBITDA/t** improved to €58/t, up from €16/42/t YoY/QoQ, driven by cost savings (Rs 1,059 Cr taken out through cost transformation program) and lower employee expenses. **UK EBITDA/t** losses expanded to a loss of £112/t (from a loss of £68/t QoQ) due to higher other expenses compounded by lower sales volume as demand outlook remained weak in the UK. **EBITDA breakeven in the UK by Q4FY26 looks improbable amidst the weak UK market without government support.**
- Cost and efficiency program showing traction:** Out of the cost reduction target of Rs 11,500 Cr for FY26, the company achieved 94% compliance and achieved Rs 5,450 Cr of cost savings in H1FY26. In Q2FY26, total cost savings under the cost transformation program stood at ~Rs 2,561 Cr, with India achieving its target with cost savings of Rs 1,036 Cr, the Netherlands at Rs 1,059 Cr, and the balance in the UK.

Sector Outlook: Cautious

Company Outlook & Guidance: Superior cost control amidst adverse macro led to an all-round beat in Q2FY26. Post the KPO-II ramp up to the rated capacity of 5 mtpa by the end of FY26, volume growth will be driven by 0.75 MTPA of EAF at Ludhiana by FY27 and 0.5 MT from the combi mill at Jamshedpur, along with some volumes from debottlenecking at Gamharia and Meramandali plant. NINL from 1.1 to 5 mtpa is the only next big expansion that is lined up for approval. It is currently at an advanced stage of engineering completion, and EC is still awaited in the next few months. Capex will be announced post-board approval, and it will have a 3.0-3.5-year execution time period. Until then, the volume growth will be slightly muted post FY26; however, the downstream product mix will improve.

Current Valuation: SoTP using 1Y Fwd EV/EBITDA for India, Europe, and Others at 7.5x (from 7.0x), 4.0x, 5.0x on Sep'27 EBITDA (from Mar'27).

Current TP: Rs 195/share (Previous TP: Rs 170/share)

Recommendation: We recommend a HOLD to BUY rating on the stock



NO CHANGE



Endurance Technologies Ltd

Robust Order Wins & Strategic Capex; Margin Upside Largely Priced In

Recommendation: HOLD | Reco Price: 2699 | TP: 2830 | Upside: 5%

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

Change in Estimates Post Q2FY26

FY26E/FY27E: Revenue: 0.7%/0.7%; EBITDA: -3.2%/0.3%; PAT: -8.5%/0.2%

Recommendation Rationale

- Strong Order book:** As of Sep'25, the company has secured total business orders worth ~Rs 4,671 Cr over the last five years, along with cumulative replacement orders of Rs 717 Cr and Rs 3,953 Cr in new orders. This includes an order backlog of Rs 1,195 Cr in the Indian EV segment, including Bajaj. In Europe, Endurance has secured €242 Mn in orders as of Sep'25, representing the cumulative value over five years. Of this, €94 Mn (41%) pertains to EV applications, while €109 Mn (45%) is for Hybrid applications.
- Strategic Capex and Expansion Initiatives:** In FY26, the company plans to incur Rs 750-800 Cr in Capex for its standalone Indian operations across all segments. This includes investment in additional land banks, capacity expansion in brake assemblies, aluminium alloy wheels, aluminium casting, and machining. In Europe, Capex is projected at €30-32 Mn in FY26 to expand production capacity to cater to new orders from customers such as Stellantis, Daimler, and the VW Group (including Porsche and Audi). Endurance's growth initiatives are expected to be largely self-funded.
- Improving Margin Trajectory:** With anticipated growth in 2W industry volumes, an increasing focus on product premiumisation, and a strategic shift towards the 4W segment, coupled with encouraging performance in the EU business despite a challenging environment, the company is expected to witness an improvement in EBITDA margins. Consolidated EBITDA margins are projected in the range of 13 -14% for FY26/27/28E.

Company Outlook: With a strong EV portfolio, healthy order book, and strategic capacity expansions, Endurance is well-positioned to capitalise on growth opportunities in the evolving auto sector.

Current Valuation: 32x FY28E EPS (Earlier Valuation: 31x FY28E EPS)

Current TP: Rs 2,830/share (Earlier TP: Rs 2,730/share)

Recommendation: We maintain our HOLD rating on the stock, as the current price largely factors in the positives.



Steel Strips Wheels Ltd

Aluminium Products & Exports to Drive Growth

Recommendation: BUY | Reco Price: 216 | TP: 265 | Upside: 23%

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

Change in Estimates Post Q2FY26

FY25E/FY26E: Revenue: -2%/0%; EBITDA: -6%/-1%; PAT: -10%/-13%.

Recommendation Rationale

- High-Margin Exports and Growth Trajectory:** The export segment, traditionally a high-margin business, faced notable challenges in H1FY26, leading to margin compression. Export revenue declined 26% YoY to Rs 111 Cr, primarily due to stringent US tariffs of 53%, which management described as leaving “no room for negotiation.” The loss of high-margin US sales caused a quarterly revenue shortfall of nearly Rs 50 Cr and an EBITDA impact of Rs 8–9 Cr (Rs 20 per wheel). To counter this, the company is diversifying towards Europe, where its contribution has increased from 32% in FY25 to 52% in H1FY26. Demand in Europe remains stable, supported by the ramp-up of aluminium wheel programs—two already launched and two more expected in Q4. However, the outlook for the US remains weak, with potential annual revenue loss of Rs 200 Cr if the situation persists. A tariff reduction to 28% (if the 25% penalty on Russian oil imports is lifted) could reopen negotiations with US customers.
- Alloy Wheel Capacity Expansion:** Alloy wheels have emerged as a key value driver, contributing 36% of total revenue in H1FY26. The company's alloy wheel capacity currently stands at 4.2 Mn units, with an expansion planned to 5.3 Mn units by FY26. Capex is focused on enhancing capability rather than expanding base capacity. Furthermore, the company is investing Rs 88-90 Cr to add 1 Mn units of flow-formed wheel capability within existing infrastructure, leveraging advanced German technology for lightweight export applications. Additionally, around Rs 30 Cr has been allocated to a new paint shop for introducing tinted wheel options, inspired by US market trends. Overall, alloy wheels account for 30–40% of the total Rs 250 Cr FY26 capex, and management is evaluating further capacity additions with clarity expected next quarter.
- Aluminium Knuckles:** A New Growth Vertical: Aluminium knuckles generated Rs 33 Cr in revenue during H1FY26, with 1,24,000 units sold in the quarter. The company plans to scale capacity to 3 to 5 Lc units in FY26, backed by Rs 130 Cr capex, tapping into the growing electric and premium vehicle segments seeking improved fuel efficiency. Plans are underway to add another 0.5 Mn units, targeting a total 1 Mn unit capacity by Sep–Oct'26, which could generate peak revenues of Rs 240–270 Cr. As volumes scale, this high-value, niche component has the potential to deliver margin expansion and create a differentiated earnings stream.

Company Outlook & Guidance: Volume growth in FY26E is expected to be driven by (1) Growth in the Tractor/OTR and CV industry, (2) An increase in export demand, and (3) Expectations of an increased order in Aluminium products.

Current Valuation: 15.5x PE multiple on FY28E EPS (Unchanged)

Current TP: Rs 265/share (Unchanged)

Recommendation: We maintain our BUY rating on the stock.



Sansera Engineering Ltd

ADS Growth Momentum and Capacity Expansion to Drive Visibility

Recommendation: **BUY** | Reco Price: 1555 | TP: 1775 | Upside: 14%

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

Change in Estimates Post Q2FY26

FY26E/FY27E: Revenue: 0.9%/1.8%; EBITDA: 0.9%/1.8%; PAT: 1.4%/2.6%.

Recommendation Rationale

- ADS Segment Demonstrates Strong Momentum and Visibility:** Sansera's Aerospace, Defence and Semiconductor (ADS) segment continues to exhibit strong performance, reaffirming its position as a key growth engine for the company. Revenue stood at Rs 49.6 Cr in Q2FY26, taking H1FY26 sales to Rs 86.4 Cr, with management maintaining its full-year guidance of ~Rs 300 Cr, supported by consistent QoQ growth visibility. Segment margins remain significantly above the company average, estimated at 25–30%, and are currently trending toward the higher end of the range. The ADS business holds a robust cumulative order backlog exceeding Rs 3,950 Cr (lifetime value through FY30), ensuring strong multi-year revenue visibility. To support this growth trajectory, the company is augmenting capacity with a new 70,000 sq. ft. facility around two-thirds the size of the existing plant, expected to be operational by H1FY27. Within verticals, Sansera continues to deepen its presence in aerospace through complex machining solutions for Tier 1 and Tier 2 customers such as Boeing and Airbus, while the semiconductor segment, backed by a state-of-the-art Class 1000 cleanroom, offers meaningful scaling potential. The defence business remains in its early stages, with a disciplined and selective approach toward customer acquisition.
- Diversified Orderbook:** Sansera's order book stands at Rs 2,146 Cr in peak annual revenue potential, well-diversified across ADS (24%), xEV (7%), tech-agnostic auto components (10%), ICE PV+CV (31%), and two-wheelers (17%). In H1FY26, the company secured new orders worth Rs 1,168 Cr, demonstrating its strong execution capabilities and resilience amid challenging market conditions. Key order wins included xEV programs from North American OEMs, new business from an American tractor OEM, and incremental orders from Collins Aerospace. This healthy order inflow enhances medium-term revenue visibility and further strengthens Sansera's position in premium, high-value segments expected to drive sustained margin accretion.
- EBITDA Margins:** The company reported an EBITDA margin of 17.3% in Q2FY26, supported by strong scale-up in Sweden operations (79% YoY revenue growth), improved raw material yields, and a higher contribution from the ADS segment. Continued efforts toward manpower optimisation and enhanced capacity utilisation also contributed positively to profitability. The impact of US tariffs has been largely passed on to customers, thereby mitigating margin pressures and limiting downside risks.

Sector Outlook: **Positive**

Company Outlook & Guidance: The company is driving manufacturing growth and strengthening its position as a key exporter, creating more opportunities within the auto component sector. It has visible growth in xEV, Tech Agnostic, and Non-Auto products, supported by a strong order book and an increasing contribution to overall sales.

Current Valuation: 30x PE FY28E EPS (Earlier 27x on FY27E EPS).

Current TP: Rs 1,775/share (Earlier TP: Rs 1,720/share).

Recommendation: We maintain our BUY rating on the stock.



Eicher Motors Ltd

Focus on Volume Growth & Overall EBITDA Improvement

Recommendation: **HOLD** | Reco Price: 6830 | TP: 6785 | Upside: -1%

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

Change in Estimates post Q2FY26

FY26E/FY27E: Revenue: 8.0%/10.9%; EBITDA: 10.1%/13.0%; PAT: 5.4%/11.2%

Recommendation Rationale

- Volume Over Margins Strategy:** Management is focused on growing overall EBITDA rather than preserving margins as a strategy to counter rising competition. Standalone EBITDA grew by 32.9% YoY despite a strong 43% volume growth, reflecting higher promotional spending, a product mix shift towards lower ASP variants, and competitive pricing. We estimate an EBITDA CAGR of 12–13% over FY25–28E, which lags historical performance and consensus expectations.
- Product Refresh Cycle Sustains Domestic Momentum:** Royal Enfield reported 45% YoY volume growth in Q2FY26, driven by successful variant introductions across its core models—Classic, Bullet, and Hunter. The refreshed Battalion Black, Classic 650, Classic 350, and Hunter 350 have witnessed strong initial traction. The company also plans a measured entry into the EV segment with the upcoming Flying Flea series (C6 and S6), expected to launch in early CY26, reflecting a calibrated approach to electrification.
- Exports Strengthened by Market Penetration and Local Assembly:** International volumes surged 49% YoY to 78,548 units in H1FY26, underscoring strong export momentum. Brazil remains a key growth driver with the second CKD unit now operational, while SAARC markets, notably Nepal and Bangladesh, continue to show robust demand. However, sentiment remains subdued in ASEAN markets, particularly Thailand. Management reiterated its strategic focus on strengthening its presence in existing high-potential markets rather than pursuing aggressive geographic diversification.

Sector Outlook: **Positive**

Company Outlook & Guidance: Management remains focused on driving volume growth in the domestic market through new product launches and refreshes while aiming to gain market share. The company remains cautiously optimistic about exports.

Current Valuation: We value RE's standalone business at 28x FY28E EPS (earlier 26x on FY28E EPS) and VECV at 10x EV/EBITDA on FY28E EBITDA (Unchanged).

Current TP: Rs 6,785/share (earlier Rs 5,635/share)

Recommendation: We recommend a **HOLD** rating on the stock.



Hero MotoCorp Ltd

EV Launches, Global Push & Margin Stability to Drive Growth

Recommendation: **BUY** | Reco Price: 5530 | TP: 6245 | Upside: 13%

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.



Archean Chemical Industries Ltd

Adverse Weather Delays Recovery; Maintain HOLD

Recommendation: **HOLD** | Reco Price: 592 | TP: 600 | Upside: 1%

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

Changes in Estimates Post Q2FY26

FY26E/FY27E: Revenue: -18%/-19%; EBITDA: -31%/-31%; PAT: -37%/-36%

Recommendation Rationale

- Adverse Weather and Macro Headwinds Impacting Recovery:** The company continued to face challenges driven by persistent macroeconomic pressures, supply chain disruptions and geopolitical uncertainties. While the demand and pricing remained robust for Bromine, technical difficulties led to lower volumes. Similarly, industrial salt volumes were impacted by the extended monsoon, which impacted recovery and transportation.
- Contributions from Other Businesses Awaited:** Archean has completed pilot trials in the Sulphate of Potash (SoP). However, it contributed a meagre Rs 14 Lc to the revenue during Q2. On the bromine derivatives front, the utilisation remained low at around 30-35% levels as the company awaits more customer approvals. Similarly, in the case of Oren Hydrocarbons (renamed as Idealis Chemicals), the regulatory approvals are taking longer than expected, leading to deferral of revenue contributions. It now expects meaningful revenue ramp-up from these businesses in FY27.
- Strategic Initiatives to Drive Long-term Growth:** The company is expected to see robust revenue growth starting from FY27 as capacity utilisation and pricing improve. Additionally, it has made strategic investments in the semiconductor and battery-storage space, which are expected to support long-term growth with superior margins.

Sector Outlook: Neutral

Company Outlook & Guidance: The company is expected to continue witnessing industry-level headwinds in the near term. While the volumes during the quarter were impacted by adverse weather, the management expressed confidence in achieving bromine and salt volumes closer to the earlier guided range for the full year. It also expects hurdles related to Idealis Chemicals and SoP business to get sorted over the next two quarters, with meaningful contributions in FY27. The semiconductor plant in Orissa is expected to take around 30 months for completion.

Current Valuation: 13x Sep'27E (Earlier Valuation: 10x FY27E)

Current TP: Rs 600/share (Earlier TP: Rs 615/share)

Recommendation: We maintain our HOLD rating on the stock.



KNR Constructions

Result Below Expectations; Maintain HOLD

Recommendation: **HOLD** | Reco Price: 170 | TP: 155 | Upside: -9%

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

Change in Estimates post Q2FY26

FY26E/FY27E: Revenue: -6%/-10%; EBITDA:-12%/-12%; PAT: -15%/-15%

Recommendation Rationale

- **Order Book:** The company's order book stood at Rs 8,215 Cr as of 30th Sep'25, providing 12–18 months of revenue visibility. While the current order book size poses a potential risk to near-term revenue growth, management expects additional order inflows of Rs 8,000–10,000 Cr in FY26, which should help sustain a healthy execution pipeline and support growth momentum.
- **Revision in Revenue & EBITDA Guidance:** For FY26, management has guided revenue in the range of Rs 2,000–2,100 Cr, citing a lower executable order book, with EBITDA margins expected at 13–14%. Accordingly, we revise our revenue and EBITDA estimates downward by 6%/12% for FY26 and 10%/12% for FY27, respectively.
- **Strong Bidding Pipeline:** Management highlighted a strong and diversified bidding pipeline, including Rs 4,000 Cr worth of projects in Tamil Nadu, Rs 2,200 Cr from MSRDC, Rs 2,000 Cr in Andhra Pradesh, and Rs 700 Cr for a major flyover in Hyderabad, along with works under the Musi Riverfront development. The company is also pursuing opportunities from NHA's Rs 3.5 Lc Cr roads and highways program and upcoming irrigation sector projects, positioning it well for sustained order inflows.

Sector Outlook: Cautiously Optimistic

Company Outlook & Guidance: For FY26, the company anticipates revenue of Rs 2,000–2,100 Cr, with EBITDA margins expected to be in the range of 13–14% in H2FY26. The company expects a slowdown in the awarding of road projects but anticipates the pace to pick up in Q4FY26.

Current Valuation: 14x FY27 EPS (Earlier Valuation: 15x FY26 EPS) and HAM assets at 1.2x book value.

Current TP: Rs 155/share (Earlier TP: Rs 185/share)

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

Alternative BUY Ideas from our Sector Coverage

J Kumar Infraprojects (TP- 775 /share); GR Infraprojects (TP- 1420 /share), HG Infra (TP-1255/Share)



Rainbow Children's Medicare Ltd.

Steady Performance, Lower Seasonality; Maintain BUY!

Recommendation: BUY | Reco Price: 1342 | TP: 1625 | Upside: 21%

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.



Max Healthcare Institute Ltd

Robust Performance Led by Occupancies

Recommendation: **BUY** | Reco Price: 1122 | TP: 1425 | Upside: 27%

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

Changes in Estimates post Q2FY26

FY26E/FY27E: Revenue: 0.9%/0.7%; EBITDA Abs: 2.5%/1.1%; PAT: 2.9%/1.6%

Recommendation Rationale

- Strong Revenue Growth:** Max Healthcare reported net revenue of Rs 2,580 Cr, registering 21.4% YoY and 5% QoQ growth, broadly in line with expectations. The performance was supported by steady ARPOB, stable occupancy, and the addition of new beds, which together drove a 19% increase in occupied bed days. International patient revenue rose 25% YoY and now contributes 9% to overall revenue. Existing units delivered a strong 14% like-for-like revenue growth, reflecting sustained operational momentum across the network.
- Stable ARPOB and Improved Occupancy:** ARPOB stood at Rs 77,300, flat YoY (with existing units delivering 3% YoY growth), while overall occupancy improved to 77% with a 19% increase in occupied bed days, and mature hospitals reported 79% occupancy. IP and OP volumes grew 22.5% and 27%, respectively.
- EBITDA Margins and Profitability:** EBITDA margins expanded by 55 bps YoY to 26.2% and by 218 bps QoQ. EBITDA grew 24% YoY and 14.4% QoQ, while existing units delivered 19% like-for-like EBITDA growth. Reported PAT came in at Rs 473 Cr (+26% YoY), supported by a Rs 149 Cr favourable tax impact arising from the merger of CRL and JHL. Adjusted PAT stood at Rs 406 Cr.
- Expansion-Focused Growth with Prudent Leverage:** Max Healthcare's aggressive yet capital-efficient brownfield expansion strategy supports a strong multi-year growth trajectory. The company plans to scale its bed capacity from approximately 5,000 in FY25 to 9,000–9,500 by 2028, with key brownfield additions—Nanavati Max (268 beds), Max Smart Saket (400 beds), and Max Mohali (160 beds)—either recently commissioned or coming onstream shortly. Additional projects in Lucknow and Gurgaon further strengthen the pipeline. Brownfield assets typically ramp up faster, achieve quicker EBITDA breakeven, and enhance earnings visibility. Despite deploying Rs 456 Cr toward capex in Q2, net debt remains comfortable at Rs 2,067 Cr, translating to a Net Debt/EBITDA of around 0.79x. Strong internal accruals and disciplined capital deployment are expected to keep leverage below 1x through the expansion cycle, supporting sustained growth and value creation.

Sector Outlook: **Positive**

Company Outlook & Guidance: Management reiterated guidance of 6–7% ARPOB growth in mature hospitals, supported by higher case complexity and an improving clinical mix, alongside sustained occupancy of around 80%. Developing hospitals are expected to ramp up gradually, driving incremental occupancy and revenue growth. The company remains focused on scaling oncology and international patient businesses while maintaining strong return ratios. The recent CGHS rate revision is expected to generate a revenue uplift of over Rs 200 Cr once fully implemented across CGHS and CGHS-linked schemes such as ECHS. Management indicated that 85–90% of this incremental revenue is likely to flow through to EBITDA, as the cost base for servicing these patients is already largely established. The full benefit, particularly from the newly introduced “super-specialty hospital” category, is expected to materialise from FY27 onward.

Current Valuation: EV/EBITDA 35x for H1FY28E EBITDA (Earlier: EV/EBITDA 35x H1FY28E)

Current TP: Rs 1,425/share (Earlier TP: Rs 1,450/share)

Recommendation: **BUY**



H. G. Infra Engineering Ltd

Slower Execution & Provisions Impact Performance

Recommendation: **BUY** | Reco Price: 890 | TP: 1255 | Upside: 41%

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

Change in Estimates post Q2FY26 (Abs.)

FY26E/FY27E: Revenue: -5%/-5%; EBITDA:-7%/-11%; PAT: -8%/-15%

Recommendation Rationale

- Healthy Order Book:** The company's order book stood at a robust Rs 13,933 Cr as of Sep'25, providing strong revenue visibility over the medium term. The order mix remains well diversified, with Roads and Highways contributing 66%, Railways 20%, Battery projects 12%, and Solar 3%. Within the road segment, 36% of the orders are from EPC projects and 30% from HAM projects. Backed by this strong order pipeline and healthy execution, HGIEL is expected to deliver revenue growth of 12% CAGR over FY25–27E.
- Revision in Projected Revenue & EBITDA:** During Q2FY26, project execution was impacted by delays in project awards and uncertainties related to land acquisition, leading to a temporary slowdown in progress. These challenges affected overall execution sentiment, prompting a downward revision in revenue and EBITDA estimates by 5%/7% for FY26 and by 5%/11% for FY27.
- Higher Provisioning a Drag on Margin:** Margins contracted by 370 bps YoY in Q2FY26, primarily due to slower execution and project-specific provisions. Some projects were affected by changes in law, where initial clarity was limited. In particular, the Ganga Expressway (Adani) project faced a royalty revision, for which the company is eligible to recover the variation from the client, subject to approval. However, this process may take time. A correction of Rs 35 Cr was recognised in this project, resulting in an EBITDA margin adjustment. Cumulatively, Rs 78 Cr has been provided against the change in law.

Sector Outlook: Cautiously optimistic

Company Outlook & Guidance: The company has guided for an order inflow of Rs 11,000 Cr and expects revenue of Rs 6,500 Cr with an EBITDA margin of 14%-15% in H2FY26.

Current Valuation: 9x FY27E EPS (Earlier Valuation: 10x FY27E EPS) and HAM/Solar assets/Battery storage 1.2x/1x/1x book value, respectively.

Current TP: Rs 1,255/share (Earlier TP: Rs 1,480/share)

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



PNC Infratech Ltd

Cut Esitmates On Revised Guidance; Maintain HOLD

Recommendation: **HOLD** | Reco Price: 278 | TP: 290 | Upside: 4%

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

Revision in Estimates post Q2FY26

FY26E/FY27E: Revenue: -7%/ -7%; EBITDA: -5%/ -7%; PAT: -2%/ -9%

Recommendation Rationale

- Robust & Diversified Order Book As of 30th Sep, 2025:** PNCIL's order book stood at Rs 20,100 Cr, over 3.1x FY25 revenue, ensuring visibility for the next 2–2.5 years. In line with its diversification strategy, the company is broadening its bidding focus beyond roads to other sectors, aimed at reducing sectoral dependence and building a more resilient revenue base. We expect PNCIL to deliver a revenue CAGR of 12% over FY25–27E.
- Slow Execution Impacts Q2 Performance:** Four projects worth Rs 4,000 Cr are pending appointed dates due to delays in land acquisition. The prolonged land acquisition process has hindered timely commencement. Additionally, projects awarded in FY25 are still at an early execution stage, thereby impacting revenue recognition. Collectively, these factors weighed on Q2 performance.
- Revision in Revenue guidance:** The management has revised its FY26 revenue growth guidance to 5%, compared to the earlier target of 15%-20%, primarily due to slower execution caused by delays in receiving appointed dates (AD). For FY27, management expects a similar growth trajectory, supported by revenue contribution from mining projects and the receipt of pending ADs for four HAM projects. Based on these factors, we also revise our estimates downwards.

Sector Outlook: Cautiously Optimistic

Company Outlook & Guidance: For FY26, management expects revenue growth to be 5% revised from the earlier guidance of 15%-20% growth. EBITDA margins to be 13% and order inflow of Rs 10000-12,000 Cr. For FY27 management expects revenue growth of 20% plus as AD for 3 HAM projects have been received

Current Valuation: 9x FY27 EPS (Earlier Valuation: 9x FY27 EPS) and HAM assets 1.3x book value

Current TP: Rs 290 /share (Earlier TP: Rs 310/share)

Recommendation: We maintain our **HOLD** rating on the stock



Ahluwalia Contracts (India) Ltd

Robust Operating Performance Delivered; Maintain BUY

Recommendation: BUY | Reco Price: 982 | TP: 1085 | Upside: 10%

Est. vs. Actual for Q2FY26: Revenue – **BEAT**; EBITDA Margin – **BEAT** ; PAT – **BEAT**

Change in Estimates post Q2FY26

FY26E/FY27E: Revenue: 1%/1%; EBITDA: 3%/1%; PAT: 3%/3%

Recommendation Rationale

- Robust Order Book to Drive Growth:** The company has an order book of Rs 18,057 Cr (as of 30th September, 2025) and a YTD order inflow of Rs 4,374 Cr. The order book is primarily composed of Hospital at 9% (Rs 1,619 Cr), Commercial at 20.6% (Rs 3,711 Cr), Institutional at 3.7% (Rs 661 Cr), Residential at 43.8% (Rs 7,918 Cr), Infrastructure at 22% (Rs 3,997 Cr), and Hotel at 0.7% (Rs 150 Cr). By geography, East constitutes 15%, North 50%, West 30%, South 4%, and Overseas 1%. The robust order book provides revenue visibility for the next 2–2.5 years. Hence, ACIL is expected to deliver a strong revenue growth of 19% CAGR over FY25–FY27E and is likely to post improved margins with better execution.
- Strong Order Inflow:** The company reported YTD order inflows of Rs 4,374 Cr and holds L1 status in 2 projects worth Rs 1,620 Cr. For FY26, management has guided for order inflows of over Rs 8,000 Cr. The bidding pipeline stood at Rs 6,000 Cr for the private segment. It aims to keep 50–60% of its order book weighted toward private sector projects, reflecting its strategic focus on private capex, where it sees stronger visibility and more scalable opportunities.
- Improvement in EBITDA Margins:** During Q2FY26, the company reported a sharp improvement in EBITDA margins to 10.9% from 7.3% in the previous year on the back of better execution. With a large executable order book and better operating conditions in H2FY26, margins are expected to sustain, especially with the pickup of the CST project in Mumbai and other large projects. Double-digit margins are expected from H2FY26. We forecast EBITDA and PAT to grow at a 35% and 34% CAGR, respectively, over FY25–27E.

Sector Outlook: **Positive**

Company Outlook & Guidance: For FY26, revenue growth of 15-20% is expected with double-digit EBITDA margins.

Current Valuation: 20x FY27E EPS (Earlier Valuation: 20x FY27E EPS).

Current TP: Rs 1,085/share (Earlier TP: Rs 1,050/share)

Recommendation: We maintain our **BUY** rating on the stock



Relaxo Footwears Ltd

Soft Quarter, Steady Recovery Expected; Maintain HOLD

Recommendation: HOLD | Reco Price: 427 | TP: 450 | Upside: 5%

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.**



HealthCare Global Enterprises Ltd

Steady Performance with a Focus on Profitability

Recommendation: **BUY** | Reco Price: 752 | TP: 850 | Upside: 13%

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

Changes in Estimates Post Q2FY26

FY26E/FY27E: Revenue: 0.0%/0.0%; EBITDA: 0.0%/0.0%; PAT: 0.0%/0.0%

Recommendation Rationale:

- **Inline Revenue Performance:** HCG delivered revenue broadly in line with expectations, growing 16.9% YoY, supported by healthy performance across all centres. Emerging centres grew 18.3% YoY, while established centres reported 17.5% YoY growth.
- **Record Margin Performance:** The company reported its highest-ever EBITDA margin at 19.1%, an expansion of 59 bps YoY and 148 bps QoQ. EBITDA stood at Rs 123 Cr, up 20.6% YoY and 14.4% QoQ, reflecting strong operational leverage. PAT, at Rs 21 Cr, remained flat YoY, but came ahead of expectations due to the absence of tax expense.
- **Occupancy Driving Growth:** Overall occupancy improved to 70.3% (up 470 bps YoY and 320 bps QoQ), while ARPOB remained stable at Rs 44,355 but was down 2% YoY.

Sector Outlook: **Positive**

Company Outlook & Guidance: The cancer industry is growing at a CAGR of 17%, and HCG is outpacing this growth. The company plans to add 900 incremental beds over the next 4 to 5 years to capitalise on emerging opportunities. Several margin improvement levers are in place, as most emerging centres have matured with margins exceeding 20%. HCG has strengthened its infrastructure and expanded its network through acquisitions and new investments, positioning itself for long-term growth and enhanced patient outcomes. The recent entry of new investors such as KKR, replacing CVC, signals confidence in the company's strategic vision and growth prospects.

Current Valuation: EV/EBITDA 19x for H1FY28E (Earlier Valuation: 17x FY27E)

Current TP: Rs 850/share (Earlier TP: Rs 680/share)

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



VIP Industries Ltd

Weak Quarter, Near-Term Challenges Drag Profitability

Recommendation: **HOLD** | Reco Price: 398 | TP: 415 | Upside: 4%

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 Sep'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.



Prestige Estates Projects Ltd

Q2FY26: Robust Quarter; On Path to Surpass Guidance

Recommendation: **BUY** | Reco Price: 1752 | TP: 2000 | Upside: 14%

Recommendation Rationale

- Quarterly Performance:** Prestige reported pre-sales of Rs 6,017 Cr for the quarter (PG's share Rs 5,081 Cr), registering a 26% YoY growth. Collections stood at Rs 4,213 Cr, in line with expectations and management guidance. During Q2FY26, the company launched 3.87 Mn sq. ft. across four projects, including NCR Mayflower at Prestige City. The total GDV of launched projects stood at approximately Rs 17,590 Cr for H1FY26, with NCR contributing 24%, Bengaluru 48%, and Mumbai 28%. Key sales contributors included TPC Indirapuram, Prestige Nautilus, and Prestige Southern Star Phase 1. The company has guided for a launch pipeline of GDV Rs 43,000 Cr and pre-sales of Rs 27,000 Cr for FY26; however, we expect it to surpass this guidance. Having achieved 67% of its annual target, the company is back on track with its growth trajectory.
- Annuity Gains Positive Traction:** The company reported healthy occupancy levels of around 93% in its office segment across 2.3 Mn sq. ft. and a strong 99% in its retail portfolio, generating GTO of Rs 623 Cr. Exit rentals for the commercial and retail portfolios stood at Rs 525 Cr and Rs 275 Cr, respectively. The upcoming development pipeline includes 14 Mn sq. ft. of commercial and 10 Mn sq. ft. of retail space, with an annuity capex of approximately Rs 15,000 Cr. Prestige expects exit rentals to rise from the current Rs 1,091 Cr to around Rs 4,900 Cr by FY30E. In BKC, the company has pre-leased 1.6 Mn sq. ft., which is expected to be operational by FY26, while the Mahalaxmi project is expected to commence operations by FY28.
- Resilient Cashflows leading to Healthy BD:** The company added projects worth approximately Rs 12,600 Cr in GDV across five projects during the quarter, taking the total H1FY26 GDV additions to Rs 12,600 Cr. It has budgeted operating cash flows of Rs 7,500–8,000 Cr for FY26, of which around Rs 4,000 Cr is allocated for BD and the remainder for capex. Free cash flows from residential (ongoing and upcoming) projects, net of spends, stand at around Rs 22,000 Cr, while the balance capex required for annuity assets is approximately Rs 10,800 Cr, providing substantial headroom for further BD and acquisitions. Net debt stands at Rs 7,320 Cr, with a net debt-to-equity ratio of 0.45x, which is expected to remain below 0.5x going forward.

Sector Outlook: Positive

Company Outlook & Guidance: Prestige Estates continues to demonstrate a strong growth trajectory, underpinned by sustained demand across key residential markets and steady expansion in its annuity portfolio. Backed by healthy launch momentum and robust collections, the company remains well-positioned to exceed its FY26 pre-sales guidance of Rs 27,000 Cr and the planned launch pipeline of Rs 43,000 Cr GDV. Management anticipates sustained traction in both mid-income and luxury housing segments, while upcoming launches in NCR and Mumbai are expected to further diversify the growth base. On the annuity front, near-term completions in BKC and Mahalaxmi, along with a robust 24 mn sq. ft. development pipeline, will significantly enhance rental income over the next few years. Strong operating cash flows and disciplined capital allocation are expected to keep the net debt-to-equity ratio comfortably below 0.5x, providing ample flexibility for future growth.

Current Valuation: DCF-based valuation

Current TP: Rs 2,000/share (Earlier TP: Rs 2,000/share).

Recommendation: With a 14% upside from the CMP, we maintain our long-term BUY rating on the stock.



Inox Wind Ltd

Q2 Largely In Line with Consensus; H2FY26 Execution Under Focus

Recommendation: **BUY** | Reco Price: 149 | TP: 190 | Upside: 28%

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 at 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.

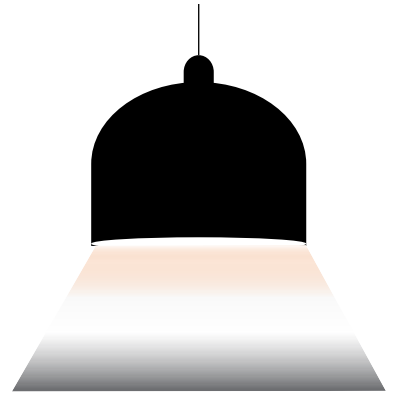
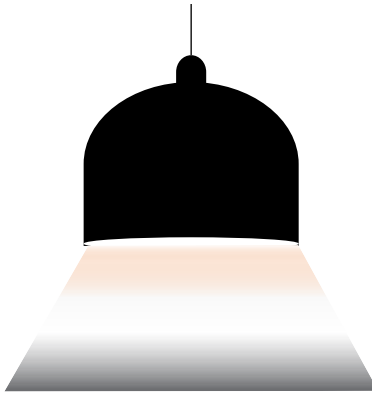
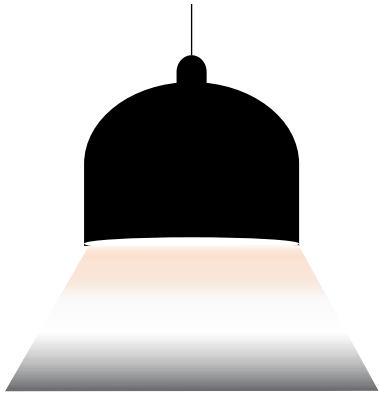
Sector Outlook: Positive

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.



Earnings Wrap Archive – Q2FY26

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